

**ORIGINAL
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**In The Matter Of The
Interconnection Agreement
Negotiations Between AT&T
And BellSouth Pursuant To
47 U.S.C. §252**

**AT&T'S DOCUMENTS
SUBMITTED UNDER THE
TELECOMMUNICATIONS
ACT OF 1996**

VOLUME XII

TAB 291

JULY 17, 1996

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of the)
Interconnection Agreement)
Negotiations Between AT&T)
COMMUNICATIONS OF THE)
SOUTHERN STATES, INC. and)
BELLSOUTH)
TELECOMMUNICATIONS, INC.,)
Pursuant to 47 U.S.C. Section 252)
_____)

DOCKET NO. _____

PETITION BY AT&T FOR
ARBITRATION UNDER THE
TELECOMMUNICATIONS ACT
OF 1996

**INDEX TO AT&T'S DOCUMENTS SUBMITTED
PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996***

* Documents indexed at Tabs 346 through 435 are not included herein because they have been designated by BellSouth as containing information that is proprietary and confidential to BellSouth. Documents indexed at Tabs 292 through 345 are being submitted in a separate volume because these documents contain information that is proprietary and confidential to AT&T. See AT&T's Stipulated Protective Order, filed today.

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	310	3/22/96	Unbundled Network Elements Local Platform	200486
	311	3/27/96	Local Account Maintenance	200518
	312	3/27/96	Local Account Maintenance Negotiations AID	200533
	313	3/27/96	AT&T Communications Inc. Local Network Elements	200564
XV	314	3/28/96	Local Operator Services Tactical Plan	200602
	315	3/28/96	AT&T Communications Inc. Total Services Resale	200683
	316	3/28/96	AT&T Communications Inc. Unbundled Loop Combination	200705
	317	4/2/96	Letter from J. Bradbury to S. Lavett	200734
	318	4/4/96	AT&T Unbundled Loop Combination and Interconnection	200735
	319	4/10/96	Memo from J. Bradbury to S. Lavett	200791
	320	4/10/96	Memo from J. Bradbury to S. Lavett	200803
	321	4/16/96	AT&T Communications Inc. Total Services Resale Planning Document	200805
	322	4/16/96	AT&T Communications Inc. Local Network Elements	200828
	323	4/16/96	AT&T Communications Inc. Unbundled Loop Combination and Interconnection	200866
	324	4/29/96	Letter from M. Fawzi to S. Lavett	200895
	325	5/1/96	Total Services Resale Status Document	200897
	326	5/1/96	Total Services Resale Interface Related	200912

XVI	327	5/23/96	Memo from P. Foster to S. Lavett	200928
	328	5/27/96	Local Account Maintenance Negotiations	200937
	329	5/28/96	Unbundled Network Elements Forecast Team	200962
	330	5/31/96	Letter from K. Taber to S. Lavett	200999
	331	6/5/96	Letter from J. Carroll to C. Coe	201011
	332	6/20/96	Letter from S. Ray to S. Lavett	201018
	333	6/21/96	Letter from J. Carroll to C. Coe	201078
	334	6/21/96	Total Services Resale Box Score	201095
	335	6/25/96	Customer Experience Documentation	201112
	336	6/27/96	Memo from P. Nelson to Executive Team	201121
	337	3/27/96	AT&T Communications Inc. Local Network Elements	300040
	338	3/28/96	AT&T Communications Inc. Total Service Resale	300078
	339	3/00/96	Local Resale Data Transfer Requirements	300123
	340	3/28/96	AT&T Communications Inc. Unbundled Loop Combination	300156
	341	3/27/96	Local Account Maintenance	300184
	342	Undated	Proposed Recovery of Costs Incurred by BellSouth	300530
	343	Undated	BellSouth - AT&T Negotiations Operations Costs Issues	300531
	344	7/3/96	AT&T - BellSouth Negotiation Core Team Issues	300542
	345	7/3/96	AT&T - BellSouth Negotiation Core Team Issues	300558
	346	Undated	Subloop Unbundling Proposal Summary	900001
	347	9/13/95	Proposed GA Billing Arrangements	900003
	348	9/19/95	Proposed Billing Arrangements	900072
	349	10/29/95	Total Service Resale Planning Matrix	900141
	350	11/17/95	Total Service Resale	900149
	351	12/4/95	Memo from Q. Sanders to B. West, et al.	900192
	352	12/8/95	Total Service Resale	900209
	353	12/19/95	Service & Service Ordering	900274
	354	12/19/95	Common Issues	900333
	355	1/22/96	Requirement Status/Agree	900339
	356	1/22/96	Provisioning, Maintenance & Repair	900415

357	1/30/96	Fax from M. Imperato to K. Taber	900499
358	2/7/96	Total Service Resale	900521
359	3/25/96	Fax from G. Calhoun to J. Bradbury	900588
360	3/28/96	Fax from S. Lavett to P. Nelson	900593
361	4/00/96	Tennessee Cost Analysis	900595
362	4/00/96	North Carolina Cost Analysis	900799
363	4/00/96	Florida Cost Analysis	901006
364	4/00/96	Georgia Cost Analysis	901236
365	4/2/96	Total Service Resale	901476
366	4/2/96	Total Service Resale - Complete	901525
367	4/2/96	Service & Service Ordering Package	901611
368	3/28/96	Draft Summary	901651
369	4/3/96	Fax from M. Cathey to N. Brown	901655
370	4/2/96	Data Transfer Conference Call	901657
371	4/11/96	Entire Document - Resale	901666
372	4/11/96	Fax from S. Lavett to Sue Ray	901786
373	4/11/96	Fax from M. Cathey to N. Brown	901791
374	4/17/96	BellSouth TSR 4/17/96 Status Report	901803
375	4/17/96	Fax from J. Brinkley to N. Brown	901908
376	4/22/96	Handout from RSAG demo	901922
377	4/22/96	SME Escalation Form	901924
378	4/22/96	SME Escalation Form	901926
379	4/23/96	Resale/Agree	901932
380	4/29/96	Fax from C. Braun to S. Ray	901968
381	4/29/96	Resale/Agree	901976
382	4/29/96	Resale/Obtainable -Pending-Escalated	902013
383	4/29/96	Unbundled/All	902050
384	4/29/96	OLEC-to-BellSouth Ordering Guidelines - Resale	902161
385	Undated	BAPCO Services	902217
386	4/30/96	Resale/Status-None	902258

387	5/7/96	SME Escalation Form	902275
388	5/7/96	Fax from S. Lavett to P. Nelson	902276
389	5/14/96	Unbundled/All	902282
390	5/20/96	Letter from V. Atherton to R. Oakes	902395
391	5/22/96	Executive Team Meeting Notes	902397
392	5/21/96	Switched Local Transport Cost Summaries	902399
393	5/21/96	LTR Studies FL & LA	902810
394	5/21/96	Supplemental Response to Initial AT&T Request Question #5	903042
395	5/24/96	BellSouth's Response to Ellison's Supplemental Data Request of 4/24/96	903625
396	5/24/96	BellSouth Response to Ellison's Supplemental Data Request of 4/26/96	903471
397	5/24/96	Resale/All	903640
398	5/24/96	Resale/Agree	903738
399	5/24/96	Resale/Obtainable -Pending - Escalated	903755
400	6/18/96	Resale/Status - None	903817
401	5/24/96	Revised Routing Policy	903822
402	5/28/95	Letter from V. Atherton to R. Oakes	903823
403	5/28/96	Letter from S. Lavett to P. Nelson	903836
404	5/30/96	Letter from Pam to D. Hassebrock, et al.	903831
405	6/4/96	Fax from B. Warren to K. Tabor	903840
406	6/11/96	Letter from V. Atherton from R. Oakes	903844
407	6/11/96	Letter form V. Atherton from R. Oakes	903847
408	6/11/96	BellSouth Response to AT&T 1st Request, Item 1	903851
409	Undated	BellSouth Response to AT&T 1st Request, Item 1	904130
410	Undated	BellSouth Response to AT&T 1st Request, Item 1	904912
411	Undated	BellSouth Response to AT&T 1st Request, Item 1	905116
412	Undated	BellSouth Response to AT&T 1st Request, Item 1	905230
413	Undated	BellSouth Response to AT&T 1st Request, Item 1	905279
414	Undated	BellSouth Response to AT&T 1st Request, Item 1	905282
415	Undated	BellSouth Response to AT&T 1st Request, Item 1	905285
416	Undated	BellSouth Response to Florida Studies Provided In Response to PSC Order	905680

	417	6/14/96	Fax from K. Milner to P. Nelson	905956
	418	6/18/96	Resale/All	905971
	419	6/18/96	Resale/Obtainable-Pending-Escalated	906020
	420	6/18/96	Resale/Agree	906050
	421	6/19/96	Issue Data submitted by C. Weekley re. Response Letter	906072
	422	6/22/96	Letter from R. Barretto to C. Taber	906082
	423	6/30/96	Resale/All	906127
	424	7/1/96	Notes from D. Lee	906234
	425	Undated	Issue Data BellSouth Position	906306
	426	3/28/96	AT&T/BST Local Interconnection Negotiations	300034
	427	4/2/96	AT&T/BST Local Interconnection Negotiations	300273
	428	4/9/96	AT&T/BST Local Interconnection Negotiations	300313
	429	4/17/96	AT&T/BST Local Interconnection Negotiations	300327
	430	Undated	Timelines to Document Agreement	300345
	431	4/22/96	AT&T/BST Local Interconnection Negotiations	300363
	432	Undated	AT&T/BST Local Interconnection Negotiations	300368
	433	5/1/96	AT&T/BST Local Interconnection Negotiations	300371
	434	5/1/96	AT&T/BST Local Interconnection Negotiations	300372
	435	Undated	BellSouth Tennessee Resale Study	300450
XVII	436	5/30/96	Florida Cost Study	700000
XVI	437	Various	Executive Team Meeting Minutes	400000
XI	438	7/15/96	Letter from J. Carroll to S. Schaefer	400218
	439	7/16/96	Letter from J. Carroll to S. Schaefer	400220

**MINUTES OF JOINT AT&T/BST CORE TEAM MEETINGS
LIST OF ATTACHMENTS**

March 20, 1996	(1) AT&T/BST Negotiations (team members)
	(2) Agenda
	(3) Proposed Agenda for Initial Cost/Price Meeting
	(4) Unbundled Loop Resale and Interconnection issues
	Letter dated March 27, 1996 from Preston Foster to Suzie Lavett clarifying issues from the 3/20/96 meeting
March 28, 1996	(1) Agenda
	(2) BST Negotiation Team Organizational Chart
	(3) Summary of tentative agreements for resale of BST's local exchange service
	(4) BST's rationale that access is not included under 251
	(5) AT&T Communications, Inc. Local Network Elements Local Platform (3/27/96)
	(6) AT&T Communications, Inc. Total Service Resale Planning Document for Network Operations, Network Services, Carrier Billing, Data Transfer, Account Maintenance Requirements, and Pricing and Compensation in the Local Exchange Service Marketplace (3/28/96) Version 5
	(7) AT&T Communications, Inc. Unbundled Loop Combination and Interconnection Planning Document for Network Product and Services, Network Interconnection, Network Operations, Access, Account Maintenance and Billing, Security and Pricing and Compensation in the Local Exchange Service Marketplace (3/28/96) Version 2
	(8) BellSouth Telecommunications, Inc. Rebuttal Testimony of Frank R. Kolb, Jr. before the Kentucky Public Service Commission Administrative Case No. 355
	(9) Letter dated March 28, 1996 to Suzie Lavett from Preston Foster requesting BST's proposed wholesale pricing for resale of BellSouth Retail service offerings
	List of Tariff Services for Georgia and Florida
	(10) List of key milestones and dates distributed by Suzie Lavett
	Letter dated April 2, 1996 to Suzie Lavett from Preston Foster with summary of action items and key issues from the meeting
April 4, 1996	(1) Agenda
	(2) AT&T/BST Local Interconnection Negotiations Policy

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	Positions (3/31/96)
	(3) General Subscriber Service Tariff, Section A5. Charges Applicable under Special Conditions (Georgia)
	(4) General Subscriber Service Tariff, Section A4. Service Charges (Florida)
	(5) Letter dated April 3, 1996 to Preston Foster from Bob Scheye with the resale discounts for BellSouth's retail services in Georgia and Florida
	(6) Letter dated April 6, 1996 to Suzie Lavett from Preston Foster with business services list for Tennessee
April 10, 1996	(1) Agenda
	(2) AT&T/BST Local Interconnection Negotiations Policy Positions (4/9/96)
	(3) General Subscriber Services Tariff - Table of Contents - Obsolete Service Offerings (Alabama)
	Letter dated April 11, 1996 to Suzie Lavett from Preston Foster summarizing action items from 4/10/96 meeting
April 17, 1996	(1) Agenda
	(2) AT&T/BST Local Interconnection Negotiations Policy Positions (4/17/96)
	(3) General Subscriber Services Tariff - Table of Contents - Obsolete Service Offerings (Alabama) and General Subscriber Services Tariff - Louisiana
	(4) Telephone Number Availability
	(5) Letter dated April 17, 1996 to Sylvia Anderson from Mary Jo Peed responding to Neil Brown's document request of 4/4/96 and matters regarding the Confidentiality Agreement
	Letter dated 4/23/96 to Suzie Lavett from Preston Foster summarizing the 4/17/96 meeting and listing action items
April 24, 1996	(1) Agenda
	(2) Timelines and Process for Completing the Agreement
	(3) Fax dated April 18, 1996 to Preston Foster from Suzie Lavett re CSAs and SAs
	(4) Fax dated April 23, 1996 to Preston Foster from Suzie Lavett re Resale Tariff Items
	(5) Fax dated April 28, 1996 to Preston Foster from Suzie Lavett re 4/17/96 Core Team Meeting
	Letter dated April 26, 1996 to Suzie Lavett from Preston Foster listing actions and summary of 4/24/96 meeting

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May 1, 1996	(1) Agenda
	(2) Escalated Items
	1. Pre-ordering Interface for Reservation of Telephone Numbers
	2. Local Maintenance Electronic Bonding
	3. Rates to be Applied to TSR calls
	4. IXC Change Process
	Letter dated April 15, 1996 to Suzie Lavett from Susan Ray listing action items from 4/15/96 meeting
	(3) Letter dated April 30, 1996 to Jim Carroll from Scott Schaefer relating to BST's 4/26/96 letter on EDI implementation
	Letter dated May 3, 1996 to Suzie Lavett from Preston Foster with information and action items from 5/1/96 meeting
	Letter dated May 6, 1996 to Preston Foster from Suzie Lavett relating to Scott Schaefer's 5/1/96 (4/30/96?) letter re EDI interface
	Mason Fawzi note 5/6/96 of telephone message left for Suzie Lavett advising of fax of actions items from team meeting and response to Scott Schaefer's letter dated 4/30/96
	Letter dated May 6, 1996 to Suzie Lavett from Preston Foster re Louisiana Resale Tariff
May 8, 1996	(1) Agenda
	Letter dated May 10, 1996 to Suzie Lavett from Preston Foster with information and action items from 5/8/96 meeting
May 15, 1996	(1) Agenda
	(2) Letter dated May 15, 1996 to Preston Foster from Suzie Lavett with BST's response to Preston's 5/6/96 letter re Louisiana Resale Tariff
	(3) Joint Marketing Restriction Included in Section 271(e)(1)
	(4) Non-recurring Charges
	(5) Negotiations Core Team Process
	(6) Negotiations Core Team Process (Sub Core Team)
	Letter dated May 17, 1996 to Preston Foster from Suzie Lavett re items owed to AT&T per 5/15/96 core meeting
	Letter dated May 20, 1996 to Suzie Lavett from Preston Foster listing key items of discussion and action items from 5/15/96 meeting
May 22, 1996	(1) Agenda

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	(2) Negotiations Core Team Process
	(3) AL, FL, GA, KY, LA, NC, TN Unbundled Network Elements Cost Studies Summary 5/22/96 Status
	Letter dated May 24, 1996 to Suzie Lavett from Preston Foster with attached summary of action items from 5/22/96 meeting
May 29, 1996	(1) Agenda
	(2) Avoided Cost Issues - Minutes of 5/29/96 Discussion with Lorraine Maddox to discuss the BellSouth Avoided Cost Model and Philosophy
	(3) BellSouth/AT&T Negotiations -- Operations/Cost Issues
	(4) Negotiations Core Team Process
	(5) Unbundled Network Elements (FL, GA, NC, TN, LA, AL, & KY) Draft 5/29/96, Version 2
	BellSouth Tennessee Resale Study Data Track
	Letter dated May 31, 1996 to Suzie Lavett from Preston Foster listing action items from 5/29/96 joint Core Team meeting
June 5, 1996	(1) Agenda
	(2) List of obsolete services in GA and KY
	(3) Lifeline/Link-up Services AL, FL, GA, LA, KY, NC, TN
	(4) BellSouth N11 with projected revenue for 1996
	(5) Letter dated 5/30/96 to Jim Carroll from Scott Schaefer responding to Jim's letters to Charlie Coe and Duane Ackerman of 5/21/96 Page 3 - Suzie Lavett clarified that BellSouth will absorb the full \$125,000 developmental Daily Usage costs
June 10, 1996	Notes from Pam Nelson re 6/10/96 meeting with Suzie Lavett re operations/cost matrix and the OUTPLOC issue
June 12, 1996	(1) Agenda
	(2) BellSouth/AT&T Negotiations -- Operations/Cost Issues
	(3) Letter dated June 11, 1996 to Suzie Lavett from Preston Foster with lists of obsolete services for GA, FL, and NC
	(4) List of unbundled element data requests 6/12/96
	(5) BST Transfer of Contract Charges (OUTPLOC)
	(6) N11 projected revenues provided by BST
	(7) BST Linkup and Lifeline Services
	(8) Letter dated May 21, 1996 to Scott Schaefer from Jim Carroll regarding grandfathered services

June 12, 1996	Letter to Suzie Lavett from Preston Foster listing action items from 6/12/96 meeting
June 13, 1996	Memo to Suzie Lavett from Preston Foster with Correction to 6/12/96 letter - correction on date of Jim Carroll's formal request for data which quantifies the scope of services excluded from resale
June 14, 1996	Letter to Suzie Lavett from Preston Foster with information and action items from June 12, 1996 Core Team Meeting
June 19, 1996	(1) Agenda
	(2) EDI Project Timeline Milestones
	(3) Pre-Ordering Interface for Resellers
	(4) BellSouth/AT&T Negotiations -- Operations/Cost Issues
	(5) June 18, 1996 Meeting Overview (discussion of process and timelines for cost recovery and to identify cost efficiencies)
	(6) Supplemental Data Request to BellSouth - June 19, 1996
June 26, 1996	(1) Agenda
	(2) BellSouth's position regarding the quality and appropriate level of service to resellers
	(3) Letter to Mary Jo Peed from Sylvia Anderson with AT&T's definition of parity
	(4) & (5) Electronic Interfaces - AT&T proposal to compromise with BST on its proposal
	(6) Proposed Recovery of Costs Incurred by BellSouth to Provide Electronic Interfaces
	(7) BellSouth/AT&T Negotiations --Operations/Cost Issues Matrix
July 3, 1996	(1) BellSouth's Proposed Schedule for TSR/UNE/LI Negotiations
	(2) AT&T Focused Negotiations Proposal, July 3, 1996
	(3)
July 8, 1996	(1) BellSouth's Proposed Schedule for TSR/UNE/LI Negotiations
	(2) AT&T Focused Negotiations Proposal, 7/3/96

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JOINT AT&T/BELLSOUTH CORE TEAM MEETING NOTES

March 20, 1996

On Wednesday, March 20, 1996, The Joint AT&T/ BellSouth CORE Team met at 1200 Peachtree Street with the following in attendance:

AT&T:

Pam Nelson
Sylvia Anderson
Greg Follensbee
Andre' Mule'

Neil Brown
Preston Foster
Mason Fawzi

BellSouth:

Mary Jo Peed (Law)
Ann Butler (Proj Mgr)
Randy Jenkins (Acct Team)
Gloria Calhoun (Strat. Mgt)

Beth Carnes (Netw Oper)
Joyce Savage (CARE)
Suzie Lavett (chair)

1. Preston and Suzie introduced their respective teams (attachment 1). Suzie indicated that Bob Scheye will be on both the Executive and CORE Teams
2. Preston advised that AT&T's goal was open, amicable, productive negotiations, and that they be completed by mid-summer. AT&T is ready. We have the resources dedicated.
3. He then reviewed the agenda (attachment 2) and introduced Pam Nelson who reported on the Executive Team meeting on March 11.
 - a) We sent our letters to Ackerman on March 4
 - b) Our understanding is that Charlie Coe is authorized to speak for BellSouth
 - c) The following points were made on March 11:
 1. AT&T's intent is to have agreements by mid-July
 2. This necessitates an expeditious approach to negotiations
 3. We've been negotiating since August, 1995. We want to use those agreements as a starting point
 4. Sylvia stated there is a need for a new non-disclosure agreement between AT&T and BellSouth to take into account the need to provide information in connection with negotiations and any related proceedings under the Telecommunications Act of 1996. Mary Jo agreed.

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- * a) Sylvia agreed to send Mary Jo a draft of a non-disclosure agreement tonight. Mary Jo concurred that AT&T and BellSouth should reach closure by end of week.
5. Documentation should be provided in a timely manner
 6. Negotiations should be conducted on a business to business basis
 7. Expectations of the Executive Team:
 - a) Put resources together
 - b) Meet as needed
 - c) Prioritize our needs
 8. AT&T defined the scope of the negotiations. BellSouth must provide the same services to AT&T as they provide their retail customers.
 9. The BellSouth executives proposed that we negotiate on a regional basis rather than state by state. AT&T agreed with this position.
 10. We then described the "high level" AT&T requirements:
 - a) Total Services Resale
 - b) Electronic interface
 - c) Interconnection (BNFs)
 - d) Cost-based access, dialing parity, poles, right-of-way, etc.
 11. Suzie's comment: I see no conflicts; no disconnects. We're in sync. We'll have resources, and will move forward as quickly as we can.

e) Regarding documentation, Sylvia advised the group that the Executive Team agreed that we would provide each other copies of documents rather than just providing access to them. The group agreed that this would be more convenient.

f) Preston then explained the Roles and Responsibilities of negotiating teams

1. Executive Team--ratify agreements, set policy direction, closure to the process, resolve "elevated" issues
2. CORE Team--manages negotiation process itself. Makes sure process moves forward. Receives initial agreements from SME teams. Prepares cover letter for each agreement, initials, and forwards to Executive Team for ratification
 - a) The CORE Team should meet at least once a week. Usually Wednesdays; except next week when we'd like to meet on Thursday.
3. SME Teams handle operations and cost issues. Submit agreements to the CORE Team.
4. At this point, Mary Jo asked at what time in the process do we intend for agreements to become binding. We explained, when the Executive Team approves them. Her concern is that, if we "piecemeal" this, we lose the opportunity to "give and take". Sometimes, to reach agreement on one issue, we might need to re-consider another.

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a) Suzie added she was concerned about making a binding agreement on select items before we have a complete agreement on the entire package.

b) Gloria recommended that it sometimes helps to have a category, "agreement in principle." This allows us to categorize, and set aside, things on which we've reached agreement.

5. Sylvia recommended, both of us need to think about how to handle agreements on issues and make it an agenda item next time.

6. Suzie concurred with CORE Team approval of issues and forwarding to Executive Team.

7. There was a brief discussion of how BellSouth keeps track of issues with Microsoft Access software.

g) SME Teams

1. Pam described the SME Team staffing

h) Neil distributed an outline of his agenda for the first Cost meeting (attachment 3). He recommends Friday afternoon or Monday. Suzie recommended Neil call Bob Scheye to set up the meeting.

1. Neil expects to meet at least weekly and often by telephone.

2. He expects to close on cost/price issues by end of April

3. Neil asked if Marc Cathey was involved in negotiations.

Suzie responded that Marc will still handle access pricing and cost issues on a separate track from other negotiations.

4. Neil responded that AT&T's position is access is covered under the Act and must be in order to meet requirements for non-discriminatory pricing. Neil further stated that he wanted to press forward to try to find a way to include access within the scope of negotiations. He stated that pending data requests would include requests for access costs based on the decade old BellSouth position that "a minute is a minute is a minute." This means simply that the economic cost of switching a minute is the same whether the call be interstate, intrastate, or local. A facility costs the same without respect to use.

5. Suzie responded that BellSouth would like to keep access separate from interconnection negotiations.

6. Mary Jo--Is it AT&T's position that access is included under 251?

7. Sylvia--Absolutely!

8. Suzie added that Richard Robertson advised her that access is separate

9. Sylvia responded that we were surprised at that comment, since it differs from what was said during the Executive meeting. She added that we strongly disagree with that position.

10. Mary Jo--I think we've discovered our first issue. BellSouth's position is that interconnection under 251 is interconnection LEC to LEC, not the actual retail product of switched access service. Toll carriers are not included. Access will be discussed separately with Marc Cathey.

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11. Greg asked if any other retail services would not be negotiated. Mary Jo's response was she was not knowledgeable enough about all of Bell's retail service to answer the question.

12. Preston asked her to once again explain Bell's position. Mary Jo responded that BellSouth believes that 251 deals with interconnection of LEC to LEC and doesn't include interconnection of AT&T as a toll carrier.

13. Neil added that we expect to be negotiating for cost-based BNFs and cost based prices. He then asked that they expeditiously provide us with avoidable cost studies that Bell used in Kentucky.

a) Mary Jo--I'm confused. I thought we were negotiating for Florida, Georgia, North Carolina and Tennessee. Why do you need Kentucky data?

b) Neil explained that the Kentucky data would give us a better understanding of your methodology

c) Mary Jo--If we just gave you the methodology, would that be sufficient? Neil would prefer the cost studies.

* d) Mary Jo--I'm not comfortable doing this without a non-disclosure agreement. Sylvia advised she would get her the draft tonight.

* 14. At this point Sylvia asked that Bell articulate its access position with more specificity what BellSouth thinks does and does not fall within the act, together with BellSouth's rationale. AT&T's position is simple. The Act makes no distinctions. Exchange access, as defined in the Act, is included.

l) Preston offered that we'd like to move the 50+ previously agreed upon items forward. Let's make this an agenda item for the next CORE Team meeting. All agreed. The next meeting was scheduled for March 28 1:00 to 3:00pm at AT&T.

j) Requirements and Timelines--Pam and Neil

1. Pam led a discussion of the TSR and unbundled loop resale issues (attachment 4)

2. How can we track our progress?

3. Gloria explained the MS Access tracking system that Bell uses. Pam has access to this data base.

* 4. We'll agree on the 50+ items as a starting point and review at next week's meeting. Gloria and Jay will put the material together and distribute to CORE Team before next week's meeting

5. We need to surface items where we disagree and spend time on this at the next meeting. Suzie added that we need to know what is required to resolve the issues.

6. We hope to have unbundled loop resale resolved by mid-July.

7. TSR resolved by 5/1

8. At this point, Suzie announced that she would be taking Gloria's place in the negotiations.

a) She will identify and provide resources

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- b) She will be plugged into existing teams
- c) We've put together a permanent team to pick-up Gloria's negotiations. There will be some transition activity.
- * d) Randy asked if we could put together an organization chart clarifying who is on BellSouth's Executive Team, Core Team, and SME Teams, and how the teams are linked. Suzie agreed to handle.
- e) Jay and Robert should call Suzie to set up meetings. Neil should go directly to Bob Scheye
- f) Neil "re-invited" BellSouth to put a proposal on the table to meet AT&T's expectations regarding access pricing or at least goes as far as BellSouth is willing to go, and include whatever other issues BellSouth feels is in its interests. Suzie will pass this along to Marc.
- k) We agreed to channel names of new team members through Preston and Suzie
- l) Preston will develop the agenda for the next meeting
- * m) Mason and Ann will discuss an issue-tracking system off-line

• Action Items

FAX

Attachment 1

BellSouth
11A15 SBC
675 W. Peachtree St. N.E.
Atlanta, GA 30375

Date 03/19/96

Number of pages including cover sheet 2

To:

Pam Nelson

From:

Suzie Lavett

Phone (404) 810-3100

Fax Phone (404) 810-3131

CC: _____

Phone (404) 529-7496

Fax Phone (404) 420-0031

REMARKS

☐ Urgent

☐ For your review

☐ Reply ASAP

☐ Please comment

Per my message earlier today:

Confirmed BST attendees for tomorrow's meeting are, in addition to me:

Beth Carnes
Gloria Calhoun
Ann Butler
Mary Jo Peed

Lynn Smith is also planning to attend if she can reschedule another meeting.

Please give me a call at 404-529-7496.

Suzie Lavett

390012

AT&T / BST Negotiations

	Network & Operations	Pricing/ Cost
Total Services Resale	AT&T: Pam Nelson BST: Suzie Lavett	AT&T: Neil Brown BST: Bob Scheye Suzie Lavett
Unbundled Network Elements	AT&T: Pam Nelson BST: Suzie Lavett	AT&T: Neil Brown BST: Bob Scheye, Suzie Lavett
Local Exchange Access	AT&T: Pam Nelson BST: Suzie Lavett	AT&T: Neil Brown BST: Bob Scheye, Suzie Lavett

BellSouth Team**Core Team**

Suzie Lavett - Team Leader
 Telephone Number - (404) 529-7496
 Fax Number - (404) 420-0031
 Lynn Smith - Service Center Operations
 Beth Carnes - Network Operations
 TBD - Billing
 Mary Jo Peed - Legal
 Ann Butler - Project Management
 Bob Scheye - Cost/Pricing

Consulting Team Members

Dennis Davis - Number Portability
 Becky Hidgon - Electronic Communications
 Ken Mizenberger - Regulatory
 Keith Milner - Network Issues

3/20/96

BellSouth /AT&T Core Team Negotiations Meeting

March 20, 1996 Agenda

- | | |
|--|--------------------------------|
| 1. Welcome & Introductions | Preston Foster
Suzie Lavett |
| 2. Review Agenda | Preston Foster |
| 3. Review of Executive Team Meeting | Pam Nelson |
| - Purpose | |
| - Principles | |
| - Priorities | |
| - Documentation | Sylvia Anderson |
| 4. Roles & Responsibilities Discussion | Preston Foster |
| - Executive Team | |
| - Core Team | |
| - SME Teams | |
| 5. Negotiations Process Discussion | Preston Foster |
| 6. Requirements & Timelines | Pam Nelson
Neil Brown |
| 7. Recap & Action Items | Andre Mule' |

Southern Region AT&T/BST Negotiations Team Structure

AT&T Core Facilitation Team Preston Foster, Team Leader, Local Service Organization, (404) 810-8548 Mason Fawsi, Local Service Organization, (404) 810-8574 Greg Follensbee, Government Affairs, (404) 810-7550 Sylvia Anderson, Legal, (404) 810-8070 Pam Nelson, Customer Connectivity, (404) 810-3100 Neil Brown, Customer Connectivity, (404) 810-7269 Andre Mule', Government Affairs, (404) 810-8537		
Pam Nelson, Overall Team Leader		
Operational Requirements Negotiations		
	Robert Oakes	Lead Negotiator, Operations
		SMEs—Operations, Provisioning & Maintenance
		Cindy Clark TBN Maryann Imperato
		SMEs—Product & Services
		Kathy Taber TBN Mike Triebert Mike Lacy Kirk Odegaard Stepahnie Marinac
		SMEs—Billing, LAM, Security & Access Billing
		Sue Ray Peggy Doyle Mer Thompson
	Jay Bradbury	Lead Negotiator—Interconnection
		SMEs—Interconnection
		Hal Echols Chris Weekly Paul Lator Fred Perrin Jim Pierson
Neil Brown, Overall Team Leader		
Price Negotiations		
	Neil Brown	Lead Negotiator
		SME Price--TBN
Andre Mule', Team Leader		
Documentation and Records Management		TBN —Central Records Mgt. TBN —Documentation Recorder. Gwen Davenport—Central Records Mgt.

300015

Operations & Network Issues

3/20/96

Operations, Provisioning & Maintenance Issues

Common:

- Testing
- Escalation & Expedite
- Work Center Interface

Maintenance

- Electronic Bonding
- Industry Standards
- Network Monitoring
- Metrics

Provisioning

- Electronic Ordering Interface
- Customer Data Admin
- Ordering & Provisioning
- Ordering Features

Miscellaneous

- Operations ORT
- NPA/NXX Administration
- Number Assignment
- Disaster Recovery Plans

Product & Services Issues

AIN

- Basic Local Service
- Blocking
- Centrex
- 800 Database
- Class & Custom Features
- Directory Listing
- DA Services
- Expanded Area Services
- Hospitality
- Inside Wire
- Intralata Toll
- ISDN
- Lifeline
- Operator Services
- Data Services
- Pay Phones
- Tel Line Number Cards
- Tel Relay Service
- Voice Mail
- Yellow Page Ads

330016

Billing, LAM, Security & Access Billing Issues**Carrier Billing****Local Carrier Change Policy****Usage Requirements****Access****AT&T as an Access Provider****Mutual Compensation****Security****Fraud****Repetitive Debtor****Law Enforcement Interfaces****Interconnection Issues****Access Tandem Positions****Co-location****DA Interconnection****911 & E911****Interconnection****POI****Local Number Portability****ISDN****MDUs****Network Validation Test****Operator Interconnection****Physical Security****Physical Loop Design****Right of Way****Signaling Network****330017**

Attachment 3 Andre'

March 20, 1996

Mr. Mule'

Andre',

In addition to handing out the attached chart at my time on the agenda this afternoon, it is my intention to talk about the following;

1. I want to nail down the date and time of the first cost/price meeting. My objective is this coming Friday afternoon or this coming Monday morning, whichever best suits BellSouth.
2. I expect to meet at least weekly until we resolve the cost/price issues.
3. I expect we should be able to close on cost/price issues or know exactly where we stand by the end of April.
4. Suzy's voice mail message last night to Pam Nelson left me with a question? We expect to negotiate all aspects of cost/pricing with Bob Scheye and the BellSouth team. To the extent that requires other BellSouth resources, such as Marc Cathey, we welcome them to join our negotiations. Please invite Mark to come to the first cost/price meeting if that will facilitate timely progress.
5. We are preparing detailed data requests to obtain the information required to negotiate on cost based pricing. those requests should be available no later than two weeks from now, perhaps earlier.

However, we do want to formally request on^eset of items today. please provide the Avoidable Cost Study and all back-up material supporting your recent Kentucky testimony on this subject. We would like to have that delivered before the end of this week.



Neil Brown

230016

Proposed Agenda for Initial Cost/Price Meeting

Date: ASAP (3/22 or 3/25)

Time: 3/22 at 1:00 pm or 3/25 at 9:00 am

Location: 1200 Peachtree Street NE, Prom I

- Principles
 - Open, Candid Negotiations
 - Timely and Accurate Responses to Requests for Information
 - Document Agreements as They Occur
 - Document and Quickly Escalate Disagreements as They Occur
- Share Positions on Provisions of Federal Legislation in Key Cost/Price Areas

<u>Issue</u>	<u>BellSouth Position</u>	<u>AT&T Position</u>
LEC Services Available for Resale.		
Standard for Determining Wholesale Discounts		
Cost Standard for Pricing Access		
Cost Standard for Unbundled Network Elements		
- Other Areas Which May Help Facilitate Achieving Agreement on Specific Prices and Timing:
 - Rate Rebalancing
 - USF Reform
 - Other
- Identify Cost/Price Sub-Team Leaders and Other Subject Matter Experts for:
 - Wholesale/Resale
 - Access and Unbundled Network Elements
- Establish Dates for Sub-Team Meetings (At Least Once/Week in Person; Calls as Needed)
- Open Forum

330019

Unbundled Loop Resale and Interconnection

Network Services and Products

- Basic Service Requirements
- Directory Assistance
- Listings
- Operator Services
- Lifeline Service
- Telephone Relay Service
- Inside Wire
- 800 Database Access
- Payphone Services
- Hospitality
- LIDB

Network Operations

- Service Ordering and Provisioning
- Maintenance Procedures
- Operational Readiness Test
- NXX Assignment and Administration

Unbundled Loop Resale and Interconnection

Pricing and Compensation

Network Interconnection

Physical Interconnection Requirements

Point of Interface

Co-Location Requirements

Signaling

Loop Unbundling

Right of Way Issues

Number Portability

911

Disaster Recovery

Network Validation Test

Unbundled Loop Resale and Interconnection

AT&T as an Access Provider

LAM and Billing

Billing Requirements

Data Transfer Requirements

LAM Requirements

Operational Readiness Test

Security

Law Enforcement and Physical Security

Fraud

Repetitive Debtor

Total Service Resale

Network Operations

**Service Ordering and Provisioning
Maintenance Procedures**

Network Architecture and Services:

**Basic Service Requirements
NXX Assignment and Administration
Directory Assistance
Listing
Operator Services
Lifeline Service
Service Assurance Warranty (SAWS)
911
Inside Wire
Disaster Recovery
Payphone Services**

Billing and LAM

**Requirements for Local and IntraLATA Toll
Data Transfer Requirements
LAM Requirements**

Pricing and Compensation

300025



Audra J. Hurston

Program Manager - Market Entry

March 25, 1996

To: Core Team

Governance Team

Attached for your information is the following information:

- Letter from Preston Foster to Suzie Lavett which was faxed and mailed to her today.
- 3/21 Core Team Meeting Notes

Local Services Organization
Room 10124
1200 Peachtree Street
Atlanta, GA 30309
PHONE 404/810-8549
FAX 404/810-8477
E-MAIL csgati1@ahurston

300024



Preston G. Foster
Lead Negotiator
Local Services Organization

Room 10140
1200 Peachtree Street
Atlanta, GA 30309
404/810-8548
FAX 404/810-8477

March 27, 1996

Suzie Lavett
BellSouth
675 West Peachtree Street NE
Room 11A15SBC
Atlanta, GA 30375

Re: First Core Team Meeting Between AT&T and BellSouth on March 20, 1996

Attendees:	<u>AT&T</u>	
	Sylvia Anderson	Neil Brown
	Mason Fawzi	Greg Follensbee
	Preston Foster	Andre' Mule'
	Pam Nelson	
	<u>BellSouth</u>	
	Ann Butler	Gloria Calhoun
	Beth Carnes	Suzie Lavett
	Randy Jenkins	Mary Jo Peed
	Joyce Savage	

Place: AT&T Offices, Fourth Floor, 1200 Peachtree Street, NW, Atlanta, GA 30309

Dear Suzie:

It was good meeting with you and the rest of the BellSouth team on Wednesday, March 20, 1996. There were several items from our meeting that I want to confirm to insure that there are no misunderstandings.

Following, as information and for follow-up, are the action items from our March 20, 1996 BellSouth / AT&T Negotiations Core Team Meeting. Please share this information with your team.

330025

1. Sylvia Anderson of AT&T, agreed to send Mary Jo Peed of BellSouth, a draft of a non-disclosure agreement by COB, 3/20 to take into account the need to produce information in connection with negotiations and any related proceedings under the Telecommunications Act of 1996. Sylvia and Mary Jo resolved to reach agreement on the non-disclosure by 3/22/96. My understanding is that Sylvia faxed Mary Jo AT&T's proposed draft on 3/20; Mary Jo and Sylvia exchanged voice mail messages concerning the draft on 3/22; Mary Jo forwarded her comments on the draft to Sylvia on Monday, 3/25; and that discussions concerning the draft are underway.
2. Sylvia and Mary Jo also agreed to discuss and recommend a process for documenting issues on which we have already reached agreement through pre-Act negotiations. This recommendation will be discussed at the 3/28/96 Core Team meeting.
3. Preston Foster, of AT&T, recommended that we move the 50+ previously agreed to items through the process discussed in item 2, once finalized, as the first order of business at the 3/28/96 Core Team meeting. Gloria Calhoun of BellSouth, and Jay Bradbury of AT&T, will assemble the material.
4. Neil Brown, of AT&T, distributed an outline of his agenda for the first Cost Team SME meeting. Neil recommended Friday, 3/22, or Monday, 3/25 for the meeting. Suzie Lavett, of BellSouth, said that she would call Bob Scheye and recommended that Neil call Bob also. Neil agreed.
5. Neil Brown requested a copy of BellSouth's Kentucky Avoidable Cost study. After discussion, Mary Jo agreed to provide the methodology of the cost study to Neil under a non-disclosure agreement.
6. At the meeting you suggested that negotiations concerning access pricing and cost issues be handled separately from these negotiations. Mary Jo then stated BellSouth does not consider negotiations of switched access service to be within the scope of the Act, and therefore those negotiations will continue on a separate track. AT&T strenuously objected to this position. Sylvia stated that access pricing, including switched access is compelled by the plain language of Section 251 and elsewhere in the Act. After much discussion, Mary Jo agreed to provide a written explanation of BellSouth's position (what type of access BellSouth considers within the scope of the Act versus what type of access BellSouth believes is outside the scope of the Act) and BellSouth's rationale for its position by no later than the next Core Team meeting scheduled for 3/28/96.
7. BellSouth and AT&T agreed to identify and discuss areas of disagreement from prior negotiations as item 2 for the 3/28/96 Core Team meeting agenda and to agree on a process for resolving those issues. Suzie Lavett and Preston Foster are responsible for identifying these issues.

8. Randy Jenkins, of BellSouth, asked that the BellSouth Core Team put together a pictorial chart that clarifies who is on BellSouth's Executive Team, Core Team and SME Teams and how the different BellSouth teams are linked. Suzie Lavett agreed to provide this information promptly.

9. Neil Brown "re-invited" BellSouth to put a proposal on the table to address AT&T's expectations regarding access price reductions. Suzie Lavett agreed to pass this request along to Marc Cathey of BellSouth.

10. Preston Foster will develop the agenda for the 3/28/96 meeting. BellSouth and AT&T agreed that all Core Team meetings after 3/28 will take place on Wednesdays at 1 p.m.

11. Mason Fawzi of AT&T and Ann Butler agreed to meet to discuss an issue tracking system for these negotiations.

Thank you for your attention to these issues. Feel free to call me on (404) 810-8548 if you have questions.

Sincerely,

A handwritten signature in dark ink that reads "Preston G. Foster" followed by a stylized monogram or initials.

Preston G. Foster
Lead Negotiator

300027

JOINT AT&T/BELLSOUTH CORE TEAM MEETING NOTES

March 28, 1996

On Thursday, March 28, 1996, the Joint AT&T/ BellSouth CORE Team met at 1200 Peachtree Street with the following in attendance:

Suzie Lavett	Mary Jo Peed
Ann Butler	Mason Fawzi
Loretta Cecil	Greg Follensbee
Preston Foster	Pam Nelson
Wayne Kendall	Jay Bradbury
Randy Jenkins	Andre' Mule'

1. Preston began by reviewing the agenda (attachment 1)
2. Suzie discussed her organization chart (attachment 2)
 - a) Preston asked who would sign the final document. Mary Jo advised either Charlie Coe or Scott Schaefer (both officers)
 - b) Scott would be the new interface with Jim Carroll
3. Issue approval process:
 - a) Preston summarized the agreed upon process: The SMEs negotiate and refer agreed upon items to the CORE Team. The CORE Team reviews and initials, and sends the documents to the Executive Team for final approval.
 - b) Suzie distributed a document that summarizes agreed upon items (attachment 3)
 1. Gloria and Jay worked on this
 2. Could become a "stipulated agreement"
 3. Mary Jo added: We consider this a "work in progress". She will work with Sylvia to make this a more formal agreement.
 4. Pam asked: What's the meaning of the term "non-binding?"
 - a) Mary Jo answered: This is not a "contract", but a "work in progress". When signed by the Executive Team, then it's a contract.
 - b) Mary Jo offered: Sylvia and I will add language that everyone will be comfortable with.
 - c) Pam: You'll put it under project management rules, so at any time we'll know where we are?
 - d) Mary Jo: Yes. I want the opportunity to "give and take" as we go through the negotiations.

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• 5. Preston asked when Sylvia and Mary Jo can come to closure on this. Mary Jo said: Let me take this document back and put it in "legal form." I'll send it to Sylvia for review.

• a) Preston asked: Is a week reasonable? Mary Jo: Fine.

b) Preston: Ok. Then we'll have it for the next CORE meeting.

6. Preston: Will the 50+ items previously agreed upon be included in the document Sylvia and Mary Jo work on? Mary Jo: Yes.

4. Areas of disagreement

a) All agreed on the following process for handling disagreements, as described by Preston. The CORE Team will use no more than two sessions to discuss issues of disagreement. Then, if the CORE Team can't resolve them, we should move them on to the Executive Team. The Executive Team can agree, or agree to disagree, or decide to mediate, or table the issue.

b) Suzie described her process for managing the requirements. She will begin using Microsoft Project software rather than Access, which she now uses.

• c) Mason and Ann Butler will work on populating the MS Project database. To be completed by Tuesday. It will be shared by BellSouth and AT&T. Mason and Ann are owners of this process.

d) Mason: When do you think you'll be able to give us a timeline?
Suzie: That's difficult; it varies issue by issue.

e) Non-disclosure

1. Loretta: I can see we're at an impasse. We can't adopt your changes. Jim Carroll and the BellSouth Executive Team agreed to an open exchange of data. Your draft is inconsistent with the Act, which recognizes the PSCs as mediators and arbitrators. You refer to "normal discovery rules". We don't know what they are. Our recommendation is that we ask the Commission to mediate this.

2. Mary Jo: Is that it? There are no other suggestions?

3. Loretta: I don't see how we can agree.

4. Mary Jo: We need to raise this to the Executive Team.

5. Preston: How should we escalate?

* 6. It was agreed that we would escalate the non-disclosure agreement within our respective organizations tomorrow. If no agreement is reached tomorrow, the parties are free to choose to mediate this issue.

• 7. Suzie will call Preston by 3:00 tomorrow afternoon with a status report.

f) Preston: Let's move on to BellSouth's view that access is not included under 251. You were to prepare a rationale. Mary Jo distributed the rationale (attachment 4)

1. Mary Jo reviewed the rationale

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2. She added: Neil is certainly free to discuss access with Marc Cathey.
3. Preston: Our view is that access is included under 251. 1FR exchange service includes access. If we buy 1FR service, it should include access. Where is the wall?
4. Mary Jo: 251 is the wall. It changes nothing on access that existed prior to the Act.
5. Suzie: We're at the point that access was separate prior to the Act; it's separate now--until the FCC says something different about access.
- 6. Preston: We need to escalate this as well to our Executive Teams
 - a) Suzie: I'd like to have your position in writing.
 - b) Preston: We'd be happy to comply.
 - * c) Suzie: When can you get us the AT&T position on exchange access?
 - d) Preston and Loretta: By noon tomorrow.
- g) Pam then discussed TSR positions from prior negotiations.
1. Pam reviewed 6 issues the SMEs haven't resolved
 - a) Real time interfaces--BellSouth doing a study to be completed 5/1
 - 1. Could we get a status report next week? Suzie will see what she can do.
 2. Pam: This is an important item to Jim Carroll
 - b) Routing of AT&T operator services, DA, repair calls to our own platform
 1. Suzie still researching this
 2. Pam: We need to know what are the technical and policy issues
 - c) Lifeline resale
 1. Suzie: That's tied into the universal service fund. May better be handled through negotiations between Neil and Scheye.
 2. Pam clarified the requirement
 3. Suzie: As a policy, BellSouth won't resell this
 - d) Grandfathered services
 - e) Discount associated with directory listing services
 - f) Discount associated with payphone services
- * 2. Suzie will get us status on all items by Tuesday
5. Sharing of requirements
 - a) Jay distributed 3 documents dealing with unbundling
 1. Local Network Elements--an overview of 17 network elements (attachment 5)
 2. The TSR document we've used since 10/95, amended as per the Local Network Elements document (attachment 6)
 3. Unbundled Loop document, also updated as per the Local Network Elements document (attachment 7)

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4. A kick-off meeting with Robert Oakes and his team was scheduled for next Wednesday, but the schedule will have to be reviewed.
- a) Suzie proposed a conference call instead of a meeting, with a meeting the following week
 - * b) Mary Jo will share copies of the "stipulated agreements" by FAX this afternoon
 - c) Suzie: We need to review all of this before we meet
 - d) Mason: Do you have any LEC to LEC agreements?
 - * 1. Suzie will check on the availability
- b) Cost/Price
- 1. Preston: Last week we requested the methodology for cost avoidance that was used in Kentucky
 - a) Mary Jo distributed copy of Frank Kolb's Kentucky testimony (attachment 8)
 - * 2. Preston: Is the Georgia cost study available? Mary Jo will check and provide it if it is public information.
 - 3. Wayne reviewed Neil's list
 - a) The second cost team meeting scheduled for 4/4—all cost issues will be addressed
 - * b) Neil asked Marc Cathey to provide him with BellSouth access proposal by Monday, 4/1
 - c) Neil and Marc will meet with Jim Carroll on 4/2 or 4/3
 - d) Neil recommends that starting Tuesday, 4/9, a standard weekly meeting at 9:30am. If a second meeting is required, conferees will establish a schedule.
 - * e) Neil expects to deliver data requests to Scheye next week
- c) Services—Mason
- * 1. Mason began by asking if the BellSouth team had an opportunity to check if there were any items other than exchange access that were not included in the Act. They had not.
 - 2. Mason then distributed a list of tariff services for Georgia and Florida (attachment 9). He explained that we'd like them to add their retail, wholesale, and discount prices to the lists. Also, he asked for any special contract information they may have in those states. We'd like the information prior to the 4/4 CORE Team meeting.
 - a) Mary Jo interjected: I think it's unfair to expect us to do so much work in such a short amount of time.
 - * b) Suzie explained: I think we'll have an overall percentage discount rather than an item by item discount. We can take this back and review it, but we can't commit to do this by 4/4
 - c) Mason asked about "Pricing Plans" Suzie explained that pricing plans are not considered "services" as defined under the Act. The underlying "services" are certainly available for resale.
 - * 3. Preston: I'd like to ask about contract services arrangements. If we have a confidentiality agreement, would Tuesday be a

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reasonable time frame to get an answer on your position on resale of contract services arrangements? Yes.

* 6. Suzie then distributed a list of key activities and dates (attachment 10)

* 7. Suzie and Preston will get together Tuesday afternoon at 1:00pm to review the overall schedule.

8. The next meeting was scheduled for Wednesday, April 3, 1:00pm at the Southern Bell Center.

• Action Items

300032

Agenda

BellSouth/AT&T Core Team Meeting #2

3/28/96
1200 Peachtree Street
4th Floor Board Room
Atlanta, GA 30309

Agenda topics

- | | |
|---|------------------|
| 1. Issue Approval Process | Preston Foster |
| • Issue Specific Agreements | |
| • 50+ Agreed to Items | |
| 2. Areas of Disagreement | Lead Negotiators |
| • Escalation Process for Issue Resolution | |
| • Identification of Issues | |
| 3. Sharing Requirements | SMEs |
| • TSR | |
| • Operations | |
| • Cost/Price | |
| • Services | |
| • Timelines | |
| 4. Next Steps/Scheduling | Preston Foster |
| 5. Recap | Andre' Mule' |

390033

**THESE PAGES CONTAINED
BELLSOUTH
PROPRIETARY INFORMATION**

BATES STAMP

NOS. 300034 ~~TO~~ _____

Attachment 3

This document summarizes the operational arrangements that have been tentatively agreed upon by AT&T and BellSouth for the resale of BellSouth's local exchange service. In general, this document reflects the fact that BellSouth is committed to providing AT&T and its customers with the same high quality service as BellSouth provides to its end user customers. The numbers in parentheses following each item correspond to the item in the AT&T's requirements document that formed the basis for the discussion of each item.

BellSouth will notify AT&T and obtain approval from AT&T if a customer requests changes to service at the time of installation. Otherwise, there will be no deviation from the service order. (1.A.12)

BellSouth will provide the same intercept treatment and transfer of service announcements to AT&T's customers as BellSouth provides to its own customers. (1.A.16)

BellSouth will provide AT&T with appropriate notification of all area transfers with line level detail, and will also notify AT&T of any LATA boundary changes. (1.A.18)

BellSouth will train all service technicians on their obligation to provide non-discriminatory service to AT&T's end users. Dedicated technicians will not be assigned. (1.A.20)

BellSouth will advise misdirected business office callers to contact their local service provider and will provide a telephone number, provided by the other service provier, for the other provider upon request. (1.A.25)

BellSouth will handle all 911 and E911 updates for AT&T's customers in the same manner as BellSouth uses for BellSouth's end user customers. In both cases, all updates are driven by the service order. (1.A.26)

To the extent that circuit-specific engineering is required for a resold service, BellSouth will provide the same level of engineering support for the resold service as BellSouth provides for its comparable retail service. (1.A.27)

BellSouth will call AT&T if scheduled appointments are in jeopardy. (1.B.3.c)

A BellSouth technician will clear any reported trouble to the end-user's network interface. (1.B.14)

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There will be no loss of features or functionality or differences in technical characteristics based on the classification of services as either resale or retail. (2.A.1.) Specific technical characteristics or services include:

1. Dial tone and ring. (2.A.1.a)
2. Capability for either dial pulse or touch tone recognition. (2.A.1.b)
3. Capability to complete calls to any location. (2.A.1.c)
4. Extended local calling area. (2.A.1.d)
5. 1+ IntraLATA toll calling where available (no PIC). (2.A.1.e)
6. PIC 1+ service where available for TRA (w/PIC). (2.A.1.f)
7. CIC dialing (10XXXX) (2.A.1.g) *Note 4 digit dialing pattern*
8. Access to vertical features and functions, with the exception that that "grandfathered" services require further negotiations between BST and AT&T. (2.A.1.i)
9. Call detail recording capability required for end user billing. (2.A.1.j)
10. Access to Telecommunications Relay Service (TRS). (2.A.1.k)
11. All CLASS and Custom Calling features and functions (e.g., caller ID), with the exception that that "grandfathered" services require further negotiations between BST and AT&T. (2.A.1.l)
12. International Calling. (2.A.1.o)
13. 911, 500, 700, 800, 888, 900, 976. (2.A.1.p)
14. PBX trunks and DID service. (2.A.1.s)

BellSouth will provide the following end office features, where available and provided to BellSouth's end users: (2.A.1.q)

1. Distinctive ringing. (2.A.1.q.1)
2. Repeat dial capability. (2.A.1.q.2)
3. Multi-line hunting. (2.A.1.q.3)

BellSouth will provide the following feature capabilities allowing for Memory Call services (2.A.1.r).

1. SMDI - Station Message Desk Interface, Interswitch SMDI (ISMDI), and Enhanced SMDI (2.A.1.r.1)
2. MWI - Message Waiting Indicator (2.A.1.r.2)
3. CF-B/DA - Call Forward on Busy / Don't Answer (2.A.1.r.3)

BellSouth will maintain sufficient numbers to meet the needs of all Local Service Providers. (2.B.5)

BellSouth is responsible for the reservation and aging of numbers. (2.B.6)

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BellSouth will provide the same directory assistance features in conjunction with its resold services as it provides in connection with its retail services, which currently include the following: (2.C.1)

1. Two customers or numbers and or addresses per call (as specified in BST's end user tariffs). (2.C.1.a)
2. Upon request and where available, call completion to the requested number for local and intraLATA toll calls. (2.C.1.c.1)

BellSouth will provide the name and address associated with end users served by other service providers, except for unlisted numbers, where provided by BellSouth. (2.C.1.b)

BellSouth will update its listings data base in connection with resold services through the same means and in the same time frames as it updates the data base for its retail services. (2.C.1.e)

Any information provided by a directory assistance Automatic Response Unit (ARU) will be repeated the same number of times for AT&T's end user customers as for BellSouth's end users (currently twice). (2.C.1.f)

Any resold service will be provided at parity with BellSouth's comparable retail service, and will comply with the same PSC requirements. (2.C.1.g.)

1. Number of rings to answer will comply with PSC requirements. (2.C.1.g.1)
2. Average work time will be at parity with BellSouth's services. (2.C.1.g.2)

BellSouth will provide the following intercept service for customers moving service: (2.C.1.h)

1. BellSouth will provide a referral to the new telephone number in the same manner as for BellSouth's end users (i.e., will refer to a new 7 or 10 digit number). (2.C.1.h.1)
2. BellSouth will repeat the new number twice on the referral announcement. (2.C.1.h.2) & (2.C.1.h.4)

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BellSouth will provide the following operator services capabilities in the same manner as provided to BellSouth's end user customers:

1. BLV / EI - Busy Line Verification/Emergency Intercept (2.E.5.e).
2. Emergency calls (2.E.5.f)
3. Notification of the length of call (2.E.5.g)
4. Handicapped caller assistance (2.E.5.j)

Access to 911 / E-911 will be provided in a manner transparent to the end user. (2.H.1)

BellSouth will make Inside Wire Maintenance Plans available for resale. BellSouth technicians will advise customers that they are at customer's premises on behalf of AT&T (2.I.1)

~~BellSouth will render bills for resold services using the Customized Large User Billing (CLUB) summary format from CRIS. These bills will provide billing detail at the individual line number level, and will be issued per RAO, per billing period. (3.A.5.)~~

When engineering advises it is applicable, BellSouth will notify AT&T of any charges associated with required construction for a given service. AT&T will provide contact information. (1.A.2.g)

For desinged or complex orders, BellSouth will FAX a hard copy of the service order, which will include applicable critical dates, along with the FOC. (1.A.2.h)

DRAFT -- FOR DISCUSSION PURPOSES ONLY -- NON-BINDING DOCUMENT

Proprietary and Confidential Information

Subject to a BellSouth and AT&T Nondisclosure Agreement

Page 4 of 4

3/28/96

300038

ISSUE: What effect does the Telecommunications Act of 1996 have on BellSouth's provision of Access Services to AT&T at the current rates, terms and conditions?

BELLSOUTH'S
POSITION:

The Telecommunications Act of 1996 has no effect on BellSouth's provision of access services through which AT&T originates or terminates the interexchange calls of its customers. Specifically, the Congressional conference committee rejected the H.R. 1555 approach of dealing with interconnection matters through expansion of the existing section 201. Instead, the conference committee adopted a new model for local interconnection in a new section 251. The adoption of the new model left section 201 unaltered. Section 201 governs the provision by BellSouth of access services to AT&T.¹

The intent of Congress is further crystallized through the adoption of section 251(g). Section 251(g) obligates BellSouth to continue to provide access services as it does today until the Commission explicitly supersedes the present obligations through the adoption of new regulations. Section 251(g) states:

On and after the date of enactment of the Telecommunications Act of 1996, each local exchange carrier, to the extent that it provides wireline services, shall provide exchange access, information access, and exchange services for such access to interexchange carriers and information service providers in accordance with the same equal access and nondiscriminatory interconnection restrictions and obligations (including receipt of compensation) that apply to such carrier on the date immediately preceding the date of enactment of the Telecommunications Act of 1996 under any court order, consent decree, or regulation, order, or policy of the Commission, until such restrictions and obligations are explicitly superseded by regulations prescribed by the Commission after such date of enactment. During the period beginning on such date of enactment and until such restrictions and obligations are so superseded, such restrictions and obligations shall be enforceable in the same manner as regulations of the Commission.

Therefore, until such time as the Commission promulgates new regulations to address access charge reform, the current regime will remain in place.

In conclusion, the Telecommunications Act of 1996 does not impose a duty on BellSouth to negotiate with AT&T for the provision of exchange access services.

¹ Section 251(i) specifically preserves section 201 authority for other purposes, such as dealing with inter exchange access matters.

**THESE PAGES CONTAINED
AT&T
PROPRIETARY INFORMATION**

BATES STAMP

NOS. 300040 **TO** 300077

**THESE PAGES CONTAINED
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PROPRIETARY INFORMATION**

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NOS. 300078 TO 300122

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NOS. 300123 TO 300155

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NOS. 300156 TO 300183

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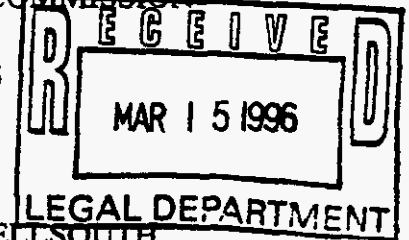
NOS. 300184 TO 300196

BELLSOUTH TELECOMMUNICATIONS, INC.

REBUTTAL TESTIMONY OF FRANK R. KOLB, JR.

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

ADMINISTRATIVE CASE NO. 355



- Q. PLEASE STATE YOUR NAME, ADDRESS, AND POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC. ("BELLSOUTH").
- A. My name is Frank R. Kolb, Jr. and I am employed by BellSouth Telecommunications, Inc. as a Director in the Finance Organization. My business address is 3535 Colonnade Parkway, Birmingham, Alabama 35243.
- Q. PLEASE GIVE A BRIEF DESCRIPTION OF YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE.
- A. I received a Bachelor of Science degree in Electrical Engineering from Louisiana State University and am a Registered Professional Engineer. I have approximately twenty years experience in coordinating the development of economic models for application in telecommunications cost for pricing studies and in general costing of telecommunications resources.
- Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?
- A. The purpose of my testimony is to rebut the testimony of AT&T regarding the costs that will be avoided and the appropriate discount for resale services. My testimony presents the results of BellSouth's internal cost study that determined the costs that will be avoided due to making services available for resale in Kentucky. My testimony describes why AT&T's proposal should not be adopted and why BST's study approach is appropriate.
- Q. WHAT IS THE APPROPRIATE DISCOUNT PERCENT FOR RESOLD SERVICES AS REQUIRED

300197

BY FEDERAL LEGISLATION?

- A. BellSouth has determined that the appropriate discount as defined by federal legislation is 9% for residential services and 8% for business services. These discounts and the methodology used to develop them are described below. The cost study used to determine is also included as Exhibit FRK-1. AT&T claims that BellSouth's costs that will be avoided are in excess of twenty-six percent and that the discount should be at a minimum of twenty-six percent. Mr. Guedel offers no study or analysis to support this recommendation.

Q. WHAT DOES THE TELECOMMUNICATIONS ACT OF 1996 REQUIRE AS IT RELATES TO THE PRICING OF RETAIL SERVICES FOR RESALE?

- A. The standard for determining the price of the wholesale offering is the costs that BellSouth will avoid by making a service available for resale.

Section 252 (d)(3) of the new Act states:

"For the purposes of section 251(c) (4), a State commission shall determine wholesale rates on the basis of retail rates charged to subscribers for telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by the local exchange carrier." Section 252 (e) (3). [Emphasis added.]

Q. HOW DID YOU DETERMINE WHICH COSTS ARE AVOIDED WITH RESALE?

- A. To determine the costs that will be avoided, we looked at all the functions that are required in providing service to a BellSouth customer. Then a determination was made as to the cost associated with each of these functions that would be avoided as a result of resale. These cost savings are the costs that BellSouth will avoid with resale.

WHAT ARE THE MAJOR COSTS THAT WILL BE AVOIDED?

300198

- A. The costs that will be avoided are related to the functions of customer services, mailing the bill to the

end user, some marketing functions, and uncollectibles.

Q. DESCRIBE THE COST CHARACTERISTICS CONSIDERED IN THIS STUDY.

A. The majority of the costs that are avoided as a result of resale are associated with the customer as opposed to a service. For example, the costs of postage and paper for mailing the bill are shared among all of the services that an end user buys, but are direct with respect to the end user. Similarly, many of the costs associated with customer services cannot be traced back to any one given service. When a customer calls a service representative and inquires about his bill, the service representative may discuss one or more services that the customer purchases. Any attempt to allocate the cost of the call to the different services would be extremely difficult and subject to error.

Q. DO YOU RECOMMEND SEPARATE DISCOUNTS FOR RESIDENCE AND BUSINESS RETAIL SERVICES IN DETERMINING PRICES FOR RESALE?

A. Yes. Because average revenues and average expenses vary between residential and business customers we are recommending two separate discounts. The Company proposes a percent of revenue discount. This percentage calculation assumes that the customers that choose to go with a reseller will be average revenue customers.

Q. WHAT WOULD BE THE IMPACT OF THE RESELLERS TARGETING HIGH REVENUE CUSTOMERS?

A. To the extent that resellers target high revenue residence or business customers, the avoided cost as a percent of revenue will be lower. For example, we estimate the average bill for the top twenty percent of BST's residential customers in Kentucky to be approximately twice the average bill of all residential customers in the state. Therefore, if resellers target the top revenue producing residential customers, then the discount percentage would be about 4.5%.

300199

Q. IN YOUR STUDY HOW DID YOU CALCULATE THE CUSTOMER SERVICES COSTS THAT

WOULD BE AVOIDED.

The expenses associated with customer services are in account 6623. The study examined all of the job functions assigned to account 6623. For each job function, a determination was made as to whether or not that function would continue to be performed for the end user under resale. Many functions in account 6623 will continue to be performed for the resold accounts and therefore the expense associated with those functions will not be avoided. These functions include local and toll message processing, account operations, message investigation, interexchange customer services, support and indirect supervision. Consequently, the main costs that will be avoided are associated with service representatives in the customer service centers.

Q. WHAT ARE THE BILLING COSTS THAT THE COMPANY WILL AVOID?

A. BellSouth will still be maintaining a customer record for each end user. The Company will record and maintain usage and service characteristics of each customer so that it can render a bill to the reseller. The only billing costs that will be avoided due to resale are the costs associated with printing and mailing a bill to the end user. While the Company will incur an additional cost in sorting, printing and mailing the end user bill information to the reseller, the Company did not include that expense in this study.

Q. WHAT ARE THE MARKETING EXPENSES THAT WILL BE AVOIDED?

A. Account 6612, which is the sales expense account, represents the total marketing expenses that the Company will avoid as a result of resale. BellSouth will not incur a sales expense for each customer that chooses to buy service from a reseller. Accounts 6611 and 6613, advertising and product management expenses, however, should not be included in any avoided cost study because the Company still incurs those expenses for resale services.

Q. WILL UNCOLLECTIBLES BE AVOIDED?

300200

A. For this study it has been assumed that uncollectible expenses will be avoided. The reseller is

responsible for absorbing any bad debt on the part of its end users. If BellSouth experiences reseller default, then it may be appropriate to net the end user uncollectible expense against the reseller default and decrease the percentage discount for resold services. The Company included in its study one-hundred percent of uncollectibles as avoided cost.

Q. DOES YOUR STUDY INCLUDE ANY OF THE COST INCREASES ASSOCIATED WITH RESALE.

No, it does not. We have made preliminary studies on the costs that will increase because of resale; for example, service order costs. The study assumes that these costs will be covered by the non-recurring charge to the reseller for service connection. If the reseller does not pay a non-recurring charge for service connection, then a lower percent discount is appropriate.

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. The Telecommunications Act of 1996 requires the State commissions to determine wholesale rates on the basis of retail rates charged to subscribers for telecommunications services requested, excluding the costs that will be avoided by the local exchange carrier. BellSouth has performed a study to determine the avoided costs due to resale as defined by the Act. This study is an analysis of the costs that BellSouth avoids when its customers elect to purchase their services from a reseller. The study includes costs that could arguably be excluded in order to provide the Commission with a reasonable starting point for resale discounts for BellSouth's services in Kentucky. The Company's study resulted in percentage discounts to retail rates for the avoided costs of 8% for business and 9% for residence.

AT&T opines that BellSouth's avoided costs equate to a discount to retail services of a minimum of twenty-six percent. AT&T offers no basis for this opinion in this proceeding, nor does it offer for review a study to support such claims. Its recommended discount of anywhere between twenty-six percent and fifty percent as included in its testimony is totally unsupported and, therefore, without reasonable basis.

300201

I urge the Kentucky Commission to review the analysis put forth in my testimony, and in the Company's

study (Exhibit FRK-1), and find that it is a reasonable approach to the Act's requirements for discounts to retail services. This provides the Commission with an appropriate discount for BellSouth to implement the required wholesale rates.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

330203

BellSouth Telecommunications, Inc.
Exhibit FRK-1

Page 1 of 10

BELLSOUTH KENTUCKY RESALE STUDY

March 11, 1996

300203

BellSouth Telecommunications, Inc.
Exhibit FRK-1

Page 2 of 10

BellSouth Kentucky Resale Study

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Index	1
Executive Summary	2
Residential Summary	4
Business Summary	5
Revenue Worksheet	6
Expense Worksheet A	7
Expense Worksheet B	8
Expense Worksheet C	9

BellSouth Telecommunications, Inc.
Exhibit FRK-1

Page 3 of 10

BellSouth Kentucky Resale Study

Executive Summary

This document describes the process used by BellSouth in developing the discount percentage for resale services. The result of the study is that the appropriate discount is 9 percent for residential service and 8 percent for business service.

The study looked at the costs that the Company would avoid when a customer decides to purchase telecommunications services from a reseller instead of BellSouth. Under federal legislation, the price the Company charges to the reseller is the retail price minus the costs the Company avoids with the wholesale offering. The costs that the Company avoids include customer services, billing costs, sales expenses, and uncollectibles.

The expenses associated with customer services are in account 6623. The study examined all of the job functions assigned to account 6623. For each job function, a determination was made as to whether or not that function would continue to be performed for the end user under resale. Many functions in account 6623 will continue to be performed for the resold accounts and therefore the expense associated with those functions will not be avoided. These functions include local and toll message processing, account operations, message investigation, interexchange customer services, support and indirect supervision. The main costs that will be avoided are associated with service representatives in the customer service centers.

The avoided costs for billing are the costs of mailing the bill to the end user. BellSouth will still be maintaining a customer record for each end user. The Company will record and maintain usage and service characteristics of each customer so that it can render a bill to the reseller. The only billing costs that will be avoided due to resale are the costs associated with printing and mailing a bill to the end user.

Account 6612, which is the sales expense account, represents the total marketing expenses that the Company will avoid as a result of resale. BellSouth will not incur a sales expense for each customer that chooses to buy service from a reseller. Accounts 6611 and 6613, advertising and product management expenses, however, should not be included in any avoided cost study because the company will still incur those expenses.

For this study the Company assumed that it will avoid uncollectible expenses for resold services. The reseller is responsible for absorbing any bad debt on the part of its end users. If BellSouth experiences reseller default, then it may be appropriate to net the end user uncollectible expense against the reseller default and decrease the percentage discount for resold services.

**BellSouth Telecommunications, Inc.
Exhibit FRK-1**

Page 4 of 10

The calculations for determining the percent discount are given on the attached worksheets. The first two worksheets give a summary of the impact of resale on residential service and business service. Included on the two worksheets are the total revenues subject to resale and the total avoided costs. The percent discount is determined by dividing the total avoided costs by total revenues subject to resale.

The revenue worksheet shows how the revenues were calculated. Total local revenue and toll revenue were added together to determine the revenue subject to a discount under resale.

Expense Worksheet A shows the expenses by category that are avoided due to resale. The billing expenses were calculated by determining the total expenses avoided on a per lines basis and then multiplying by the total number of lines. For sales expenses one hundred percent of account 6612 for residence and business service was assumed to be avoided. Likewise for uncollectibles, 100 percent of the uncollectible amount for residence and business was assumed to be avoided.

Expense Worksheets B and C show the avoided costs for customer services for residence and business services. The worksheets show the avoided expenses.

1	Kentucky 1995 - Residential Summary		
2	Analysis of the impact of resale on Residential Service		
3			
4			
5			
6	Revenues	Source/Calculation	
7			
8	Local Service Revenue	CRIS Billing System	\$ 207,990,419
9	Long Distance Revenue	CRIS Billing System	\$ 43,365,797
10			
11	TOTAL Local + Long Distance	L8+L9	\$ 251,356,216
12			
13			
14	Avoided Expenses		
15			
16	Customer Services	Expense Worksheet A, Line 11, Col C	\$ 13,949,057
17	Billing	Expense Worksheet A, Line 17, Col C	\$ 3,709,201
18	Sales	Expense Worksheet A, Line 19, Col C	\$ 524,000
19	Uncollectibles	Expense Worksheet A, Line 21, Col C	\$ 3,570,837
20			
21	TOTAL Avoided Expenses	L16+L17+L18+L19	\$ 21,753,095
22			
23			
24	Discount as a Percent of Revenue	(L21/L11)*100	8.65%
25			
26			
27			

1	Kentucky 1995 - Business Summary		
2	Analysis of the impact of resale on Business Service		
3			
4			
5			
6	Revenues	Source/Calculation	
7			
8	Local Service Revenue	Revenue Worksheet, Line 22	\$ 156,005,504
9	Long Distance Revenue	Revenue Worksheet, Line 24	\$ 23,988,380
10			
11	TOTAL Local + Long Distance	L8+L9	\$ 179,993,884
12			
13			
14	Avoided Expenses		
15			
16	Customer Services	Expense Worksheet A, Line 11, Col D	\$ 4,557,115
17	Billing	Expense Worksheet A, Line 17, Col D	\$ 550,838
18	Sales	Expense Worksheet A, Line 19, Col D	\$ 8,167,000
19	Uncollectibles	Expense Worksheet A, Line 21, Col D	\$ 450,966
20			
21	TOTAL Avoided Expenses	L16+L17+L18+L19	\$ 13,725,919
22			
23			
24	Discount as a Percent of Revenue	(L21/L11)*100	7.63%
25			
26			
27			

330208

1	Kentucky 1995 - Revenue Worksheet		
2	Analysis of the impact of Resale on Residential and Business Services		
3			
4			
5			
6	Revenues - Residential	Source/Calculation	
7			
8	Local Service Revenue	CRIS Billing System	\$ 207,990,419
9	Long Distance Revenue	CRIS Billing System	\$ 43,365,797
10	Total Residential Revenue	L8+L9	\$ 251,356,216
11			
12	Revenues - Business		
13			
14	Local Service Revenue	CRIS Billing System	\$ 165,032,966
15	CSA Rev Per Month		\$ 238,860
16	CSA Revenue	L15*12	\$ 2,866,318
17	SA Rev Per Month		\$ 335,348
18	SA Revenue	L17*12	\$ 4,024,175
19	E911 Rev Per Month		\$ 178,081
20	E911 Revenue	L19*12	\$ 2,136,969
21	Revenue Adjustments	L16+L18+L20	\$ 9,027,462
22	Adjusted Local Revenue	L14-L21	\$ 156,005,504
23			
24	Long Distance Revenue	CRIS Billing System	\$ 23,988,380
25			
26	Total Local + Long Distance	L22+L24	\$ 179,993,884
27			

330203

1	Kentucky 1995 - Expense Worksheet A			
2	Analysis of the Impact of Resale on Residential and Business Services			
3				
4				
5	A	B	C	D
6			Residential	Business
7	Customer Service Expenses:	Source/Calculation		
8				
9	Total	Expense Worksheet B & C, Line 21 & 20, Col C	\$ 23,081,702	\$ 8,256,014
10	Percent Avoided	Expense Worksheet B & C, Line 23 & 22, Col C	60%	55%
11	Avoided	Expense Worksheet B & C, Line 19 & 18, Col C	\$ 13,949,057	\$ 4,557,115
12				
13	Billing Expenses:			
14				
15	Cost per Line	Billing Cost Analysis	\$ 4.63	\$ 2.44
16	# of Lines	Lines Tracking Report	800,490	225,366
17	Total Billing Expense	L15*L16	\$ 3,709,201	\$ 550,838
18				
19	Sales Expense	Resource Tracking Analysis and Planning System	\$ 524,000	\$ 8,167,000
20				
21	Uncollectible Amount	CRIS Billing System	\$ 3,570,837	\$ 450,966
22				
23				
24				
25				
26				
27				

300210

3/11/96

Page 5

03/28/96 12:09 BST KY LEGAL - BST - ATL - REG

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1	Kentucky 1995 - Expenses Worksheet B		
2	Analysis of Account 6623 - Customer Services for Residence		
3			
4	A	B	C
5		JFC	Dollars Avoided
6			
7	Description of Job Function:		
8	Training	17XX	\$ 220,212
9	Service Order Entry Business	2810	\$ 8,144
10	Account Inquiry	2850	\$ 20,917
11	Demand Sales/Order Negotiation	2870,2E70	\$ 4,062,079
12	Service Order Entry Residence	2E10	\$ 28,754
13	Address Information Services	2E30	\$ 68,156
14	Collections - Residence	2E40	\$ 4,150,261
15	Billing Inquiry	2E50	\$ 5,119,415
16	Customer Payments Operations	2E60	\$ 244,087
17	Authorized Payment Agency	2E80	\$ 27,031
18			
19	Total Costs Avoided		\$ 13,949,057
20			
21	Total Residence Expenses Account 6623		\$ 23,081,702
22			
23	Percent of 6623 Expenses Avoided for Residence		60.43%
24			
25			
26	Source: Resource Analysis Tracking System		
27			

117008

1	Kentucky 1995 - Expenses Worksheet C		
2	Analysis of Account 6623 - Customer Services for Business		
3			
4	A	B	C
5		JFC	Dollars Avoided
6			
7	Description		
8	Training	17XX	\$ 105,057
9	Service Order Entry Business	2810	\$ 636,857
10	Service order Entry/Processing	2830	\$ (8)
11	Collections Business	2840	\$ 424,539
12	Account Inquiry	2850	\$ 1,065,301
13	Demand Sales/Order Negotiation	2870,2E70	\$ 1,716,426
14	Address Information Services	2E30	\$ 599,499
15	Customer Payments Operations	2E60	\$ 8,502
16	Authorized Payment Agency	2E80	\$ 942
17			
18	Total Costs Avoided		\$ 4,557,115
19			
20	Total Business Expenses Account 6623		\$ 8,256,014
21			
22	Percent of 6623 Expenses Avoided for Business		55.20%
23			
24			
25			
26	Source: Resource Analysis Tracking System		
27			

1	Kentucky 1995 - Expenses Worksheet C		
2	Analysis of Account 6623 - Customer Services for Business		
3			
4	A	B	C
5		JFC	Dollars Avoided
6			
7	Description		
8	Training	17XX	\$ 105,057
9	Service Order Entry Business	2810	\$ 636,857
10	Service order Entry/Processing	2830	\$ (8)
11	Collections Business	2840	\$ 424,539
12	Account Inquiry	2850	\$ 1,065,301
13	Demand Sales/Order Negotiation	2870,2E70	\$ 1,716,426
14	Address Information Services	2E30	\$ 599,499
15	Customer Payments Operations	2E60	\$ 8,502
16	Authorized Payment Agency	2E80	\$ 942
17			
18	Total Costs Avoided		\$ 4,557,115
19			
20	Total Business Expenses Account 6623		\$ 8,256,014
21			
22	Percent of 6623 Expenses Avoided for Business		55.20%
23			
24			
25			
26	Source: Resource Analysis Tracking System		
27			

300213

Attachment 9



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMailpfoster

March 28, 1996

Ms. Suzie Lavett
BellSouth
Room E5G 3535 Colonnade Parkway
Birmingham, AL 35243

HAND DELIVERED

Dear Suzie:

This letter requests BellSouth's proposed wholesale pricing for resale of BellSouth Retail service offerings. Attached are lists of Business and Residential Services for the states of Georgia and Florida. We would like for you to provide by close of business Monday, April 1, proposed wholesale price points for all of the services listed. While providing this information, we ask that you:

1. provide service name, retail price, proposed wholesale cost, discount.
2. provide proposed non-recurring charges.

While we believe these lists to include all retail services from your tariffs, these lists should not preclude us from obtaining at wholesale rates other BellSouth retail offerings which we may have inadvertently omitted. Therefore, when responding to this request, please also provide information as indicated in 1. and 2. above for any such services.

Additionally, it is AT&T's expectation that BellSouth would make available to AT&T for the purpose of resale, any future services not yet provided by BellSouth. It is our expectation that these services would be provided to AT&T in a timely manner in order for us to provide these services to our customers concurrent with BellSouth's ability to provide these services to its customers.

AT&T also expects that all promotional discounts, incentives, and any volume/term discount provided by BellSouth to its customers will be available for resale. Further, AT&T expects that information regarding such promotions, etc. will be made available to AT&T prior to availability to BellSouth's customers so that AT&T could provide our customers such promotions, etc. concurrent with BellSouth's ability to provide the same to its customers.

Please also provide a listing of any and all existing special contract retail service offerings or individual case basis deals. (CSBs).

Please provide the information requested and/or respond to the policy positions outlined in items 1-6 above by COB Monday, April 1.

Thank you.

A handwritten signature in dark ink, appearing to read "Preston Foster".

Preston Foster
District Manager - Negotiations Team Leader

390214

BellSouth Local Service - Georgia

GEORGIA	BELL SOUTH
RESIDENCE	TARIFF REF
Individual Line:	
Flat Rate Option:	A3.7.2.A
Jekyll Island (2)	
Albany (5)	
Augusta (7)	
Macon (7)	
Savannah (7)	
Atlanta (12)	
() = Number of rate group.	
Only valid rate groups: 2,5,7,12	
Georgia Community Calling:	A3.7.4.D.2
(Alternative to Flat Rate, message	A3.7.2.B
rate to local & measured calling to	
additional exchanges)	
Rate Group2	
Rate Group5	
Rate Group7	
Rate Group12	
Rotary Lines (Hunting Charges):	A3.7.4.A
Group2	A3.7.4.D (GCC)
Group5	
Group7	
Group12	
Optional EAS:	A3.11
(Alternative to intralata toll)	
- Economy	A3.11.2.A
- Discount	A3.11.2.C
Sample Route:	
Rome - Atlanta	
- Deluxe (Residence Only)	A3.11.2.C
Sample Routes:	
Athens - Atlanta	
Rome - Atlanta	

3/28/96
SBM

390215

BellSouth Local Service - Georgia

Call Forwarding Don't Answer	
Call Fwd Don't Answer - Programmable	
Call Fwd Multiple Simultaneous	
Call Pickup	
Conf, Drop, Hold & Transfer	
6-way Conf, Drop, Hold & Transfer	
Speed Calling	
Calling/Called Number Delivery	
Visual Msg Waiting Indicator	
Audible Msg Waiting Indicator	
Addl Call Appearance PDN or DN	
Call Tracing	
Call Return	
Preferred Call Fwd	
Call Block	
Call Selector	
Repeat Dialing	
Auto Line/Direct Connect	
Selective Call Acceptance	
Stn Restriction-Denied Origination	
Stn Restriction-Denied Termination	
Packet Features:	
X.25 Hunting	
Intl Closed User Group	
Feature Function Buttons Programming	
Per Configuration Group	
Per Terminal	
Per Feature Key Maps	
Extension Services	A13.1
Interphone Services	A13.3
CUSTOM CALLING SERVICE:	
TouchTone	A3.7.2.C.1
Remote Call Forwarding	A13.11
Per feature non-local	
Per feature local	
per additional access facility	
Call Forwarding Don't Answer	A13.9.3
Call Forwarding Busy Line	
Three-Way Calling	
Call Waiting	
Call Waiting Deluxe	
Speed Calling (8 code)	
Speed Calling (30 code)	
Cust control of call forward - BL	
Cust control of call forward -DA	

300217

Call Fwd BL Multiple Simult Calls	
Call Fwd DA Multiple Calls	
Call Fwd Variable Multiple Calls	
Call Forwarding Variable	
Rem. Acc.- Call For. Variable	
Per Call 3-Way Calling	A13.9.4
Flexible Call Forwarding, Plus (Trial Offerings)	A13.9.4
Custom Code Restriction	A13.20
Option1	
Option2	
Option3	
Option4	
Option6	
Call Block Third Number and Collect Selective class of call screening	A13.12
TouchStar Service:	A13.19
Call Return	
Repeat Dialing	
Call Selector	
Preferred Call Forwarding	
Call Block	
Call Tracing	
Anonymous Call Rejection	
Caller ID - Basic	
Caller ID - Deluxe	
Calling # Delivery Blocking-Perm	
Calling # Delivery Blocking/call	
Complete Choice Service	A3.41
Area Plus Service	A3.42
Area Plus w/Complete Choice	A3.42.3
RingMaster Service	A13.34
RingMaster I	
RingMaster II	
Multi-Feature Discount Plan	A13.33
2 Features	
3 Features	
20 Features	
Visual Director	A13.35
Local Usage Detail	A3.22
Special Number Assignment:	A4.11

300213

BellSouth Local Service - Georgia

Search	
Search and Assign	
Dual Service	A4.8
Telephone Number Change	A4.3
Telephone # Restoration	A4.3
Local Directory Assistance	A3.13
DA Call Completion	A3.24
Oper. Assisted Local Calls	A3.14.1
Calling Card	
Operator Handled, including	
Collect, third number, sent-paid, etc.	
Person-to-Person	
Operator Dialed Surcharge	
Coin Calls	A7.1
Busy Line Verification	A3.15.1
Busy Line Interruption	A3.15.1
Installation Charges	A4.3
C.O. Work Charge	
New Line Connection Charge	
Service Order for New Line	
move or change existing svc	
record type orders	
Simple premise work first 15 mins.	
- Each add'l 15 minutes	
Complex premise work first 15 mins.	
- Each add'l 15 minutes	
Link-Up Georgia	A4.10
Directory Listings:	A6
Non-Published Listing(Private)	
Non-Listed Listing	
Additional Listing	
Alternate Listing	
Cross Reference Listing	
Dual Name Listing	
Foreign Listing	
Foreign Cross Reference Listing	
Foreign Alternate Listing	
Mobile or Cellular listing	
Telephone Answering Service	
Stylist (Vanity number) listing	
Title and Suffixes	

300210

BellSouth Local Service - Georgia

Designer Listing	
Access Service Listing (FX svc)	
Dormitory Communication Svc	A13.13
Long Distance Trunk Svc	A13.14
Key Telephone System (911 Svc)	A13.15
Local Calling Area Conf Svc	A13.16
AIN BASED SERVICES:	A34
Service Mgmt System (SMS) Storage	A34.1
ZipCONNECT service	A34.3
Wire Center Routing	
Block Group Routing	
Zip Code Routing	
Routing Options	
Time of Day	
Day of Week	
Percent Distribution	
Point to number	
AdWatch Service	A34.3
CrisisLink Service	A34.5
MEMORY CALL voice mail	A13.44
Mailbox each	
Message Waiting Indication	A13.47
Audible	
Electronic White Pages:	A13.51
Per ID	
Per Screen sent	
HOT LINE Service:	A13.56
Business line only	
Warm Line Service	A13.57
PRE-Paid Calling Card:(Trial)	
per min.	
per call handed to IC	
Prestige Communication Service	A.12.16
Basic Feature Group:	
User Transfer/Conference	
Call Pickup	
Call Hold	
User Transfer/Conference & Pickup	

300220

BellSouth Local Service - Georgia

User Transfer/Conf & Call Hold	
Transfer/conf, Pickup & Call Hold	
Optional Feature Groups:	
Speed Calling 6/access arrangmnt	
Call waiting	
Call Forwarding Variable	
Call Forwarding Don't Answer	
Call Forwarding Busy Line	
Speed Calling 30/acc.arrangement	
Wide Area Telecommunications Service (WATS)	A19
Equipment for Disabled Customers	A30
Equipment for Outright Sale:	
TDD #1000	
TDD #4225	
TDD #4425	
Volume Control Handsets	
Visual Ring Signallers	
Volume Control Handset-Speech Impaired	
Tone Ringer	
Walker Volume Control Handset	
Walker Clarity Volume Control Telephone Set	
Tel-Ease Telephone Set	
Shoulder Rest	
RINGMAX - Amplified Ringer	
TELETALKER - Amplified Telephone	
Remote Control Speakerphone	
Platronic Headset	
Month to Month Option:	
Walker Clarity Volume Control Telephone Set	
Tel-Ease Telephone Set	
Tone Ringer	
Visual Ring Signaler	
Volume Control Handset-Speech Impaired	
Volume Control Handset	
TDD #1000	
TDD #4225	
TDD #4425	
RINGMAX - Amplified Telephone Ringer	
TELETALKER - Amplified Telephone	
Remote Control Speakerphone	
Plantronic Headset	

390221

BELL SOUTH FLORIDA LOCAL OFFERS

	BellSouth
RESIDENTIAL SERVICES	TARIFF REF
Individual Line:	
Flat Rate Option:	
Cedar Key (1)	A3.4.2B.2
Pensacola (6)	
West Palm Beach (9)	
Jacksonville (10)	
Miami (12)	
Message Rate Option:	
(Alternative to Flat Rate)	
Individual Line:	
Cedar Key (1)	A.3.5.2
Pensacola (6)	
West Palm Beach (9)	
Jacksonville (10)	
Miami (12)	
() = Number of rate group.	
ROTARY SERVICE:	A3.6
Cedar Key (1)	
Pensacola (6)	
West Palm Beach (9)	
Jacksonville (10)	
Miami (12)	
Basic Optional EAS	
- Option discontinued with	
implementation of ECS	
Enhanced Optional EAS:	
- Premium Residence Service	A3.7.2
- Discount	
- Incoming Discount	
- Drop-back rate	
Extended Calling Service (ECS)	A3.7.3
Usage based pricing for customer	
dialed or operator assisted calls to	
selected exchanges. Automatic	
enrollment.	
Local Exceptions	A3.8.1-49

300223

BELL SOUTH FLORIDA LOCAL OFFERS

	BellSouth
RESIDENTIAL SERVICES	TARIFF REF
Local Calling Plus	A3.8.50
Interstate Subscriber Ln Chrg Waiver and Matching Prog. (Lifeline Assist.)	A3.8.56
Olympic Netwk Srve - Orlando-Miami	A3.8.57
Directory Assistance Service	A3.9
Operator Assisted Local Calls	A3.10
Verification Service	A3.11A
Emergency Interrupt Service	A3.11B
Dedicated Access Services Capable of Using the Local Exchange Network	A3.12
Local Usage Detail	A3.22
Local Dir Assist. Call Completion Svc	A3.24
Outgoing Only Service	A3.29
Cedar Key (1)	
Pensacola (6)	
West Palm Beach (9)	
Jacksonville (10)	
Miami (12)	
Back-up Line Services	A3.38
Installation Charges	A4.3
New residence single line	
Each additional line	
Premises work - 1st 15 minutes	
- Each add'l 15 minutes	
Secondary service charge	
Dual Service	A4.4
Nonrecurring	
Special number assignment charge	A4.6
Search:	
Search & assign:	
Link-up Florida	A4.7
Residency Listing	A6

300223

BELL SOUTH FLORIDA LOCAL OFFERS

RESIDENTIAL SERVICES	BellSouth TARIFF REF
Coin Telephone Service	A7
Foreign Exchange Service	A9
Prestige Communications Service	A12.16
Transfer/Conferencing	
Call pickup	
User Transfer/Conf. and call pickup	
User Transfer/Conf. and call hold	
User Trans/Conf, Call pickup + call hold	
Speed calling 6	
Call waiting	
Call Forwarding Variable	
Call Forwarding Don't Answer	
Call Forwarding Busy Line	
Speed Calling 30	
Interphone Services	A13.3
Install charge	
Monthly rate	
Each apartment connection	
Channel facilities	
Install charge	
RESIDENTIAL CUSTOM CALLING SERVICES;	A13.9.3
TouchTone	
Call Forwarding	
Three-Way Calling	
Call Waiting	
Speed Calling (8 code)	
Speed Calling (30 code)	
Call Forwarding Busy Line	
Call Forwarding Don't Answer	
Customer control of call forward	
Busy Line	
Don't Answer	
Call forwarding busy line multipath	
or/customer control of call forward	
busy line Multipath	
Call forwarding don't ans. Multipath	
customer control of call forward. don't	
answer multipath	
Call forward. variable Multipath	
or remote access - call forward	
variable Multipath	

300224

BELL SOUTH FLORIDA LOCAL OFFERS

RESIDENTIAL SERVICES	BellSouth TARIFF REF
Remote access-call forward variable	
Usage Sensitive 3-Way Calling	A13.9.4
Remote Call Forwarding 1st fraction/min; add. min.	A13.11
Selective Class of Call Screening	A13.12
TouchStar Service	A13.19
Call Return	
Repeat Dialing	
Call Selector	
Preferred Call Forwarding	
Call Block	
Call Tracing	
Caller ID - Basic	
Caller ID - Deluxe	
Anonymous Call Rejection	
Customized Code Restrictions	A13.20
Installation - nonrecurring	
Duplicate Bill Charges	A13.24
Previous month	
3 months or older	
Discounts for Multiple Features	A13.33
2 Features	
3 Features	
RingMaster Service	A13.34
RingMaster I	
RingMaster II	
Call Tracing	A13.36
Exchange Line Data Service	A13.41
Installation	
Msg Waiting Indication - Audible	A13.47
Hot Line Service	A13.56
Nonrecurring	
Warm Line Service	A13.57
Nonrecurring	

300225

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Bell South Georgia

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
<p>Individual Line: Flat Rate Option: Jekyll Island (2) Albany (5) Augusta (7) Macon (7) Savannah (7) Atlanta (12) () = Number of rate group. Only valid rate groups: 2,5,7,12</p> <p>Georgia Community Calling: <i>(Alternative to Flat Rate, message rate to local & measured calling to additional exchanges)</i></p> <p>Rate Group2 Rate Group5 Rate Group7 Rate Group12</p> <p>PBX TRUNKS: Flat Rate Service:</p> <p>Rate Group2 Rate Group5 Rate Group7 Rate Group12</p> <p>Ga. Community Calling:</p> <p>Rate Group2 Rate Group5 Rate Group7 Rate Group12</p> <p>Rotary Lines (Hunting Charges):</p> <p>Group2 Group5 Group7 Group12</p> <p>Direct Inward Dial: First Group of 20 DID numbers Each Additional group of 20 DID #s DID Trunk termination</p> <p>Signaling Options: MultiFrequency(MF) Dual Tone Multifrequency(DTMF)</p>	<p>A3.7.2.A</p> <p>A.3.7.4.D.2</p> <p>A3.7.4</p> <p>A3.7.4.A</p> <p>A12.7</p> <p>300227</p>

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Optional EAS: <i>(Alternative to intralata toll)</i> Apply to Lines, trunks & NARs	A3.11
- Economy	A3.11.1.A.1
- Discount	A3.11.1.A.2
Sample Route: Rome - Atlanta	
- Incoming	A3.11.1.A.4
- Local Expanded Area Plan	A3.11.2.D
Extension Services	A13.1
Dormitory Communications Svc	A13.13
Local Area Conference Service	A13.16
Visual Director	A13.35
Caller ID Deluxe Call Waiting Deluxe Call Forwarding Busy Line Call Forwarding Don't Answer Msg Waiting Indication - Audible	
MultiLine Hunt Queuing	A13.53
Per MultiLine Hunt Group per group w/ delay Annncment per hunt grp w/call waiting lamps per grp w/ annc & call wait lamps delay announcement per channel delay announcement per trunk music after annc per channel music after annc per trunk call waiting indic per unique timing	

300228

Bell South Georgia

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Local Usage Detail	A3.22
Classroom Communications Svc Group 2 Group 5 Group 7 Group 12	A3.32
MEGALINK Service:	B7.1
Digital Local Channel	
Inter Office Channel	
MEGALINK CHANNEL SERVICE	B7.1
Central Office(MUX) 24 Voice Equivalent Channels	
Feature Activation	
Network Access Register Package Flat Rate NAR Package Group2 Group5 Group7 Group12	A3.12.2
Message Rate NAR package Group2 Group5 Group7 Group12	
Network Access Service	A3.35

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300229

Bell South Georgia

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Group2 Group5 Group7 Group12	
Foreign Exchange Service:	A9
Local Channel Interoffice Channel	
Line and Trunk	A3.
Foreign Central Office: Interoffice Channel	A9
Back-Up Line	A3.38
ISDN:	A42
BRI: ACCESS Interoffice circuit 1st mile Interoffice circuit each add'l mile Basic Rate Interface B Channel (max of 2) Flat Rate Message D Channel	
Optional ISDN Features	A42.1.5
Features for use w/EKTS CPE: Shared Primary DN Secondary Only DN Shared Secondary Only DN Shared non-ISDN DN Privacy Release per Shared DN Manual Exclusion per Shared DN Intercom Calling-Dial Intercom Calling-Automatic Intercom Calling-Call Appearance Conf, Drop, Hold & Transfer Key	
Features for use w/non-EKTS CPE: Call Forwarding-Variable Call Forwarding-Variable Feat Button Call Forwarding Busy Line Call Forwarding Busy Line Prgmbl Call Forwarding Don't Answer Call Fwd Don't Answer Prgmbl Call Fwd Multiple Simultaneous Call Pickup	

390230

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Conf, Drop, Hold & Transfer 6-way Conf, Drop, Hold & Transfer Multi-Line Hunt Group-Voice Multi-Line Hunt Group-Data Speed Calling Visual Msg Waiting Indicator Audible Msg Waiting Indicator Addl Call Appearance PDN or DN Call Tracing Call Return Preferred Call Fwd Call Block Call Selector Repeat Dialing Auto Line/Direct Connect Make Set Busy Selective Call Acceptance Stn Restriction-Denied Origination Stn Restriction-Denied Termination Call Park/Call Retrieve Call Transfer System Exception Dial Call Waiting Make Busy-Intragroup Packet Features: X.25 Hunting Intl Closed User Group	
CUSTOM CALLING SERVICE:	
TouchTone Remote Call Forwarding Per feature non-local Per feature local per additional access facility Call Forwarding Call Forwarding Don't Answer Call Forwarding Busy Line Three-Way Calling Call Waiting Speed Calling (8 code) Speed Calling (30 code) Cust control of call forward - BL Cust control of call forward -DA Call Forwarding Variable - trunk Call Forwarding Variable - line Rem. Acc.- Call For. Variable Per Call 3-Way Calling Custom Code Restriction	A.13.2.3 A13.11 A13.9.3 A13.9.4 A13.20

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Option1 Option2 Option3 Option4 Option6	
Call Block Third Number and Collect Selective class of call screening	? A13.12
TouchStar Service:	A13.19
Call Return Repeat Dialing Call Selector Preferred Call Forwarding Call Block Call Tracing Anon Call Rejection Caller ID - Basic Caller ID - Deluxe Calling # Delivery Blocking, Perm. Calling # Delivery Blocking\call	
RingMaster Service RingMaster I RingMaster II	A13.34 A3 behind table of contents
Disc. for Multiple Features 2 Features 3 Features 20 Features	A13.33
Special Number Assignment: Search Search and Assign	A4.11
Dual Service	A4.8
Telephone Number Change	A4.3
Telephone # Restoration	A4.3
Local Directory Assistance	A3.13
DA Call Completion	A3.24
Oper. Assisted Local Calls Calling Card Operator Handled Person-to-Person Operator Dialed Surcharge Collect&ThirdParty	A3.14
Coin Calls	A7.1
Public telephone Service	

390233

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Message Charges	
Inmate Calling Service	
Semi-Public Telephone Service	A7.2
Message Rate	
Access Line Service COCOT	A7.3
Access Line	
Customer Provided Inmate Service	
Busy Line Interruption	A3.15
Installation Charges	A4.3
C.O. Work Charge	
New Line Connection Charge	
Service Order for New Line	
Secondary Service Order	
Record Order Charge	
Premise work first 15 mins.	
- Each add'l 15 minutes	
Directory Listings:	A6
Non-Published Listing(Private)	
Non-Listed Listing	
Additional Listing	
Alternate Listing	
Cross Reference Listing	
Dual Name Listing	
Foreign Listing	
Mobile or Cellular listing	
Telephone Answering Service	
Special Text Listing	
Stylist (Vanity number) listing	
Title and Suffixes	
Designer Listing	
Network Interface	A14.1
Central Office Battery Reversal	A14.2
Break In Rotary Number Group	A14.3
Message Register Service	A14.7
ESSX Premises Attendant Serv	A14.8
WATS	A19.

390233

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Emergency Reporting Services	A24
Equip for Disabled Customers	A30
Interconnection of Mobile Services	A35
Abbreviated Dialing (N11 svc)	A39
Tier 1 - Atlanta	
Tier 2 - Albany, Athens, Augusta	
Columbus, Macon, Savannah	
Tier 3 - Adairsville, Bremen, Valdosta	
Tier 4 - Americus, Bainbridge, Etc.	
AIN BASED SERVICES:	A34.
Service Mgt System (SMS) Storage	A34.1
ZipCONNECT	A34.3
Wire Center Routing	
Block Group Routing	
Zip Code Routing	
Routing Options	
Time of Day	
Day of Week	
Percent Distribution	
Point to number	
Ad Watch Service	A34.4
Crisis Link Service	A34.5
MEMORY CALL voice mail	A13.44
Mailbox each	
Electronic White Pages:	A13.51
Per ID	
Per Screen sent	
HOT LINE Service:	A13.56
Business line only	
Warm Line Service	A13.57
Uniform Access Number (UAN):	A13.58
Per UAN	
Per Call delivered	
ANI delivery	A13.59
Per UAN	
Per ANI delivered	
Trunk Side Access Facility	A3.28

390214

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
<p>Call Detail</p> <p>Custom Service Area</p> <p>Per UAN per end office blocked:</p> <p>PRE-Paid Calling Card:(Trial)</p> <p>per min.</p> <p>per call handed to IC</p>	<p>A13.62</p> <p>A13.60</p>
PRESTIGE COMMUNICATION SERVICE:	A.12.16
<p>Basic Feature Group:</p> <p>User Transfer/Conference</p> <p>Call Pickup</p> <p>User Transfer/Conference & Pickup</p> <p>User Transfer/Conference & call hold</p> <p>Transfer/conf., pickup & call hold</p> <p>Optional Feature Groups:</p> <p>Speed Calling 6/acc. arrangement</p> <p>Call waiting</p> <p>Call Forwarding Variable</p> <p>Call Forwarding Don't Answer</p> <p>Call Forwarding Busy Line</p> <p>Speed Calling 30/acc. arrangement</p>	
ESSX and Digital ESSX	A12.1
MULTISERV:	
<p>Service Establishment Charge</p> <p>Bridged Links</p> <p>Misc. Terminations</p> <p>Trunk Side Terminations</p> <p>Misc. Line Terminations</p> <p>800 Service</p> <p>OutWATS</p> <p>Station Links</p> <p>Flat Rate</p> <p>Message Rate</p> <p>Flat Rate on MegaLink or Equiv</p> <p>Msg Rate on MegaLink or Equiv</p> <p>Feature Groups</p> <p>Non-Electronic Set - Basic</p> <p>DID/DOD</p> <p>Station-to-Station Calling</p>	<p>A12.20.8.B</p> <p>A12.20.8.H</p> <p>A12.20.8.J</p> <p>A12.20.9.A</p> <p>A12.20.10.A</p> <p>A12.20.10.B</p>

390135

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
AIOD Touch Tone Common Recorded Annncment Basic Hunting (Optional)	
1AESS Features	
Feature Group 1 Capabilities	A12.20.10.C
Automatic Line/Direct Connect	
Touch Tone	
Feature Group 2 Capabilities	
Non-Electronic Basic Included	
Call Block	
Call Forward Busy Line Fixed	
Call Forward Don't Answer Fixed	
Call Forwarding Variable	
Call Hold	
Call Pickup	
Call Return	
Call Selector	
Dial Call Waiting	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
Feature Group 3 Capabilities	
Non-Electronic Basic Included	
Call Block	
Call Forwarding Variable	
Call Hold	
Call Pickup	
Call Return	
Call Selector	
Dial Call Waiting	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
Feature Group 4 Capabilities	
Non-Electronic Basic Included	
Call Forward Busy Line Fixed	
Call Forward Don't Answer Fixed	
Stn Restriction-Full Denied Orig	
Feature Group 5 Capabilities	
Non-Electronic Basic Included	
Call Hold	
Dial Call Waiting	
Repeat Dialing	
Speed Calling Short	
Stn Restriction-Full Denied Orig	

300238

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
3 Way, Cons. Hold, Call Transfer Feature Group 6 Capabilities Call Forwarding Variable 3 Way, Cons. Hold, Call Transfer	
DMS-100 Features	
Feature Group 1 Capabilities Automatic Line/Direct Connect Touch Tone Feature Group 2 Capabilities Non-Electronic Basic Included Call Block Call Forward Busy Split Dest Prog Call Fwd No Answer Split Dest Prog Call Forwarding Variable Call Hold Call Park/Call Retrieve Call Pickup Call Return Call Selector Call Transfer (System Exception) Dial Call Waiting Directed Call Park/Retrieve Make Line Busy Preferred Call Forwarding Repeat Dialing Speed Calling Short 3 Way, Cons. Hold, Call Transfer Feature Group 3 Capabilities Non-Electronic Basic Included Call Block Call Forward Busy Split Dest Prog Call Fwd No Answer Split Dest Prog Call Forwarding Variable Call Hold Call Park/Call Retrieve Call Pickup Call Return Call Selector Dial Call Waiting Directed Call Park/Retrieve Make Line Busy Preferred Call Forwarding Repeat Dialing Speed Calling Short 3 Way, Cons. Hold, Call Transfer	A12.20.10.D
Feature Group 4 Capabilities Non-Electronic Basic Included Data Call Protection	

300237

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Stn Restriction-Full Denied Orig Feature Group 5 Capabilities Non-Electronic Basic Included Call Transfer (System Exception) Dial Call Waiting Speed Calling Short Stn Restriction-Full Denied Orig 3 Way, Cons. Hold, Call Transfer Feature Group 6 Capabilities Call Forwarding Variable 3 Way, Cons. Hold, Call Transfer Feature Group 7 Capabilities Non-Electronic Basic Included Dial Call Waiting Speed Calling Short Stn Restriction-Full Denied Orig 3 Way, Cons. Hold, Call Transfer Feature Group 8 Capabilities Non-Electronic Basic Included Call Block Call Forward Busy Split Dest Prog Call Fwd No Answer Split Dest Prog Call Forwarding Variable Call Return Data Call Protection Directed Call Park/Retrieve Make Line Busy Repeat Dialing Speed Calling Short ACD Feature Group 1 Non-Electronic Basic Included ACD Activate/Deactivate Not Ready Call Block Call Forward Busy Split Dest Prog Call Fwd No Answer Split Dest Prog Call Forwarding Variable Call Hold Call Park/Call Retrieve Call Pickup Call Return Call Selector Call Transfer (System Exception) Dial Call Waiting Directed Call Park/Retrieve Make Line Busy Preferred Call Forwarding Repeat Dialing Speed Calling Short	<div data-bbox="1299 1848 1494 1911">300233</div>

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
3 Way, Cons. Hold, Call Transfer ACD Feature Group 2 Non-Electronic Basic Included ACD Activate/Deactivate Not Ready Call Block Call Forward Busy Split Dest Prog Call Fwd No Answer Split Dest Prog Call Forwarding Variable Call Hold Call Park/Call Retrieve Call Pickup Call Return Call Selector Dial Call Waiting Directed Call Park/Retrieve Make Line Busy Preferred Call Forwarding Repeat Dialing Speed Calling Short 3 Way, Cons. Hold, Call Transfer ACD Feature Group 3 Non-Electronic Basic Included ACD Activate/Deactivate Not Ready Call Block Call Forward Busy Split Dest Prog Call Fwd No Answer Split Dest Prog Call Forwarding Variable Call Return Data Call Protection Directed Call Park/Retrieve Make Line Busy Repeat Dialing Speed Calling Short ACD Feature Group 4 Non-Electronic Basic Included ACD Activate/Deactivate Not Ready Call Forwarding Variable 3 Way, Cons. Hold, Call Transfer Electronic Bus Set Feature Group DID/DOD Station-to-Station Calling AIOD Common Recorded Annncment Basic Hunting (Optional) ACD Supv Elec Set Feature Group DID/DOD Station-to-Station Calling AIOD	

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Common Recorded Annncment Incalls Key ACD Agent Elec Set Feat Group DID/DOD Station-to-Station Calling AIOD Common Recorded Annncment Incalls Key	
5ESS Features	A12.20.10.E
Feature Group 1 Capabilities Automatic Line/Direct Connect Touch Tone Feature Group 2 Capabilities Non-Electronic Basic Included Call Block Call Forward Busy Line Program Call Forward Don't Answer Program Call Forwarding Variable Call Hold Call Park/Retrieve/Answerback Call Pickup Call Return Call Selector Dial Call Waiting Directed Call Park Preferred Call Forwarding Repeat Dialing Speed Calling Short 3 Way, Cons. Hold, Call Transfer Feature Group 3 Capabilities Non-Electronic Basic Included Call Block Call Forwarding Variable Call Hold Call Park/Retrieve/Answerback Call Pickup Call Return Call Selector Dial Call Waiting Directed Call Park Preferred Call Forwarding Repeat Dialing Speed Calling Short 3 Way, Cons. Hold, Call Transfer Feature Group 4 Capabilities Non-Electronic Basic Included Call Forward Busy Line Fixed Call Forward Don't Answer Fixed	<div data-bbox="1318 1825 1490 1876">390249</div>

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Stn Restriction-Full Denied Orig Feature Group 5 Capabilities Non-Electronic Basic Included Call Hold Dial Call Waiting Speed Calling Short Stn Restriction-Full Denied Orig 3 Way, Cons. Hold, Call Transfer Feature Group 6 Capabilities Call Forwarding Variable 3 Way, Cons. Hold, Call Transfer	
EWSD Feature Group	A12.20.10.F
Feature Group 1 Capabilities Automatic Line/Direct Connect Touch Tone Feature Group 2 Capabilities Non-Electronic Basic Included plus Call Block Call Forward Busy Line Program Call Forward Don't Answer Program Call Forwarding Variable Call Hold Call Pickup Call Return Call Selector Data Call Protection Dial Call Waiting Preferred Call Forwarding Repeat Dialing Speed Calling Short 3 Way, Cons. Hold, Call Transfer Feature Group 3 Capabilities Non-Electronic Basic Included Call Block Call Forwarding Variable Call Hold Call Pickup Call Return Call Selector Data Call Protection Dial Call Waiting Preferred Call Forwarding Repeat Dialing Speed Calling Short 3 Way, Cons. Hold, Call Transfer Feature Group 4 Capabilities Non-Electronic Basic Included Call Forward Busy Line Fixed	390241

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Call Forward Don't Answer Fixed Stn Restriction-Full Denied Orig Feature Group 5 Capabilities Non-Electronic Basic Included Call Hold Data Call Protection Dial Call Waiting Repeat Dialing Speed Calling Short Stn Restriction-Full Denied Orig 3 Way, Cons. Hold, Call Transfer Feature Group 6 Capabilities Call Forwarding Variable 3 Way, Cons. Hold, Call Transfer	
Tandem Switching Feat. (TSF)	A12.20.11
ARS - Deluxe Network ARS Automatic Alternate Routing (AAR) Travelling Class Mark (TCM) Facilities Restriction Level (FRL) Uniform Numbering Simulated Facilities Group	
Systems Comm. Service (SCS)	A12.20.12
Optional Features	A12.20.13
Additional Common Block Anonymous Call Rejection Assumed Dial 9 Authorization Codes Auto number referral ARS - Basic Call Fwd - Multiple Simultaneous Call Tracing Call Waiting Exempt Call Waiting Originating Call Waiting Term w/Cancel Call Wait Caller ID Deluxe Caller ID Number Only Calling Name Delivery Calling Name Display Intragroup Calling Number Delivery Blocking Code Calling, Answer Code Restriction Conference Arrangements Meet-Me Pre-Set Station Controlled Delay Announcement	<div data-bbox="1274 1798 1461 1862">39041</div>

Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Denial of Call Tracing Dial 0 Call Transfer Capability Direct Inward System Access Directed Call Pickup Barge-In Barge-In Exempt Non-Barge In Non-Barge In Exempt Distinctive Call Waiting Distinctive Ringing Do Not Disturb Executive Busy Override Group Intercom Hunting Arrangements Distributed Line Hunt Multiline Hunt UCD Loudspeaker Paging, Answer Message Waiting Audible MessageWaiting Lamp Indication Music/Announcement On Hold Network Speed Calling (DMS-100) Personal Call Screening Queuing Incoming Selective Call Acceptance Simplified Message Desk Interface Speed Calling Long - Individual Speed Calling Long Stn Controlled Outgoing Restrictions SMDR Station Restriction Toll Restriction Trunk Verification from Station ACD - Basic ACD Network Mgt Reports ACD Remote Load Mgt Switch-Computer Appl Interface	
Electronic Bus Set Service Optional Features	
Customer Control	A12.20.15
MultiServ PLUS	A12.21
MultiServ PLUS requires each Main Station Line to have a NAR in addition to a Station Link. The Station Link prices however, have been reduced which results in lower per station prices for Rate Groups 2, 5 and 7 (between 1.3% and 42%). The net price impact to Rate Group 12 results in a 25% increase over	

300243

Bell South Services Required for BUSINESS SERVICE Resale in Georgia; Impact to Rate Group 12 results in a 25% increase over	BELL SOUTH TARIFF REFERENCE
MultiServ rates. The only other differences are an increase of the minimum number of stations from 2 to 10, slightly higher Svc Estab Charges, significantly higher Cancellation Charges and the capability of a DS-1 Trunk Side Termination.	
Private Line Services	B
Channels	B.3
Voice Grade	B.3.4.1.B
<div>Local Channel</div> <div>Non-Wire Center Conn. Channels</div> <div>Interoffice Channel</div> <div>Bridging</div> <div>Signalling Arrangements</div> <div>Conditioning</div>	
Wired Music	B.3.4.1.C
<div>Local Channel</div> <div>Non-Wire Center Conn. Channels</div> <div>Interoffice Channel</div> <div>Bridging</div>	
Commercial Quality Video	B.3.4.1.D
<div>Local Channel</div> <div>Interoffice Channel</div> <div>Bridging</div>	
Digital Network Service	B.7
MegaLink Service	B.7.1
<div>Digital Local Channel</div> <div>Interoffice Channel</div> <div>Clear Channel Capability</div>	
SynchroNet Service	B.7.2
<div>Digital Local Channel</div> <div>Node Channel Termination</div> <div>Interoffice Channel</div> <div>Multipoint Service</div> <div>Secondary Channel Capability</div> <div>Data Over Voice Channel</div>	
MegaLink Channel Service	B.7.3
<div>Basic System Capacity</div> <div>Feature Activation</div>	
LightGate 1 & 2	B.7.4
<div>Basic System</div> <div>Electrical Interface Equipment</div> <div>Local Channel Mileage</div> <div>Interoffice Channels</div> <div>Channelization Capacity</div>	

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Bell South Services Required for BUSINESS SERVICE Resale in Georgia:	BELL SOUTH TARIFF REFERENCE
Feature Activation	
MegaLink ISDN Service	B.7.5
Primary Rate Access Line	
Interoffice Channels	
Primary Rate B Channels	
Incoming Call Identification	
SmartPath Service	B.7.8
Service Area Connection	
Service Area Junction	
Primary Rate B Channels	
Incoming Call Identification	
SmartRing Service	B7
Custom Ntwk Svc Arrangement I	B.8
Integration Plus Management	A.32.1
Services Terminal Interface	
FlexServ Service	A.32.1.3
Network Usage Info Service	A.32.1.4
Frame Relay Service	A.40.1
Customer Connection	
Service Feature Charges	
Native Mode LAN Interconnection	A.40.2
Data Channel	
Port	
Address Reconfiguration	
Connectionless Data Service	A.40.4
Customer Connection	
Service Feature Charges	
Broadband Exchange Line	A.40.5
Derived Data Channel Service	A.29.1
Data Transport Access Chnl Svc	A.29.2
PulseLink Public Packet Sw Ntwk	A.29.5
AccuPulse Service	A.29.6

200245

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
Individual Line: Flat Rate Option: <div style="text-align: right;"> Cedar Key (1) Pensacola (6) West Palm Beach (9) Jacksonville (10) Miami (12) </div>	A3.4.2B.2
Message Rate Option: (Alternative to Flat Rate) Individual Line: <div style="text-align: right;"> Cedar Key (1) Pensacola (6) West Palm Beach (9) Jacksonville (10) Miami (12) </div>	A.3.5.2
() = Number of rate group.	
PBX TRUNK LINES: Flat Rate Option: <div style="text-align: right;"> Cedar Key (1) Pensacola (6) West Palm Beach (9) Jacksonville (10) Miami (12) </div>	A3.4.2
Message Rate option: <div style="text-align: right;"> Cedar Key (1) Pensacola (6) West Palm Beach (9) Jacksonville (10) Miami (12) </div>	A3.5.2
() = Number of rate group.	
ROTARY SERVICE: <div style="text-align: right;"> Cedar Key (1) Pensacola (6) West Palm Beach (9) Jacksonville (10) Miami (12) </div>	A3.6
DIRECT INWARD DIAL TRUNKS: Establish trunk group&first group of 20 #s Each Add'l 20 DID numbers	A12.7

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Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
Each DID Trunk Termination Optional signaling (MF or DTMF)	
Basic Optional EAS	A3.7.1
- Option discontinued with implementation of ECS	
Enhanced Optional EAS:	
- Premium Residence Service Unlimited calling from one exchange to one or more specified exchanges; 32 specific routes listed.	A3.7.2
Extended Calling Service (ECS)	A3.7.3
Usage based pricing for customer dialed or operator assisted calls to selected exchanges. Automatic enrollment.	
Optional Measured Service	A3.8.1 - .48
Lower monthly rate, flat minimum usage rate, lower intraLATA toll usage. Probably will no longer be marketed.	
Local Calling Plus	
Flat rated calls to specific exchanges	A3.8.50
Extension Services	A13.1
Dormitory Communications Svc	A13.13
Local Area Conference Service	A13.16
MultiLine Hunt Queuing	A13.53
Per MultiLine Hunt Group per group w/ delay Annment per hunt grp w/call waiting lamps per grp w/ annc & call wait lamps delay announcement per channel delay announcement per trunk music after annc per channel music after annc per trunk call waiting indic per unique timing	
Local Usage Detail	A3.22

300247

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
Custom Code Restriction Option1 Option2 Option3 Option4 Option5 Option6	A13.20
Network Access Registers Cedar Key (1) Pensacola (6) West Palm Beach (9) Jacksonville (10) Miami (12)	A3.13
Network Access Service Cedar Key (1) Pensacola (6) West Palm Beach (9) Jacksonville (10) Miami (12)	A3.35
Back Up Line Service	A3.38
Outgoing Only Service Cedar Key (1) Pensacola (6) West Palm Beach (9) Jacksonville (10) Miami (12)	A3.29
Expanded Local WATS Saver 7500 MOU per month 15,000 MOU per month 30,000 MOU per month 45,000 MOU per month 60,000 MOU per month 75,000 MOU per month	A3.14
MEGALINK Service: Digital Local Channel Inter Office Channel	B7.1
MEGALINK CHANNEL SERVICE Central Office(MUX)	B7.1

300243

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
24 Voice Equivalent Channels Feature Activation	
ISDN:	A42
BRI: ACCESS Interoffice circuit 1st mile Interoffice circuit each add'l mile Basic Rate Interface B Channel (max of 2) Flat Rate Permanent High Speed Packet On Demand High Speed Packet D Channel	
Optional ISDN Features	A42.1.5
Features for use w/EKTS CPE: Shared Primary DN Secondary Only DN Shared Secondary Only DN Shared non-ISDN DN Privacy Release per Shared DN Manual Exclusion per Shared DN Intercom Calling-Dial Intercom Calling-Automatic Intercom Calling-Call Appearance Conf, Drop, Hold & Transfer Key Features for use w/non-EKTS CPE: Call Forwarding-Variable Call Forwarding-Variable Feat Button Call Forwarding Busy Line Call Forwarding Busy Line Prgmbl Call Forwarding Don't Answer Call Fwd Don't Answer Prgmbl Call Fwd Multiple Simultaneous Call Pickup Conf, Drop, Hold & Transfer 6-way Conf, Drop, Hold & Transfer Multi-Line Hunt Group-Voice Multi-Line Hunt Group-Data Speed Calling Visual Msg Waiting Indicator Audible Msg Waiting Indicator Addl Call Appearance PDN or DN Call Tracing Call Return Preferred Call Fwd Call Block	

300.217

[illegible]

300250

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
Usage Sensitive 3-Way Calling	A13.9.4
Selective Class of Call Screening	A13.12
Local Area Conference	A13.16
TouchStar Service	A13.19
Call Return Repeat Dialing Call Selector Preferred Call Forwarding Call Block Call Tracing Caller ID - Basic Caller ID - Deluxe	
RingMaster Service	A13.34
RingMaster I	
RingMaster II	
Discounts for Multiple Features	A13.33
2 Features	
3 Features	
4 Features	
Local Directory Assistance	A3.9
DA Call Completion	A3.24
Operator Assisted Local Calls	A3.10
Calling Card	
Operator Handled	
Person-to-Person	
Coin Calls	A7.1
Public telephone Service	
Message Charges	
Inmate Calling Service	
Semi-Public Telephone Service	A7.2
Message Rate	
Access Line Service COCOT	A7.3
Access Line	
Customer Provided Inmate Service	
Busy Line Verification	A3.11
Busy Line Interruption	A3.11
Directory Listings	A6
Non-Published Listing(Private)	
Non-Listed Listing	

300251

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
Additional Listing Alternate Listing Cross Reference Listing Dual Name Listng Foreign Listing Mobile or Cellular listing Special Text Listing Stylist Service Listing Title and Suffixes Designer Listing	
Network Interface	A14.1
Central Office Battery Reversal	A14.2
Break in Rotary Number Group	A14.3
Message Register Service	A14.7
ESSX Premises Attendant Serv	A14.8
WATS	A19.
Emergency Reporting Services	A24
Equip for Disabled Customers	A30
Interconnection of Mobile Services	A35
Abbreviated Dialing (N11 svc)	A39
Tier 1 - Ft. Laud, Miami, Orlando	
Tier 2 -	
Tier 3	
Tier 4	
AIN BASED SERVICES:	A34
Service Mgt System (SMS) Storage	A34.1
ZipCONNECT Wire Center Routing Block Group Routing Zip Code Routing Routing Options Time of Day Day of Week Percent Distribution	

30025

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
Point to number Ad Watch Service Crisis Link Service MEMORY CALL voice mail Mailbox each Electronic White Pages: Per ID Per Screen sent HOT LINE Service: Business line only Warm Line Service Uniform Access Number (UAN): Per UAN Per Call delivered ANI delivery Per UAN Per ANI delivered Custom Service Area Per UAN per end office blocked:	 A34.4 A34.5 A13.44 A13.51 A13.56 A13.57 A13.58 A13.59 A13.60
PRESTIGE COMMUNICATION	
SERVICE: Basic Feature Group: User Transfer/Conference Call Pickup User Transfer/Conference & Pickup User Transfer/Conference & call hold Transfer/conf., pickup & call hold Optional Feature Groups: Speed Calling 6/acc. arrangement Call waiting Call Forwarding Variable Call Forwarding Don't Answer Call Forwarding Busy Line Speed Calling 30/acc. arrangement	A.12.16
ESSX and Digital ESSX	
ESSX:	A12.1
Service Establishment Charge	A12.1.7

390253

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
VS System S system M System L System Network Access Limiter Network Access Terminal	
ESSX Service - VS and S	
Main Station Lines Terminated as a PBX trunk Main Station Line Intercom Chrg (Flat, Message, Measured) Wire center line charges VS System up to 2.5miles greater than 2.5 miles S System up to 2.5miles greater than 2.5 miles	A12.1.8
VS & S Feature Group A:	
Available Features: 3way callin,consult hold,transfer-individual 3way callin,consult hold,transfer-all calls call forward - BL call forward - DA call forward variable call forward variable outside call hold call pickup call waiting terminating call waiting originating Speed Call (6) Customer changeable	
Bundles of Group A Features	
Any 3 Features Any4 Features Any5 Features Any 6 Features Any 7 Features Any 8 Features Any 9 Features	
Features on a per System Basis	
call forward - BL per System per Line call pickup per System per Line	

390254

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
call waiting terminating per System per Line Speed Call (6) Customer changeable per System per Line	
Features on a Monthly Basis	
3-Way Call, Hold, Xfer-Individ per System per Line 3-Way Call, Hold, Xfer-All per System per Line call forward - BL per System per Line call forward - DA per System per Line call forward - Variable per System per Line call forward - Variable Outside per System per Line Call Hold per System per Line Call Pickup per System per Line Call Waiting Terminating per System per Line Call Waiting Originating per System per Line Speed Call (6) Customer changeable per System per Line	
ESSX Service - M	
Main Station Lines Main Station Line Intercom Chrg (Flat, Message, Measured) Wire center line charges up to 2.5 miles greater than 2.5 miles	A12.1.9

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Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
ESSX - M Feature Group A:	
Available Features: 3way callin,consult hold,transfer-individual 3way callin,consult hold,transfer-all calls call forward - BL call forward - DA call forward variable call forward variable outside call hold call pickup call waiting terminating call waiting originating Speed Call (6) Customer changeable	
Bundles of Group A Features	
Any 3 Features Any 4 Features Any 5 Features Any 6 Features Any 7 Features Any 8 Features Any 9 Features	
Features on a per System Basis	
call forward - BL per System per Line call pickup per System per Line call waiting terminating per System per Line Speed Call (6) Customer changeable per System per Line	
Features on a Monthly Basis	
3-Way Call, Hold, Xfer-Individ per System per Line 3-Way Call, Hold, Xfer-All per System per Line call forward - BL per System per Line call forward - DA per System	

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Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
<div>call forward - Variable</div> <div>per Line</div> <div>per System</div> <div>per Line</div> <div>call forward - Variable Outside</div> <div>per System</div> <div>per Line</div> <div>Call Hold</div> <div>per System</div> <div>per Line</div> <div>Call Pickup</div> <div>per System</div> <div>per Line</div> <div>Call Waiting Terminating</div> <div>per System</div> <div>per Line</div> <div>Call Waiting Originating</div> <div>per System</div> <div>per Line</div> <div>Speed Call (6) Customer changeable</div> <div>per System</div> <div>per Line</div>	
ESSX Service - L	
<div>Main Station Lines</div> <div>Main Station Line</div> <div>Intercom Chrg (Flat, Message, Measured)</div> <div>Wire center line charges</div> <div>up to 2.5miles</div> <div>greater than 2.5 miles</div>	A12.1.10
ESSX - L Feature Group A:	
<div>Available Features:</div> <div>3way callin,consult hold,transfer-individual</div> <div>3way callin,consult hold,transfer-all calls</div> <div>call forward - BL</div> <div>call forward - DA</div> <div>call forward variable</div> <div>call forward variable outside</div> <div>call hold</div> <div>call pickup</div> <div>call waiting terminating</div> <div>call waiting originating</div> <div>Speed Call (6) Customer changeable</div>	
Bundles of Group A Features	
<div>Any 3 Features</div> <div>Any4 Features</div> <div>Any5 Features</div>	

Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
Any 6 Features Any 7 Features Any 8 Features Any 9 Features	/
Features on a per System Basis	
<div>call forward - BL</div> <div>per System per Line</div> <div>call pickup</div> <div>per System per Line</div> <div>call waiting terminating</div> <div>per System per Line</div> <div>Speed Call (6) Customer changeable</div> <div>per System per Line</div>	
Features on a Monthly Basis	
<div>3-Way Call, Hold, Xfer-Individ</div> <div>per System per Line</div> <div>3-Way Call, Hold, Xfer-All</div> <div>per System per Line</div> <div>call forward - BL</div> <div>per System per Line</div> <div>call forward - DA</div> <div>per System per Line</div> <div>call forward - Variable</div> <div>per System per Line</div> <div>call forward - Variable Outside</div> <div>per System per Line</div> <div>Call Hold</div> <div>per System per Line</div> <div>Call Pickup</div> <div>per System per Line</div> <div>Call Waiting Terminating</div> <div>per System per Line</div> <div>Call Waiting Originating</div> <div>per System</div>	

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Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
<div>per Line</div> <div>Speed Call (6) Customer changeable</div> <div>per System</div> <div>per Line</div>	
Private Line Services	B
Channels	B.3
Voice Grade	B.3.4.1.B
<div>Local Channel</div>	
Non-Wire Center Conn. Channels	
Interoffice Channel	
Bridging	
Signalling Arrangements	
Conditioning	
Wired Music	B.3.4.1.C
<div>Local Channel</div>	
Non-Wire Center Conn. Channels	
Interoffice Channel	
Bridging	
Commercial Quality Video	B.3.4.1.D
<div>Local Channel</div>	
Interoffice Channel	
Bridging	
Digital Network Service	B.7
MegaLink Service	B.7.1
<div>Digital Local Channel</div>	
Interoffice Channel	
Clear Channel Capability	
SynchroNet Service	B.7.2
<div>Digital Local Channel</div>	
Node Channel Termination	
Interoffice Channel	
Multipoint Service	
Secondary Channel Capability	
Data Over Voice Channel	
MegaLink Channel Service	B.7.3
<div>Basic System Capacity</div>	
Feature Activation	
LightGate 1 & 2	B.7.4
<div>Basic System</div>	
Electrical Interface Equipment	
Local Channel Mileage	
Interoffice Channels	
Channelization Capacity	
Feature Activation	
MegaLink ISDN Service	B.7.5
<div>Primary Rate Access Line</div>	
Interoffice Channels	

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Bell South Services Required for BUSINESS SERVICE Resale in Florida:	BELL SOUTH TARIFF REFERENCE
Primary Rate B Channels Incoming Call Identification	
SmartPath Service Service Area Connection Service Area Junction Primary Rate B Channels Incoming Call Identification	B.7.8
SmartRing Service	B7
Custom Ntwk Svc Arrangement I	B.8
Integration Plus Management Services Terminal Interface	A.32.1
FlexServ Service	A.32.1.3
Network Usage Info Service	A.32.1.4
Frame Relay Service Customer Connection Service Feature Charges	A.40.1
Native Mode LAN Interconnection Data Channel Port Address Reconfiguration	A.40.2
Connectionless Data Service Customer Connection Service Feature Charges	A.40.4
Broadband Exchange Line	A.40.5
Derived Data Channel Service	A.29.1
Data Transport Access Chnl Svc	A.29.2
PulseLink Public Packet Sw Ntwk	A.29.5
AccuPulse Service	A.29.6

300200

AT&T/BST Local Interconnection Negotiations

March 28, 1996 Core Team Meeting

Key Milestones

Establish Core Resale Negotiation Team	3/19/96
Receive AT&T's Unbundled Network Elements and Local Interconnection Requirements	3/28/96
Establish Unbundled Network Elements and Local Interconnection Negotiation Team(s)	4/2/96
Complete Resale Requirements Negotiations	5/1/96
Complete Unbundled Network Elements and Local Interconnection Negotiations	7/24/96

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Last Week's Activities

Order Process Conference Call	3/22/96
AT&T/BST documentation meeting	3/25/96
Joint Meeting Regarding Documentation Issues Agreed upon 8/95 through 3/26/96	3/26/96
Order Flow Meeting	3/26/96
Began Grouping Issues by Overall Issues (e.g. Electronic Communications)	3/26/96
Established Parameters for Project Tracking (MS Project: Issue, Action Item, Responsible Party Level)	3/27/96

Next Week's Activities

BST Provide Resale Requirements Grouped by Overall Issue for Concurrence	4/2/96
Put Issues, Action Items Party and Due Dates into Project Management Process & Distribute	4/2/96
BST/AT&T Conference Call or Meeting Regarding Local Interconnection Issues	TBD
Billing Conference Calls: Data Transfer & Billing	4/3/96
Begin Weekly MS Project Reports and Follow-up Process	4/4/96
Identify Issues With No Current Activity and Develop Action Plan	4/4/96

Attachment 1c



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMail!pfoster

March 28, 1996

Ms. Suzie Lavett
BellSouth
Room E5G 3535 Colonnade Parkway
Birmingham, Alabama 35243

HAND DELIVERED

Dear Suzie:

This letter transmits three documents:

Unbundled Network Elements - Local Platform, Version 1, dated 3/27/96
Total Service Resale Planning Document, Version 5, dated 3/28/96
Loop Unbundled Resale with Interconnection Planning Document, Version 2, dated 3/28/96

The first document, Unbundled Network Elements, provides an overview, including definitions, of the unbundled network elements which AT&T wishes to purchase either individually or in combinations. It also includes illustrative high level operational and technical requirements to support the elements and associated ancillary capabilities.

As an overview, the Unbundled Network Elements document provides a broad framework and guidance for the formulation of negotiations requirements. The second and third documents supplement it and provide the more comprehensive requirements upon which negotiation of our interconnection agreement under the Telecommunications Act of 1996 should be conducted. All three documents are intended to evolve as our understanding of customer requirements and expectations, and public policy requirements under the Act develops.

The evolutionary nature of these documents is already evident. The second document, Total Service Resale, has been the basis of our ongoing negotiations since October 1995. The new release is Version 5. Revision markings have been included. The major changes include replacements for previous requirements associated with Local Account Maintenance (formerly CARE) and Data Transfer. Elsewhere we have attempted to include the required revisions so as to have the least amount of impact on the existing Negotiations Status Database.

The third document, Loop Unbundled Resale with Interconnection, replaces Version 1, dated 1/11/95. Version 2 incorporates requirements revised in light of the Act. AT&T and BellSouth have not conducted any negotiations concerning these requirements. We would like to begin these negotiations on Wednesday, April 3, 1996 with a review of BellSouth's response. You will be contacted by Mr. Robert Oakes to coordinated this initial interconnection negotiations session.

Suzie, we look forward to continuing our total service resale negotiations and to the successful initiation of interconnection negotiations.

Sincerely,

300262



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMailpfoster

April 2, 1996

Suzie Lavett
BellSouth
Room E5G
3535 Colonade Parkway
Birmingham, AL 35243

Dear Suzie,

Thank you for meeting with us last Thursday. I believe that we can work together to successfully conclude our negotiations within the 135-day negotiating period prescribed in the Telecommunications Act of 1996. To do that, we must focus first on areas where agreement can most likely be reached. I am anxious to move our teams to that level of discussion.

Below is a summary of action items and key issues from our March 28, 1996 Core team Meeting held at AT&T, 1200 Peachtree Street, NE, Atlanta, Georgia. The attendees were as follows:

Suzie Lavett	Mary Jo Peed
Ann Butler	Mason Fawzi
Loretta Cecil	Greg Follensbee
Preston Foster	Pam Nelson
Wayne Kendall	Jay Bradbury
Randy Jenkins	Andre' Mule'

1. Parties agreed to the following approval process: The SMEs negotiate and refer agreed upon items to the CORE Team. The CORE Team reviews and initials, and sends the documents to the Executive Team for final approval.
2. Mary Joe agreed to draft language around documenting items agreed to by next CORE Team meeting. Mary Joe will involve Sylvia as necessary to develop language to reach closure on (approximately 56) previously agreed to items.

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3. Parties agreed on the following process for escalating items as described by Preston: The CORE Team will use no more than two sessions to discuss issues of disagreement. Then, if the CORE Team cannot resolve them, we should move them to the Executive Team. The Executive Team can agree, agree to disagree, decide to mediate, or table the issue.
4. Ann Butler & Mason Fawzi will work on populating the MS Project database. To be completed by Tuesday 4/2. It will be shared by BellSouth and AT&T. Mason and Ann are owners of this process.
5. Parties agreed to escalate resolution of Non-disclosure to respective Leadership teams by COB 3/29 for immediate resolution or possible mediation on the matter.
6. Agreed that Suzie will call Preston by 3:00 tomorrow afternoon with a status report on BellSouth's position on the Non-disclosure and desired course of action.
7. Parties agreed to escalate access issue to Leadership Teams. (For the time being, parties agree to disagree as to whether or not access included as part of the Act.)
8. AT&T agreed to provide AT&T's access position vis-avis the Act by noon 3/29.
9. Suzie agreed to provide Pam status/BellSouth position on the following six items related to TSR items from prior negotiations. To be provided by Tuesday 4/2.
 - Real time electronic interfaces - when available? schedule?
 - Routing of AT&T operator services, DA, repair calls to our own platform. Technical and policy issues?
 - Lifeline resale policy.
 - Resale of Grandfathered services.
 - Discount associated with directory listing services.
 - Discount associated with payphone services.
10. Mary Jo agreed to share copies of the Florida interconnection agreements already agreed to by BellSouth by FAX by COB 3/28.
11. Suzie agreed to respond to Mason's request for copies of any existing LEC to LEC agreements addressing routing, operator services, directory assistance.
12. Mary Jo agreed to research and provide BellSouth's GA avoided cost testimony if it is public information.
13. Suzie agreed to call Mason by COB Tuesday 4/2 with an update on developing response to his request for GA, FL wholesale discounts and services BellSouth does not intend to make available for resale.

14. Suzie agreed to respond to the requested policy positions and information regarding issues mentioned in P. Foster 2/28 letter:

- Resale of Future Services policy.
- Resale of promotional discounts, incentives, volume/term discounts policy.
- List of all existing special contract retail service offers or individual case basis deals. (e.g.: CSAs)

15. Suzie agreed to provide BellSouth position on resale of Contract Service Arrangements (CSAs) by COB Tuesday 4/2.

16. Suzie and Preston agreed to meet Tuesday afternoon at 1:00 p.m. to review the overall schedule.

17. The next meeting was scheduled for Wednesday, April 3 at 1:00 p.m. at the Southern Bell Center.

Thank you for your continued attention to these matters. Feel free to call me at any time on (404) 810-8548.

Sincerely,



Preston G. Foster
Lead Negotiator
AT&T

300265

JOINT AT&T/ BELLSOUTH CORE TEAM MEETING NOTES

April 3, 1996

On Wednesday, April 3, 1996, The Joint AT&T/ BellSouth Core Team met at 675 W. Peachtree Street with the following in attendance:

Ann Butler	Suzie Lavett
Mary Jo Peed	Preston Foster
Greg Follensbee	Pam Nelson
Mason Fawzi	Neil Brown
Sylvia Anderson	Andre' Mule'

1. Preston reviewed the agenda (attachment 1)
2. Agreed To Items Process
 - * a) Mary Jo said she had agreed to draft something, but hasn't. She's not sure the document that was passed out at the last meeting is sufficient to include in a contract. When she has enough information for her draft, she wants to include "final contractual language" in it.
 - b) Sylvia asked: Is that practical to do at this time?
 - c) Pam: I don't know about "contractual language." I'll leave that to the lawyers, but we need to document what we've agreed to.
 - d) Sylvia: We'd like to know that we agree on the previously agreed to items. In the interim, are we in agreement that we've reached agreement on these issues? Mary Jo and Suzie agreed.
 - e) Pam: We need to include more language on the "how" in addition to the "what"
 1. Mary Jo: That's what I mean. We need more meat on this.
 - * f) Mary Jo agreed to take a couple of items and draft language for next week.
 - g) Pam: As a milestone, we should calibrate our progress at each meeting.
 - h) Preston: Is there any problem in thrashing out what the final agreement will look like? Sylvia says it's too early to do this.
 - i) Preston said we'd like to calibrate the entire work plan each week. All agreed.
3. Status of Escalated Items

300266

a) Non-disclosure: Preston said we'd like to reinforce that everything we've given you since the first Core Team meeting will be covered under this non-disclosure agreement. All agreed.

1. Sylvia: Regarding Mary Jo's cover memo, we'll have to take it on a case by case basis. An example is the Kentucky cost study. We have a different view. We think these studies are relevant.

2. Mary Jo: We're going to exercise good legal caution on documents we provide

b) Preston: You've received our position on access. Any change in your position? Mary Jo said there wasn't.

1. Preston advised that Jim Carroll will be discussing access with Charlie Coe tomorrow.

• 2. Suzie said she hadn't briefed Coe on access. She will handle.

c) Preston clarified BLS personnel changes. Mark Fiedler will replace Scott Schaeffer. Mark's appointment is effective 5/1. He'll be taking Dick Anderson's place and report to Coe. Schaeffer will be involved until 5/1.

4. Regarding Policy Positions (attachment 2), Preston said that our purpose is to better understand your positions on each.

a) Mason: Last week, I thought you said that volume discount packages were not for resale, but here you seem to say they are. Suzie responded that she was mistaken last week

b) Mason: What's the difference between ICB's, CSA's, and Special Arrangements?

1. Mary Jo answered: Special Assemblies (or, Special Arrangements) are things customers want, but we ordinarily don't provide. They generally have to be specially engineered and priced out. A Special Assembly is a "service."

2. Suzie: ICBs are handled at the FCC level. This is something where we've had to provide special construction to provide facilities.

3. A Contract Service Arrangement is a special pricing arrangement to respond to competitive forces. It is not a service and is not available for resale.

c) Neil: Would a CSA be transferable to an AT&T customer? Suzie: When he ceases to be our customer, the CSA would be terminated. Mary Jo provided copies of the tariffs for CSAs and ICBs (attachment 3)

d) Mary Jo added that ordinarily, CSAs are only provided for business customers. "I would be shocked if we had a CSA for a residential customer."

1. CSAs are only intrastate

2. We use CSAs for Essx to compete with PBX service

e) Mason: You say you'll give us volume and term contracts for resale. If we have a customer who wants a 3-year deal, would you wholesale to us at a 3-year deal?

1. Suzie: Special Arrangements and ICBs will be handled on a case by case basis. If there are avoidable costs, that will be taken into account. We need to get some language together that we can talk through.

2. Preston: Essx is a local service you sell through tariff. If a customer has Essx with a CSA, and AT&T can't provide CSA with Essx, wouldn't AT&T be at a competitive disadvantage. Mary Jo: I'm sure AT&T could come up with a meaningful offer to substitute for the CSA. The CSA is a competitive response tool for us. Our position is CSA is not available for resale. The rationale is CSA is a pricing arrangement, not a service. We don't have a requirement under the Act.

f) Suzie: ICBs are still in separate sections of the tariffs. CSAs would be in special sections also.

* g) Greg: Is everything else in the tariff available for resale. Suzie: My understanding is that's true, but let me check with Bob on that.

h) Sylvia: BellSouth would provide CSAs to other BellSouth customers, but not to AT&T. Mary Jo: The CSA is a competitive response for us. They are not available for resale. They are basically wholesale contracts with customers. We don't have to treat resellers the same as end-users. We can "reasonably discriminate."

i) Mason: What is the rationale for "termination liabilities" when a customer transfers to AT&T. Suzie: If a customer transfers, he no longer is a BellSouth customer, and his contract includes a termination penalty. If AT&T has a proposal, we'd be glad to look at it.

1. Preston: Let me get this straight. The issue is Bellsouth's concern about not fully recovering revenues in the CSA contract? Suzie: That is certainly a reason. But another issue is we no longer have a contract with the customer. We'll look at a proposal.

* 2. Greg: Would you run this through? Would you entertain an offer? Suzie will check and advise.

j) Greg: I understand your CSAs are competitive responses to customers. How are we not similarly situated? Mary Jo: I don't see a reseller similarly situated as an end-user customer. We need to treat all resellers the same, and all end-users the same.

* k) Mason: We'd like specific references in the tariff that CSAs are not available for resale. Suzie: Let's start by checking where these items are filed. Then, the process might be clear-cut.

* l) Suzie will get us a clearer definition of "promotional offerings"

m) Mason: Could we get an example of a volume discount?

1. Suzie: If a business customer wants a dozen DS1 pipes to their business, we may negotiate a special price to that business.

* n) Preston: Could we get a full accounting of what is not available by next week? Suzie: I don't know what's involved. I'll have to check. She'll call Mason tomorrow.

* o) Pam: Re: Status and Next Steps, we need to update entries. Pam will draft language and advise Suzie.

5. Electronic Communication

a) Suzie: We're studying certain interfaces now. No new information.
b) Pam: We need to run a parallel course on this one. How can we understand the technical development work? Is there any way we can talk about this? We'll make resources available to work with you on this.

* 1. Suzie will talk to Becky and check status and see if we can accelerate development.

2. Preston: We need a proposal by 4/15 so we'll be ready for 5/1 ORT.

* c) Pam will review this item and submit changes

* d) Sylvia: In "Next Steps" we should delete the reference to "arbitration" We're planning for an interconnect agreement. Let's not use that term in these documents. All agreed.

* e) Pam: Under BST Position, what does "daily basis for change" mean. We need a clearer understanding.

6. Grandfathered Services

a) Neil: can you help us understand how grandfathered services can be excluded from resale?

1. Suzie: It's similar to the CSA rationale. Once the customer is no longer our customer, we're no longer obligated to provide the service.

2. Mary Jo: It's an issue of parity. If that customer disrupted his service, the grandfathered service no longer available to him.

b) Neil: But if all you did was transfer service to us, the grandfathered service should be transferred as well.

1. Mary Jo: Our intent is to make it hard for a grandfathered service to continue.

c) Neil: Why are things grandfathered?

1. Mary Jo: Obsolete equipment, pricing structure changed, no demand for service now. There are many reasons. AT&T is trying to stop providing telegraph service at the FCC.

2. Neil: I don't understand the adverse impact if a customer is merely transferred to AT&T. I'm asking you to reconsider.

3. Greg: Do you grandfather because it's something you want to do, or something the PSC wants? Mary Jo: PSC is generally the reason. So we can slowly attrition to a new service.

4. Greg: Can we help you by supporting your view on grandfathering before PSCs? Can you support us by not asking to grandfather anymore? Mary Jo: Yes. Essex seems to be our problem.

* 5. Mary Jo: Do you know what services are grandfathered? Suzie will check and call Mason with timeline. She will also research the Essex issue internally.

* a) Preston: It would be helpful to get this information late this week or early next week.

7. Neil: Help us understand your position on Lifeline.

a) Mary Jo distributed the tariff references on Link-Up Florida, Georgia, Tennessee, and North Carolina (attachment 4).

1. She explained: Link-up is a program whereby we waive a portion of the non-recurring charges. It provides subsidized assistance to low income subscribers who qualify. She could not find references to Lifeline in the tariffs, but she said Lifeline is a program whereby they waive the subscriber line charge.

b) Greg: Since you don't feel you can wholesale Link-Up or Lifeline to us, would you oppose our asking PSCs to certify us to offer these services?

Mary Jo: No. That would be fine.

8. Direct Routing of Calls and Repair Service

a) AT&T wants calls routed to their own people

b) BellSouth contends there are technical problems

1. Suzie: We're running out of "line class codes"

2. We'd have to offer this service to all resellers

3. Would need "thousands" of "line class codes"

4. Need over 300 line class codes for each reseller.

c) Pam—we need to deal with facts about the number of codes per switch. Suzie's people are working on this. We'll get some additional guidance from Jim Carroll and Charlie Coe.

1. Suzie: Another consideration is how long will resale be around before you eventually have your own facilities?

2. We may have to get real "switch" people together to hammer out this one.

* d) Suzie will look at the magnitude of the upgrade (cost, size, timing), and report back to the group.

9. Sharing requirements

a) Preston: What about the Georgia cost study that we requested last week?

• 1. Suzie: Sheye said we shared everything in the Georgia proceedings. Neil and I will verify with Bob tomorrow.

b) Mason: What about the list of services?

• 1. Suzie: Sheye sent a letter with the percentage discounts this morning (attachment 5). She will verify that everything in the tariff will be provided at these discounts. Suzie will check and discuss with Neil at 4/4 meeting.

* 10. Resale of Future Services--Suzie said her understanding is they are included. Will give us a position in writing. Also, our process.

300270

* 11. Non-recurring charges--Suzie will get a clarification of non-recurring charges. There will be different discounts based on the kind of non-recurring charge. Will delineate how Bellsouth will treat non recurring charges for a new customer as opposed to non-recurring charges for a switch-as-is

* 12. Mason distributed the Tennessee list of services (attachment 6)

* 13. Suzie asked Neil about the status of his data requests. Neil advised he's working on it; trying to pare it down. Objective is to get it to her by end of week.

* 14. Preston: Can we get reports on Future Services and Non-Recurring Charges by Monday? OK.

a) We are thinking we may need the Core Team to meet more often--say, twice a week. Suzie: I'd be concerned about a second meeting. We only have so many people with the necessary expertise. We can throw bodies at the process, but that wouldn't do much good. We were planning to have a "sub-team" meeting after this one to look at the project progress. I think that's more productive.

b) Preston and Suzie agreed to have the progress review meetings starting on Monday, 4/8 in room 3060 at 8:30am. Thereafter, they will be held each Friday morning, starting on 4/12.

15. Mary Jo discussed the Florida, Tennessee, Georgia, North Carolina Link-Up tariffs.

a) She couldn't find the Lifeline tariffs

b) We briefly reviewed the difference between the two services

c) Neil: My questions on Lifeline are the same as my questions on Grandfathered Services. Is this not considered a service and therefore not offered for resale. Mary Jo: These are not services and are not offered for resale.

* 16. Regarding Special Arrangements, the question was asked: If there is no contract, will BellSouth resell as is? Suzie will check and advise.

* 17. Preston: On Special Assembly the issue is loss of termination liability dollars. On CSA, the issue is it's a competitive response, and you are not willing to resell. Mary Jo agreed to check this as well.

• Action Items

390271

BellSouth / AT&T Core Team Negotiations Meeting, #3

April 3, 1996 Agenda

1. Review Agenda and Purpose
2. Agreed-to Items -- Process
3. Status of Escalated Items
 - Non-Disclosure
 - Inclusion / Exclusion of Access in Negotiations
3. Review of Policy Positions
 - Resale of Volume Packages, ICB's and CSA's
 - Electronic Communication
 - Resale of Grandfathered Services
 - Resale of Lifeline Service
 - Direct Routing of Calls and Repair Service
 - Resale of Future Services
 - Non-recurring Charges
4. Sharing Requirements
 - Georgia Cost Study
 - List of Services with Proposed Wholesale Prices (Georgia)
5. Timelines / Scheduling

**THESE PAGES CONTAINED
BELLSOUTH
PROPRIETARY INFORMATION**

BATES STAMP

NOS. 300273 **TO** 300277

Attachment 3

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
GEORGIA

GENERAL SUBSCRIBER SERVICE TARIFF

Second Revised Page 6
Cancels First Revised Page 6

ISSUED: September 30, 1993
BY: President - Georgia
Atlanta, Georgia

EFFECTIVE: December 1, 1993

A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS**A5.3 Charges for Unusual Installations (Cont'd)****A5.3.3 Temporary Installation**

When an installation is required for temporary service and there is no immediate prospect of reusing the plant provided, the subscriber may be required to bear all or a portion of the cost of such installation, over and above all other regular charges for service.

A5.4 Special Service Arrangements**A5.4.1 General**

A. Where practicable, special arrangements¹, not otherwise provided for in this Tariff, are furnished if they are in accord with authorized service offerings and if they are to be used in connection with and not detrimental to any of the services furnished by the Company. Charges for such special service arrangements will be based on the estimated costs of furnishing them, such costs to consist of the following items to the extent they are applicable:

(C)

1. Cost of maintenance.
2. Cost of operation.
3. Depreciation on the estimated cost installed of the facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage.
4. Administration and taxes on the basis of reasonable average charges for these items.
5. Any other specific items of expense associated with the particular situation.
6. A reasonable amount, computed on the estimated cost installed of the facilities provided, for return and contingencies.

B. Estimated cost installed as mentioned in A5.4.A.3. and A5.4.A.6. preceding includes cost of equipment and materials specifically provided or used plus the estimated cost of installing, including engineering, labor, supervision, transportation, right-of-way and any other investment items.

A5.4.2 Reserved for Future Use**A5.5 Reserved for Future Use****A5.6 Contract Service Arrangements****A5.6.1 General**

A. When economically practicable, customer specific contract service arrangements may be furnished in lieu of existing tariff offerings provided there is reasonable potential for uneconomic bypass of the Company's services. Uneconomic bypass occurs when an alternative service arrangement is utilized, in lieu of Company services, at prices below the Company's rates but above the Company's incremental costs.

(M)

Note 1: In order to meet Open Network Architecture (ONA) requirements, the Company, upon customer request, will produce a special arrangement for WatchAlert[®] service and Performance and Fault Management Service based upon criteria in A5.4.1.

(N)

Material previously appearing on this page now appears on page(s) 7 of this section
*Registered Service Mark of BellSouth Corporation

300278

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
GEORGIA

GENERAL SUBSCRIBER SERVICE TARIFF

Original Page 7

ISSUED: September 30, 1993
BY: President - Georgia
Atlanta, Georgia

EFFECTIVE: December 1, 1993

A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS**A5.6 Contract Service Arrangements (Cont'd)****A5.6.1 General (Cont'd)**

- B. Rates, Charges, Terms and additional regulations, if applicable, for the contract service arrangements will be developed on an individual case basis, and will include all relevant costs, plus an appropriate level of contribution. (M)
- C. Unless otherwise specified, the regulations for contract service arrangements are in addition to the applicable regulations and rates specified in other sections of this Tariff. (M)

Material appearing on this page previously appeared on page(s) 6 of this section

300273

Attachment 4

BELLSOUTH
TELECOMMUNICATIONS, INC.*
FLORIDA

GENERAL SUBSCRIBER SERVICE TARIFF

Fifth Revised Page 6
Cancels Fourth Revised Page 6

ISSUED: February 1, 1994
BY: Joseph P. Lacher, President - FL
Miami, Florida

EFFECTIVE: February 17, 1994

A4. SERVICE CHARGES¹

(N)

A4.6 Special Number Assignment Charge (Cont'd)

(N)

A4.6.1 General (Cont'd)

(N)

C. All specific number requests other than numerical patterns must be made by specifying the digits desired. (N)

D. If requesting a specific number, the customer will be allowed to name one or two alternative specific numbers, in order of preference, that would be acceptable if the first choice is not available. (N)

If the customer does not wish to name any specific alternative choices, he may state a desire for two "easy" number alternatives. If his first choice is not available, he will be provided with two "easy" number candidates from which to choose. The customer may name one alternative specific number as his second choice and state a desire for an "easy" number as a third alternative. If his first and second choice are not available, he will be provided with one "easy" number candidate to consider. (N)

If the customer has no specific number to request but merely desires an "easy" number, he will be provided with three "easy" number candidates from which to choose. (N)

In the case of both specific and "easy" numbers, only one number may be assigned per each charge listed. (N)

E. The appropriate charge applies in addition to all otherwise applicable charges, e.g., Number Change, Record Service Order, Foreign Central Office, etc. (N)

F. If a customer obtains a number under this Tariff that must subsequently be changed for Company reasons (e.g., area transfer), this charge will not apply for providing this same customer a special number from the newly available pool. A customer that moves but remains in the same serving office or wire center may retain his special number at no additional charge. Any requests to change to a new special number will be chargeable. (N)

G. The charges apply for searching for and, if available, assigning a workable number and are not refundable. The number itself remains the property of the Company as stated in Section A2. of this Tariff. (N)

H. This service is available where facilities or arrangements permit. (N)

A4.6.2 Rates and Charges

(N)

A. Nonrecurring Charges, per request for a number to be assigned. (N)

1. Search Only

(N)

(a) Residence

Nonrecurring
Charge

\$5.00

USOC

RNCSO

(N)

(b) Business

10.00

RNCSO

(N)

2. Search and Assign

(N)

(a) Residence

25.00

RNCSN

(N)

(b) Business

75.00

RNCSN

(N)

A4.7 Link-Up Florida

(N)

A4.7.1 General

(N)

A. Link-Up Florida is offered in all exchanges to provide subsidized assistance to qualifying applicants. It is intended to preserve and promote subscribership among low income households by providing a credit to and a deferred schedule for payment of the installation and connection charges applicable to the provisioning of residence service. (N)

Note 1: The changes on this page are a result of the restructure of this section. (N)

BELLSOUTH
TELECOMMUNICATIONS, INC.*
FLORIDA
ISSUED: February 1, 1994
BY: Joseph P. Lacher, President - FL
Miami, Florida

GENERAL SUBSCRIBER SERVICE TARIFF

Fourth Revised Page 7
Cancels Third Revised Page 7

EFFECTIVE: February 17, 1994

A4. SERVICE CHARGES¹**A4.7 Link-Up Florida (Cont'd)****A4.7.1 General (Cont'd)**

- B. The Company's rules for the Link-Up Florida program are as provided in Commission Order No. 19684, Docket No. 880847-TL. (N)
- C. The Company's deferred payment schedule referenced in Commission Order No. 19684, Docket No. 880847-TL is as provided in this Tariff. (N)

A4.7.2 Regulations

- A. Persons wishing to qualify for the credit must meet state certification criteria for eligibility. This credit is available only to residence customers, and will be applied to the nonrecurring charges for the establishment of service for a single telephone line per household at the principal place of residence. (N)
- B. The subscriber must not be a dependent for federal income tax purposes, unless the subscriber is more than 60 years of age. (N)
- C. The subscriber must be a current recipient of or certified eligible for Medicaid or Food Stamps. (N)

A4.7.3 Rates and Charges1. Federal credit²

(a) Each

Nonrecurring
Charge
\$-

USOC
NA

A4.8 Reserved for Future Use**A4.9 Reserved for Future Use****A4.10 Reserved for Future Use****A4.11 Reserved for Future Use**

Note 1: The changes on this page are a result of the restructure of this section. (N)

Note 2: Credit is 50 percent of the Line Connection Charge. The credit is not to exceed \$30.00. (N)

SOUTHERN BELL TELEPHONE
AND TELEGRAPH COMPANY
GEORGIA

GENERAL SUBSCRIBER SERVICE TARIFF

Sixth Revised Page 2.1
Cancels Fifth Revised Page 2.1

ISSUED: September 26, 1995
BY: President - Georgia
Atlanta, Georgia

EFFECTIVE: October 26, 1995

A4. SERVICE CHARGES**A4.1 Definitions (Cont'd)****A4.1.11 Simple Service**

The term Simple Service as specified herein is defined as Simple Business and Simple Residence service as defined in A4.1.9 and A4.1.10 preceding.

A4.1.12 Complex Service

The term Complex Service as specified herein is defined as service terminating in a communications system such as Key, PBX, or *Centrex Type Services*. The term Complex Service may apply as well to special services specifically noted as Complex Services in other sections of this Tariff. (C)

A4.1.13 Dual Service

A service offering which supplies the same dial tone concurrently to two different addresses served from the same wire center during the time of a customer move.

A4.1.14 Rearrangements

The term rearrangements as specified herein is defined for Simple and Complex Residence and Business Service as requests initiated by the customer for rearrangement of a drop wire, protector, and/or network interface.

A4.1.15 Reserved for Future Use**A4.1.16 Reserved for Future Use****A4.1.17 Reserved for Future Use****A4.1.18 Reserved for Future Use****A4.1.19 Special Number Assignment Charge**

The charge applying for a customer requested special telephone number, other than that number which would normally have been assigned. A separate charge applies for searching for and, if available, assigning the number.

A4.1.20 Link-Up Georgia

Link-Up Georgia is a state approved, FCC authorized assistance program which provides a specified credit to the non-recurring charges for the establishment of service to qualified residence customers.

300282

SOUTH CENTRAL BELL
TELEPHONE COMPANY
TENNESSEE
ISSUED: March 17, 1995
BY: President - Tennessee
Nashville, Tennessee

GENERAL SUBSCRIBER SERVICES TARIFF

Nineteenth Revised Page 7
Cancels Eighteenth Revised Page 7

EFFECTIVE: April 20, 1995

A4. SERVICE CHARGES¹**A4.7 Link-Up Tennessee****A4.7.1 General**

- A. Link-Up Tennessee is offered in all exchanges to provide subsidized assistance to qualifying applicants. It is intended to preserve and promote subscribership among low income households by providing a credit to the installation and service charges applicable to the provisioning of residence service.

A4.7.2 Regulations

- A. Persons wishing to qualify for the credit must meet state certification criteria for eligibility. This credit is available only to residence customers, and will be applied to the nonrecurring charges for the establishment of service for a single telephone line per household at the principal place of residence.
- B. The subscriber must not be a dependent for federal income tax purposes, unless the subscriber is more than 60 years of age.
- C. The subscriber must meet the requirements of a state established income test.

A4.7.3 Rates And Charges

- A. A nonrecurring credit in the amount of one-half (maximum of \$30.00) of the installation and connection charges will be applied to the subscribers total nonrecurring installation and connection charge.

A4.8 Trouble Determination Charge**A4.8.1 General**

- A. Residence and Business basic exchange services which terminate in a communications system, such as PBX or Key, are defined as Other Residence or Business Services. These customer shall be responsible for the payment of Company charges for visits by the Company to the customer's premises which are required in connection with a customer's service difficulty or trouble report when it is determined that the source of the difficulty or trouble is on the customer's side of the demarcation point. This charge does not include any isolation work beyond the demarcation point.
- B. Effective 1-1-87, the Company no longer provides maintenance and further isolation of wire and set troubles as aregulated service in compliance with the FCC order in CC Docket 79-105.

A4.8.2 Rates and Charges

- A. Customers with Residence or Business basic exchange service which does not terminate in a communications system will be provided at no charge.
- B. Trouble determination for both Other Residence or Business Service customers will be provided based on Premises Work Charges as described in A4.2.5, at the rates applicable to Business customers.

A4.9 Reserved for Future Use**A4.10 Reserved for Future Use****A4.11 Reserved for Future Use****A4.12 Reserved for Future Use**

Note 1: These changes are a result of the restructure of this section and are to be implemented on May 9, 1995.

300283

EFFECTIVE: March 1, 1988

A4. SERVICE CHARGES

A4.1 Definitions (Cont'd)

A4.1.2 (DELETED)

A4.1.3 (DELETED)

A4.1.4 Terminal Equipment

Equipment at the subscriber's or user's end(s) of a communication, intercommunication, signaling, or paging circuit.

A4.1.5 (DELETED)

A4.1.6 (DELETED)

A4.1.7 Rearrangements

The term rearrangements as specified herein is defined for Simple and Complex Residence and Business Service as requests initiated by the customer for rearrangement of a drop wire, protector, and/or network interface.

A4.1.8 Reserved for Future Use

A4.1.9 Reserved for Future Use

A4.1.10 Link-Up Carolina

Link-Up Carolina is a state approved, FCC authorized assistance program which provides a specified credit to the non-recurring charges for the establishment of service to qualified residence customers.

(N)

(N)

A4.1.11 Reserved for Future Use

A4.1.12 Reserved for Future Use

A4.1.13 Dual Service

A service offering which supplies the same dial tone concurrently to two different addresses served from the same wire center during the time of a customer move.

A4.2 Application of Charges

A4.2.1 General

- A. Service charges are applicable for all equipment and services furnished to the subscriber as herein provided. The charges are intended as a means of recovering a portion of the costs of the operations required due to subscribers' requests.
- B. Service charges are not applicable for:
 1. Work functions which are not required due to the subscribers' request.
 2. Normal maintenance and repair of the Company's network and service.
 3. An upgrade or downgrade of exchange service.
 4. Company initiated orders, e.g., a number change required by a cutover or regrade, etc.
 5. Record orders issued for correction purposes.

300284

Attachment 5



BellSouth Telecommunications, Inc. 404 420-8327
Room 11A15
675 West Peachtree Street, N.E.
Atlanta, Georgia 30375

Robert C. Schey
Senior Director

April 3, 1996

Preston G. Foster
AT&T
1200 Peachtree Street
Room 10140
Atlanta, Georgia

VIA FAX

Dear Mr. Foster:

On March 28, 1996, you requested specific information concerning resale in a letter to Suzie Lavett. Specifically, you were asking for the resale discounts for BellSouth's retail services in Georgia and Florida.

In Georgia, the discounts based on costs avoided would be 9.5% for business services and 11% for residence services. Similar data is being developed for Florida but has not been finalized.

Some of the other issues that you raise can be dealt with in a meeting scheduled for April 4, 1996 at 9:30 AM, being coordinated by Neil Brown.

A handwritten signature in cursive script, appearing to read 'R. Schey'.

cc: Suzie Lavett

300285

Attachment 6



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMailpfoster

April 6, 1996

Ms. Suzie Lavett
BellSouth
Room E5G 3535 Colonnade Parkway
Birmingham, AL 35243

HAND DELIVERED

4/8/96
P

Dear Suzie:

In a letter to you dated 4/3, I requested BellSouth's proposed wholesale pricing for Business and Residential services in the state of Tennessee. The Business services list which I provided you contained a typographical error which might confuse you. While the content of the list was correct, the heading of each page references Tennessee while the third line of the matrix on each page referenced North Carolina. Sorry for any confusion this may have created.

Attached is a corrected Business Services list.

A handwritten signature in dark ink, appearing to read "Preston Foster".

Preston Foster
District Manager - Negotiations Team Leader

300286

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Flat Rate Option:	
Individual Line:	
Rate Group 1 - 5	A3.2.1 & A3.7.1
Trunks:	A3.20.1
Rate Group 1 - 5	
Message Rate Option:	
<i>(Alternative to Flat Rate)</i>	
Individual Line:	
Rate Group 1 - 5	A3.2.4
Trunks:	A3.20.4
Rate Group 1 - 5	
RegionServ Option:	A3.2.9
Individual Lines:	
Rate Groups 1 - 3	
Rate Groups 4 - 5	
- Discount Usage Option	A3.2.9
Trunks:	A3.20.10
Rate Groups 1 - 3	
Rate Groups 4 - 5	
- Premium Calling Option	A3.2.9
Measured Rate Service:	A3.2.3
Individual Line	
Rate Group 1- 5	
TRUNKS:	A3.20.1
Rate Group 1- 5	
Network Access Register Package	A3.12
Fiat Rate	
Measured Rate	
RegionServ	
Auxiliary Line Service	A3.17
Concession Service	A3.18

300287

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE		BELL SOUTH TARIFF REFERENCE
Flat Rate Option:		
Individual Line:		
	Rate Group 1 - 5	A3.2.1 & A3.7.1
Trunks:		A3.20.1
	Rate Group 1 - 5	
Message Rate Option: (Alternative to Flat Rate)		
Individual Line:		
	Rate Group 1 - 5	A3.2.4
Trunks:		A3.20.4
	Rate Group 1 - 5	
RegionServ Option:		A3.2.9
Individual Lines:		
	Rate Groups 1 - 3	
	Rate Groups 4 - 5	
- Discount Usage Option		A3.2.9
Trunks:		A3.20.10
	Rate Groups 1 - 3	
	Rate Groups 4 - 5	
- Premium Calling Option		A3.2.9
Measured Rate Service:		A3.2.3
Individual Line		
	Rate Group 1- 5	
TRUNKS:		A3.20.1
	Rate Group 1- 5	
Network Access Register Package		A3.12
	Flat Rate	
	Measured Rate	
	RegionServ	
Auxiliary Line Service		A3.17
Concession Service		A3.18

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BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Hotel PBX Service	A3.20.4
Multiline Service	A3.21
Bulk Usage Measured Rate Service	
Line	
Trunks	
Trunk Side Access Facility	A3.28
In-Classroom Computer Access Service	A.32
Back-Up Line	A3.38
DIRECT INWARD DIAL (DID)	A12.7
Trunk	
20 Working numbers	
20 Reserve numbers	
Signaling (Optional)	
MF	
DTMF	
MEGALINK Service	
Digital Local Channel	B7.1
Inter Office Channel	B7.1
MEGALINK CHANNEL SERVICE	B7.3
Central Office(MUX)	
24 Voice Equivalent Channels	
Feature Activation	B7.3.4
Network Access Service	A3.26
Measured Rate	
RegionServe	
Bulk Usage Measured Rate	
Foreign Exchange Service	A9
Channel Terminals	
Inter Office Channel	
Line & Trunk charges	A3.26
Foreign Central Office Service	A9
Channel Terminals	
Inter Office Channel	

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BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Local Usage Detail (LUD)	A3.22.1
ISDN:	A42
ISDN IBS - Basic Rate Interface ACCESS	
Digital Facility	
Basic Rate Interface:	
B Channel (max of 2)	
Fiat Rate	
Measured(RegionServ)	
D Channel	
User PROFILE	
Optional ISDN Features	A42.1.5
Features for use w/EKTS CPE:	
Shared Primary DN	
Secondary Only DN	
Shared Secondary Only DN	
Shared non-ISDN DN	
Privacy Release per Shared DN	
Manual Exclusion per Shared DN	
Intercom Calling-Dial	
Intercom Calling-Automatic	
Intercom Calling-Call Appearance	
Conf, Drop, Hold & Transfer Key	
Features for use w/non-EKTS CPE:	
Call Forwarding-Variable	
Call Forwarding-Variable Feat Button	
Call Forwarding Busy Line	
Call Forwarding Don't Answer	
Call Pickup	
Conf, Drop, Hold & Transfer	
6-way Conf, Drop, Hold & Transfer	
Multi-Line Hunt Group-Voice	
Multi-Line Hunt Group-Data	
Speed Calling	
Visual Msg Waiting Indicator	
Audible Msg Waiting Indicator	
Addl Call Appearance PDN or DN	
Call Tracing	
Call Return	
Preferred Call Fwd	
Call Block	
Call Selector	
Repeat Dialing	
Packet Features:	
X.25 Hunting	
Intl Closed User Group	

300200

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
CUSTOM CALLING	
FEATURES:	
TouchTone	A13.2.3
Grouping Service	A3.19.2
Call Forwarding-variable	A13.9.3
Three-Way Calling	
Call Waiting	
Call Waiting Deluxe	
Speed Calling (8 code)	
Speed Calling (30 code)	
Call Forwarding Busy Line	
Call Forward Don't Answer	
Cust Contr. Call Forw.-DA	
Cust Control call forward-BL	
Call Forward MultiPath	
	Busy Line
	Don't Answer
	Variable
Rem. Acc.- C.F. Variable	A13.9
Call HOLD	
Call Transfer	
Local Conference Service	A13.16
Remote Call Forwarding	A13.11
Custom Code Restriction	A13.20
	Option1
	Option2
	Option3
	Option4
	Option6
Selective Call Screening	A13.12
TouchStar Service*	A13.19
Call Return	
Repeat Dialing	
Call Selector	
Preferred Call Forwarding	
Call Block	
Call Tracing	
Caller ID - Basic	
Caller ID - Deluxe	
Calling # delivery block/call	A13.19.4
Calling # delivery block/line	
Anonymous Call Rejection	

390291

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
*monthly charges/line,trunk	
RingMaster Service	A13.34
RingMaster I	
RingMaster II	
Call Tracking BULK CLID	A13.19.4
Disc. for Multiple Features	A13.33
2 Features	
3 Features	
4 Features	
20 Features	
Special Number Assignment	A4.6
Search	
Search and assign	
DUAL SERVICE	A4.4
Local Directory Assistance	A3.13
DA Call Completion	A3.24
Oper. Assisted Local Calls	A3.14
Calling Card	
Operator Handled	
Person-to-Person	
Coin Calls	A7.1
Public telephone Service	
Message Charges	
Inmate Calling Service	
Semi-Public Telephone Service	A7.2
Message Rate	
Access Line Service COCOT	A7.3
Access Line	
Customer Provided Inmate Service	
Busy Line Verification	A3.15
Busy Line Interruption	A3.15
Installation Charges:	A4.3
Line connection charge	
New single line	
- Each additional line	
Line Change Charge	
First Line	
Each Additional Line	

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BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Premise Work Charge	
Premises work 1st 15 min	
- Each add'l 15 minutes	
Secondary Service Request	
Service Expediting charge	A4.5
DIRECTORY LISTINGS:	A6.
Additional Listings	
Dual Name Listing	
Sub Listings	
Cross Reference listing	
Alternate listing	
Foreign Listing	
Non-Published Listing	
Mobile/Paging listing	
Optional Call Plan Listing	
Telephone Answering Service	
Titles and Suffixs	
Designer Listings	
Stylists Listing	
Special Text Listing	
Non-Listed Listing	
Yellow Page Listing: Initial	
Additional	
Network Interface	A14.1
Central Office Battery Reversal	A14.2
Break in Rotary Number Group	A14.3
Message Register Service	A14.7
ESSX Premises Attendant Serv	A14.8
WATS/800	A19.
WatsSaver	
Emergency Reporting Services	A24
Equip for Disabled Customers	A30
Interconnection of Mobile Services	A35
CCS IS-41 & ISDNUP message transport	
Operator Service Interconnection	
OPTITALK Service	

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BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Abbreviated Dialing (N11 svc)	A39
Tier 1	
Tier 2	
Tier 3	
Tier 4	
MISCELLANEOUS:	
AIN BASED SERVICES:	A34
Service Mgt System (SMS) Storage	A34.1
ZipCONNECT	
Wire Center Routing	
Block Group Routing	
Zip Code Routing	
Routing Options	
Time of Day	
Day of Week	
Percent Distribution	
Point to number	
Ad Watch Service	A34.4
Crisis Link Service	A34.5
MEMORY CALL voice mail	A13.44
Mailbox each	
Electronic White Pages:	A13.51
Per ID	
Per Screen sent	
HOT LINE Service:	A13.56
Business line only	
Warm Line Service	A13.57
Uniform Access Number (UAN):	A13.58
Per UAN	
Per Call delivered	
ANI delivery	A13.59
Per UAN	
Per ANI delivered	
Custom Service Area:	A13.60
Per UAN per end office blocked:	
Call Detail Information:	A13.62

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BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
PRESTIGE COMMUNICATION SERVICE:	A.12.16
Basic Feature Group:	
User Transfer/Conference	
Call Pickup	
User Transfer/Conference & Pickup	
User Transfer/Conference & call hold	
Transfer/conf., pickup & call hold	
Optional Feature Groups:	
Speed Calling 6/acc. arrangement	
Call waiting	
Call Forwarding Variable	
Call Forwarding Don't Answer	
Call Forwarding Busy Line	
Speed Calling 30/acc. arrangement	
ESSX and Digital ESSX	A12.1
MULTISERV:	A12.20
Service Establishment	A12.20.8
Training Options	
NAR Usage Pkg	A.3.12
Flat Rate NAR usage package (I/O/2)	
Measured Rate NAR usage package (I/O/2)	
RegionServe Rate NAR	
Bridged Links	A12.20.8
(a) Diff. premises from msl on non-cont prop	
(b) Diff. premises from msl on same cont. prop	
Extended Bridged Links	
Diff. premises, different SVC	
Miscellaneous Trunkside terminations	
Miscellaneous line terminations	
800 Service	
Outwats	
Station Links(all options incl. 800)	A12.20.9
Flat	
Measured (for RegionServe customer only)	
Station Links on MegaLink, Lightgate	
Flat	
Measured (for RegionServe customer only)	

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Feature Groups	
Non-Electronic Set - Basic	A12.20.10
DID/DOD	
Station-to-Station Calling	
AIOD	
Touch Tone	
Common Recorded Annncment	
Basic Hunting (Optional)	
Feature Groups - 1AESS	
FG1	
Automatic Line/Direct Connect	
Touch Tone	
FG2	
Non-Electronic Basic Included	
Call Block	
Call Forward Busy Line Fixed	
Call Forward Don't Answer Fixed	
Call Forwarding Variable	
Call Hold	
Call Pickup	
Call Return	
Call Selector	
Dial Call Waiting	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
FG3	
Non-Electronic Basic Included	
Call Block	
Call Forwarding Variable	
Call Hold	
Call Pickup	
Call Return	
Call Selector	
Dial Call Waiting	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
FG4	
Non-Electronic Basic Included	
Call Forward Busy Line Fixed	
Call Forward Don't Answer Fixed	
Stn Restriction-Full Denied Orig	
FG5	

300296

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Non-Electronic Basic Included	
Call Hold	
Dial Call Waiting	
Repeat Dialing	
Speed Calling Short	
Stn Restriction-Full Denied Orig	
3 Way, Cons. Hold, Call Transfer	
FG6	
Call Forwarding Variable	
3 Way, Cons. Hold, Call Transfer	
DMS-100 Features	A12.20.10.D
Non-Electronic Set - Basic	
Feature Group 1 Capabilities	
Automatic Line/Direct Connect	
Touch Tone	
Feature Group 2 Capabilities	
Non-Electronic Basic Included	
Call Block	
Call Forward Busy Split Dest Prog	
Call Fwd No Answer Split Dest Prog	
Call Forwarding Variable	
Call Hold	
Call Park/Call Retrieve	
Call Pickup	
Call Return	
Call Selector	
Call Transfer (System Exception)	
Dial Call Waiting	
Directed Call Park/Retrieve	
Make Line Busy	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
Feature Group 3 Capabilities	
Non-Electronic Basic Included	
Call Block	
Call Forward Busy Split Dest Prog	
Call Fwd No Answer Split Dest Prog	
Call Forwarding Variable	
Call Hold	
Call Park/Call Retrieve	
Call Pickup	
Call Return	
Call Selector	
Dial Call Waiting	
Directed Call Park/Retrieve	

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BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Make Line Busy	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
Feature Group 4 Capabilities	
Non-Electronic Basic Included	
Data Call Protection	
Stn Restriction-Full Denied Orig	
Feature Group 5 Capabilities	
Non-Electronic Basic Included	
Call Transfer (System Exception)	
Dial Call Waiting	
Speed Calling Short	
Stn Restriction-Full Denied Orig	
3 Way, Cons. Hold, Call Transfer	
Feature Group 6 Capabilities	
Call Forwarding Variable	
3 Way, Cons. Hold, Call Transfer	
Feature Group 7 Capabilities	
Non-Electronic Basic Included	
Dial Call Waiting	
Speed Calling Short	
Stn Restriction-Full Denied Orig	
3 Way, Cons. Hold, Call Transfer	
Feature Group 8 Capabilities	
Non-Electronic Basic Included	
Call Block	
Call Forward Busy Split Dest Prog	
Call Fwd No Answer Split Dest Prog	
Call Forwarding Variable	
Call Return	
Data Call Protection	
Directed Call Park/Retrieve	
Make Line Busy	
Repeat Dialing	
Speed Calling Short	
ACD Feature Group 1	
Non-Electronic Basic Included	
ACD Activate/Deactivate Not Ready	
Call Block	
Call Forward Busy Split Dest Prog	
Call Fwd No Answer Split Dest Prog	
Call Forwarding Variable	
Call Hold	
Call Park/Call Retrieve	
Call Pickup	

330298

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Call Return	
Call Selector	
Call Transfer (System Exception)	
Dial Call Waiting	
Directed Call Park/Retrieve	
Make Line Busy	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
ACD Feature Group 2	
Non-Electronic Basic Included	
ACD Activate/Deactivate Not Ready	
Call Block	
Call Forward Busy Split Dest Prog	
Call Fwd No Answer Split Dest Prog	
Call Forwarding Variable	
Call Hold	
Call Park/Call Retrieve	
Call Pickup	
Call Return	
Call Selector	
Dial Call Waiting	
Directed Call Park/Retrieve	
Make Line Busy	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
ACD Feature Group 3	
Non-Electronic Basic Included	
ACD Activate/Deactivate Not Ready	
Call Block	
Call Forward Busy Split Dest Prog	
Call Fwd No Answer Split Dest Prog	
Call Forwarding Variable	
Call Return	
Data Call Protection	
Directed Call Park/Retrieve	
Make Line Busy	
Repeat Dialing	
Speed Calling Short	
ACD Feature Group 4	
Non-Electronic Basic Included	
ACD Activate/Deactivate Not Ready	
Call Forwarding Variable	
3 Way, Cons. Hold, Call Transfer	

390293

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Electronic Bus Set Feature Group	
DID/DOD	
Station-to-Station Calling	
AIOD	
Common Recorded Annment	
Basic Hunting (Optional)	
ACD Supv Elec Set Feature Group	
DID/DOD	
Station-to-Station Calling	
AIOD	
Common Recorded Annment	
Incalls Key	
ACD Agent Elec Set Feat Group	
DID/DOD	
Station-to-Station Calling	
AIOD	
Common Recorded Annment	
Incalls Key	
5ESS Features	A12.20.10.E
Non-Electronic Set - Basic	
Feature Group 1 Capabilities	
Automatic Line/Direct Connect	
Touch Tone	
Feature Group 2 Capabilities	
Non-Electronic Basic Included	
Call Block	
Call Forward Busy Line Program	
Call Forward Don't Answer Program	
Call Forwarding Variable	
Call Hold	
Call Park/Retrieve/Answerback	
Call Pickup	
Call Return	
Call Selector	
Dial Call Waiting	
Directed Call Park	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
Feature Group 3 Capabilities	
Non-Electronic Basic Included	
Call Block	
Call Forwarding Variable	
Call Hold	
Call Park/Retrieve/Answerback	
Call Pickup	

330300

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Call Return	
Call Selector	
Dial Call Waiting	
Directed Call Park	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
Feature Group 4 Capabilities	
Non-Electronic Basic Included	
Call Forward Busy Line Fixed	
Call Forward Don't Answer Fixed	
Stn Restriction-Full Denied Orig	
Feature Group 5 Capabilities	
Non-Electronic Basic Included	
Call Hold	
Dial Call Waiting	
Speed Calling Short	
Stn Restriction-Full Denied Orig	
3 Way, Cons. Hold, Call Transfer	
Feature Group 6 Capabilities	
Call Forwarding Variable	
3 Way, Cons. Hold, Call Transfer	
EWSD Feature Group	A12.20.10.F
Non-Electronic Set - Basic	
Feature Group 1 Capabilities	
Automatic Line/Direct Connect	
Touch Tone	
Feature Group 2 Capabilities	
Non-Electronic Basic Included plus	
Call Block	
Call Forward Busy Line Program	
Call Forward Don't Answer Program	
Call Forwarding Variable	
Call Hold	
Call Pickup	
Call Return	
Call Selector	
Data Call Protection	
Dial Call Waiting	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
Feature Group 3 Capabilities	
Non-Electronic Basic Included	
Call Block	

300301

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Call Forwarding Variable	
Call Hold	
Call Pickup	
Call Return	
Call Selector	
Data Call Protection	
Dial Call Waiting	
Preferred Call Forwarding	
Repeat Dialing	
Speed Calling Short	
3 Way, Cons. Hold, Call Transfer	
Feature Group 4 Capabilities	
Non-Electronic Basic Included	
Call Forward Busy Line Fixed	
Call Forward Don't Answer Fixed	
Stn Restriction-Full Denied Orig	
Feature Group 5 Capabilities	
Non-Electronic Basic Included	
Call Hold	
Data Call Protection	
Dial Call Waiting	
Repeat Dialing	
Speed Calling Short	
Stn Restriction-Full Denied Orig	
3 Way, Cons. Hold, Call Transfer	
Feature Group 6 Capabilities	
Call Forwarding Variable	
3 Way, Cons. Hold, Call Transfer	
Tandem Switching Feat. (TSF)	A12.20.11
ARS - Deluxe	
Network ARS	
Automatic Alternate Routing (AAR)	
Travelling Class Mark (TCM)	
Facilities Restriction Level (FRL)	
Uniform Numbering	
Simulated Facilities Group	
Systems Comm. Service (SCS)	A12.20.12
Optional Features	A12.20.13
Additional Common Block	
Anonymous Call Rejection	
Assumed Dial 9	
Authorization Codes	
Auto number referral	
ARS - Basic	
Call Fwd - Multiple Simultaneous	
Call Tracing	
Call Waiting Exempt	

300302

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Call Waiting Originating	
Call Waiting Term w/Cancel Call Wait	
Caller ID Deluxe	
Caller ID Number Only	
Calling Name Delivery	
Calling Name Display Intragroup	
Calling Number Delivery Blocking	
Code Calling, Answer	
Code Restriction	
	900,976,411,N11
	011,10xxx,101xxxx
Conference Arrangements	
Meet-Me	
Pre-Set	
Station Controlled	
Delay Announcement	
Denial of Call Tracing	
Dial 0 Call Transfer Capability	
Direct Inward System Access	
Directed Call Pickup	
Barge-In	
Barge-In Exempt	
Non-Barge In	
Non-Barge In Exempt	
Distinctive Call Waiting	
Distinctive Ringing	
Do Not Disturb	
Executive Busy Override	
Group Intercom	
Hunting Arrangements	
Distributed Line Hunt	
Multiline Hunt	
UCD	
Loudspeaker Paging, Answer	
Message Waiting Audible	
MessageWaiting Lamp Indication	
Music/Announcement On Hold	
Network Speed Calling (DMS-100)	
Personal Call Screening	
Queuing Incoming	
Selective Call Acceptance	
Simplified Message Desk Interface	
Speed Calling Long - Individual	
Speed Calling Long	
Stn Controlled Outgoing Restrictions	
SMDR	
Station Restriction	

300303

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Toll Restriction	
Trunk Verification from Station	
ACD - Basic	
ACD Network Mgt Reports	
ACD Remote Load Mgt	
Switch-Computer Appl Interface	
Electronic Bus Set Service Optional	
Features	A12.20.14
Customer Control	A12.20.15
MultiServ PLUS	A12.21
<p>MultiServ PLUS requires each Main Station Line to have a NAR in addition to a Station Link. The Station Link prices however, have been reduced which results in lower per station prices for Rate Groups 2, 5 and 7 (between 1.3% and 42%). The net price impact to Rate Group 12 results in a 25% increase over MultiServ rates. The only other differences are an increase of the minimum number of stations from 2 to 10, slightly higher Svc Estab Charges, significantly higher Cancellation Charges and the capability of a DS-1 Trunk Side Termination.</p>	
Private Line Services	B
Channels	B.3
Voice Grade	B.3.4.1.B
Local Channel	
Non-Wire Center Conn. Channels	
Interoffice Channel	
Bridging	
Signalling Arrangements	
Conditioning	
Wired Music	B.3.4.1.C
Local Channel	
Non-Wire Center Conn. Channels	
Interoffice Channel	
Bridging	
Commercial Quality Video	B.3.4.1.D
Local Channel	
Interoffice Channel	
Bridging	
Digital Network Service	B.7
MegaLink Service	B.7.1
Digital Local Channel	

300304

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Interoffice Channel	
Clear Channel Capability	
SynchroNet Service	B.7.2
Digital Local Channel	
Node Channel Termination	
Interoffice Channel	
Multipoint Service	
Secondary Channel Capability	
Data Over Voice Channel	
MegaLink Channel Service	B.7.3
Basic System Capacity	
Feature Activation	
LightGate 1 & 2	B.7.4
Basic System	
Electrical Interface Equipment	
Local Channel Mileage	
Interoffice Channels	
Channelization Capacity	
Feature Activation	
MegaLink ISDN Service	B.7.5
Primary Rate Access Line	
Interoffice Channels	
Primary Rate B Channels	
Incoming Call Identification	
Distance Learning Video Transport	B.7.6
Local Channel	
Interoffice channel	
SMARTRing Service	B.7.7
SmartPath Service	B.7.8
Service Area Connection	
Service Area Junction	
Primary Rate B Channels	
Incoming Call Identification	
Custom Ntwk Svc Arrangement I	B.8
Integration Plus Management Services Terminal Interface	A.32.1
FlexServ Service	A.32.1.3
Network Usage Info Service	A.32.1.4
Frame Relay Service	A.40.1
Customer Connection	
Service Feature Charges	

300305

BELLSOUTH TENNESSEE

BELLSOUTH FEATURES REQUIRED FOR BUSINESS SERVICES RESALE IN TENNESSEE	BELL SOUTH TARIFF REFERENCE
Native Mode LAN Interconnection	A.40.2
Data Channel	
Port	
Address Reconfiguration	
Connectionless Data Service	A.40.4
Customer Connection	
Service Feature Charges	
Broadband Exchange Line	A.40.5
Derived Data Channel Service	A.29.1
Data Transport Access Chnl Svc	A.29.2
PulseLink Public Packet Sw Ntwk	A.29.5
AccuPulse Service	A.29.6

300306

JOINT AT&T/BELLSOUTH CORE TEAM MEETING NOTES

April 10, 1996

On Wednesday, April 10, 1996, the Joint AT&T/BellSouth Core Team met at 1200 Peachtree Street with the following in attendance:

Pam Nelson
Preston Foster
Greg Follensbee
Suzie Lavett

Neil Brown
Sylvia Anderson
Andre' Mule'
Hank Anthony

Preston distributed and reviewed the agenda (attachment 1).

* 1. Agreed-to items: Mary Jo was to select two items and draft "more formal" language. She was not able to do this before she went on vacation. Bell will get us something by the next meeting.

2. Preston: I'd like to discuss the process by which items are escalated to our agenda for Friday's meeting.

a) Suzie: Good idea. Our intent is to gradually share items with senior management, rather than wait and dump too much on them.

b) Scott Schaeffer and Jim will have breakfast on Friday and will discuss this.

3. Action Item Review

a) Termination Liability: Suzie said they didn't have an answer now. They need to discuss internally. Probably no answer by next week. Can't get to everyone involved in a week. The answer today is "no." But the fact we're discussing it is encouraging and may mean a change in policy.

1. Hank: The next BellSouth Executive level meeting is a week from tomorrow. It may be discussed then. (If we can get a recommendation to them.) Certainly it's something we want to get done as quickly as possible. We're exploring to see if there is a middle ground.

2. Neil: Regarding grandfathered services, our view is, if a customer has grandfathered services and transfers to AT&T, that service should be transferred as is to AT&T. If you take something such as Centrex or Essx, we think Bell's policy not to transfer grandfathered services may be anticompetitive.

3. Hank: We don't see it as anticompetitive. On the Essx/Multiserve issue, we're seeking a middle ground. We'll try to make it fair for both sides.

300307

4. Preston: We talked about issues that attend the resale of CSAs. Are there issues other than the termination liability?

a) Suzie: There's the whole issue of having a contract with our customer. When he is no longer our customer, we no longer have a contract.

5. Greg: Then there's no point in escalating? Hank: to escalate now would slow the process down.

6. Sylvia: What is it that you're re-looking at internally?

a) Hank: The whole position of BST regarding grandfathered services, CSAs, etc not being available for resale. It's a pricing option, not a service. It's not appropriate for resale since it is a competitive response. BST is willing to look at grandfathered services, but we're not prepared to give a response yet.

7. Suzie: These were thoughtfully taken positions. I don't expect BST to change their mind quickly.

8. Sylvia: It would be helpful to know what your processes are and when you can give us an answer. You apparently can't today.

9. Suzie distributed new policy position sheets (attachment 2)

10. Preston: Is exclusion of grandfathering and CSA based on a reading of the Act?

a) Hank: Partly from the Act; partly a common sense approach to a competitive response.

b) Suzie: Also, let's not forget there is a difference between a price and a service.

b) Suzie distributed a sample page of the section of their tariff for obsolete services. It's filed in Section 100 of the tariff. (attachment 3)

c) Promotional Offerings—nothing new to discuss

d) Electronic Communications

1. Suzie: Charlie Coe talked to me on Monday. He said there are two things we won't negotiate: Access is not part of the Act, and we won't agree to a deep discount.

2. Also, she talked to the group responsible for their "gateway"

* 3. She talked to the "national standards group" that is working on electronic interface. They may send someone to Ameritech or PacTel. Is there a way to go faster? We'll travel by the end of this week or early next week.

4. Hank: What is AT&T's position on who should pay for the development of electronic interface?

a) Preston: I think Bell should pay.

b) Pam: We don't have a proposal from Bell yet.

c) Hank: Would you consider paying?

d) Preston: We'd have to see the proposal.

5. Suzie: We're not to the point of saying whether we would charge or not. There may be savings.

* 6. Suzie agreed to update Pam on Friday. Bell's "business case" would be ready the first of May.

7. Sylvia: And there would be interim solutions in place by 4/15?

a) Suzie: Fax and manual work-arounds

b) Pam: This is AT&T's Phase 0

8. Hank: BST doesn't agree that AT&T needs electronic interface to get into the business. Preston disagreed.

e) Direct routing of Calls

• 1. Suzie will try to get update this evening or tomorrow.

f) List of Services

* 1. Suzie: We plan to send a detailed letter identifying where CSAs and Special Assemblies are and will send a written reply. We're not sure that any of the services on the list are grandfathered. We'll show the list of things that are excluded. You should have this by Monday.

• 2. Hank: Can we get a copy of the AT&T Georgia cost study? Neil will handle.

g) Future Services. Suzie confirmed they are available for resale. Bob Scheye agrees.

1. Greg: I thought you'd discuss the process by which future services would be available for resale.

2. Neil: Yes. What are your plans to notify us in advance of a new BST service?

* 3. Hank: I "think" we will be filing resale tariffs, but I'll check.

• 4. This will be available at the 4/16 meeting. Also, we'll list the exceptions that are not available for resale, and the definition of "promotional items"

• h) Non-recurring charges: Suzie will call and Fax Preston tomorrow.

4. Operational Issues: Nothing new to report.

5. Price—Neil

a) Neil asked for status of his data requests

b) Suzie advised the list was provided to the appropriate group at BST. There are questions about what they are and are not providing. Waiting for Alan Price to get back to town to answer. Doubt we'll have anything by Tuesday meeting.

c) Hank: There is some concern about the relevance of a lot of the information. You've asked for retail and wholesale cost studies. You have our avoided cost studies, which is what the Act provides for. Our costs for 1FRs, call waiting and similar services seem irrelevant.

300300

d) Neil: We'd appreciate a written response. We believe we need to know your costs to negotiate a wholesale price. We'll discuss in detail at the cost meeting on Tuesday.

e) Hank: If there's a list of unbundled items you want, we'll see about giving you a cost.

1. Neil and Suzie agreed: BellSouth already has this list.

e) Greg: Regarding the Tennessee cost study, Art is going to see the study? I thought the NDA provided that we would get a copy. Neil explained that Art wants to go see what he needs

f) Neil: We agreed to disagree that access is subject to the Act. We are continuing to discuss access and USF with Scheye.

6. Unresolved issues

* a) Suzie: No need to go through these. We'll incorporate the changes and get them out to you.

• b) Greg: Regarding Lifeline, Mary Jo was to do more checking, but couldn't due to the holiday. She said she would help us to get certified to participate in the program. Hank agreed that they would. Suzie will let us know to whom we need to talk.

7. Preston: Regarding Electronic Communications, exactly what would be available to us early?

a) Suzie: Manual work-arounds such as Faxes. Some will be dial up access to files. Different categories. Regarding ordering, we're working through OBF. We're looking at alternatives. Will talk to Ameritech and PacTel. The Fax is a regular Fax, not a PC Fax.

b) Sylvia: Would your interim solution handle our volume? Suzie: Yes, after a ramp-up.

* 8. Neil: I'm interested in when avoidable cost studies will be completed in states presently in negotiation and when we can expect to receive a copy of them. Suzie said we can discuss at the Price meeting on 4/16.

9. Items to be escalated

a) Access coverage under the Act

• b) Electronic Interfaces: Preston said he would recommend to Jim to escalate electronic interface as a process and try to get a date specific when he meets with Schaefer.

1. Suzie: The dates will probably be 5/15 or 5/30

2. Preston: That won't work for us

c) Sylvia: We're bound by the Act to specific dates. We're concerned that every time we slip a date we have problems meeting the timeline. I think it's appropriate to escalate some of this.

d) Hank: A lot of this is you're asking BST to move off positions that we can't. It's not fair to say that BST is not providing information just because

you don't like the answers. I don't think you should accuse BST of slowing things down.

e) Sylvia: You're putting words in my mouth. We've agreed upon a process. We're missing dates. It's important that we commit to the timelines and be more vigilant.

f) Hank: I once had a boss who'd tell me, "If you want an answer today, the answer is 'no'. If you're willing to wait, you might get a different answer." I don't understand what the "meat" of the negotiations are.

g) Sylvia: We don't know the services that are available for resale.

h) Hank: You know 99% of them. There are a few "nits"

i) Greg: Our concern is this is the second week we're being told, "Next week." We only have 160 days to do this.

j) Suzie: Last week, we did acknowledge that this was a holiday week, people were on vacation. We have made progress last week. I think you're picking a lot of nits and I don't want that to have a negative affect on these negotiations. AT&T has missed dates, too.

k) Greg: Suzie, if we're missing dates, we want to know about that, too.

l) Preston: to close this out, I'm going to recommend to Jim we get a date for electronic interface development to begin, and a date for your reconsideration of CSA, grandfathering, and termination liability policy issues. Suzie said the BST Executive Committee will recommend to Charlie. He has a willingness to look at it.

10. Requirements to be shared. Nothing new to report

11. Suzie would like to change the time of the meeting to 3:00pm. Agreed.

• 12. Suzie will call Art Lerma with the name of the person he needs to talk to regarding the Tennessee cost study.

• 13. Neil will provide Georgia cost study

* 14. Pam: Suzie will look at SME action items list and discuss on Friday.

• 15. The Agreed-To Item process from Mary Jo will be ready by the next Core Team Meeting.

* Action Item

300311

BellSouth/AT&T Core Team Meeting, #4
April 10, 1996
Agenda

- 1. Review Agenda**
- 2. Agreed to Items -- Process**
- 3. Review of Progress and Timelines**
 - Action Items/Commitments**
 - Operations**
 - Price**
- 4. Review of Unresolved Issues**
- 5. Items to be Escalated**
- 6. Sharing Requirements**
- 7. Re-cap**

**THESE PAGES CONTAINED
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PROPRIETARY INFORMATION**

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NOS. 300313 **TO** 300317

SOUTH CENTRAL BELL
TELEPHONE COMPANY
ALABAMA

ISSUED: September 13, 1995
BY: President - Alabama
Birmingham, Alabama

GENERAL SUBSCRIBER SERVICES TARIFF

Second Revised Page 2
Cancels First Revised Page 2

EFFECTIVE: October 13, 1995
APSC Docket No.: 25142
Order Dated: October 2, 1995

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300310



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMailpfoster

April 11, 1996

Dear Suzie:

The purpose of this letter is to summarize the action items from our April 10, 1996 BellSouth / AT&T Core Team meeting held at 1200 Peachtree Street, Atlanta, Georgia. The following persons attended the meeting:

Pam Nelson	Andre' Mule'
Greg Follensbee	Suzie Lavett
Neil Brown	Hank Anthony
Sylvia Anderson	Preston Foster

We reviewed action items from our April 4 BellSouth / AT&T Core Team meetings. These were as follows:

1. Agreed-to items: Mary Jo Peed was to select a few agreed-to items and draft language that documented our initial agreements. Mary Jo was not able to accomplish this prior to her vacation. BellSouth committed to provide a draft for the April 17 joint Core Team meeting.
2. BellSouth agreed to continue to consider a change in their initial policy regarding the resale of grandfathered services, CSA's, SA's and related items. BellSouth committed to no certain date to provide AT&T with its' position on this issue. AT&T, again, requested a list of services that BST considers outside the scope of the Telecommunications Act. BellSouth agreed to provide AT&T a list of services it considers outside the scope of the Act (re: CSA's, SA's) by Monday, April 15.
3. BellSouth agreed to provide either a definition or to differentiate between "promotional offers," "pricing plans," and "services." BellSouth's position is that promotions and pricing plans are NOT for re-sale; services are. AT&T

300313

stated that it is impossible to discern the difference without a clear definition from BellSouth.

Also, in the April 4 Core Team meeting, we agreed that the signed non-disclosure between BST and AT&T applies retroactively to all negotiations and documents shared commencing March 4, 1996

The following are action items from the April 10 Core Team meeting:

4. BellSouth may send a representative to view Ameritech or PacTel's EDI (electronic interface) configuration. BellSouth indicated that their electronic interface recommendation would be made to their executives on May 1. BST estimates that a decision on electronic interface may be made on May 15. That timeframe is unacceptable to AT&T. AT&T will escalate their need for a significantly earlier resolution of the electronic interface issue to Jim Carroll for discussion this Friday, April 12, with Scott Schaefer.

5. BST agreed to provide clarification as to whether or not they will provide services for resale via a resale tariff or via the retail tariff (with wholesale discounts). This information will be made available for the 4/16/96 Cost Team SME meeting.

6. Suzie agree to fax information to Preston re: BellSouth's position on the class of costs not avoided in connection with its non-recurring charges by 4/11/96.

4/23 7. Neil agreed to provide BST with AT&T's Georgia Avoided Cost Study by ~~4/16/96.~~

OK 8. Suzie agreed to call Art Lerma with the name of the BST contact for the Tennessee cost study. Suzie also agreed to review the operations SME action item list for discussion at the project review on 4/12.

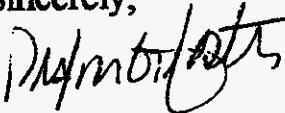
9. We agreed to change the meeting time for the Core Team from 1 p.m. to 3 p.m., going forward.

As we discussed, it is vital to the success of these negotiations that both BST and AT&T meet the commitments made in these and other meetings. Please

300320

call me if, for any reason, there is a problem in doing so. I will do the same.
Thank you for you attention to these matters.

Sincerely,

A handwritten signature in dark ink, appearing to read "Preston G. Foster", written over the printed name.

Preston G. Foster
Lead Negotiator
AT&T

300321

JOINT AT&T/BELLSOUTH CORE TEAM MEETING NOTES

April 17, 1996

On Wednesday, April 17, 1996, the Joint AT&T/BellSouth Core Team met at 675 W. Peachtree Street with the following in attendance:

Mary Jo Peed
Randy Jenkins
Mason Fawzi
Preston Foster
Sylvia Anderson

Suzie Lavett
Greg Follensbee
Wayne Kendall
Andre' Mule'
Pam Nelson

1. Preston distributed and reviewed the agenda (attachment 1)
2. Sharing new information:
 - a) We confirmed that the Louisiana letter had been sent. We'll add Louisiana to the other states as we negotiate, but it will have a different start and finish date.
 - b) Suzie distributed matrix updates (attachment 2)
 1. Suzie received the changes from Pam and incorporated into the matrices.
 2. Pam will review and get back to Suzie by Friday, 4/19.
 - c) Preston asked if there was a way to share the database to facilitate our inputting of data.
 1. Suzie: We can share discs and documents. It might be better for us to continue to have one person do the inputting.
 2. Pam: During meetings, SMEs are assigned to update forms
 3. Suzie: I don't think we should get involved in overmanaging this. There are no problems now.
 4. Pam: We do have a problem. Sometimes there are delays in getting information. We need a scheduled time when we'll receive an update each week. Can you suggest a day?
 5. Suzie: Monday may be the best day. Close of business on Monday. We'll do it as early as we can.
 6. Pam: Something else we can work on is the ease of receiving it. File transfers are probably best.
 - d) Preston: Let's talk about the structure of the Executive Team.
 1. Suzie: Scott is still acting; Fiedler starts on 5/1.
 2. Preston: Is Bob Scheye still considered part of the Core Team and the Executive Team? Suzie: Yes.
 3. Suzie will update the organization chart by 4/19.

300322

e) Suzie: We filed our Louisiana resale tariff on Monday (Attachment 3). It shows what we will resell and won't resell. It should hold true throughout the nine states. There are some exceptions. For instance, Louisiana has no Lifeline tariff, and grandfathering may be different from state to state.

* 1. Suzie: We had talked about non-recurring charges. The discount does not apply to any non-recurring charges anywhere. We'll get something in writing by Monday 4/22.

2. This includes GSST and Private Line

3. Greg: What's the rationale behind policy change on non-recurring charges? Suzie: We'll check that out and include in the 4/22 correspondence. We don't think there are any avoidable costs associated with non-recurring charges.

4. Preston: We'll remand the issue back to the cost team.

3. Review of Action Items

a) Re: Agreed-to items process. Mary Jo distributed some sample language (attachment 4). She took the SME language from the list of agreed to items and re-worked it.

1. Pam: I think this is something the SMEs should be working toward, referencing appropriate documents.

* 2. Sylvia: We'll go back and take a look at it and provide you with input

3. Preston: I'd like to get a further understanding of the process.

a) Sylvia: Once we agree on a process, the SMEs would put the proper language for each element, then turn it over to the lawyers. Mary Jo: Exactly.

* 4. Pam: I'll define the points in time when we'll be able to give Sylvia and Mary Jo something. Suzie and I can discuss this on 4/19.

a) Suzie: We'll need guidelines from attorneys. Mary Jo will discuss with Suzie.

b) BST policy on grandfathering, CSAs, SAs

* 1. Suzie: This will be discussed at our internal executive meeting tomorrow. I don't know what the answer is. We'll advise Preston on 4/19.

2. Mary Jo: We don't want to consider the door shut now.

* 3. Re: List of services not available for resale. We can rely on the Louisiana tariff. Suzie will provide Neil with a list confirming this by Tuesday, 4/23.

4. Promotional offers, etc.

a) Suzie: There's not an exact definition of promotions. They will be explained in the tariff. We'll indicate it is a promotion.

b) Preston: Would multi-feature plan be a promotion? Mary Jo: It's a pricing plan.

* c) Suzie will give us something in writing by 4/24

* d) Pam: Suppose I'm feature rich and want to switch as is, would AT&T not be able to provide the discount. Mary Jo: AT&T ought to be able to provide any discount it wants to provide. Suzie will check the policy on multi-feature plans by 4/24.

5. Mary Jo: Can we talk about the non-disclosure? It concerns Neil's request. She distributed a letter to Sylvia (attachment 5), outlining the data BST would be able to provide in response to Neil's request. She reminded everyone that there are separate NDAs that are operative for regulatory proceedings and the NDA executed by Suzie and Preston for the negotiations. She proposed that we prepare a list of people associated with the negotiations and make sure they understand that they can't use what's shared here in a non-related regulatory proceeding.

* a) Sylvia will review Mary Jo's letter and make sure everyone understands the NDA process.

6. Re: Visits to Ameritech and PacTel. BST is talking this week. They have an all day meeting on Friday 4/19 on EDI.

a) Nothing new on the 5/1 response from BST.

b) Sylvia: Does BST consider this beneficial to develop Electronic Interface?

1. Suzie: We're looking at this now. Issue is how best to handle order volume.

* 2. Mary Jo will check on BST's obligation under the Act and call Sylvia before 4/24

c) Sylvia: Is there anything more we can provide to help?

* 1. Suzie: Customer type, business, residence, complex, etc. would help. She'll send something in writing.

* 7. Neil had agreed to provide BST with AT&T's GA and TN avoided cost studies by 4/23.

8. Re: LEC to LEC agreements. Suzie: We told Neil they would not be available. Also, sent letter to Jim Carroll this week. Rationale: Not relevant to these negotiations.

a) Mary Jo: We don't believe the Act requires us to provide pre-existing agreements.

b) Mary Jo: AT&T sent letters to all nine PSCs. We responded to PSCs that we are not required to provide them under the Act.

c) Suzie: Also, they were negotiated under different conditions and under a different environment.

* 9. Re: Termination liability transfer. Suzie: This will be discussed in the BST Executive meeting tomorrow. She'll update Preston on 4/19.

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* 10. BST agreed to provide AT&T with TN, FL, NC avoidable cost studies. TN due 4/23. Suzie will advise Preston by 4/19 on FL and NC

4. Process of Timing of Notification of New Services and Functions—Greg

* a) Suzie will check on state regulatory and ONA rules for introduction of new services by 4/19.

1. Greg: When you say a "service", is it anything in your tariff? Do you have a handy, by state, time frame for services? Why do you peg it to the tariff? On unbundled elements, how do we get notification of those? Will we be notified only through the tariffs, or will there be some other process?

2. Pam: Will we also be looking t notification of rate changes?

a) Mary Jo: This will probably be handled the way we notify IPPs. We send a letter at the time the tariff is filed.

* 5. Suzie: We've had our initial unbundling meeting. We've asked AT&T SMEs for a forecast for unbundled elements. It would help us to know where we should focus our provisioning efforts. Pam will provide a status by 5/3 or 5/6.

6. Follow up on SME Team negotiations

* a) We'll provide AT&T GA and TN avoided cost studies by 4/23. BST owes us TN.

b) Wayne: We'd like to request items 1,3,4,8 on Neil's list. Mary Jo: The rationale for not providing this is we must determine what is the appropriate discount off retail; not the cost of service.

* c) The TN avoided cost study will be provided by 4/23

7. Joint Core Team Planning Meeting on 5/1

a) Preston explained it is designed to see what has to be done to successfully conclude negotiations by 7/17.

b) Suzie tentatively agrees, but needs a clearer picture of the outcome.

* c) Preston will provide more details in writing.

300325

BellSouth / AT&T Core Team Negotiation Meeting, #5

April 17, 1996 -- Agenda

1. Review of the Agenda
 - adjustments to the agenda
 - sharing of new information
2. Review of Action Items
 - pending
 - outstanding
3. Review of Process for Agreed-to Items
4. Process and Timing of Notification of New Services and Functions -- Discussion
5. Discussion re: BST policy on certain non-recurring costs / avoided costs
6. Follow-up on SME Team Negotiations
 - cost / price
 - operations
7. Sharing of Requirements
8. Joint Core Team Planning
9. Re-cap /Action Items

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PROPRIETARY INFORMATION**

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NOS. 300327 **TO** 30331

Telephone Number Availability

BellSouth, during any period in which it serves as North American Numbering Plan administrator for its territory, shall ensure that all Local Service Providers have a sufficient quantity of numbering resources and will be responsible for the reservation and aging of numbers. It is mutually agreed that BellSouth shall provide numbering resources to said providers pursuant to the BellCore Guidelines Regarding Number Assignment. It is also agreed that such providers will complete the NXX code application in accordance with Industry Carriers Compatibility Forum, Central Office Code Assignment Guidelines, ICCF 93-0729-010. If during the term of this Agreement BellSouth is no longer the North American Numbering Plan administrator, it agrees to comply with the guidelines, plan or rules adopted pursuant to 47 U.S.C. §251(e).

Attachment 5

Mary Jo Peed
General Attorney

BellSouth Telecommunications, Inc.
Legal Department - Suite 4300
675 West Peachtree Street
Atlanta, Georgia 30375-0001
Telephone: 404-335-0705
Facsimile: 404-668-3988

April 17, 1996

Sylvia E. Anderson
Promenade I
1200 Peachtree Street, N.E.
Atlanta, GA 30309

Re: Neil Brown's document request of April 4, 1996; and
Matters Regarding the Confidentiality Agreement

Dear Sylvia:

In response of Mr. Brown's document request of April 4, 1996, BellSouth will provide whatever data it may have in response to data request no. 5 regarding network elements that are technically feasible of being unbundled and that would be responsive to the requirements of section 251(c)(3). BellSouth will also provide whatever data BellSouth may have in response to data request no. 7. BellSouth has already provided the data associated with data request no. 6.

As to data request no. 2, BellSouth has not completed its Florida and North Carolina Resale Cost Study. BellSouth will only provide its Tennessee Resale Cost Study if AT&T will ensure that the data will not be shared with any AT&T representative associated in any way with the Tennessee regulatory proceeding regarding resale. It is BellSouth's position that the Tennessee regulatory proceeding is not a "related proceeding" under the confidentiality agreement executed by Suzie and Preston. To the extent that AT&T is requesting data other than the resale cost studies similar to the Georgia study, BellSouth does not have any responsive data.

BellSouth will not provide the data requested in data request nos. 1, 3, 4, and 8. These requests are not relevant to the current negotiations.

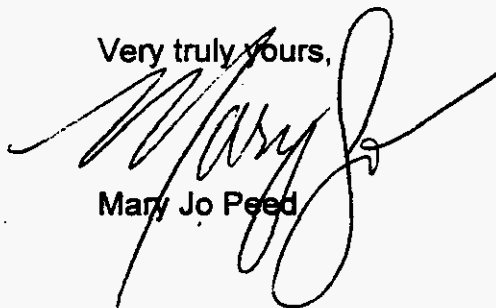
Sylvia, I am somewhat concerned about the implementation of the confidentiality agreement that was executed between the two parties and therefore, I believe that some clarification may be appropriate. BellSouth believes that it is very important that

330333

the exchange of information between our two companies conform to the language of the confidentiality agreement and that the information exchanged not be used for any other purpose or by any other AT&T or BellSouth personnel not associated with the negotiations process. In that regard, I request that AT&T provide to BellSouth a list of the individuals associated with the negotiations process and that AT&T agree that only those persons listed will be provided with the confidential data. I will ensure that BellSouth will do the same. Further, if any of the individuals associated with the negotiations process are also involved in any state or federal regulatory proceeding unrelated to the negotiations, that these individuals be charged with the responsibility of keeping the knowledge and use of that data separate. There may be instances where AT&T or BellSouth may request the same data in a regulatory proceeding unrelated to the negotiations. In these cases, the companies must agree to utilize the discovery process of the appropriate regulatory agency to gain access to the data.

Lastly, I believe it is essential that we clarify the meaning of a "related proceeding" under the confidentiality agreement signed by Suzie and Preston. It was BellSouth's understanding that a related proceeding meant a proceeding that could occur under the Telecommunications Act of 1996 and thus began subsequent to the negotiation period. There are currently no such related proceedings. I would ask that AT&T formally concur in this understanding.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Mary Jo Peed", written in black ink.

Mary Jo Peed

cc: Suzie Lavett
Bob Scheye

390334



Preston G. Foster
Lead Negotiator
Local Services Organization

Room 10140
1200 Peachtree Street
Atlanta, GA 30309
404/810-8548
FAX 404/810-8477

April 23, 1996

Suzie Lavett
BellSouth
675 West Peachtree Street NE
Room 11A15SBC
Atlanta, GA 30375

Dear Suzie:

Below, as information and for action, are the action items and a summary of our 4/17/96 BST / AT&T Core Team negotiations meeting. They are:

- 1. The joint team confirmed that the letter to begin negotiations for Louisiana was sent on 4/15/96.**
- 2. Pam will review the matrices developed by BellSouth containing items of disagreement and get back to Suzie by 4/19/96 with corrections.**
- 3. BST agreed to share its database with AT&T for the inputting of information regarding operations negotiations and agreements. We agreed to share disks, e-mail, or hard copy by COB each Monday.**
- 4. Suzie confirmed the construct of the BST Core and Executive Teams: Scott Schaefer is the acting leader of the Executive Team. Mark Fiedler will replace him as leader effective 5/1/96. Schaefer will remain as a member of the Executive Team. Bob Scheye is a member of both the Executive and Core teams. Suzie will update the BST organization chart on 4/19/96.**

300335

5. BST delivered the Louisiana resale tariff as representative of services available for resale with these exceptions: Lifeline services and grandfathered services. Suzie agreed to provide a list of services for resale by 4/24/96.
6. BST broadened its 4/11/96 position regarding its definition of costs avoided re: non-recurring charges. BST stated that no costs are avoided for all non-recurring charges. Previously, BST stated that only the set of non-recurring charges in section A4 of the tariff had no avoided costs.
7. Pam, Suzie, and Preston agreed to design a process for closing agreed to items at the SME, Core, and Executive team levels by 4/19/96.
8. Suzie agreed to provide Preston with BST's position on the resale of CSA's and SA's by 4/19/96. This has not been provided.
9. Suzie agreed to provide Neil a list of services not available for resale by 4/23/96.
10. Suzie agreed to clarify the difference between promotions and pricing plans, by 4/24/96; Suzie also agreed to provide BST's policy on multi-feature discounts by 4/24/96.
11. Sylvia agreed to review Mary Jo's letter dated 4/17/96 regarding the confidentiality agreement.
12. BST had no new information regarding AT&T's data request of 4/15/96 for a decision on electronic interfaces on 4/15/96. BST will present the business case to their executives on 5/1/96. Mary Jo agreed to check on BST's obligations under the Act and call Sylvia by 4/24/96.
13. Neil and BST cost negotiators agreed that Neil would provide BST with AT&T's avoided cost studies for GA and TN at the 4/23/96 cost meeting. BST also said that they had sent Jim Carroll a letter stating that LEC-to-LEC agreements entered into prior to the signing of the Act were not relevant to these negotiations. Greg disagreed with this notion citing the Time Warner agreement as an example of a relevant agreement that was signed prior to the Act, but was shared by BST.
14. Preston asked Suzie for BST's answer regarding termination liability transfer. BST is still considering its position. Suzie agreed to provide Preston with BST's position on this issue on 4/19/96.

15. BST agreed to provide AT&T with its TN, FL, and NC avoidable cost studies by 4/23. Suzie will update Preston on FL and NC by 4/19/96. This has not been done.

16. Suzie will check on state regulatory and ONA rules for introduction of new services and get back to Preston by 4/19/96. This has not been done.

17. Preston requested a joint BST / AT&T Core Team planning meeting on 5/1/96. Suzie tentatively agreed. Preston will provide more details in writing.

Please let me know if there are problems in meeting these commitments. I look forward to working with you to successfully conclude negotiations.

Sincerely,

Audra J. Clouston for Preston G. Foster

Preston G. Foster
Lead Negotiator
AT&T

330337

FAX

Date 4/23/96

Number of pages including cover sheet 4

TO: Suzie Lavett

Phone 404-529-7496

Fax Phone 404-420-0031

FROM: Preston Foster
AT&T

Phone 404/810-8548

Fax Phone 404/810-8477

CC:

REMARKS:

☐

Urgent

☒

For your review

☐

Reply ASAP

☐

Please Comment

330333

FAX NAME: NEW MARKET DEVELOPMNT DATE: 23-APR-96
 FAX NUMBER: 4048108967 TIME: 15:50

TE	TIME	REMOTE FAX NAME AND NUMBER	DURATION	PG	RESULT	DIAGNOSTIC
23-APR	15:48 S	404 420 0031	0:01:35	4	OK	663840100184

S=FAX SENT
 O=POLLED OUT(FAX SENT)

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 TO PRINT MANUALLY. PRESS THE REPORT/SPACE BUTTON. THEN PRESS ENTER.

JOINT AT&T/BELLSOUTH CORE TEAM MEETING

April 24, 1996

On Wednesday, April 24, 1996, the Joint AT&T/BellSouth Core Team met at 1200 Peachtree Street with the following in attendance:

Neil Brown	Preston Foster
Sylvia Anderson	Pam Nelson
Greg Follensbee	Andre' Mule'
Suzie Lavett	Mary Jo Peed
Randy Jenkins	

1. Preston reviewed the agenda (attachment 1)
2. Electronic Interface
 - a) Suzie: We've completed the EDI analysis. It's gone to Scott for a decision. The decision on whether to go forward with EDI will be made tomorrow.
 - b) Suzie: We're going forward with the business case for the long term electronic interface (ECI)
 - c) Preston: We'd like to partner with you on the business case.
 1. Suzie: What do you mean by that?
 2. Preston: We'd provide information to make your job easier.
 3. Suzie: On EDI, we may want to expand RCF ordering and listing. Other things may need to be added. On ECI, I don't think at this point there's any value. We've got your requirements.
 - d) Suzie: We made contacts with Ameritech and PacTel. We're using their approach.
 - e) Neil: Does your business case include savings BST may gain with ECI?
 1. Suzie: Yes.
 - f) Preston: We can provide you with more information to justify your business case for ECI.
 1. Suzie: That's great.
 2. Preston: We'll have that on Friday.
 - g) Suzie: There's not much incremental cost associated with EDI enhancements.
 - h) Suzie: ECI decision is still set for 5/1
 - * i) Suzie will let us know by Friday the status or the decision on EDI

300340

3. Process For Closure (attachment 2)

a) Preston reviewed Timeline and Process for Completing the Agreement

* b) Asked Mary Jo and Sylvia to give this some thought and report back to Suzie and Preston.

* c) Preston: I've asked Neil to get with Bob Scheye and develop a similar process on the cost side.

d) Suzie: May want to start working on metrics for when we're in business.

e) Suzie: SMEs need to start flagging unresolved issues to us now

f) Neil: The cost model will be different. Our issues are not escalated to the Core Team, but to a subset of the Leadership Team

* g) Preston: Asked Neil to have a process defined by next week.

h) Greg: We'll want to be able to map the issues.

i) Preston: That's the objective.

4. Pending and Outstanding Items

a) Suzie: We're not doing a good job of communicating. Apparently Preston is not receiving my faxes. She distributed responses she had previously fax'd to Preston (attachments 3, 4, 5)

b) Promotion and Pricing Plans

1. Discounts will apply to multi-feature services

2. The Louisiana tariff is the list of services (with the exception of Lifeline)

c) Regarding ONA and new services:

1. Our notification of new services are via tariff filings. It's in the letter I just gave you. All filings have a 30 day waiting period. We don't have plans to provide any other notification.

2. For functions, we'll follow the ONA procedures.

d) Suzie: Let's go over action items on Friday, to make sure we agree.

e) Regarding Neil's data requests:

1. Suzie: Port Usage and Loop studies we can share with you. We'd like you to come to the office and look at them at the BST Center.

2. Additional loop studies will be done in another month.

3. The contact is Reg Starkes (404-529-6762)

* 4. Neil will contact Reg

5. Neil: this will be a start. Mary Jo and Sylvia have exchanged letters. My position is in order for me to negotiate credibly on non-discriminatory, cost-based prices, I need your cost data.

6. Suzie: Our view is that the data isn't relevant to the negotiations.

7. Sylvia: Well, we're very concerned about this. Our intention is to escalate this issue quickly.

8. Suzie: I've got a meeting with Allen Price tomorrow. I'll prepare an escalation form and fax Neil a copy.

9. Sylvia: Why won't you provide the data?
10. Mary Jo: I don't think it's relevant. We're not going to provide you with the cost information associated with the services.
11. Sylvia: Wouldn't it make more sense for us to review the costs, so we can question BST's understanding of the avoided costs?
12. Mary Jo: Because I think we can have a meaningful negotiation this way.
13. Neil: Let me give you an example. By not having all the data, it places an added burden on AT&T. Let's look at Non-Recurring Charges, for example. If a service is transferred as is to AT&T, there are some aspects of getting the service up and running that must be avoided. Something tells me there are some costs that are avoided--probably closer to 100% than 10%. I believe strongly that I need this and I welcome your asking Allen to consider it.
14. Mary Jo: We provided you with work papers associated with Georgia and Tennessee. I would think Neil would discuss how cost studies are done with Bob Scheye.
15. Suzie: We're not going to resolve this here.
16. Neil: We'll deal with it further in our Monday meeting with Scheye.
17. Mary Jo: I believe we have provided you with information to determine what avoided costs are. If you need other information, you should get it in the Cost meetings.
18. Sylvia: What do you base your position on?
19. Mary Jo: I have the prerogative not to provide you with data under the NDA.
20. Sylvia: The NDA does not give you the right not to provide the data. Your obligation to provide this data doesn't come from the NDA, it comes from the Act.
21. Mary Jo: The NDA is relevant. It's confidential information. We have to make a determination whether it's relevant. Our obligation under the Act is to negotiate in good faith. You have requested confidential information that is not appropriate or necessary to disclose to negotiate in good faith.
22. Preston: Can you repeat what you'll discuss with Allen Price tomorrow?
23. Mary Jo: We'll present Neil's request tomorrow and report back to you.
- * 24. Preston: Could you let me know Friday? Then we'll escalate to the Leadership Team.
25. Suzie: OK.

6. CSAs and SAs

- a) Suzie: My 4/18 letter (attachment 3) outlines where in our tariffs CSAs and SAs are filed. Termination liability is still an open issue. Nothing came out of last Thursday's meeting with the Executives. Our position is still the

same. The door is not absolutely closed. We would consider a change in our position as part of a negotiated package of issues.

- b) Mary Jo: Remember, these are pricing arrangements, not services.
- c) Preston: Basically there are two issues
 - 1. Termination liability
 - 2. The discount that is applied to the service
- d) Neil: If AT&T agreed to pay the termination liability, would that make a difference in BST's position?
- e) Suzie: Not at this point.
- f) Greg: Is it absolutely no. Or are you looking for a package from us? Do you have an offer to make to us?
- g) Suzie: No, but we'd entertain an offer from you. It's not an absolute no. If we had a group of items, we might could find a compromise.
 - 1. Mary Jo: Maybe if you agreed to 5 cents/minute for interconnection.
 - 2. Greg: We might agree to that for the first 10 minutes.
- h) Preston: Is this the same for grandfathered services?
- i) Suzie: Yes.
- j) Preston: What about the customer relationship angle?
- k) Suzie: We have a contract with the end user. If he's no longer a customer, we no longer have a contract with him.
- l) Preston: Let me re-cap. Access is closed. CSA is not closed, but someone heavy is sitting on top of it. SAs and grandfathered issues are in the same category.
- m) Suzie: Basically, yes. With grandfathered services, if a customer makes a change, we'd move them to the new service.
- n) Greg: Do you have a list of issues that would help persuade you?
- o) Mary Jo: I don't think we're ready to do that.
- p) Suzie: We'd be better off getting past Electronic Interface before we discuss that.
- q) Preston: Cost is a factor. Once Electronic Interface is gone, things will speed up a lot. I'd like to go through promotional offerings to make sure what's being said (attachment 4)
- r) Suzie: You've got a list of exceptions. If it's not listed as an exception, then the discount applies.

7. Action Items (attachment 5).

- a) Suzie and Preston agreed to review Action Items in their Friday meetings.
- b) Greg: Regarding Item #16, I think some of your pricing changes require 7 or 14 day notification. Mary Jo will verify with the SME and report back by Friday.

8. Joint Core Team Planning Session. Preston discussed the objectives of the planning session

300343

BST / AT&T Core Team Negotiation , # 6

April 24, 1996

Agenda

1. Electronic Interface Issue
 - Business Case input
 - Timing of Decision
2. Review Process for Closure
3. Pending & Outstanding Items
 - promotions and pricing plans
 - CSA's
 - ONA's
4. Items to Be Escalated
 - April 4 request for cost information
 - resale list
5. Joint Core Team Planning
6. Re-cap

**THESE PAGES CONTAINED
BELLSOUTH
PROPRIETARY INFORMATION**

BATES STAMP

NOS. 30345 TO 30347

Preston
Attachment 3

April 18, 1996

Fax To: Preston Foster

Fax #: 404 810-8477

From: Suzie Lavett

Subject: CSAs and SAs

As we have discussed, Contract Service Arrangements and Special Assembly arrangements will not be available from BellSouth for resale. Below is clarification regarding where such arrangements are found in BellSouth's intrastate tariffs.

In North Carolina and Tennessee, Contract Service Arrangements (CSAs) are filed with the PSC in Section A5 of the GSST tariff or Section B5 of the Private Line Tariff. CSAs are not filed in Georgia, Florida or Louisiana. We do file a quarterly report listing CSAs done that quarter with the Florida Commission.

In North Carolina, Special Assembly Arrangements (SAs) are filed in Section A5 of the GSST tariff or Section B5 of the Private Line Tariff. SAs are not filed in Georgia, Florida, Louisiana or Tennessee.

Please give me a call at 404 529-7496 if you have any questions.



Fax Completed 4/18 12:51 PM

330345

Attachment 4

April 23, 1996

Fax To: Preston Foster
Fax #: 404 810-8477
From: Suzie Lavett
Subject: Resale Tariff Items

As we discussed in our Core Team meetings, "promotional offerings" will not be available for resale. Promotions are pricing arrangements such as temporary non-recurring charge waivers for a particular service or gift offerings associated with the sale of a service. Such offerings will generally be identified as "promotions" in the GSST and Private Line tariffs when resale tariffs are effective.

Also, as clarification from our last meeting, resale discounts will apply to multi-service pricing packages that are not "promotions", such as custom calling packages that provide a reduced overall price for more than one customer calling service.

In addition, the resale discount will not apply to non-recurring charges. It was determined that there were no avoided costs associated with those charges in a resale environment.

The Louisiana tariff provided at the last meeting provides a list of tariffed items that are not subject to the resale discount. In addition, LifeLine services previously discussed and documented in our Core Team meetings are excluded from resale. Lifeline services were not shown as an exception in the Louisiana tariff because the service is not offered in that state.

Please give me a call at 404 529-7496 if you have any questions.

Suzie

300343

April 24, 1996

To: Preston Foster
From: Suzie Lavett
Subject: 4/17/96 Core Team Meeting

In our April 11, 1996, meeting, AT&T accepted responsibility for documentation of action items agreed to in our Core Team meetings and committed to share that documentation with BellSouth by each Friday after the weekly meeting. AT&T has been unable to keep this commitment and as you can see below, there appear to be some misunderstandings regarding items agreed to in our meetings. Why don't we review action items in our weekly Friday Project Review meetings or that you and I have a separate meeting following that meeting to true up our activities?

Following is my response to your April 23, 1996, memo regarding our last Core Team meeting.

Item #2: I have not received any updates to the matrices but I had understood the commitment to be that Pam would contact me if she had additional changes.

Item #3: We did agree to swap information. I understood that Chris Weakly of AT&T is working on how the data will be transmitted and I am not aware of the status of that effort.

Item #4: I did ~~not~~ agree to verify the BST team structure. Scott will continue with his current duties until Mark Fiedler is on board before May 1, 1996. The charts will be updated at that time.

Item #5: Provided

Item #8: Faxed to you on April 18, 1996.

Item #9: Same as Item #5

Item #10: Faxed to you April 23, 1996

Item #14: We did not agree to provide BST's position on April 19, 1996. We did agree to provide a status at our next Core Team meeting. As we have discussed in several meetings, any reversal of

300350

BST's position could be a lengthy process and we cannot commit to a date at this time.

Item #15: This was to be handled in the April 23 Pricing meeting.

Item #16: I left word April 19 that there was no change in the position discussed in the last meeting. Notification of new service offerings will be via tariff filings. The state tariff become effective after filing as follows:

*Nei
ONA*

GA-----30 Day waiting period
TN-----30 Day waiting period
NC-----30 Day waiting period
FL-----30 Day waiting period for RATE increases/
 15 Days for TERMS & CONDITIONS
LA-----30 Day waiting period

BellSouth will continue to meet its ONA requirements as we do so today.

Please give me a call at 404 529-7496 if you have any questions or would like to discuss the proposed Friday review of action items

Legu

Attachment 5

April 24, 1996

To: Preston Foster
From: Suzie Lavett
Subject: 4/17/96 Core Team Meeting

In our April 11, 1996, meeting, AT&T accepted responsibility for documentation of action items agreed to in our Core Team meetings and committed to share that documentation with BellSouth by each Friday after the weekly meeting. AT&T has been unable to keep this commitment and as you can see below, there appear to be some misunderstandings regarding items agreed to in our meetings. Why don't we review action items in our weekly Friday Project Review meetings or that you and I have a separate meeting following that meeting to true up our activities?

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Item #5: Provided

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Item #9: Same as Item #5

Item #10: Faxed to you April 23, 1996

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300352

BST's position could be a lengthy process and we cannot commit to a date at this time.

Item #15: This was to be handled in the April 23 Pricing meeting.

Item #16: I left word April 19 that there was no change in the position discussed in the last meeting. Notification of new service offerings will be via tariff filings. The state tariff become effective after filing as follows:

*Hei
ONA*

GA-----30 Day waiting period
TN-----30 Day waiting period
NC-----30 Day waiting period
FL-----30 Day waiting period for RATE increases/
 15 Days for TERMS & CONDITIONS
LA-----30 Day waiting period

BellSouth will continue to meet its ONA requirements as we do so today.

Please give me a call at 404 529-7496 if you have any questions or would like to discuss the proposed Friday review of action items

Legi



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMail!pfoster

April 26, 1996

Dear Suzie:

Below, as information and for action, are the action items and summary of our April 24, 1996, AT&T / BST Core Negotiations meeting. They are:

1. Suzie agreed to share with Preston, at their meeting on April 26, BST's decision regarding whether they will go forward with EDI (Suzie called Preston on 4/25/96 to say that the BST decision on EDI would not be available until next week). Preston reiterated AT&T's need for an immediate decision on ECI. Suzie said that the business case for ECI is scheduled to go to BST executives for decision on 5/1/96.
2. Preston asked if BST would be willing to "partner" with AT&T in the development of the ECI business case. Suzie said that BST was almost finished with the business case, but would welcome any input that would help clarify the need for electronic interface. Preston said that AT&T would provide input by 4/26/96 (Preston called Suzie on 4/25 to say that there was a possibility that such input would not be available until 4/29).
3. Preston reviewed the process for closing agreed-to items for inclusion in the final document. Preston asked Sylvia and Mary Jo to review the process and timeframes for legal review and advise the team regarding their needs. Preston also asked Neil and Bob Scheye to review the process and iterate or revise it to meet their needs by 5/1/96.
4. Suzie invited Neil to come to BST to review certain cost documents that he requested on 4/4/96. Neil agreed to travel to BST to meet with Reg Starks to review the information and copy it, if necessary. Neil asked for the service specific cost data requested on 4/4/96. Suzie said that BST's position was that the data was not relevant to these negotiations. Neil and Sylvia disagreed. Sylvia said that AT&T would escalate this request. Suzie said

330354

that she would meet with Allan Price on 4/25 and fax Neil a copy of the escalation form. Sylvia asked why BST would not supply the information. Mary Jo said that cost information associated with specific services was not relevant. Sylvia said that allowing AT&T to review those costs would allow us to question BellSouth's understanding of avoided costs. Mary Jo disagreed and said that the NDA gave BST the prerogative to withhold information. Sylvia disagreed that the NDA conferred any right to withhold information and said that the Telecommunications Act called for BST to negotiate these issues and that meaningful negotiation was not possible without this information. Mary Jo disagreed. Neil provided an example of how the information would facilitate meaningful negotiation. Mary Jo disagreed, but said that she was not a "cost person." Preston said that AT&T understood that, but since BST did not bring a cost person to the Core Team table, we had to discuss the issue with those present. Suzie said that we would not resolve the issue here. Suzie and Preston agreed to escalate the issue. Suzie said that she would discuss the issue with Allan Price and let Preston know their position on Friday, 4/26/96.

5. Suzie stated that there was a communications problem in that Preston had not received some of her faxed responses (re: promotions and pricing plans, ONA's, and new services). The summary of action items indicated that some of these items were still open. Preston confirmed that he had not received the information, apologized for any confusion, and committed to inspect his fax / administrative systems. Suzie committed to call Preston to verify his receipt of sent faxes.

6. In reference to CSA's and SA's, Suzie said that the 4/19/96 meeting of BST executives yielded no change of position. However, BST might consider a change of position in the context of the negotiation of a broader set of issues. Greg asked if BST had a set of issues that could persuade them. Mary Jo said that she didn't think that they were at that stage yet. Suzie confirmed that if a service was not listed as an exception, the resale discount applies.

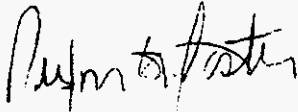
7. Suzie and Preston agreed to review action items at their Friday morning meetings.

8. Greg said that he believed that some of BST's pricing changes required a 7 or 14 day notification. Mary Jo will verify with the SME and confirm on 4/26/96.

9. Preston reviewed the objectives of the 5/1/96 joint planning session. They are to schedule cost and price issues for closure and to arrive at joint schedule for successfully completing the negotiations process.

The next meeting is scheduled on 5/1/96 at 1200 Peachtree Street at 3 p.m. Please call me on 404-810-8548 with any questions or concerns.

Sincerely,



Preston G. Foster
Lead Negotiator
AT&T

200358

JOINT AT&T/BELLSOUTH CORE TEAM MEETING

May 1, 1996

On Wednesday, May 1, 1996, the Joint AT&T/BellSouth Core Team met at 1200 Peachtree Street with the following in attendance:

Neil Brown	Pam Nelson
Wayne Kendall	Preston Foster
Greg Follensbee	Ken McNeely
Randy Jenkins	Quinton Sanders
Mason Fawzi	Suzie Lavett
Mary Jo Peed	Andre' Mule'

1. Preston reviewed the agenda (attachment 1).
2. Cost information data request
 - a) Regarding Neil's 4/4 data request
 - b) Neil: Suzie delivered incremental cost studies for unbundled loop, usage
 - c) Wayne Ellison will meet with BST cost expert to discuss studies
 - d) Suzie: We're still reviewing requests for additional data. Not ready to set up time for you to look at additional cost information. Our expert on that is Frank Kolb.
 - e) Neil: I asked for a substantive answer. This is somewhat less than that. I need a basis to recommend a position to our team.
 - f) Mary Jo: The real sticking point for BST is cost studies associated with Retail Services. I don't see any give and take on AT&T's part here. Suzie and I continue to try to find compromise solutions.
 - g) Neil: I'm looking at the scope of the data request to see if I can make an offer and compromise. I fulfilled that commitment.
 1. I agreed to take issues 3 and 4 off the table and see if responses to 1 and 2 would meet our needs.
 2. I provided rationale why we needed retail cost studies.
 - h) Neil: Help me understand your position
 1. Suzie: We don't see retail studies are relevant. There's nothing new to add.
 - i) Neil: We need to compare these to your avoidable cost studies so we can challenge your numbers
 - j) Mary Jo: Would you be willing to look at not numbers, but categories? The elements that go into cost studies?

300357

- k) Neil: I'd be willing to look at that, but that probably won't meet my needs.
- l) Mary Jo: As I looked at AT&T cost studies, I found them related to Armesis cost studies. I see a conflict with what you're asking for now.
- m) Neil: We're trying to get at what you have. This is the only way I know.
- n) Greg: If we considered looking at the list of elements, how long would it take for you to put it together?
 - 1. Mary Jo: We'd have to take the numbers off. We could get some of it together by Friday. These would be redacted copies.
- o) Neil: We would like to review that by Friday.
- p) Mary Jo: Well, can we start there?
- q) Neil: Tell me again why you feel the numbers are not relevant.
 - 1. Mary Jo: We articulated those reasons at last week's meeting
- * r) Neil: Friday, we'll have someone show up at the BST Center.
 - 1. Mary Jo: We'll get you the contact name by tomorrow
- s) Greg: Using publicly available data is all we have. This is a validation of our own study. That's one of the reasons we seek this information
- t) Mary Jo: Maybe when you look at the categories of elements, you'll be satisfied.
- u) Neil: What about Wayne's request?
 - 1. Suzie: We're having a meeting to determine what we can provide. I'll get Frank Kolb to give Neil a call.
 - 2. Neil: I'd like to tentatively have Wayne get with Frank on Monday.
 - a) Mary Jo: Can't promise Monday. We'll have to check schedules.
 - b) Suzie: I'd like to get Frank to call you tomorrow and work this out. Frank works for Jim Anderson.
- 3. Escalated Items (attachment 2)
 - a) Pam: We're using Suzie's form for this report.
 - b) Re: Pre-Ordering Interface for reservation of telephone numbers, the BST proposal won't meet our needs.
 - 1. Suzie: Options are being looked at
 - 2. Greg: When will your options be identified?
 - 3. Suzie: We put two weeks to the SMEs. We're checking on alternatives. I'll let you know and report back next Wednesday. We're optimistic about providing you with a mechanized file.
 - 4. Pam: Our desire is for electronic interface, of course.
 - c) Re: Local Maintenance Electronic Bonding
 - 1. Pam: This gets to the parity issue. BST is proposing a lesser system than they use.

2. Suzie: We have a meeting tomorrow to work through the flow. We'll be prepared to meet your needs. We'll have the people to handle this.

3. Pam: If not handled tomorrow, we'll continue on the escalated track with this.

4. Suzie: I don't think this is ready for escalation yet. We want to provide you with the same level of service we provide others.

5. Mary Jo: Why should you care about the process we use if we've committed to a certain level of service?

6. Pam: Our understanding is it's going to be a different, labor intensive system

7. Mary Jo: Is this document accurate?

* 8. Greg: I'm not sure it is. Let's review the document, maybe at tomorrow's meeting, and bring it up to date.

9. It was agreed to table this discussion until after the document is reviewed.

d) Re: Rates to be applied to TSR calls from AT&T customers lines to BellSouth customers lines when the calls are made collect, billed to BST 3rd numbers, or billed to BST calling cards.

* 1. Suzie: We have some work going on this. I'll be prepared to report on next Wednesday.

e) Re: PIC changes

1. Suzie: I'm not sure we can solve this. I need to review this internally and this may be one we can escalate more quickly.

2. Greg: What you're saying is when you're a long distance provider and your customer calls us, if we're the local service provider, and wants to change long distance provider, you have no problem with our making the change.

a) Suzie: No.

3. Suzie: If you're buying dial tone out of our port, we'll make PIC changes.

4. Suzie: I have a reply that I thought was fax'd on 4/19. I'll check on it.

* f) Suzie agreed to report back next Wednesday and will review the wording of the escalation forms.

4. Neil: Could we return to the cost studies? Regarding Request 2, the TSLRIC wholesale studies, will BST provide those?

a) Mary Jo: BST provided a partial response, the avoided cost studies.

b) Greg: You don't have them?

c) Mary Jo: right. We don't have them.

* 5. Pam: Suzie, could you and I take as an action item to take all issues and go through them on Friday? Or, no later than next Tuesday? Suzie: OK.

200353

6. Electronic Interface (attachment 3)
- a) Suzie: As I understand it, the difference between EDI and Electronic Interface is EDI is a standard way of transmitting data. ECI is an umbrella term
 - b) Preston: Is EDI an interim solution?
 - c) Suzie: The OBF subcommittee recommends EDI as the permanent solution, not something we'd have to re-do.
 - d) Preston: I thought EDI was interim. What changed?
 - 1. Suzie: The OBF recommendation of EDI as a standard. We want AT&T's support on that.
 - 2. Preston: For us to support this, we'd have to compare our requirements with EDI
 - 3. Suzie: We're using your EDI requirement
 - 4. Greg: We're still looking at EDI as interim
 - 5. Suzie: That's not what we understand. I thought Jim Carroll and Scott discussed this.
 - 6. Greg: I don't think so. We'll check with Jim, though.
 - 7. Pam: We've given you two sets of requirements. EDI for the interim and a longer range proposal.
 - 8. Suzie: We're looking at a LAN as being the long term interface
 - 9. Pam: The end-of-mind is to have on line access. We need to understand in a holistic way.
 - * 10. Pam and Suzie agreed to get the SMEs together on Monday (Jay Bradbury and Becky Higdon)
 - 11. Preston: We need to give them a date certain to get back to us.
 - * 12. We can get a status in a week, but it will take weeks to define the transactions. We'll have a weekly status report on progress.
 - 13. Preston: We'll need a timeline before we can address BSTs request for support at OBF.
 - e) Preston: Is your 90 day timeframe for provision of EDI measured from 5/6?
 - 1. Suzie: If we can move quickly, we can meet the 90 days.
 - 2. Preston: Our objective is to be up and running by 7/1
 - f) Greg: Help me understand use of the word "requirement". Have we given Jay and Becky the requirements?
 - 1. Suzie: We need to discuss specific transactions, as well as costs
 - g) Preston: AT&T is willing to consider paying for electronic interface.
 - 1. Greg: We're waiting for your business case. Ameritech and PacTel's business cases showed they would save money. We don't know that there is a need for you to charge us anything. We're not agreeing to net it out on the discount. The cost may be so small. There's just not enough evidence.
 - h) Neil: We will agree to review any proposal you send us.
 - i) Greg: We'll provide a written reply to Scott's letter.

j) Greg: On the expectation that we withdraw our petition at the PSC, we don't know until they meet next week what will be provided.

k) Neil: Are you talking about the 10% penalty or the petition to provide electronic interface.

l) Preston: This is an area where we can both win. AT&T will consider withdrawing our request at the PSC if BST provided the service we wanted.

m) Preston: We'll provide a written reply to Scott's letter by Friday.

n) Pam: What is the status of the business case?

1. Suzie: It was reviewed at the AVP level last week. It's on target to get it finished today. It will be circulated to upper management. We could have it back by 5/15.

o) Preston: Could this be delayed?

1. Suzie: We are committing to provide the EDI proposal you gave us. Now I'm hearing some concern. If this won't meet your needs, we need to know.

2. Preston: We won't know until Jay and Becky get together.

7. Pam: Regarding unbundled elements meetings, we need to get them scheduled.

a) Suzie: We confirmed a 5/8 meeting. We don't have others confirmed. Hopefully, we can get dates this evening.

8. We agreed to handle joint scheduling and planning in another meeting.

9. Preston and Suzie will meet Friday at 10 am to discuss project status

* 10. Preston: Re: Louisiana resale tariff, we had questions on that. We need to talk about them next week. By Monday, we'll give you a list of questions.

11. Next meeting: 675 W. Peachtree Street at 3 pm.
The time for the May 15 meeting was changed to 1:00 pm.

300301

Attachment 1

BellSouth / AT&T Core Team Negotiation

Agenda, May 1, 1996

- 1. Cost Information Data Request Discussion**
- 2. Electronic Interface Discussion**
- 3. Joint Scheduling / Planning**
- 4. Other Items**
- 5. Re-cap**

330362

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NOS. 300363 ~~TO~~ _____

Cindy Clark
Local Services Negotiator

Room 12W45
Promenade II
1200 Peachtree St., NE
Atlanta, GA 30309
404-810-3119

April 26, 1996

Suzie Lavett
BellSouth
Room E5G
3535 Colonnade Parkway
Birmingham, AL 35243

FAX Delivery

Suzie,

I am sorry that I missed your call yesterday. Your message indicated that you would be available today to discuss my concerns regarding the telephone number reservation process documentation which I received from Shirley Wilcox on 4/23/96. I hope we will be able to work together today.

As we have discussed in our negotiations meetings, AT&T desires an electronic interface for telephone number reservation. Although not specifically stated in the documentation provided on 4/23, I assume this manual process represents the interim process proposed by BellSouth.

This proposal is not satisfactory to meet AT&T's requirements for an interim solution to telephone number assignment. AT&T must be able to offer the customer an ordering experience at parity with ordering process experienced by BellSouth end user customers. As an integral part of the initial contact with the customer, the telephone number reservation system must be a smooth, expedient process. This solution has several defects which render it unsatisfactory.

1. BellSouth has about 200 CILLI codes in the state of Georgia. The proposal suggests that we could be responsible for administration of 200 separate lists of 100 reserved numbers for the state of Georgia. Additionally, as part of the administration function, each telephone number would have to be dated to insure that as reservations expire, unused numbers are deleted from the lists. As an interim solution to manage the nine state BellSouth area, the concept of administering paper lists becomes unworkable.
2. This proposed reservation system would impair AT&T's ability to move/balance work load among workcenters that are geographically separate.
3. Quality control for this process would be costly and time consuming, if even possible.

300364

4. Although we have discussed reservation of vanity numbers, vanity number reservation is not addressed in the process outlined by BellSouth.

We have discussed this process many times in our meetings. AT&T has always maintained that this concept would need to be enhanced to make it acceptable as an interim solution. Since this proposal has not evolved into a more useable process, we must now consider other options.

AT&T's proposal for the interim period is that our representative call for a TN reservation for each customer requiring a telephone number. Although this procedure still does not provide parity, the simplicity of the process makes it more acceptable as an interim solution.

Cindy Clark

390365

TELEPHONE NUMBER RESERVATION LOCAL SERVICE RESELLERS

RESELLER ESTABLISHES MASTER ACCOUNT WITH BST

The reseller faxes the TN Reservation Request form to the LCSC, along with the various documents necessary for start of business as an OLEC (Operating Company Number, certification, tax exemption, etc). In addition, the OLEC provides a list of 11 character CLLI codes for the local service areas for its end user customers. The OLEC requests telephone number reservation for its local service areas. The OLEC specifies an initial quantity of numbers for each CLLI, up to a maximum of 100 numbers per CLLI code.

Using the ATLAS TN Reservation Screen, an LCSC rep reserves the requested volume of TN's in each CLLI where the OLEC will offer local services to end users.

For each request transaction ATLAS will return a screen list of numbers available for reservation. The LCSC rep will enter the OLEC company name in the customer name field on the reservation screen, a contact number and the length of time the numbers are to be held in reserved status (maximum of three months), depress a function key for confirmation of the reservation and receive a confirmation number.

The LCSC rep will print each screen list of reserved numbers and fax a copy to the OLEC for use in assigning TN's when negotiating local service with end users.

The OLEC will be responsible for managing the pools of numbers obtained in this manner so as to prevent duplicate number assignments and monitor for exhaustion. When the pool of numbers remaining for a given CLLI is depleted, the OLEC may obtain additional numbers by faxing a new TN Reservation Request form.

NOTE: Only general POTS numbers will be reserved in this fashion. DID number scopes, series hunting, TERs, HMLs, etc., must be assigned by the LCSC on a case-by-case basis to meet needs for specific service order activity.

330368

Documentation received from Shirley Wilcox via fax on 4/23/96

ON-GOING

The OLEC may assign a TN as appropriate during negotiations with end users for the new services. However, the OLEC must advise the end user that the number cannot be guaranteed until service is installed. The OLEC will include the assigned telephone number on the Local Service Request form faxed to the LCSC. The LCSC will code the assigned numbers on the service orders issued upon receipt of the LSR's. Once numbers are placed in reserved status in ATLAS, the subsequent order with inward activity for a reserved TN will cause the number to be released and assigned for service. If for any reason, a different number is required when the order is issued by the LCSC, the OLEC will be notified to advise the end user of the change.

Special Consideration: Some end user locations are served by multiple switches that may support different services. It is the OLEC's responsibility to take this into consideration when assigning a telephone number.

The LCSC and the resellers need to be apprised of switch freezes due to switch replacements. Number reservation and selection of numbers in ATLAS is disallowed during periods of switch freeze, and service orders cannot be due dated during these periods. Network engineering must notify the LCSC and Account Teams of upcoming freezes, and the Account Teams will notify the OLEC's.

Some switches serve multiple local calling areas. The LCSC will have a list of these exceptions, for proper administration of number reservation procedures.

330367

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NOS. 300368 ~~TO~~ _____



Southern Region

Jay M. Bradbury
Manager

Room 12W47
Promenade II
1200 Peachtree St., NE
Atlanta, GA 30309
404-810-8005

April 29, 1996

Suzie Lavett
BellSouth
Room E5G 3535 Colonnade Parkway
Birmingham, Alabama 35243

VIA FACSIMILE

Dear Suzie:

RE: Local Maintenance Electronic Bonding

Until recently, BellSouth has repeatedly asserted that, with the exception of testing, they were ready to implement an interface that would provide capabilities to AT&T's work centers that were at parity with those available to BellSouth's Residence Repair Centers (RRC) and Business Repair Centers (BRC), by using the existing IXC EB Gateway.

During our April 17, 1996, Total Services Resale Maintenance Meeting, we had significant discussion concerning BellSouth's provisioning and development of local maintenance electronic bonding. Bob Anderson's description of the capabilities of the electronic bonding as being several steps backwards from the existing capabilities in BellSouth's centers was in sharp contrast to BellSouth's previous assertions.

Bob's description of the status and plans for local maintenance electronic bonding clearly does not represent an existing or planned interface designed to provide AT&T's centers and end users with a parity maintenance and repair experience. The disparity Bob describes places AT&T in a grossly disadvantaged position, and is totally unacceptable.

Bob stated that 82% of repair requests handled in the RRCs are entered into and flow through the Trouble Analysis Facilitation Interface (TAFI) system. Bob reported that TAFI provided real or near real-time interfaces to many other systems and databases in BellSouth, including various testing systems, CRIS, BOCRIS, PREDICTOR, and others which allow verification and testing of customer records, features, translations, facilities, etc. Bob indicated that clearing times using TAFI were routinely less than 40 minutes, and that using TAFI a Customer Service Analyst (CSA) could clear as many as 17 tickets an hour.

Bob said the remaining 18% are handled from a manual screening pool using the Loop Maintenance Operations Support (LMOS) system. Bob reported that requests in the manual screening pool might wait up to 2 1/2 hours before being picked up for screening and testing. Bob stated that using LMOS a Maintenance Analyst (MA - a higher pay grade employee) could only clear 9 tickets an hour and that average clearing time was greater than double that of the TAFI tickets.

Bob reported that the existing and planned local maintenance electronic bonding interface to the RRCs and BRCs was only to LMOS, not to TAFI, and that therefore AT&T customer's reports would all be handled from the manual screening pool. This will not meet AT&T's requirements or provide parity for AT&T customers.

As I reported, AT&T has recognized the complexity and level of design effort necessary to implement a new local maintenance electronic bonding interface to the newest generation of operations support systems being provided in its own local work centers, and the potential for local maintenance volumes to exceed the

300363

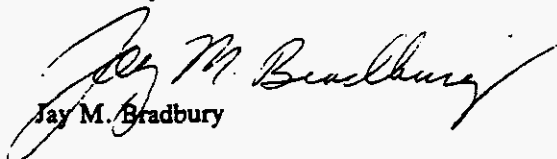
capacities of the existing IXC EB Gateway facilities. AT&T's implementation schedule does not call for the testing or use of local maintenance electronic bonding until late 4Q96 or possibly 1Q97, well after we have entered the local market.

We recommend that BellSouth utilize this additional interval to redesign its interface to provide AT&T with access to the TAFI system, and any future systems BellSouth might deploy, to provide parity for AT&T customers.

During the interim period methods and procedures for a telephonic work center to work center interface which will allow BellSouth to enter and clear AT&T customer's troubles using TAFI can be negotiated. AT&T believes an interim arrangement can be negotiated which will be acceptable to AT&T, more efficient for BellSouth than the LMOS only interface it has designed, and not disadvantage AT&T customers.

At our May 2, 1996, meeting AT&T expects BellSouth to commit to develop and implement for testing on December 2, 1996, a local maintenance electronic bonding interface providing capabilities to AT&T's work centers, including testing, that were on parity with those available to BellSouth's Residence Repair Centers (RRC) and Business Repair Centers (BRC). Further AT&T expects BellSouth to be able to commit to interim telephonic methods and procedures for the interval from the planned start of joint local market entry interface testing on July 1, 1996, until local maintenance electronic bonding is fully implemented.

Yours truly,



Jay M. Bradbury

cc: AT&T Core Team

300370

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NOS. 300372 **TO** _____

Susan D. Ray
AT&T Local Service Negotiator

Room 12N04
Promenade II
1200 Peachtree St., NE
Atlanta, GA 30309
404-810-3123

April 15, 1996

Suzie Lavett
BST Lead Negotiator
Room E56
3535 Colonnade Parkway
Birmingham, AL 35243

Dear Suzie:

Listed below are the action items BellSouth agreed to respond to during our April 15, 1996, Account Maintenance conference call:

- By the end of the week, BellSouth (Suzie Lavett) will update the Total Service Resale Status document to reflect status on the Account Maintenance requirements.
- Requirement # 1 - Suzie Lavett will discuss the OUTPLOC (Direct/Connect) Transaction feed with Shirley Wilcox and let Sue Ray know by April 16, 1996, BellSouth's plan for meeting this requirement.
- Requirement # 2 - BellSouth will accept PIC Only changes from AT&T via the Service Order Process and charge the normal PIC Only rate (\$1.49). BellSouth (Ed Welch) will forward AT&T (Sue Ray) the revised Local Service Order (LSR) reflecting these "field" additions by the end of the week. The only unresolved issue with respect to requirement # 2 is: BellSouth has not committed to provide AT&T Service Order "Completions". The "Completion" issue has been escalated.
- Requirement # 3 - AT&T's position is for BellSouth to reject IXC PIC Changes (with LSP ID) when an IXC sends a PIC Change to BellSouth instead of the customer's LSP (AT&T's Local Customer). BellSouth's position is that since they are the SWP they will work authorized PIC Changes. BellSouth will re-evaluate their position by the end of the week, and let AT&T (Sue Ray) know if it changes. AT&T is escalating this issue.

To continue negotiating the Account Maintenance requirements, please provide timely responses to the above action items. AT&T is extremely concerned that BellSouth plans on accepting PIC Changes for AT&T's Local customers. We are also concerned that BellSouth will not have the Direct/Connect feed in place in a timely manner.

Sincerely,

Sue Ray

300373

April 30, 1996

Mr. William J. Carroll
Vice President
Room 4170
1200 Peachtree St., NE
Atlanta, Ga. 30309

Dear Jim:

In a letter dated April 26, 1996, BellSouth advised AT&T that evaluation of AT&T's proposed EDI interface for transmitting local service requests was near completion. Based on the results of that evaluation, BellSouth is now prepared to move forward with EDI implementation, subject to the following parameters:

Scope:

Our discussions to date have centered primarily around resale. However, BellSouth intends to complete both resale and facilities-based ordering scenarios simultaneously. Specifically, we initially will support an interface for residence and business basic exchange services, as well as number portability and listings, that includes service order transmission and firm order confirmation.

Timeline:

As I am sure you are aware, standard EDI implementations generally proceed in phases, the first of which includes the negotiation of the transaction sets to be used and the detailed definition of data requirements. BellSouth is prepared to begin intensive negotiations with AT&T to jointly develop these elements. BellSouth has assigned the necessary technical experts to this project and those experts are available to work with AT&T on a priority basis beginning May 6, 1996. Specific arrangements can be coordinated by the BellSouth/AT&T core negotiating team.

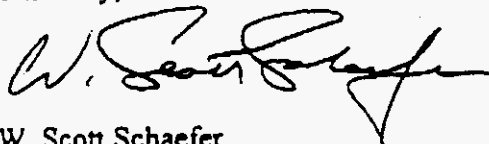
390374

The overall completion date for the EDI effort is dependent upon the completion of Phase One. Therefore, BellSouth is unable to commit to a final implementation date at this time. However, a preliminary view indicates the overall time line will be no more than three months from the time the Phase One work begins.

It is BellSouth's understanding from discussions with AT&T last week that AT&T's request for an electronic ordering interface will be satisfied by BellSouth's implementation of an EDI arrangement for local service requests. BellSouth, therefore, expects that AT&T will withdraw this issue from its petition before the Georgia Public Service Commission. In addition, BellSouth would expect AT&T's support in the Operations and Billing Forum (OBF) of the specific EDI development being pursued by BellSouth as a result of AT&T's request. BellSouth also understands that AT&T has indicated a willingness to pay for the electronic interfaces being requested. Rather than developing separate charges, BellSouth's intention is to net the appropriate costs against the avoided costs associated with resale.

Finally, BellSouth must take issue with AT&T's continued assertion that no response or progress on electronic interfaces for pre-service ordering and service trouble reporting. BellSouth has, in fact, developed pre-ordering interfaces to access information from two systems for a May 1, 1996, availability date, which was the original commitment to AT&T. In addition, the existing IXC gateway for electronic trouble reporting continues to be available for AT&T's use as a reseller.

Sincerely,



W. Scott Schaefer
Acting Vice President
InterConnection Services

cc: Suzie Lavett

300375



CSG Market Development

1200 Peachtree St.
Atlanta, GA 30309

May 3, 1996

Suzie Lavett
BellSouth
3535 Colonnade Parkway
Room E5G
Birmingham, AL 35243

(VIA FAX 404-420-0031)

Dear Suzie:

Below, as information and for action, are items from our May 1, 1996 joint Core Team Meeting. They are:


1. Preston Foster, AT&T's Lead Negotiator, and Neil Brown, AT&T's Lead Cost Negotiator, followed up on their April 4, 1996 request for service specific avoided cost studies. Brown reiterated the need for service specific avoided cost studies in order to understand, relative to each service available for resale, which costs are avoided. AT&T needs this information to determine the appropriate wholesale pricing. Suzie Lavett, BST's Lead Negotiator, said that BellSouth was revisiting which studies would be made available and which studies they considered not relevant. BST will, however, allow AT&T to view lists of categories used by BST in their cost studies on Friday, May 3, 1996 by providing AT&T with access to redacted service specific avoided cost studies (blocking out specific numbers). BST committed to provide Neil with a contact by Thursday, May 2 for details regarding review of such redacted cost studies.
2. Regarding Wayne Ellison's request for additional information on the unbundled cost studies, Suzie will have Frank Kolb call Neil on Thursday to work out details.
3. Regarding the pre-ordering interface for reservation of telephone numbers, BST is checking on alternatives. They'll report back next Wednesday.
4. Local Maintenance Electronic Bonding escalation was tabled. We agreed to review the escalation form and bring it up to date.
5. Regarding rates to be applied to TSR calls from AT&T customers lines to BST customers lines when calls are made collect, third number, or billed to BST calling cards, BST is reviewing current work, and will report next Wednesday.

300370

6. Regarding PIC changes, Suzie will review progress, review the wording of the escalation form, and report back Wednesday.
7. Pam and Suzie agreed to review all action items introduced today plus the five that have already been escalated, by no later than Tuesday.
8. We discussed Scott Schaefer's 4/30 letter to Jim Carroll of AT&T regarding electronic interface. AT&T questioned whether EDI was being offered as the ultimate solution or as the interim solution as previously discussed. BST said that they viewed EDI as their long-term solution. AT&T reiterated that real-time electronic interface at parity with BST was the requirement. AT&T agreed to provide a written response to Scott Schaefer's letter by Friday, May 3, 1996.
9. BST would like AT&T to withdraw its request for electronic interface from the Georgia PSC. AT&T stated that they were not sure if BellSouth's proposed EDI implementation would meet long term needs. AT&T agreed to consider withdrawal of this issue from Georgia PSC petition if all of its needs are met in terms of substance and timing (including the provision of real-time interfaces by July 1, 1996).
10. We agreed to have the SMEs meet on Monday, May 6, 1996 for a thorough review of the electronic interface/EDI issue, and provide a status report to the Core Team on Wednesday. We agreed to weekly status reports thereafter.
11. Regarding the Louisiana Resale Tariff, AT&T agreed to provide BST with a list of questions by Monday, May 6. BST to respond by Wednesday.

Thank you for your attention to these matters. Feel free to call me at any time on (404) 810-8548.

Sincerely,



Preston G. Foster
Lead Negotiator
AT&T

390377



May 6, 1996

Mr. Preston Foster
Room 10410
1200 Peachtree St.
Atlanta, GA 30309

Dear Preston:

In Scott Schaefer's letter dated May 1, 1996, BellSouth advised we are ready to move forward with development of AT&T's proposed electronic interface (EDI) for delivery of local service orders to BellSouth. As a result of discussion in the AT&T/BST Core Negotiating Team meeting that same day, I am writing for clarification of AT&T's position regarding issues related to this interface.

BellSouth is ready to accept AT&T's service orders via fax today and believes this arrangement would expedite AT&T's entry into the resale market. However, AT&T has requested a "real time" electronic means to transfer order information to BellSouth. BellSouth's proposed EDI interface is a first step in that direction. Additional ordering interface mechanization will be driven by future demand, market requirements and as national industry standards are finalized.

AT&T has expressed concern regarding whether or not what we are proposing will be acceptable. BellSouth proposed that our companies begin negotiating the specific transactions for this initial interface today and a conference call is scheduled. It is critical that our experts resolve any confusion as soon as possible to ensure we are pursuing a path that will satisfy AT&T's ordering process request.

It was BellSouth's understanding that AT&T was in support of BellSouth's recovery of these costs through the charges paid by resellers for BellSouth resold services. BellSouth decided to do so by netting the cost of EDI against the resale avoided cost. During our meeting last Wednesday, AT&T representatives indicated this is unacceptable to AT&T and stated AT&T would rather consider an up front one time charge to the reseller for the interface.

BellSouth would like AT&T to clarify its position on this issue. Preston, please call me at 404 529-7496 if you wish to discuss this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Suzie Lavett".

Suzie Lavett
Lead Negotiator

300370

205-9770104

~~991-5900~~

5/6 5:10 PM Mason Fawn left message for S. Lavett at
Birm ~~Attache~~ office stating:

- 1) For action items from last case team meeting on way.
- 2) Response to S. Schaefer letter dated 4/30 ^{originally from} delayed to 5/3
Reason: trying to figure out how we could be responsive to your request to withdraw E. Bonds issue from petition at GA PSC. ~~Attaching~~ Determining what conditions would allow us to do that.
Hope to deliver Tuesday, 5/8.

390373



CSG Market Development

May 6, 1996

1200 Peachtree St.
Atlanta, GA 30309

Via Telecopy
Suzie Lavett
BellSouth Telecommunications, Inc.
3535 Colonade Parkway
Room E5G
Birmingham, Alabama 32243

Re: Louisiana Resale Tariff

Dear Suzie:

At the conclusion of our Core Team meeting on Wednesday, May 1, 1996, I suggested that we discuss at our next meeting issues relating to the Louisiana Resale Tariff which BellSouth has filed. It is our understanding that BellSouth has offered the Louisiana Resale Tariff as illustrative of what BellSouth will or will not resale. Inasmuch as the tariff represents your position on resale, the AT&T Core Team would like to discuss the resale items and restrictions on Wednesday, May 8, 1996. You requested that AT&T submit a list of questions to you prior to the scheduled meeting so that you could ensure that the appropriate personnel would be present to answer AT&T's questions. I have attached a list of questions to this letter in response to your request.

As you are aware, Section 251(b)(1) of the Telecommunications Act of 1996 (the "Act") imposes a duty on all local exchange carriers to not prohibit, or impose unreasonable or discriminatory conditions on, the resale of telecommunications services. Such a broad resale obligation allows a new entrant, at a minimum, to match the range of services consumers have available directly from BellSouth. AT&T believes that full resale rights are in the best interest of the consumer and required under the Act.

I look forward to meeting with you and your team on Wednesday to discuss this very critical issue.

Very truly yours,


Preston Foster

Attachment

cc: Mary Jo Peed

300380

ATTACHMENT A

Section A2.19.13 Restrictions

1. **A2.19.13A2.** On what does BellSouth base its definition of the term "jointly market"?
2. **A2.19.13B1.** AT&T believes that this statement is overly broad. Does BellSouth maintain that there are no existing terms or conditions previously established for monopoly local exchange service which would be inappropriate in a resale environment? For example, BellSouth has identified the continuous property restriction in the Shared Tenant Service customers as not applicable in a resell market (See A2.19.13B5.). Clearly, there are others.
3. **A2.19.13B3.** Please explain the public policy issues and rationale for not allowing flat rated business or residence service to be used for a Hotel/Motel. Why does BellSouth maintain that this restriction should apply to resellers?
4. **A2.19.13B3.** Please explain the public policy issues and rationale for not allowing the use of flat rated business or residence service to a Shared Tenant Service provider. Why does BellSouth maintain that this restriction should apply to resellers?
5. **A2.19.13B4.** Why is Hotel and Hospital PBX service the only local exchange services available for resale to Hotel/Motel and Hospital customers? Please explain the rationale for such a restriction.
6. **A2.19.13B4.** Why is Access Line Service for Customer Provided Coin Telephones the only local service available for resale to COCOTS customers? Please explain the rationale for such a restriction.
7. **A2.19.13B4.** Why is the existing services listed in Section A27 the only local exchange services available for resale to Shared Tenant Service customers? Please explain the rationale for such a restriction.
8. **A2.19.13B5.** Why does BellSouth propose to restrict the aggregation of a Reseller's local exchange traffic from multiple users to the "provisions, rates, rules and regulations specified in Section A27", with the exception of the continuous property restriction? Please explain the rationale for such a restriction.
9. **A2.19.13B6.** Why is a Reseller "prohibited from furnishing both flat and measured rate service on the same premises to the same subscriber (end user)"? Please explain the public policy issues and rationale for such a restriction.

10. **A2.19.13B7.** What does BellSouth propose to audit? Please explain BellSouth's rationale for reserving the right to audit.
11. **A2.19.13C 1 through 4.** Please explain the rationale for each restriction.
12. **A2.19.13D.** Please explain the public policy issues and rationale for not allowing resale of each of the arrangements listed.
13. **A2.19.13D.** What is the difference between Contract Service Arrangements and Special Billing Arrangements? Please explain.
14. **A2.19.13E.** Why does BellSouth believe that this statement is necessary? Please explain.
15. **A2.19.13F.** Why does BellSouth believe that this statement is necessary? Please explain.
16. **A2.19.13G.** Why does BellSouth believe that this statement is necessary? Please explain.
17. **A2.19.13H.** Please explain the public policy issues and rationale for this restriction.

300382

JOINT AT&T/BELLSOUTH CORE TEAM MEETING

May 8, 1996

On Wednesday, May 8, 1996, the Joint AT&T/BellSouth Core Team met at 675 W. Peachtree Street with the following in attendance:

Ken McNeely	Preston Foster
Neil Brown	Randy Jenkins
Mary Jo Peed	Suzie Lavett
Greg Follensbee	Pam Nelson
Ray Crafton	Andre' Mule'

1. Preston reviewed the agenda (attachment 1)
2. Outstanding Issue: Unbundled Elements cost studies
 - a) Neil: You were going to provide a list of cost studies that support the prices that BST is offering. This is Request # 5.
 - b) Suzie: They are still compiling this.
 - c) Preston: When can we get this?
 - d) Mary Jo: Soon.
 - e) Neil: Would you leave me a voice mail telling me when this will be ready?
 - * f) Mary Jo: As soon as possible.
 - g) Neil: This is related to the price list Bob Scheye gave me Tuesday.
3. Preston: Regarding non-recurring costs, Frank Kolb's view seems to differ from yours. Frank says that most avoidable costs are in non-recurring charges. But you've told us that there are no avoidable costs in non-recurring charges.
 - a) Mary Jo: Frank was prepared to speak to this at yesterday's cost meeting, but we ran out of time. We'll have to reschedule this.
 - b) Suzie: Maybe we're not talking the same language.
 - * c) Neil: I'll ask Guedel to call Frank. We'll await a response from Frank and take the follow up action that makes sense. (Neil then went to a telephone in the conference room, called Mike Guedel, and left a message for Mike to call Frank Kolb.)
 - * d) Suzie: We need to clarify that to you in writing. I can give you a status on Monday.
4. Preston: Regarding the redacted studies you committed to provide and then changed. We're concerned about that change. I don't mean to offend, but we're concerned about your level of empowerment.

300383

- a) Mary Jo: We are empowered through the authority given to us. There are times when we will have to go back and revisit information with others. I'm sure you have the same problem.
- b) Preston: Is there someone else who should be sitting at the table who can help us close on issues?
- c) Mary Jo: I believe what we provided on Friday is similar to the redacted studies we offered. We made the offer to provide this information. This is an issue that you all have filed a petition on in Tennessee. I don't see why we have to discuss this further.
- d) Preston: I'm looking at a broader issue. I'm concerned about more than the Tennessee issue.
- e) Mary Jo: We have been given policy positions by our Company. I'm sure you have been, too. We cannot move from a policy position unless we are given the authority to move off the position. Last Wednesday's offer of the cost categories was an attempt to compromise on an issue.
- f) Preston: My problem is I don't know where the line is. I'm stating that as a concern. As we come toward closure, we need confidence in each other.
- g) Suzie: I take exception to your comments on the limitations on our authority. We were working towards a middle ground.
- h) Neil: What you provided was less than what we asked for, and less than you committed. You said that you had to work overtime to put this together. I've got to believe that any overtime used was aimed at hiding facts rather than revealing facts.
- i) Mary Jo: BellSouth is not here to hide any facts from AT&T. I resent that you feel that way. Our people are working hard to satisfy your requests. I'm sorry that the compromise we offered was not sufficient. It's not because we were trying to hide anything. I am insulted by that remark.
- j) Preston: I'm not accusing you of anything. I'm not sure where your line is. I'm going to need help understanding that.
- k) Mary Jo: I'll need the same thing from you. I'm sure you have limits on your authority.
- l) Ray: I think what we owe each other is good communications.
- m) Suzie: I think this is being blown out of proportion.
- n) Ray: Do we have any thoughts about how we can communicate better?
- o) Mary Jo: We don't need any more processes. Any more processes will impede the negotiations. I think we need to figure out where we can reach agreement and proceed, and where we can't agree let's set those aside. AT&T needs to identify the key issues. We're getting so granular with the cost studies. That's a lot of the frustration. We're not looking at one year out, or two years out. AT&T is requesting us to build a Cadillac in a lot of these areas.
- p) Preston: Regarding the avoided cost issue, we're simply negotiating from the Act. Regarding electronic interface, we've been talking about that since last September. We're trying to be reasonable. We want to

work with you on time frame. We have to make an extra effort to hear each other.

5. Louisiana Resale Tariff--Greg

- a) Greg began with a review of the restrictions in the tariff.
- b) Suzie: Remember, we are talking about a resale environment. A lot of restrictions are dictated by the Commissions.
- c) Mary Jo: As we move forward, and restrictions are removed, we'll remove them from resellers as well.
- d) Greg: But isn't this a good opportunity to go to the Commissions and get them to lift them now?
- e) Suzie: We don't want to create a new product line just for the resale market.
- f) Greg: If the restrictions are not appropriate, the time is right to revisit the issue.
- g) Ken: Is it still BellSouth's position that the Louisiana Tariff is what BellSouth intends to resell to AT&T in all states?
- h) Suzie: Yes. I don't have a problem going through these, but some, such as shared tenant services, are driven by the market.
- i) Greg: Let's go through these.
 - a) First the term "jointly market." What's the basis for the definition?

1. Mary Jo: The term is what we believe Congress intended in Sec. 272g of the Act. It's not speculation. We researched the legislative intent. That, and Webster's dictionary.

2. Greg: What do you mean by "packaged?" Can you give us examples?

a) Mary Jo: Packaging of local exchange service with interLATA service, as in one-stop shopping.

• 3. Mary Jo agreed to research why BellSouth considers sales referrals, resale arrangements, sales agencies, and billing arrangements as "joint marketing."

b) Greg: Let's go to class of service restrictions.

1. Mary Jo: The law recognizes that there is a need for some class of services restrictions (Example: You can't resell residence service to business customers.) Our rationale has to do with arbitrage. Having a LEC buy residence service from us and reselling to business customers when we don't have the same opportunity. Also, using a low usage service for a high usage function places more demands on the equipment.

2. Ken: In an attempt to define the statute, you've broadened it.

3. Mary Jo: It's our cut at what the law intended. If AT&T wants to come back with a proposal, please do.

4. Greg: What about business services? Why restrictions on these?

300385

a) Mary Jo: An example would be pay phones. A pay phone provider would use the line more often than our average customer will use it. There are reasons for restricting IPPs to their special tariff. We have set up a tariff especially for those customers. They need blocking features, etc.

5. Greg: The question is, is this what we want to carry forward in a competitive environment?

6. Suzie: These things are driven by the market. If the market requires us to change, we will.

7. Greg: Will you consider making changes?

8. Mary Jo: We're saying that this is our proposal.

c) Greg: Can you give us in writing, the basis of the restriction? Is it a Commission order?

* 1) Suzie: We're prepared to answer you in writing by next Wednesday.

* 2) Greg: And we'll work on a counter-proposal.

j) Greg: What about the education discount?

1. Mary Jo: We were ordered by the Louisiana Commission to provide service to certain schools in the state.

k) There was a general discussion of what was included in the N11 restriction

6. Preston: I sense something positive to help us get to closure. Earlier you told us you were in the retail business and had no intent to get into wholesale. My sense now is that something is shifting.

a) Suzie: We don't know enough about how the market will evolve, yet. We've asked for more information on your forecasts. The more details we can get from you, the better we will understand. You've given us very high level forecasts. We need more specificity.

b) Ray: Any forecast is wrong by definition.

c) Suzie: That proves our point. We don't want to commit to a large capital investment on EDI when we're not comfortable with your forecasts.

* 1. We agreed to provide, by May 13, data related to our forecasts of volumes we expect under market entry.

d) Greg: Do you want us to be a reseller, or facilities based?

e) Suzie: We've looked at this from your point of view, with consultants, and we don't see that reselling is a good business to be in for the long run.

f) Neil: Have you looked at the level of the discount and how that affects the business?

g) Suzie: The models show the numbers drive you to be facilities based at any level.

h) Ray: If we ask you a lot of questions, it's because we're interested in TSR. We need to get to a common agreement on what avoidable costs are. We've done studies too on TSR.

i) Mary Jo: will you provide those studies to us?

- j) Ray: We will provide certain outputs from those studies if you do the same.
- k) Suzie: We'll look at what we have.
- l) Ray: You have looked at our financials. We can't overbuild the BellSouth network. We have large numbers of customers who are geographically disbursed. We do have capital set aside for construction, but not enough to do it all. What might be profitable is in your hands. It depends on where you set the TSR price. Capital goes to markets where it gets the best return. Maybe we're going past one another. I'd be champing at the bit to get into the wholesale market. Regarding Cadillac service, AT&T wants to offer our customers a high quality of service. We'll have our brand attached to it. We expect to do it through TSR.
- m) Suzie: When can we get your studies?
- * n) Ray: We'll do internal reviews next week. My guess is week of May 21st. Does that work for you? When will you be available to talk about your studies?
- * o) Suzie: I don't know what we have. I'll check and get back to Preston.

7. Action Items: Preston

- a) Pre-ordering interface for reservation of numbers
 - 1. Suzie: We will provide you with some kind of electronic file. We need to work out the details at the SME level
- b) Local maintenance electronic bonding
 - 1. Pam: Suzie fax'd over a new form
 - 2. Suzie: We may need to go through these on Friday
- c) Rates applied to certain calls billed to BST customers
 - 1. Suzie: We revised our position. There are two issues:
 - a) AT&T is reviewing this as though it were comparable to an ICO environment, with settlements, etc.
 - b) BST doesn't see it comparable to a reseller environment
 - 2. Pam will review and get back to Suzie
- d) PIC changes
 - 1. Suzie: We can't find a reason to change what we do today. I provided our position to Pam. We haven't had this request from anyone else.
 - 2. Greg: What's the rationale?
 - a) Suzie: We're reselling local service to you. The end user changes his long distance carrier. We'd accept those changes today.
 - 3. Greg: Is there anything in the FCC anti-slamming regulations?
 - a) Suzie: No.
 - 4. Greg: Is it an issue of the cost of the change?
 - a) Suzie: That, too. It would require changes in our CARE and SOCS systems.
- e) Pam and Suzie agreed to review all items by Tuesday.

300337

- * 1. This review is partially complete and will be completed by Friday.
2. Suzie: We need to clarify which items will be discussed at the Executive level and which at the Core level.
- * f) Regarding electronic interface, we agreed that each Wednesday we would review the status.
8. Ray: Have you given much thought about how we interact as we near the end of the 135 day period?
- a) Suzie: I'm open.
- b) Ray: We'll have some ideas soon. We're looking for your ideas, too.
9. Suzie: How would AT&T feel about a separate NDA for this kind of discussion, that would only be used in the negotiations in the spirit of compromise, say for this study thing? It would allow the negotiators to understand our business planning assumptions.
- a) We agreed to pursue this.
- b) Neil: What don't you like about the current NDA?
- c) Mary Jo: We have no control over items AT&T attaches to a petition to a Commission. Data Request #1, the mediation issue, is an example. We were concerned about providing cost studies to AT&T while in the future AT&T was going to be a competitor. Sylvia asked if we would be so concerned if we restricted access to the data only to those who had a need to know. I don't know where she stands on this.
- * d) Greg: Well take this back to Sylvia.
10. We agreed to meet again on Wednesday, May 15, at 1:00 pm at 1200 Peachtree.

300388

BellSouth / AT&T Core Team Negotiation

Agenda, May 8, 1996

1. Avoided Cost Issues -- clarification
2. Review of LA Resale Tariff
3. Review of Action Items
4. Recap



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMailpfoster

May 10, 1996

Sent via fax

Dear Suzie:

Below, as information and for action, are the action items from our May 8, 1996 Core Team meeting. They are:

1. BST agreed to provide, as soon as possible, a list of cost studies that supports the unbundled element price points presented to AT&T at the cost/price SME meeting on 5/7/96.
2. Preston Foster, AT&T Lead Negotiator, requested that BST bring any additional personnel to the Core Team table who would enable BST to speak with a reliably empowered voice. AT&T's concern was expressed with respect to the 5/1/96 commitment by BST to provide AT&T with access to redacted avoided cost studies which was later retracted after consultation with BST executives. There was also concern expressed about BST's changing positions regarding avoided costs associated with non-recurring charges. Specifically, AT&T's concern is to what extent can BST's Core Team credibly negotiate substantial issues if the commitments made in negotiations are counter-manned by BST executives after the fact. BST said that no additional resources were needed on their Core Team.
3. BST agreed to clarify, in writing, their position on avoided costs associated with non-recurring charges. They will provide a status report on Monday, May 13, 1996.
4. AT&T agreed to share, by May 13, data related to our forecasts of volumes expected in during the first year of local market entry.
5. Suzie Lavett, BST Lead Negotiator, said that in preparation for these negotiation, Richard Robertson of BST, produced several studies regarding

BST's expectations of AT&T as a local service reseller. Those studies indicated that AT&T would not be a viable long-term TSR customer at any of the discount levels being contemplated by BST. To help BST understand that there is a viable TSR wholesale business, AT&T raised the possibility of a mutual exchange of views regarding the viability of the wholesale TSR business. BST and AT&T agreed to consult their respective executives on the possibility of an intracompany dialogue commencing the week of May 20, 1996.

6. AT&T and BST agreed to complete a review of escalated items by Friday, May 10.

7. We agreed to review status of electronic interface each Wednesday at the Core Team table.

Thank you for your attention to these matters. Feel free to call me at any time on 404-810-8548.

Sincerely,



Preston G. Foster
Lead Negotiator
AT&T

330331



Andre J. Mule

5/9/6

Preston Foster -
Room 10140

Here are Action Items
revised by
Ray Crafton.

ATM

Room 6110
1200 Peachtree Street, N.W.
Atlanta, Georgia 30309
404 810-8537

330302

**ACTION ITEMS FROM
JOINT AT&T/BELLSOUTH CORE TEAM MEETING**

May 8, 1996

1. BST agreed to provide a list of cost studies that support the unbundled element price-points presented to AT&T at the Cost/Price Meeting on 5/7/96.
2. BST agreed to clarify, in writing, their position on avoided costs associated with non-recurring charges. They will provide a status report on Monday, May 13.
3. BST agreed to answer, in writing, AT&T's requests for additional information about the Louisiana Resale Tariff by Wednesday, May 15.
4. AT&T agreed to share, by May 13, data related to our forecasts of volumes we expect under market entry.
5. To help BST understand there is a viable TSR wholesale business, we raised the possibility of a mutual exchange of views of the viability of a wholesale TSR business. We agreed to consult with our executives next week on the possibility of an intercompany dialog the week of May 21. BellSouth will do the same.
6. AT&T and BST agreed to complete review of all escalated items by Friday, May 10.
7. We agreed to review status of Electronic Interface each Wednesday.

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5/15/96 BellSouth/AT&T Core Team Meeting

Location: SBC

Time: ~1pm start

Attendees: Q. Sanders, L. Lavett, M. Peed, R. Jenkins, P. Nelson, G. Follensbee, P. Foster, M. Fawzi, W. Kendall, S. Anderson

Meeting Notes:

1) P. Foster Reviewed the Agenda (Attachment 1)

2) Review of Old Business

A) BellSouth response to AT&T's questions about Louisiana resale tariff.

S. Lavett distributed response to AT&T Louisiana Resale Tariff questions (Attachments 2) and BellSouth view on Joint Marketing Restriction Included in FTA Section 271(e)(1) (Attachment 3)

* AT&T agreed to review BellSouth's responses and get back to BellSouth with any questions or comments.

* M. Fawzi requested explicit state specific lists of services available for and excluded from resale. The reason we need this is that a review of the LA tariff showed enough state specific services so as to create uncertainty as to what state specific services might exist in other (eight) BellSouth states. BellSouth's position regarding availability of these other state specific services is also uncertain, making planning difficult for AT&T. S. Lavett committed to have Bob Scheye contact Mason directly on this matter.

B) BellSouth position on non-recurring charges.

S. Lavett distributed and discussed position on non-recurring charges (Attachment 4)

M. Fawzi asked whether BellSouth's policy on non-recurring charges distinguished between Switch As Is and new installations.

* S. Lavett and M. Peed checking to see if only service order charge (not installation non-recurring charges) will apply for switch as is -- they thought they knew but were not sure. M. Peed and S. Lavett said that perhaps only the secondary service order charge would apply, however, needed to clarify. BellSouth will provide clarification by Tuesday cost team meeting 5/21.

M. Fawzi: Asked whether service order charges and installation charges would carry different discounts.

S. Lavett: BellSouth proposes all non-recurring charges at no discount.

S. Anderson: Asked for clarification of BellSouth's intent concerning the legend on their non-recurring charges handout and other documents distributed by BellSouth with

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the same or similar legend which reads: "Private/Proprietary: No use or disclosure outside of AT&T and BellSouth".

M. Peed confirmed that BellSouth intends for documents with legends to be covered by the terms of the confidentiality agreement between the parties which was executed by P. Foster and S. Lavett.

G. Follensbee: Asked for clarification regarding Frank Kolb statements that some non-recurring charges recovered through subsequent recurring mechanisms.

BellSouth recommended that this issue (recovery of non-recurring via recurring mechanisms) be pursued further at Cost team meeting.

C) Unbundled elements pricing studies requested by AT&T in 4/4/96 letter.

W. Kendall: Asked for these once again.

M. Peed: BellSouth will provide all unbundled element studies requested by AT&T except for the following, which do not exist: Network Interface Device, Loop Distribution, Loop Feeder, Loop Combination, Digital Cross Connect.

* M. Peed: The available studies will be provided for LA, GA, NC, TN, FL to AT&T by 5/21 Cost Team Meeting. W. Kendall also requested that the same studies for the states of AL and KY be provided at same time. M. Peed agreed to make these available by the 5/21 Cost Team Meeting. G. Follensbee requested that these studies be provided Monday if possible so AT&T might review before Tuesday Cost Team meeting -- M. Peed agreed to do so if possible.

M. Peed: Indicated that unbundled element study request #6-Local Switching- has already been provided as part of the Loop, Port and Usage studies previously provided to AT&T for the states of FL, NC, GA, TN, LA.

* W. Kendall asked for the KY and AL unbundled Loop, Port, and Usage studies. M. Peed agreed to also make these available by 5/21 Cost Team Meeting.

D) Outstanding Avoidable cost studies.

W. Kendall: Asked for outstanding FL, NC, and LA avoided cost studies. Also requested AL and KY avoided cost studies.

* M. Peed: Was not aware that we had requested LA tariff previously. Thought LA study was complete (and perhaps KY as well) and agreed to provide next week by 5/21.

M. Peed: FL and NC studies previously requested still not complete -- did not know when they would be complete.

S. Lavett: Thought the FL study was 90% complete; however, did not know what was involved with closing on the last 10%.

W. Kendall: Asked if she had any idea when these studies might be available.

M. Peed: Not at this time.

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E) BellSouth position on PLOC charges.

W. Kendall asked for BellSouth position on PLOC charges.

* M. Peed committed that B. Scheye would provide response to AT&T by Tuesday Cost Team meeting.

3) Discussion Regarding Wholesale Relationship

P. Foster summarized last week's discussion about AT&T interest in demonstrating to BellSouth the viability of the wholesale market in the long term.

S. Lavett: Raised antitrust concern about divulging BellSouth's analysis/studies in this regard. Therefore, BellSouth will not be proceeding forward with such discussions. BellSouth would, however, like to continue working with AT&T regarding firm demand forecasts.

S. Anderson: Asked M. Peed to be more specific about any antitrust concerns.

M. Peed: Said she didn't actually talk with the lawyers. Hank Anthony did. Therefore, she couldn't really provide any details other than the fact that the lawyers advised against such discussions.

* S. Anderson: Again expressed desire to understand more detail and reasoning around these antitrust concerns. M. Peed and S. Anderson agreed to get with H. Anthony and discuss BellSouth's antitrust concerns in more detail.

G. Follensbee: Asked whether there were other specific concerns that BellSouth would have assuming legal concerns could be overcome.

S. Lavett: Business reasons. BellSouth reluctant to share business plans. Might want to execute a more restrictive Non Disclosure Agreement.

P. Foster: Expressed disappointment, since we thought this was an opportunity to convince BellSouth of viability of wholesale business (and TSR) in the long term, therefore justifying BellSouth investments in efficiency (i.e. Electronic Bonding).

S. Lavett: Stated that the demand forecast BellSouth requested would help.

P. Foster: Stated that we have a bit of a "Catch 22" since the conditions for resale provided by BellSouth will greatly impact AT&T take rates, etc. Difficult for us to forecast demand when we cannot project with any degree of certainty what the product will look like, or what the customer experience will be.

S. Lavett: Stated that she perceives an imbalance in the specificity of data being requested (provided). Sees BellSouth providing all kinds of detail -- AT&T not providing as much.

M. Peed: Could AT&T provide demand forecast for certain assumed discount levels. For example, one forecast if the discount is 12%, another if the discount is 14%, etc.

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M. Fawzi: While discount is a contributing variable, the customer experience is also a key variable. For example, AT&T wants to provide service parity. If AT&T provides a service (via TSR) to end users in 3 weeks and BellSouth provides the same capability to its end users in 1-2 weeks, our ability to market that service is greatly impacted. Thus the difficulty providing a good forecast.

P. Foster: We told you we would provide you a forecast by 5/22. We plan to follow through with that commitment and do the best we can.

M. Peed: Only way to convince BellSouth that TSR is long term option and high volume is to provide detailed demand forecast.

G. Follensbee: Does BellSouth EDI study identify "breakeven" volume between manual and electronic. Does the study identify at what particular demand volume, the efficiencies achieved by utilizing electronic interfaces actually pay for the up-front development.

S. Lavett: Said she believed the study did include this.

G. Follensbee: Believes BellSouth could identify what EDI volumes needed to exist to breakeven without AT&T forecast. Then, AT&T forecast only substantiates BellSouth's decision.

P. Foster: Frustrated about inability for us to proceed -- I thought we agreed to work this wholesale relationship issue (communicate viability of this business).

S. Lavett: Strongly disagrees. We didn't necessarily agree. Pursuing wholesale discussion was a suggestion -- not firm agreement.

4) Negotiations Planning Session

P. Foster outlined and described new process for working at the "Sub Core Team" level. (Attachment 5). Focus of new process centers around jointly identifying key TSR work areas, priority, assigning Core Team owners, and engaging in smaller groups to pursue interests and brainstorm possible solutions -- goal is to get us beyond one another's positions and flush out which issues may be win-win. Additionally, goal is to develop alternatives for Executive teams to consider.

S. Lavett and M. Peed: Said process seemed reasonable and made sense.

P. Foster stated that he wanted Core Teams to populate first 3 columns today: Issue, priority, owners.

P. Foster suggested we implement this new process for TSR Operations (this week), Cost (next week), Unbundled (following week). This priority based on Executive agreement to focus on TSR and target closure by 6/1. Goal is to brainstorm issues and feed best alternatives to Executives.

Team populated "Sub Core Team" process table. (Attachment 6)

* S. Lavett and P. Foster to confirm any undefined Sub Team leaders by COB Friday 5/17 at latest.

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*

Subteams engage immediately.

5) AT&T's intent to proceed with TSR trial in Tennessee.

P. Foster informed group of AT&T's intent to proceed with a TSR trial in Tennessee commencing 5/16. Purpose of the trial is to gain learnings for market entry. AT&T expects that BellSouth will process orders in accordance with 25% interim discount included in Tennessee PSC rules.

*

P. Foster requested that BellSouth respond to any objections regarding this Tennessee trial in writing.

S. Lavett and M. Peed: Stated that they did not believe PSC ruling was final. Therefore were not sure they could proceed and extend discount. They would check.

6) Recap

M. Fawzi reviewed notes and action items.

7) Closing

Meeting adjourned approximately 3:20pm.

Next Meeting: 5/22/96 3pm AT&T (1200 Peachtree St.)

300392

BELLSOUTH / AT&T CORE TEAM NEGOTIATION

May 15, 1996 Agenda

1. Review of Old Business
 - LA resale tariff questions
 - Status of non-recurring charges / costs
 - Unbundled pricing proposal
 - Unbundled loop port usage studies for AL and KY
2. Negotiations Planning Session
 - Process
 - Issues
 - Priorities
 - Ownership
3. Re-cap

300303

Attachment 2

BellSouth
Telecommunications ©

May 15, 1996

Preston Foster
AT&T
1200 Peachtree St.
Atlanta, GA 30309

Dear Preston,

Attached is BellSouth's response to the questions included in your May 6, 1996, letter regarding BellSouth's Louisiana Resale Tariff. As we have discussed in our Core Team meetings, BellSouth believes this tariff meets its obligations under the Telecommunications Act of 1996.

Please let me know if you have additional questions.

Sincerely,



Suzie Lavett

Attachments

cc: Mary Jo Peed

370-100

Response to AT&T LA Resale Tariff Issues

1. See Attachment B.
2. BellSouth believes this statement to be reasonable and necessary. Specific exceptions can and will be made when and if necessary.
- 3; 4; 5; 6; 7.
All of these services include restrictions which were developed to meet specific public policy goals; for example, appropriate cost recover of the usage imposed upon the network by a shared tenant provider that is above and beyond the average usage of end users. The restrictions themselves form an integral part of the retail service which must, under the Act, be resold. However, the Act does not require that retail services be modified or changed into different services by eliminating restrictions for resellers. Further, it is BellSouth's position that the usage sensitive structure is, at present, the appropriate structure for these customers.
8. The Company's tariffs prevent retail end users from aggregating traffic from multiple end users to consolidate usage allowances, call attempts, etc. This section "allows the new entrant ... to match the range of services consumers have available directly from BellSouth.", as noted in your cover letter, and thus provides equitable treatment for resellers such as AT&T.
9. See response to Nos. 3 through 7.
10. BellSouth reserves the right to audit account for items which we could not independently verify, but affect billing, such as class of service restrictions or percent local usage results. As the tariff states, this is to establish authenticity of use.
11. See response to No 8.
12. Grandfathered and Obsolete Services are no longer available to new customers on a retail basis. See responses previously provided..

Promotional rates, contract service arrangements and the Special Billing Arrangements are not services, but special pricing arrangements usually intended to meet competition. The base priced services are already available to resellers at a discount.

The Installment Bill Option is not a service. It is a billing arrangement to assist BellSouth's end users and to promote universal service goals. AT&T, or any other reseller, is free to make the same offer to their end users at any time. Resellers such as AT&T, unlike some end users, have the financial resources to pay non-recurring charges at one time.

Link-Up Louisiana and the Education Discount Program are PSC mandated discount programs to specific customer groups.

911, E911, MSP Interconnection and N11 are not retail services provided to non-telecommunications end users.

13. The Special Billing Arrangement in A5.8 as a specialized pricing plans for state government and is similar to contract service arrangements.

14; 15; 16.

These tariff sections are included, as are many others, to provide specificity and clarity to the services and arrangements provided in this tariff section. While they may be obvious or redundant to AT&T, many new entrants into the marketplace may have little or no experience in the industry and thus need this level of detail.

17. This section is technical, rather than public policy based. It applies to services or combinations of services which are not severable and thus could not be provided as a combination of BellSouth and reseller services.

Joint Marketing Restriction Included In Section 271(e)(1)

The term joint marketing, as it applies to the parties restricted by this subsection of the Telecommunications Act of 1996, includes, but is not limited to, any advertisements, marketing efforts and billing arrangements involving interLATA service and telephone exchange service purchased from a Bell operating company local exchange carrier for the purpose of reselling said telephone exchange service to customers. Telephone exchange services include residence, business, and PBX services, central office based business services, all vertical features and functions such as but not limited to, Custom Calling features, MemoryCall® service, directory listings, intraLATA toll services and optional extended area services. Specifically, the following are prohibited under the joint marketing restriction:

- Billing of any telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes and any interLATA service must be on separate bills sent in separate envelopes to the customer.
- No direct mail programs, bill inserts or comparable informational or marketing material can in any way reference both telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes and interLATA service.
- Incoming or outgoing customer contacts, including telephone contacts, personal visits or comparable contacts cannot include reference to or information concerning both telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes and an interLATA service. Further, any customer contact initiated as a result of a referral or transfer service from the Bell operating company local exchange carrier cannot be utilized to sell telephone exchange services.
- Telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes and interLATA services cannot be included in the same advertisement or advertised or marketed in any manner that would suggest, imply or state that the same company could offer both the telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes and interLATA services.
- Telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes and interLATA services cannot be offered in any manner that would combine the pricing of the two services or in any way make the price of one service dependent upon the purchase or usage of the other. Such arrangements would include but are not limited to the following:

Neither the telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes nor the interLATA service can be provided as a rebate or given away due to the purchase of the other; No coupons, credits or similar incentive can be provided for either telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes or interLATA services that would in any way impact the ultimate price a customer would pay for the other service; Any term or volume plan that is provided to a customer that includes telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes and interLATA services must clearly state that the customer can void the contract without penalty once the Bell operating company has been allowed to offer in region interLATA services in such a way that the joint marketing restriction is eliminated; Any interLATA service price, term or condition must be available on the same basis to a customer who does not purchase the telephone exchange services purchased from a Bell operating company local exchange carrier for resale purposes; and No deferred discounts, rebates or similar pricing incentive can be stated or implied for service purchased during the period in which the joint marketing restriction is in effect that would be applied after the restriction has been lifted.

- All joint marketing restrictions apply to any company that serves more than 5% of the nation's presubscribed lines and any company (ies) that have financial relationships with these companies, including ownership agreements, agency arrangements, capital investments arrangements, etc.

704

for Andre Male
delivered from Bellsouth/Suzie Lavett
5/15/96

126/

2004/11/15

NON-RECURRING CHARGES

The establishment of the resale market required BST to develop and implement service order entry processes and procedures that differ from that the service order entry process in place for BST end user customers. Other activity required for establishing service beyond the service entry phase are the same regardless of who (BST end user or reseller) initiates the order to BST.

It was determined that the additional cost for resale service order entry would offset any possible avoided costs. In addition, the inclusion of non-recurring charges in the calculation of the resale discount would result in a lower discount rate than was produced by excluding the non-recurring revenue and avoided costs.

Rather than develop a unique resale service order process charge and include the non-recurring revenue and associated insignificant avoided costs in the resale discount calculations, BellSouth chose to apply its existing service order charges to resale orders, absorb any additional costs incurred and exclude non-recurring charges from the resale discount.

330408

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300407

Negotiations Core Team Process

Role of the Core Team: Manage the negotiations process, control flow of information and communications, escalate and recommend to Executive Teams.

Role of the Sub-Team: Segment and negotiate key issues, escalate and socialize positions, interests, and possible solutions to the Executive Teams (via the Core Team).

Sub - Core Team Negotiations Process Flow

What	Who	When
1. Identify issues	Joint Core Team	5/15
2. Identify issue owners	Joint Core Team	5/15
3. Prioritize issues	Joint Core Team	5/15
4. State positions	Sub-team negotiators	thru 5/29
5. State interests	Sub-team negotiators	thru 5/29
6. Verify positions & interests	Sub-team negotiators	thru 5/29
7. Brainstorm possible solutions	Sub-team negotiators	thru 5/29
8. Negotiate from set of possible solutions	Sub-team negotiators	thru 5/29
9. Agree or disagree	Sub-team negotiators	thru 5/29
10. Document agreement	Sub-team negotiators	weekly
11. Escalate issue(s)	Sub-team negotiators	weekly
12. Communicate progress to Core Team	Sub-team negotiators	weekly

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Rules of Engagement

1. Principled negotiations (commitments in good faith, "play fair")
2. Prepare
3. State degree of empowerment
4. Listen, hear, speak
5. State your position
6. Re-state your negotiating partner's position
7. No bad ideas (re: brainstorming)
8. Address mutual interests
9. Keep the ball moving --- don't delay

Negotiations Core Team Process

[illegible]**Comments:**

Resources Needed:

66-10000-10000

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Directory Listings*	5 (L)	AT&T: Pam Nelson BST: Suzie Lavett		AT&T: BST:			
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Proprietary	5 (L)	AT&T: Pam Nelson* BST: Suzie Lavett	810-3100 529-7496	AT&T: BST:			
Notification	4 (M)	AT&T: Greg Follensbee BST: Pam Sims**	810-7550	AT&T: BST:			

Comments:

Resources Needed:

300410

AT&T: Mason F
5/15/04



CSG Market Development

May 20, 1996

1200 Peachtree St.
Atlanta, GA 30309

Via Fax and Hand Delivery

Suzie Lavett
BellSouth
3535 Colonade Parkway, Room E5H1
Birmingham, AL 35243

Suzie:

Following are the key items of discussion and action items from the May 15 AT&T/BellSouth Core Team meeting.

1. BellSouth provided AT&T with responses to questions about the Louisiana resale tariff. AT&T agreed to review BellSouth's responses and get back to BellSouth with any questions, comments, or requests for clarification.
2. M. Fawzi requested that BellSouth provide AT&T explicit state specific lists of services available for and excluded from resale. The reason AT&T needs this is that a review of the LA tariff showed enough state specific services so as to create uncertainty as to what state specific services might exist in the other (eight) BellSouth states. BellSouth's position regarding availability of these other state specific services is also uncertain, making planning difficult for AT&T. S. Lavett committed to have Bob Scheve get with Mason directly on this matter.
3. S. Lavett distributed and described BellSouth's position on non-recurring charges. S. Lavett explained that all BellSouth non-recurring costs of providing service will remain the same once the order has been delivered to BellSouth and the service order entry process has been completed. However, the increased costs associated with new process for reseller service order entry would offset any possible avoided costs. BellSouth is investigating whether the non-recurring charges for "Switch As Is" and new installations are different. S. Lavett and M. Peed required clarification on this matter. They are checking to see if only the service order charge (not installation non-recurring charges) will apply for switch as is. M. Peed and S. Lavett said that perhaps only the secondary service order charge would apply; however, clarification is needed. BellSouth will provide clarification by Tuesday cost team meeting 5/21.
4. AT&T asked once again for the Unbundled elements cost studies requested by AT&T its 4/4/96 data request. M. Peed indicated that BellSouth will provide all unbundled element studies requested by AT&T except for the following, which do not exist: Network Interface Device, Loop Distribution, Loop Feeder, Loop Combination, Digital Cross Connect. The available (summary level) studies will be provided to AT&T (for the states of LA, GA, NC, TN, FL) by the 5/21 Cost Team Meeting. W. Kendall also requested that the same studies for the states of AL and KY be provided and M. Peed agreed to produce these by the 5/21 Cost

300411

Team Meeting. M. Peed agreed to provide by Monday, if possible, so AT&T might review before next Tuesday's Cost Team meeting. (M. Peed indicated that unbundled element study request #6-Local Switching- has already been provided as part of the Loop, Port and Usage study previously provided to AT&T for the states of FL, NC, GA, TN, LA.)

5. W. Kendall asked that the KY and AL unbundled Loop, Port, and Usage studies be made available. M. Peed agreed to make these available by the 5/21 Cost Team meeting.
6. W. Kendall again requested that the avoidable cost studies for FL, NC and LA be made available. The FL and NC studies are still not complete and BellSouth did not know when they would be ready. W. Kendall also asked for KY, AL avoided cost studies. M. Peed thought LA study was complete (and perhaps KY as well) and agreed to provide next week. AT&T emphasized the need to obtain these studies as quickly as possible in order to have meaningful discussions.
7. AT&T inquired about BellSouth's position on PLOC charges. M. Peed committed that B. Scheve would provide response by Tuesday Cost Team meeting.
8. P. Foster summarized last week's discussion about AT&T's interest in demonstrating to BellSouth the viability of the wholesale market in the long-term. S. Lavett raised antitrust concern about divulging BellSouth's analysis/studies in this regard. Therefore, BellSouth would not be proceeding forward with such discussions. BellSouth would, however, like to continue working with AT&T regarding firm demand forecasts. M. Peed could not go into detail regarding these Antitrust concerns. M. Peed and S. Anderson agreed to get together with Hank Anthony to discuss in more detail. Aside from these legal concerns, BellSouth had reservations regarding sharing these studies, citing need for more restrictive Non-disclosure Agreement.
9. P. Foster expressed disappointment, since AT&T thought this was an opportunity to convince BellSouth of viability of wholesale business (and TSR) in the long term, therefore justifying BellSouth investments in efficiency (i.e. Electronic Bonding). S. Lavett suggested that the demand forecast would help. P. Foster described the difficulty in providing a good forecast since the conditions for resale provided by BellSouth will greatly impact AT&T take rates, etc. He further described the difficulty in forecasting demand when AT&T cannot project with any degree of certainty what the product will look like, or what the customer experience will be. BellSouth suggested that AT&T could provide demand forecast for certain assumed discount levels. AT&T explained that while discount is a contributing variable, the customer experience is also a key variable. For example, AT&T wants to provide service parity. If AT&T provides a service (via TSR) to end users in 3 weeks and BellSouth provides the same capability to its end users in 1-2 weeks, AT&T's ability to market that service is greatly impacted. Thus the difficulty providing a good forecast. P. Foster reiterated AT&T's commitment and intent to provide the best forecast possible given all the uncertainty by 5/22.
10. P. Foster outlined and described the proposed new process for working at the "Sub Core Team" level in order to focus on reaching closure on TSR operational issues by 6/1. The new process centers around jointly identifying key TSR work areas, prioritizing, assigning Core Team owners, and engaging in smaller groups to pursue interests and brainstorm possible solutions -- the goal is to get beyond one another's positions, flush out which issues may be win-win, and develop a solution set for Executive teams consideration. There was agreement

with this plan of approach and the team populated the "Sub Core Team" process table attached. There was agreement to implement this new process for TSR Operations (this week), Cost (next week), Unbundled (following week). This priority based on Executive agreement to focus on TSR and target closure by 6/1. The goal is to brainstorm issues and feed the best alternatives to Executives. S. Lavett and P. Foster to confirm any undefined SubTeam owners by COB Friday 5/17. Subteams are expected to engage immediately.

11. P. Foster informed BellSouth of AT&T's intention to proceed with a TSR trial in Tennessee commencing 5/16. The purpose of the trial is to gain learnings for market entry. AT&T expects that BellSouth will process orders in accordance with the 25% interim discount included in Tennessee PSC rules. P. Foster requested that BellSouth respond to any objections regarding this Tennessee trial in writing.

Suzie, as you can see, there is quite a bit of work ahead of our teams if we are to make substantive progress and reach agreement in the allotted time. Accordingly, I would appreciate your commitment to help to speed the flow of information between our companies. It is imperative that we maximize the use of the time during which our teams meet. In order to do so, we must share information prior to planned meetings so recipients of information may have time to review. Thanks for your help in this regard.

Sincerely,



Preston Foster
AT&T Lead Negotiator

Attachment

390413

Negotiations Core Team Process

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Comments:

Resources Needed:

3004114

**JOINT AT&T/BELLSOUTH
CORE TEAM MEETING
May 22, 1996**

On Wednesday, May 22, 1996, the Joint AT&T/BST Core Team met at 1200 Peachtree Street with the following in attendance:

Greg Follensbee	Sylvia Anderson
Preston Foster	Neil Brown
Randy Jenkins	Mary Jo Peed
Suzie Lavett	Quinton Sanders
Pam Nelson	Andre' Mule'
Ray Crafton	

1. Preston reviewed the agenda (attachment 1). He asked if there were any other items to be included. There were none.

- a) Suzie asked to define the Joint Operations Cost Meeting
- b) Preston explained that its purpose was to isolate operations issues that required cost/price data
- c) There followed a discussion of the scheduling of the meeting. It was decided that the meetings be held on Fridays following the regularly scheduled Operations meetings with Pam and Suzie

2. Focused TSR Operations Negotiations--report/status

- a) Suzie: We closed out several issues
 - * 1. Notification issue: By next week we'll have a strawman on price changes for the Executive Team. Regarding Network Change Notification, we'll have the process defined by 9/1 and in place by 10/1
 - a) Mary Jo: The only thing that divides us on notification is the number of days. Jim Carroll is checking to see how much time AT&T needs to implement price and new service changes. For new services, we're looking at 30 days; for price changes, we're looking at 7 to 30 days.
 - 2. Regarding daily usage transfer (rated vs. unrated), we agreed to provide that and bear the cost of programming. That's about \$22,000.
 - 3. We're closing out BST Directory Listings. BAPCO negotiations are still open, but your people say things are going OK. BST is responsible for all tariffed listings, such as vanity listings, etc., BAPCO deals with Call Guide, Yellow Pages, directory distribution, recycling, etc.
 - 4. Regarding direct routing, AT&T wants repair and directory assistance calls routed to AT&T trunks. BST has other people looking at this. We had a good call Monday with Ron Shurter and Scott Schaefer. We need to

look at options before we come back to Pam. The next meeting is at 1:00 pm on 5/23.

5. LOA is closed out.

6. Regarding security of records, we provided a plan to AT&T and are waiting for feedback. I just gave it to them.

b) Mary Jo: Regarding the separate NDA for several issues, Sylvia and I are still working that. We're adding our request for forecast information. I see it's on the agenda today.

c) Suzie: We're still gathering data about services available for resale. We're still struggling with the system. We have several people working on this.

d) Preston: Any feedback on the new process (attachment 2)? What's working and what's not?

1. Suzie: No, I don't. Pam and I talk every day. We're moving along and getting a better understanding. I do have a concern about these Core meetings. I'm not sure we need Core Team meetings. I could commit to meet in 48 hours if there is a need. I'm not sure what we're accomplishing in these Wednesday meetings.

2. Preston: The purpose of the Core Team was to make the Executive Team's job easier. The SMEs were to escalate items to us. As an example, Mason and Bob Scheye were to get together on what's available for resale, but Bob has not been available.

a) Mary Jo: We're working that at the Executive level

b) Suzie: I'm not sure I can do more than Scott and Jim. I think there are other ways to handle escalated items.

3. Preston: We want to use the Core Team to negotiate costs

a) Suzie: I understand your concern, but we'd need other players to negotiate costs

4. Preston: We agreed last week to use the new process (attachment 2) to brainstorm TSR/Operations issues and give the Executive Team the benefit of that thinking

5. Neil: I support doing away with the Cost Team and having the Core Team take over the Cost functions. I'm willing to have Mike Guedel negotiate with Frank Kolb on TSR. It doesn't have to be Bob.

a) Suzie: I agree.

b) Neil: Let's do away with the Cost Team and get someone here who can negotiate costs

6. Neil: Yesterday, for example, we were prepared to negotiate. Bob Scheye told me he couldn't make it, but would have someone here who could negotiate. No one showed up. That's unacceptable. Scheye says he won't be able to meet for two weeks.

a) Mary Jo: That was the first time that happened. It was a mistake. Mistakes happen.

b) Sylvia: I see that as more than a mistake.

c) Mary Jo: It was a mistake. The agenda was put together and Scott sent a letter to Jim saying we first needed to discuss the

definition of unbundling. Ellison's document was too much for us to bite off prior to the Cost meeting. We thought that meeting would take place first.

d) Quinton: Neil had expectations that someone would show up yesterday. I called Scott. He said the letter to Jim should have said we need to get together first to discuss the definition of unbundling.

e) Neil: I'm willing to set that aside. I agree with Preston. We should eliminate the Cost Team meetings and collapse that into the Core Team.

7. Sylvia: It seems to me that this might help you, Suzie, since you go to both meetings.

8. Neil: And it doesn't have to be Bob.

a) Suzie: I agree.

9. Suzie: So the Core Team would be focused on price issues.

a) Sylvia: Not focused on price, but including price.

10. Suzie: I don't have a problem doing this. Are we talking about next week?

a) Mary Jo: We need to have an agenda in advance.

b) Neil: Ellison will be on UNE; Guedel on TSR.

c) Mary Jo: We can't do all that in one meeting. Before we add that to this meeting, we need specific things to talk about.

d) Preston: If we segment cost issues and prioritize them, that tells us who needs to be here and will move the process forward. I agree it has to be very focused. Can we begin today by focusing the issues?

e) Suzie: Is what you want is to have the experts, Kolb and Ellison, get together and decide the agenda for next week?

1. Neil: that's fine.

f) Greg: We ought to concentrate on TSR next week.

g) Suzie: We need to get the SMEs involved. For the meetings to be productive, they need to set their own schedule.

h) Neil: I still want the Cost meetings collapsed into the Core Team. Let's try it for two weeks, if it doesn't work, we'll escalate.

i) Suzie: The first step is to get the SMEs together and decide how to approach next week; what to discuss.

j) Neil: Let's have Ellison and Guedel get with Kolb

k) Preston: Should the priority be TSR, then facilities interconnection, then UNE?

l) Greg: We'd like TSR settled by the end of the month

* m) Suzie will give us a status report tomorrow. She'll call Preston and Neil.

* n) Preston: By Tuesday we'd want to identify the issues we'll discuss on next Wednesday. OK?

3. Joint Operations/Cost meeting

a) Preston: We can accomplish what we want on Friday. We'll dovetail this behind the 8:30 meeting

b) Pam: 11:00 or 11:30

4. Mary Jo: I've got another agenda item. The Tennessee test, when it's appropriate.

5. Electronic Interface report

a) Preston: We wanted to map AT&T requirements with BST's EDI each week.

b) Pam explained the status. The Team put a challenging schedule together. Start testing by 7/13. Readiness date: 8/12. Final test: 8/23. This puts us ready by 9/1.

c) Suzie: We committed to a USOC-driven system

d) Suzie: The emphasis now is TSR. We're not focused on UNE yet. We're not clear on what elements are or what the schedule is.

1. Pam: We'll give you some help on that. We need to decide how you package them together.

2. Suzie: The unbundled meeting today was not productive. We ended up training your people on what the elements are, how they might work together, etc. We could have had one person train your people.

3. Pam: There was another point, too. Part of the confusion was we asked for something and you were telling us why we didn't need it.

4. Suzie: You had no one there who could explain what and why you wanted UNE to work.

e) Preston: Help me feel comfortable that the process is in place to identify any gaps between what AT&T wants and BST's EDI system.

1. Suzie: I'm comfortable with the way Becky and Jay have it organized.

2. Pam: I agree. The schedule is real tight. It will be project-managed to the hilt. There are milestones for us to use.

3. Greg: We are moving forward to implement this? We've crossed the hurdle? We will do this?

a) Suzie: Yes.

* 4. Pam: I'll get you a timeline by tomorrow.

f) Suzie: They had a great conference call today on unbundling. Fred Perrin will write it up.

6. Mediation--Cost Studies

a) Sylvia: Nothing more to report. I think the remaining hiccup is Mary Jo wants to check with her management to make sure we have a process to handle all sensitive information in the future. Mary Jo will get back to me. In the meantime, we'll proceed with the mediation.

*7. Greg: Mason will fax the forecast this afternoon.

8. The Tennessee Test

a) Mary Jo: The last agenda item last week you announced the test in Tennessee. A letter went from Scott to Jim with a contract attached. BST is

amenable to using the discount in the contract, and if a different discount is approved by the appropriate regulatory body, we'll make an adjustment back-dated to the start of the test.

b) Sylvia: AT&T's trial in Tennessee is pursuant to state law, not the Federal Act. We mentioned the test last week in this meeting not as an agenda item, but as a courtesy.

c) Preston: Jim has already responded to Scott's letter.

d) Mary Jo and Suzie were unaware of any response.

* e) Preston: We'll fax Jim's response to Schaefer's letter this afternoon.

* f) Sylvia agreed to pass the BST offer along to Jim Carroll.

9. Preston: Let's discuss the problems we're having sharing the TSR study information.

a) Mary Jo: My antitrust lawyers tell me it's not prudent to exchange such strategic information. It's a violation of Section 2 of the Sherman Act.

b) Sylvia: These are the studies you conducted to justify your position on the wholesale business?

c) Mary Jo: Yes. I explained the issue to my antitrust counsel and they gave me an answer.

d) Ray: Under the Act we have a customer/supplier relationship. The Sherman Act should not be involved.

e) Mary Jo: I will talk to them again.

f) Sylvia: Would you like me to talk to your antitrust lawyers?

g) Mary Jo: No. I believe I can articulate the issue to them.

h) Ray: What would be a way to get around the obstacle.

i) Mary Jo: I'll write up the question and send it to Sylvia for review.

Then I'll go back to the antitrust lawyers.

j) Suzie: What issue will this solve?

k) Preston: The discount. This is nothing but a good news subject. If we can convince you that there is an opportunity here, everybody wins.

l) Mary Jo: Have you shared this information with other RBOCs?

1. Ray: With Ameritech.

2. Mary Jo: What did you show them?

3. Ray: We showed them a forecast.

4. Mary Jo: Were you able to influence Ameritech's position?

5. Ray: I don't know.

m) Ray: Why should we share information with you if you're not willing to reciprocate? We're interested in a supplier who comes to the table anxious to do business, rather than one who is reticent to do business. Like it or not, we see you as a reticent supplier. We need to get to a common definition of how the world will look.

n) Mary Jo: Maybe when Suzie and I take a look at your forecast, we'll be able to take another look at ours.

10. Greg: What's the status of the Florida and North Carolina avoidable cost studies?

a) Mary Jo: They'll be ready in 3 to 4 weeks. The outcome will look like 8 to 12%.

11. Suzie gave Preston a status of UNE Cost Studies (attachment 3)

BellSouth / AT&T Core Team Negotiation

May 22, 1996

Agenda

1. Focused TSR Operations Negotiations - report / status
2. Joint Operations Cost Meeting
3. Electronic Interface Report
4. AT&T Forecast Information
5. Mediation -- discussion
6. Escalated Cost / Price Negotiations
7. Re-cap

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8. Negotiate from set of possible solutions	Sub-team negotiators	thru 5/29
9. Agree or disagree	Sub-team negotiators	thru 5/29
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2. Prepare
3. State degree of empowerment
4. Listen, hear, speak
5. State your position
6. Re-state your negotiating partner's position
7. No bad ideas (re: brainstorming)
8. Address mutual interests
9. Keep the ball moving --- don't delay

Negotiations Core Team Process

Issue	Priority	Core Team Owners	Phone	SME's	Phone	Negotiations Start/End	Status
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		AT&T: BST:		AT&T: BST:			
		AT&T: BST:		AT&T: BST:			
		AT&T: BST:		AT&T: BST:			
		AT&T: BST:		AT&T: BST:			

Comments:

Resources Needed:

300423

Received
From S. Lavett
BellSouth 5/22/96
100

Attachment 3

AL, FL, GA, KY, LA, NC, TN
Unbundled Network Elements Cost Studies Summary
5/22/96 Status

Element	Status
Network Interface Device Unbundled Loop	No Study
Loop Distribution	No Study
Loop Concentrator/Multiplexer	Study Incomplete
Loop Feeder	No Study
Loop Combination Unbundled Loop	No Study Provided
Loop Switching	Port Study provided
Local Operator Services	Provided 5/21/96
Local Directory Assistance	Provided 5/21/96
Common Transport	Provided 5/21/96
Dedicated Transport	Provided 5/21/96
Digital Crossconnect System	No Study
Data Switching Element Packet Transport Frame Relay ATM	No Study Still investigating
SS7 Message Transfer and Connection Control	Provided 5/21/96
Switching Link Transport	Provided 5/21/96
SCPs/Databases	800 DataBase Studies provided 5/21/96
Tandem Switching	Provided 5/21/96
Advanced Intelligent Network (AIN)	Provided 5/21/96

3004 24

May 24, 1996

Fax for: Suzie Lavett

From: Preston Foster 404-810-8548

Two pages plus cover.

300425



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMail!pfoster

May 24, 1996

Dear Suzie:

Attached, as information and for action, is an abbreviated summary of the action items from our May 22, 1996 joint Core Team meeting.

Please feel free to call me on 404-810-8548 if you have questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "P. Foster".

Preston G. Foster
Lead Negotiator
AT&T

300426

ACTION ITEMS FROM
JOINT AT&T/BELLSOUTH CORE TEAM MEETING

May 22, 1996

1. Regarding the joint operations/cost meeting, we agreed to meet at 11am on Friday, following the regularly scheduled operations meeting between Suzie and Pam.
2. Regarding network change notification, *the process will be defined* by 9/1, and in place by 10/1.
3. Regarding the identification of appropriate people to attend the "collapsed" Cost/Core Team meetings, BST will give us a status report on Thursday, May 23, and by Tuesday, May 28, we will have identified issues to be discussed at next Wednesday's Core Team meeting.
4. Regarding Electronic Interface, Pam will provide a timeline to the Core Team by Thursday, May 23.
5. AT&T agreed to fax the forecast to BST Wednesday afternoon.
6. Regarding the Tennessee trial, AT&T agreed to fax Jim Carroll's response to Scott Schaefer's letter Wednesday afternoon.
7. Sylvia agreed to pass along to Jim Carroll BST's offer to start the Tennessee trial by charging the 10% discount rate, but agreeing to adjust the rate from the beginning of the trial if a regulatory body changes the discount.
8. Regarding BST's position that providing AT&T with TSR market viability studies may have antitrust implications, Mary Jo agreed to re-submit the issue to BST's antitrust attorneys. She will draft the question and submit to Sylvia for review.
9. Regarding status of Florida and North Carolina avoidable cost studies, BST said they would be ready in 3 to 4 weeks.

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LAST TRANSACTION REPORT FOR HP FAX-700 SERIES

VERSION: 01.00

F NAME: NEW MARKET DEVELPMNT
F NUMBER: 4048108967

DATE: 24-MAY-96
TIME: 16:00

DATE	TIME	REMOTE FAX NAME AND NUMBER	DURATION	PG	RESULT	DIAGNOSTIC
24-MAY	15:58 S	404 420 0031	0:01:02	3	OK	663840100184

S=FAX SENT
O=POLLED OUT(FAX SENT)

TO PRINT THIS REPORT AUTOMATICALLY. SELECT AUTOMATIC REPORTS IN THE SETTINGS MENU.
TO PRINT MANUALLY. PRESS THE REPORT/SPACE BUTTON. THEN PRESS ENTER.

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JOINT AT&T/BELLSOUTH CORE TEAM MEETING

May 29, 1996

On Wednesday, May 29, 1996, the Joint AT&T/BellSouth Core Team met at 1200 Peachtree Street with the following in attendance:

Greg Follensbee
Neil Brown
Mason Fawzi
Sylvia Anderson
Lorraine Maddox
Suzie Lavett

Mike Guedel
Pat McFarland
Pam Nelson
Quinton Sanders
Fred McCullum
Andre' Mule'

1. Fred McCullum delivered the Kentucky avoidable cost studies to Neil.
2. Preston reviewed the agenda (attachment 1)
3. Neil Brown led a discussion on avoided cost issues (See Attachment 2)
4. Regarding PLOC charges, Neil said that we had discussed \$8 for Residence and \$10 for Business. In an electronic interface environment, couldn't this be more similar to a PIC charge, which is much less? Wouldn't this reduce the charge?
 - a) Suzie: It could. It depends on how sophisticated the electronic interface is.
 - b) Greg: Do your costs for secondary service charges vary from state to state?
 1. Suzie: Yes.
 - c) Neil: Would it make sense to agree to \$8 for the first 6 months, and then evaluate the impact of electronic bonding?
 - 1. Suzie: We could look at that.
5. Preston: Regarding BST/AT&T Operations/Cost Issues (attachment 3), we're trying to move certain issues out of operations venue into cost.
 - a) Preston then explained the form and asked if the matrix could be populated by the end of the week.
 - * b) Suzie: I don't think that's do-able. I'm not sure we agree with the form or the cost data. Also, we may disagree with what is required by the Act. We'll fill out as much as we can by Monday.
6. Preston: Regarding the Negotiations Core Team Process (attachment 4), this week we planned to segment the unbundled elements negotiations. The preceding 8 pages (attachment 5) is a draft of unbundled elements negotiations

as they're being presented by Jim Carroll to Scott Schaefer. I'm recommending that on the first page of the draft, we assign responsibilities using the form attached to attachment 4.

a) Suzie: We need to settle on what unbundled elements segmentation is, then we can assign them based on that.

b) Pam: This is an evolving document. Suzie and I will continue to work together on this at our weekly meetings.

c) Suzie: I don't think we're ready to populate the unbundled draft. Pam, let's you and I work on the elements off-line.

d) Preston: Can we shoot for next Wednesday?

e) Suzie: I think we can have some of it.

f) Pam agreed.

7. Preston: Now for our weekly update on gap analysis of electronic interface vs. EDI development

a) Suzie: No change on that

b) Pam: Next week we plan to meet with BST for 3 or 4 days to try to get a better understanding of this.

8. Sylvia: We're still waiting to hear from Mary Jo on BST's antitrust concerns.

a) Suzie: I'll talk to her about that.

BellSouth / AT&T Core Team Meeting

May 29, 1996

Agenda

1. Avoided Cost
2. OutPLOC
3. Operations / Cost Issues
4. Unbundled Elements
5. Old Business
6. Re-cap

AT&T/ BELL SOUTH CORE MEETING
MAY 29, 1996 - 1:00 PM
1200 PEACHTREE ST, NE, ATLANTA, GEORGIA 30309

AT&T Attendees: N. Brown, M. Guedel, P. McFarland, P. Foster, G. Follensbee,
P. Nelson, S. Anderson, A. Mule'

BellSouth: Suzie Lavett, Lorraine Maddox, Fred McCullum, Quinton Sanders

MINUTES

Minutes of May 29, 1996 Discussion with Lorraine Maddox to discuss the BellSouth Avoided Cost Model and Philosophy. Discussion Lead by Mike Guedel and Pat McFarland.

Non-recurring Costs: Lorraine Maddox said that the BellSouth model assumes any End User interface with BellSouth service representatives represents avoided expense in a wholesale environment. This includes Billing, Collection and Inquiry. Informational calls not subject to a charge are part of common costs. The BellSouth study is tops down, so the total expense of the consumer service centers are captured.

Lorraine Maddox stated that BellSouth's position is that wholesale discounts will not apply to non-recurring charges. In its Georgia Avoidable Cost Study, BellSouth had included NRC in its calculations (Data response from Bob Scheye states that NRC are included in the Georgia study and that they should be discounted the same as recurring charges for a given service). Since then, BellSouth has changed its policy, excluded NRC revenues from its studies, and adopted the policy that NRC will not be discounted. BellSouth claims that possible costs savings in this area will be partially offset by cost increases associated with servicing the wholesale customer. BellSouth has not produced any definitive studies, however, to establish or quantify this representation. NRC studies were performed by Rick Durden in Steve Mitchell's group.

Neil Brown responded that he disagreed with the BellSouth position but understood what had been stated.

Revenues and Expenses for Services Not Resold or Discounted: Lorraine stated that as they can be determined, revenues for services not available for resale and resold services not subject to the discount are excluded from the study. Specifically, grandfathered services and CSA revenues are excluded. Promotions generally remove service connection charges, so there are no revenues to exclude. Expenses are not excluded.

Capital Costs BellSouth did not recognize any avoidable "capital costs" in its analysis. Lorraine said she looked at the avoidable cost at "day one" of implementation. She said

that no capital costs will be avoided because BellSouth is not purchasing things like desks, chairs and buildings. They are using surplus to meet requirements. She used an "exhaust" concept which refers to whether a surplus will be used up, thus requiring new expenditures.

Lorraine conceded that some capital costs might be avoided if demand was sufficient, but BellSouth would look at that possibility in the future. Lorraine stated that BellSouth had not included any impacts of demand changes in its avoidable cost analysis.

Neil asked if BellSouth would reconsider its avoidable cost categories if it were convinced that TSR was a viable long-term market. Lorraine responded that BellSouth would reconsider its position if the market developed much faster than anticipated,

Lorraine said that BellSouth does not include related capital costs, if excess capacity exists, when calculating or estimating the Long Run Incremental Costs (LRIC). Mike and Neil questioned if, under similar circumstances, BellSouth would include related capital costs when computing LRIC or TSLRIC upon which to base Unbundled Network Element prices. Lorraine's response was "No," but Neil and Mike were not certain this was the case.

Level of Demand: The BellSouth Avoided Cost study did not assume any level of demand. Lorraine believes if sufficient wholesale penetration (30%) exists in the next few years, it will be necessary to relook at the level and type of costs avoided. AT&T has provided demand estimates to BellSouth. Suzy Lavette will provide the estimates to Lorraine Maddox for reconsideration. If we come to an negotiated agreement, BellSouth will consider recomputing discounts in the future.

Marketing, Sales & Advertising: BellSouth's position is that product management costs (which include some marketing and advertising related expense) will not be avoided in the provision of wholesale services.

BellSouth's stated position is that most advertising costs will not be avoided in the provision of wholesale services. The only exception to this rule is the cost associated with "bill inserts."

Lorraine said that the product manager may approve plans and advertising; however, there is a group that is specifically responsible for advertising. There is only a small amount of local advertising.

Lorraine said that advertising strategy may change but overall advertising expenditures may not change. Neil suggested that if Advertising costs which did not benefit AT&T were not excluded, then AT&T would be effectively subsidizing BellSouth winback advertising against AT&T. Lorraine Maddox acknowledged that the study was based on historic data that did not include winback advertising.

Operator Services: BellSouth's does not recognize that any operator expenses will be avoided in the provision of wholesale service. BellSouth states that local service includes "access to a BellSouth operator." BellSouth did not know if any costs were directly associated with this access, or, if such costs existed, whether the costs were included in the cost of local service or the cost of providing operator services. In any event, none of these costs were recognized by BellSouth as avoidable. BellSouth will provide information on whether there are costs associated with "access to an operator" which BellSouth includes in a 1FR.

Local/Toll Discounts

BellSouth has chosen not to calculate separate local, toll and private line discounts because of the allocations that would be required. Industry trends emphasize direct costs. BellSouth has not considered the impact that state intraLATA presubscription would have on combined discounts.

General

Suzie agreed that it was okay for AT&T to use within the scope of negotiations the BST Job Function Code Manual that AT&T got through the regulatory process.

Lorraine delivered to Neil (who gave to Pat McFarland) the Kentucky Avoidable Cost Study and a revised page to the Tennessee Study.

Negotiations Core Team Process

Role of the Core Team: Manage the negotiations process, control flow of information and communications, escalate and recommend to Executive Teams.

Role of the Sub-Team: Segment and negotiate key issues, escalate and socialize positions, interests, and possible solutions to the Executive Teams (via the Core Team).

Sub - Core Team Negotiations Process Flow

What	Who	When
1. Identify issues	Joint Core Team	5/15
2. Identify issue owners	Joint Core Team	5/15
3. Prioritize issues	Joint Core Team	5/15
4. State positions	Sub-team negotiators	thru 5/29
5. State interests	Sub-team negotiators	thru 5/29
6. Verify positions & interests	Sub-team negotiators	thru 5/29
7. Brainstorm possible solutions	Sub-team negotiators	thru 5/29
8. Negotiate from set of possible solutions	Sub-team negotiators	thru 5/29
9. Agree or disagree	Sub-team negotiators	thru 5/29
10. Document agreement	Sub-team negotiators	weekly
11. Escalate issue(s)	Sub-team negotiators	weekly
12. Communicate progress to Core Team	Sub-team negotiators	weekly

1. If agreement is reached, document and initial recommended agreement.
2. If agreement is not reached, document most likely solutions, escalate via the Core Team, to the Executive Team (recommendations: negotiate, mediate, table, etc.). Socialize possible solutions with the Executive Team.

Rules of Engagement

1. Principled negotiations (commitments in good faith, "play fair")
2. Prepare
3. State degree of empowerment
4. Listen, hear, speak
5. State your position
6. Re-state your negotiating partner's position
7. No bad ideas (re: brainstorming)
8. Address mutual interests
9. Keep the ball moving --- don't delay

Negotiations Core Team Process

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Issue	Priority	Core Team Owners	Phone	SME's	Phone	Negotiations Start/End	Status
		AT&T: BST:		AT&T: BST:			
		AT&T: BST:		AT&T: BST:			
		AT&T: BST:		AT&T: BST:			
		AT&T: BST:		AT&T: BST:			
		AT&T: BST:		AT&T: BST:			
		AT&T: BST:		AT&T: BST:			

Comments:

Resources Needed:

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UNBUNDLED NETWORK ELEMENTS

Service/Network Operations and Interconnection

Needs	Why AT&T Needs	BellSouth Position	Status	Action Items
<p>1) AT&T must have the ability to purchase individual or combinations of unbundled network elements (UNEs) from BellSouth (BST) in order to provide local telephone service to AT&T customers by which to serve its customers.</p>	<p>Section 251 (c)(3)(A) of the Act requires ILECs (BellSouth) to provide "to any requesting telecommunications carrier (AT&T) for the provision of a telecommunications service, nondiscriminatory access to network elements on an unbundled basis at any technically feasible point...in a manner that allows the requesting carriers (AT&T) to combine such elements in order to provide such telecommunications service." Because it is economically inefficient for AT&T to replicate all of BellSouth's infrastructure, AT&T must have the ability to purchase individual UNEs, or combinations of UNEs in order to provide the most cost effective and efficient manner by which to serve its customers.</p>			
<p><u>Unbundled Network Elements:</u> Network Interface Device</p>	<p>AT&T needs the NID to gain access to customers inside wiring</p>	<p>BellSouth's position is that unbundling of the Network Interface Device (NID) is not technically feasible in either residence or business applications. Reasons include the requirement for loop distribution plan to be grounded and bonded via the NID</p>	<p>BST does not agree that the NID is a technically feasible UNE. BST's loop distribution is grounded via the NID. With respect to residential service, BST contends that if AT&T uses only the NID, BST's loop will not be grounded and be in violation of the NEC.</p>	<p>When provisioned contiguously the loop will be grounded. When utilized in a bundle with other unbundled elements several options are available:</p> <ul style="list-style-type: none"> a) provide another NID b) AT&T will ground the loop and certify it as such c) BST can be notified and ground at

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UNBUNDLED NETWORK ELEMENTS

Service/Network Operations and Interconnection

Needs	Why AT&T Needs	BellSouth Position	Status	Action Items
Loop Distribution	Allows AT&T to efficiently connect to local exchange customers when AT&T has its own loop.	<p>for residential service. The NID also provides a standard test across point for the BellSouth loop. If the NID is located outside a business customer's premises, BellSouth would utilize a NID that is similar to that used for residence outdoor NID applications. If the NID is located inside the customer's premises, several different types of devices are used depending on the number of lines terminated and the type of NID requested by the customer.</p> <p>BellSouth's position is that unbundling of Loop Distribution facilities is not technically feasible until such time as operations systems enhancements are accomplished that would eliminate the requirement for costly, manual 'workarounds' in existing mechanized loop assignment and inventory systems. These 'workarounds' are extensive, manual interventions into the mechanized processes to overcome automated assignment and</p>	<p>AT&T proposed that installing additional NID would remedy the grounding problem. BST has not committed to install additional NID. With respect to multi-tenant or business applications, BST cites grounding as an issue as well. AT&T has offered alternatives (seek alternate ground, install additional NID, etc.). BST unwilling to change position or seek joint solution. BellSouth agrees that it is technically feasible to unbundle the NID and loop distribution as one element</p> <p>AT&T believes that this element is technically feasible. However, system enhancements or manual work arounds would be required because current BST systems (TIRKS,FACS) are designed to service the entire loop and not sub-loop elements.</p>	<p>terminal or at closest point to loop/NID</p> <p>Agree that when provisioned contiguously Loop Distribution is technically feasible. In cases where Loop Distribution is not contiguous, BellSouth to provide AT&T a proposal as to how long it will take to enhance current systems.</p>

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UNBUNDLED NETWORK ELEMENTS

Service/Network Operations and Interconnection

Needs	Why AT&T Needs	BellSouth Position	Status	Action Items
Loop Multiplexer/Concentrator	In order to efficiently serve local customers, AT&T may need multiplexing and concentrator functions.	inventory methods and thus allow the assignment and inventory of sub-loop elements. BellSouth's position is that unbundling of Loop Multiplexer/Concentrator enhancements are accomplished that would eliminate the requirement for costly, manual 'workarounds' in existing mechanized loop assignment and inventory systems. These 'workarounds' are extensive, manual interventions into the mechanized processes to overcome automated assignment and inventory methods and thus allow the assignment and inventorying of sub-loop elements. Further, even after operations systems enhancements are accomplished, this element is technically feasible only in extremely limited instances where non-Integrated Digital Loop Carrier (DLC) equipment is deployed. Even after operations systems enhancements are accomplished, unbundling of this element is not technically feasible in those instances where integrated DLC equipment is deployed.	BST agrees that this element is technically feasible only in non-integrated Digital Loop Carriers (system enhancements or workarounds may be required). BST does not agree that this element, when used in integrated DLCs is technically feasible. AT&T is researching the latter position.	Continue SME negotiations ↑

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UNBUNDLED NETWORK ELEMENTS

Service/Network Operations and Interconnection

Needs	Why AT&T Needs	BellSouth Position	Status	Action Items
Loop Feeder	Allows AT&T to serve local customers by self providing loop distribution and purchasing loop feeder from BST.	Technical feasibility of the unbundling of this element remains under study by BellSouth.	BST agreed on 5/28 that this element is technically feasible.	Offer as an unbundled network element ↑
Local Switching	Switching, and all associated features, must be purchased if it is economically inefficient for AT&T to self provide	BellSouth has agreed to investigate the technical feasibility of routing calls to AT&T platforms. Determination of a firm response date is not possible at this time.	BST agrees that it is technically feasible to unbundle. BST indicates that routing calls to AT&T platforms (Operator Services, DA, 911) are not possible because of possible line class code (LCC) exhaust. AT&T requested BST to provide the types of switches, quantities, # of LCC equipped, and # LCC available to determine if a problem exists, and if so, to what extent. BST response due by 5/24.	Have BST produce switch/line class code statistics. Agree by 5/29/96 that it is technically feasible. ↑
Operator Services	AT&T wishes to provide Operator Services to its customers.	BellSouth has agreed to investigate the technical feasibility of routing calls to AT&T platforms. Determination of a firm response date is not possible at this time.	Same issue as TSR. Possible LCC exhaust.	Agree by 5/29/96 that it is technically feasible.
Directory Services	Allows AT&T to provide DA to its customers in the event that AT&T does not self provide.	BellSouth has agreed to investigate the technical feasibility of routing calls to AT&T platforms.	Same issue as TSR (branding)	Agree to provide branded to AT&T.

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UNBUNDLED NETWORK ELEMENTS

Service/Network Operations and Interconnection

Needs	Why AT&T Needs	BellSouth Position	Status	Action Items
Common Transport	AT&T needs the ability to purchase inter-office LEC transport when it is not feasible to build its own.	Determination of a firm response date is not possible at this time.	Vic Atherton (BST) agreed that this UNE is technically feasible but needed concurrence from BST SME. Additionally, current BST pricing bundles switching and transport.	Agree to unbundle.
Dedicated Transport	AT&T requires dedicated transport to connect to AT&T designated locations. May be more economical to purchase dedicated transport from LEC than to build	BellSouth has agreed to investigate the technical feasibility of routing calls to AT&T locations and platforms. Determination of a firm response date is not possible at this time.	Same issue as above. In addition, BST has indicated that LCC exhaust may be a roadblock (same issue as Op Svcs and DA).	Agree to unbundle.
Digital Cross Connect Systems	AT&T needs DCS for real time self provisioning/reconfiguration and diagnostics.		BST agreed that this element is technically feasible. Additional investment by BST will be required to meet customer Network Management requirements.	Awaiting network management requirements.
Data Switching	AT&T needs the ability to purchase data switching capabilities if it is uneconomical to provide own		BST agrees that this is a technically feasible UNE. BST agrees to all of AT&T's requirements with the exception of real-time access to performance monitoring and test equipment. Requires additional BST	Agree to real time access to performance monitoring and test equipment.

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UNBUNDLED NETWORK ELEMENTS

Service/Network Operations and Interconnection

Needs	Why AT&T Needs	BellSouth Position	Status	Action Items
SS7 Message Transfer & Control	Provides AT&T with the ability to provide services requiring SS7 Signaling without building its own signaling network		Investment to meet all requirements. BST agrees that this UNE is technically feasible (with the exception transient signals).	Finalize transient signals.
Signaling Link Transport	Provides AT&T the ability to order signaling transport in order to connect to STPs		BST agrees that this UNE is technically feasible	Agreement
SCPs/Databases	AT&T needs to access databases to provide local exchange service		BST agrees that this UNE is technically feasible with the exception of providing detailed tracking of usage	Agree to provide demand tracking data
Tandem Switching	Provides AT&T an economically effective method to provide switching and trunking without building its own		BST agrees that this UNE is technically feasible. The AIN requirement of this UNE has been deferred for specific AIN negotiations.	Finalize AIN position
AIN	Provides AT&T the ability to quickly create custom services		BST agrees that AIN is technically feasible to unbundle (based on 5/21/96 BST letter from Jerry Latham to Chris Weckley). Further developments are required in order to meet all AT&T requirements.	Provide AT&T with a plan to finalize needed developments.
				Continue SME negotiations to finalize

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UNBUNDLED NETWORK ELEMENTS

Service/Network Operations and Interconnection

Needs	Why AT&T Needs	BellSouth Position	Status	Action Items
2) AT&T requires the ability to connect to BST's network and facilities in order to provide local telephone service.	<p>Physical Collocation Section 251 (c) (6) of the Act requires that BST to provide "for physical collocation of equipment necessary for interconnection or access to unbundled network at the premises of the local exchange carrier (BST)" unless BST can prove that it is impractical due to space limitations or technical reasons. In order to efficiently connect to the BST network, AT&T needs dedicated space at BST's LSOs and other locations so that AT&T can install its equipment. AT&T local service customers will benefit from quicker deployment of technological advancements.</p> <p>Interconnection Section 251 (c) (3) requires BST "to provide, for the facilities and equipment of any requesting telecommunications carrier (AT&T) interconnection with the local exchange carrier's (BST) network." AT&T must be able to connect to the BST network so that AT&T customers can send and receive calls from BST</p>		<p>BST has agreed to physical collocation on a 1" come 1" serve basis with no limitations with respect to types of equipment which may be installed. BST has agreed to allow AT&T to connect to another interconnector only in those states where statutes dictate (Florida). Open issues such as environmental alarms are being worked at the SME level.</p> <p>BST agrees to provide transiting traffic to and from other carriers (IXCs, CLECs, etc.) BST will provide signaling platform requested by AT&T. AT&T may order tandem or direct end office trunk groups. BST has not agreed to 2 way trunk groups nor will BST provide mid-span meet as option. Negotiations continue on</p>	<p>process to implement.</p> <p>Continue SME negotiations</p> <p style="text-align: center;">↓</p>

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UNBUNDLED NETWORK ELEMENTS

Service/Network Operations and Interconnection

Needs	Why AT&T Needs	BellSouth Position	Status	Action Items
	<p>customers, utilize BST data bases and signaling systems.</p> <p><u>Rights of Way</u> Section 251 (b) (4) states that BST has the duty to "afford access to poles, ducts, conduits, and rights-of-way". Since it is economically inefficient for AT&T to replicate all of BST's infrastructure AT&T must have access to BST's conduits, pole attachments, pathways, entrance facilities, telephone closets, etc. so that AT&T can effectively compete in the local exchange market. Local service subscribers will benefit from the competition in the marketplace.</p>		<p>5/28</p> <p>Initial conference call took place on 5/21. BST agreed to meet some of AT&T's requirements. BST does not agree to: provide AT&T with existing copies of pole and conduit prints, allow AT&T to "break out of" BST conduit, allow AT&T the use of inner duct or conduit space that BST plans to use within the next 5 years, etc.</p>	<p>Continue SME discussion</p> <p style="text-align: center;">↓</p>

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1	Tennessee 1995 - Residential Summary		
2	Analysis of the impact of resale on Residential Service		
3			
4	Revenues - Residential	Source/Calculation	
5			
6	Local Service Revenue	Extracted from billing system data	\$ 342,177,731
7	Long Distance Revenue	Extracted from billing system data	\$ 60,160,934
8			
9	Total Residential Revenue	L6 + L7	\$ 402,338,665
10			
11			
12	Avoided Expenses		
13			
14	Customer Services	Expense Worksheet A, Line 20, Col C	\$ 32,082,864
15	Billing	Expense Worksheet A, Line 22, Col C	\$ 4,381,778
16	Sales	Extracted from financial systems data	\$ 798,153
17	Uncollectibles	Extracted from billing system data	\$ 6,534,967
18	Advertising - Bill Inserts	Extracted from financial systems data	\$ 443,711
19			
20	TOTAL Avoided Expenses	L14 + L15 + L16 + L17 + L18	\$ 44,241,473
21			
22			
23			
24	Discount as a Percent of Revenue	(L20 / L9) * 100	11.00%
25			
26			
27			

1	Tennessee 1995 - Business Summary		
2	Analysis of the impact of resale on Business Service		
3			
4	Revenues - Business	Source/Calculation	
5			
6	Local Service Revenue	Extracted from billing system data	\$ 381,327,784
7	Long Distance Revenue	Extracted from billing system data	\$ 35,585,023
8			
9	Total Business Revenue	L6 + L7	\$ 416,912,807
10			
11			
12	Avoided Expenses		
13			
14	Customer Services	Expense Worksheet B, Line 20, Col D	\$ 11,312,077
15	Billing	Expense Worksheet B, Line 22, Col D	\$ 1,138,031
16	Sales	Extracted from financial systems data	\$ 21,927,510
17	Uncollectibles	Extracted from billing system data	\$ 1,708,626
18	Advertising - Bill Inserts	Extracted from financial systems data	\$ 346,030
19			
20	TOTAL Avoided Expenses	L14 + L15 + L16 + L17 + L18	\$ 36,432,274
21			
22			
23			8.74%
24	Discount as a Percent of Revenue	(L20 / L9) * 100	
25			
26			
27			

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1	Tennessee 1995 - Expenses Worksheet A		
2	Analysis of Account 6623 - Customer Services for Residence		
3			
4	A	B	C
5			
6	Description of Job Function	JFC	Dollars Avoided
7			
8	Remittance Center	1250	\$ 1,324,186
9	Training	17xx	\$ 352,597
10	Service Order Entry Business	2810	\$ 16,615
11	Account Inquiry	2850	\$ 40,913
12	Demand Sales/Order Negotiation	2870,2E70	\$ 7,884,934
13	Service Order Entry Residence	2E10	\$ 51,371
14	Address Information Services	2E30	\$ 124,844
15	Collections - Residence	2E40	\$ 9,667,907
16	Billing Inquiry	2E50	\$ 10,897,794
17	Customer Payments Operations	2E60	\$ 803,705
18	Authorized Payment Agency	2E80	\$ 917,998
19			
20	Total Avoided Customer Services Expenses		\$ 32,082,864
21			
22	Billing Expenses	1270	\$ 4,381,778
23			
24	Advertising - Bill Inserts	Misc.	\$ 443,711
25			
26			
27	Source: Extracted from financial systems data		

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1	Tennessee 1995 - Expenses Worksheet B		
2	Analysis of Account 6623 - Customer Services for Business		
3			
4	A	B	C
5			
6	Description of Job Function	JFC	Dollars Avoided
7			
8	Remittance Center	1250	\$ 250,172
9	Training	17xx	\$ 186,290
10	Service Order Entry Business	2810	\$ 1,015,795
11	Collections Business	2840	\$ 1,151,920
12	Account Inquiry	2850	\$ 2,844,009
13	Demand Sales/Order Negotiation	2870,2E70	\$ 4,000,808
14	Vendor Service Center	2880	\$ 1,246,320
15	Address Information Services	2E30	\$ 509,656
16	Customer Payments Operations	2E60	\$ 32,014
17	Authorized Payment Agency	2E80	\$ 75,093
18			
19			
20	Total Avoided Customer Services Expenses		\$ 11,312,077
21			
22	Billing Expenses	1270	\$ 1,138,031
23			
24	Advertising - Bill Inserts	Misc.	\$ 346,030
25			
26			
27	Source: Extracted from financial systems data		

**THESE PAGES CONTAINED
BELLSOUTH
PROPRIETARY INFORMATION**

BATES STAMP

NOS. 300450 TO 300456

JOINT AT&T/BELLSOUTH CORE TEAM MEETING

June 5, 1996

On Wednesday, June 5, 1996, the Joint AT&T/BST Core Team met at 675 W. Peachtree Street with the following in attendance:

Mason Fawzi	Randy Jenkins
Suzie Lavett	Jerry Hendrix
Wayne Ellison	Sylvia Anderson
Preston Foster	Greg Follensbee
David Epstein	Quinton Sanders
Mary Jo Peed	Andre' Mule'

1. Preston reviewed the agenda (attachment 1) and asked if there were any other items to be added. There were none.
2. Preston announced that, in their meeting this afternoon, Jim Carroll would present to Charlie Coe a comprehensive package on TSR that we are hopeful to come to closure on. AT&T feels that this proposal offers an opportunity to reach a fair and expeditious agreement on TSR. He added that the information was sensitive, with a limited distribution. He said that the BST Core Team might have an opportunity to participate in the review of the package should Charlie Coe include them on the list of people who need to know the contents.
 - a) Quinton: Can you share any details?
 - b) Preston: Basically, we are committing to volumes that we hope will convince BellSouth that we are serious about TSR.
 - c) Quinton: Any price points?
 - d) Preston: Yes.
 - e) Quinton: Any specifics on the issues addressed?
 - f) Preston: The proposal takes the issues we discussed with Scott last week and puts them in context. We think in a package environment it's an opportunity to come to closure.
 - g) Suzie: Great.
 - h) Quinton (to Suzie): We ought to see if we can get the package and do some leg work for Scott. Maybe after this meeting, Suzie and I can call Charlie Coe's office.
3. Suzie then introduced Jerry Hendrix, a new member of her team, who will be involved in price and cost issues.

300457

4. Sylvia introduced David Epsteiner to the group. David is an AT&T attorney who will be assisting Sylvia.
5. Preston: Is there a response to the PLOC proposal we made last week?
a) Suzie: We don't have a response yet.
6. Preston: Let's move on to Grandfathered Services. Last week you shared a list of Grandfathered items, but it was difficult to see what the quantity of services were by state.
a) Suzie: We're still working on that. We're discussing this in the Executive meetings with Jim Carroll. I'm concerned about discussing the same things in this meeting.
b) Preston: In the proposal we're presenting to Charlie Coe today, AT&T took a risk by not knowing how much business was involved in Grandfathered Services. We need this quantified.
c) Suzie: This is being discussed at the Executive Level. I don't have anything on quantification.
d) Mason: We're really not in conflict with the Executive meetings. This is just a follow-up to the letter Jim sent to Scott a couple of weeks ago. Do you understand why we need this?
e) Suzie: I understand. I'm not sure it's relevant. Your problem is ESSX, but that's in transition. We're looking at a promotion to cut customers over to Multiserve, but the PSC requested us to extend Grandfathered Services by 36 months.
f) Preston: You said you're still working on this. What work is being done?
1. Suzie: We pulled together what information we can provide, and are doing so at the Executive Level.
g) Sylvia: Even beyond ESSX, we need to know volumes.
h) Preston: We're about to start trading and we need to know how much is in each bucket.
i) Suzie: If we did provide this to you, we'd need to look at another NDA. It would be helpful, too, if we had a copy of the study AT&T did of the size of the Georgia Grandfathered Services market.
• 1. Preston agreed to provide.
j) Mason: If we can generate data for one state, I would think that BellSouth could do it "lickity-split" for all nine states.
k) Suzie: We'll look at what we can provide, but it would not be under the current NDA. It's retail competitive information. Anything we give you can be provided to any proceeding. Also, we don't want it shared with your business unit.
l) Greg: You've already given this in three states, how can you say it's so restricted? Did we ask for something more than you've already provided?
1. Suzie: It's being interpreted as such. I don't see what we're accomplishing by going over the same ground as the Executive Team.

2. Preston: We took some risks in presenting the proposal without this information. I don't know how much farther Jim Carroll is willing to go without that information. He asked us to follow-up as to the order of magnitude of Grandfathered Services.

m) Sylvia: I'm beginning to see two separate issues. One is the confidentiality problem, and the other is will you provide the data at all. To your other point that seems to imply that the Core Team's role is not important, Jim Carroll can't see to all the details during his short meetings with Scott and Charlie. We need to see to the details. That's what we're trying to do.

1. Suzie: We can do that. I don't want to keep rehashing things. We need to move forward

2. Preston: We can move forward if you provide the information.

n) Suzie: Let me say it again. We're looking at the data we can provide. We're concerned about the NDA. We won't provide it without a new NDA.

o) Preston: Is your concern that the information can be assembled, but you don't want it used for competitive marketing purposes, or is there another concern?

1. Suzie: It's both, assembly and competition.

7. Suzie: We've already spent 20 minutes on this. We said we'd go until 2:00, then, I have to leave. Can I share some things?

a) Suzie then distributed a list of obsolete services in Georgia and Kentucky (attachment 2); a description of BellSouth's Lifeline and Link-Up programs (attachment 3); a description of N11 service, along with projected revenue for 1996 (attachment 4)

* b) Suzie will provide a breakdown of N11 and Lifeline/Link-Up revenues by state at next week's meeting.

8. Operations/Cost issues

a) Preston: Last week we shared with you a TSR matrix and asked that BST populate it by this week. Has that been done?

1. Suzie: No, that's why we brought Jerry on board.

2. Jerry committed to try to answer the issues addressed on the matrix by the next Core Team meeting.

b) Preston: In Scott's May 30 letter to Jim (attachment 5), what is the basis of the costs associated with electronic interface?

* 1. Jerry will review and report at next meeting.

c) Preston: Regarding the costs at the bottom of the second page of the letter, and the top of the third page, are they industry costs, or AT&T-specific costs?

* 1. Jerry: They may be industry costs. I'll have to check.

* 2. Greg: Could you also identify which costs are applicable to TSR and UNE environments?

- d) Greg: Do we also have the costs of the interim EDI system?
 - 1. Suzie: The cost is \$200,000
- e) Suzie clarified that BellSouth will absorb the full \$125,000 developmental Daily Usage costs (See Attachment 5, page 3). She said that BST is discontinuing any development of direct access to their ordering systems.

9. Preston: We also segmented UNE, like we did TSR. Is there any feedback on the UNE matrix?

- a) Suzie: I have a matrix that we did with Ray Crafton, Robert, and Ed Schaefer. It's in draft form (attachment 6). There are two major areas that we need to resolve: port routing and unbundled sub-loops. Other things are minor disconnects.

10. Sylvia (to Mary Jo): Just to bring you up to date on a discussion we had before you arrived, AT&T had asked for quantification of services available for resale, and BST had two concerns: a) the competitive nature of the information, and b) the NDA.

- a) Mary Jo: I'm not up to date on that
- b) Sylvia: First, BST needs to figure out what they can provide; then we can address the NDA
- c) Mary Jo: OK

11. The next meeting was scheduled for June 12 at the AT&T building at 1200 Peachtree Street.

BellSouth / AT&T Core Team Meeting

June 5, 1996

Agenda

1. Review of PLOC proposal
2. Grandfathered Items
3. Operations / Cost Issues
4. Unbundled Elements

TE : Georgia
olete Service Offerings

TARIFF SECTION FILE ----- (1)	TARIFF SECTION AND SERVICE DESCRIPTION ----- (2)
A11900	A119.00 OBS. WATS SERVICE
A12400	A124.00 OBS. EMERGENCY REPORT SERVICES
A12900	A129.00 OBS. DATA TRANSPORT SERVICE
A13000	A130.00 OBS. EQUIP. FOR DISABLED CUSTOMERS
A13100	A131.00 MULTI-LOCATION BUSINESS SERV.
A14000	A140.00 OBS FAST PACKET TRANSPORT SERVICES
B10200	B102.00 OBS. REGULATIONS
B10300	B103.00 OBSOLETE SERVICE OFFERINGS - CHANN
B10400	B104.00 OBSOLETE SERVICE OFFERINGS - EQP
B10600	B106.00 OBS. DATAPHONE DIGITAL SERVICE

300462

Attachment 2

STATE : Georgia
Obsolete Service Offerings

TARIFF SECTION FILE ----- (1)	TARIFF SECTION AND SERVICE DESCRIPTION ----- (2)
A10700	A107.00 OBS. SERV. OFF.-COIN TELEPHONE SERV.
A10800	A108.00 OBS. TAS FACILITIES
A10900	A109.00 OBS. FOREIGN EXCHANGE
A11203	A112.03 OBS. ESSX-1 ATTENDANT SERVICE
A11207	A112.07 OBS. AUX STATION LINE SERVICE
A11208	A112.08 OBS. ESSX - 1 SERVICE
A11209	A112.09 OBS. ELEC. TANDEM SWITCHING
A11211	A112.11 OBS. ESSX S,M,L;CENTREX,ESSX-1 CUST MGT
A11212	A112.12 OBS. ESSX S,M,L 85
A11213	A112.13 OBS. DIGITAL ESSX - 85
A11214	A112.14 OBS. ETS FEATURES - 85
A11217	A112.17 OBS. PRESTIGE COMM PACKAGE
A11218	A112.18 OBS. PRESTIGE SINGLE LINE SERVICE
A11220	A112.20 OBS. PRESTIGE DELUXE
A11221	A112.21 OBS. ESSX SVC VINTAGE 2
A11222	A112.22 OBS. CUSTOMIZED DIALING PKG
A11223	A112.23 OBS. ANALOG ESSX SERVICE
A11224	A112.24 OBS. DIGITAL ESSX SERVICE
A11225	A112.25 OBS. DIGITAL ISDN SERV FEAT/CND, ALL
A11226	A112.26 OBS. ESSX ANALOG
A11227	A112.27 OBS. ANALOG ETS
A11228	A112.28 OBS. ESSX DIGITAL
A11298	A112.28 OBS. ESSX DIGITAL
A11229	A112.29 OBS. ESSX MULTI ACCOUNT SERVICE
A11230	A112.30 OBS. DIGITAL ETS
A11231	A112.31 OBS. ESSX ISDN
A11300	A113.00 OBS. MISCELLANEOUS SERV
A11400	A114.00 OBS. AUXILIARY EQUIPMENT
A11500	A115.00 OBS. TERMINAL EQUIP AND SYSTEMS
A11600	A116.00 OBS. CALLING PLANS
A11800	A118.00 OBS. MTS

300463

STATE : KENTUCKY
TARIFF SECTION SUMMARY

TARIFF SECTION FILE	TARIFF SECTION AND SERVICE DESCRIPTION
(1)	(2)
A10300	A103 OBSOLETE-BASIC LOCAL EXCHANGE SVC
A10400	A104 OBS-SERVICE CHARGES
A10700	A107 OBSOLETE-COIN TELEPHONE SERVICE
A10800	A108 OBS-TELEPHONE ANSWERING FACILITIES
A10900	A109 OBS-FOREIGN EXCH AND CENTRAL OFFICE SVC
A11100	A111 OBSOLETE-ESSX-1 SERVICE
A11201	A112.01 OBSOLETE-ESSX SERVICE - ANALOG
A11213	A112.13 OBSOLETE-ESSX SERVICE - DIGITAL
A11226	A112.26 OBSOLETE-ESSX SERVICE - VINTAGE II - ANA
A11227	A112.27 OBSOLETE-ELECTRONIC TANDEM SWITCHING-ANA
A11228	A112.28 OBSOLETE-ESSX SERVICE - VINTAGE II - DIG
A11229	A112.29 OBSOLETE-ESSX MULTI ACCOUNT SERVICE
A11230	A112.30 OBSOLETE-DIGITAL ELECTRONIC TANDEM SWITC
A11231	A112.31 OBSOLETE-ESSX ISDN SERVICE
A11232	A112.32 OBSOLETE-ESSX SERVICE - VINTAGE I - ANAL
A11234	A112.34 OBSOLETE-ESSX SERVICE - VINTAGE I - DIGI
A11300	A113 OBSOLETE MISCELLANEOUS SVC ARRG
A11400	A114 OBSOLETE-AUXILIARY EQUIPMENT
A11700	A117 OBSOLETE-MOBILE TELEPHONE SVC
A11900	A119 OBS-WIDE AREA TELE SERVICE
A12000	A120 OBSOLETE-OPTIONAL CALLING PLANS
A12300	A123 OBSOLETE-ESS CO FEATURES (ESSX-1)
A12500	A125 OBSOLETE-LIGHTGATE DIGITAL SVC
A12900	A129 OBSOLETE-DATA TRANSPORT SERVICE
A13100	A131 (OBS) MULTI-LOCATION BUSINESS SERVICE
B10300	B103 OBSOLETE-CHANNELS
B10400	B104 OBSOLETE-EQUIPMENT

TOTAL

300400

Attachment 3

**Lifeline/Link-up Services
AL, FL, GA, LA, KY, NC, TN
6/5/96 Core Team Meeting**

Lifeline

BellSouth's Lifeline Assistance Program provides for qualifying subscribers in Alabama, Florida, Georgia, North Carolina, and Tennessee, a federal credit equal to 100% of the Interstate Subscriber Line Charge plus an equivalent BellSouth funded amount. The amount of the interstate credit (\$3.50) is reimbursed to BellSouth by NECA.

For the states under negotiation, BellSouth averages about 200,000 Lifeline customers a month.

Link-up

Link-Up is available in all nine states served by BellSouth. Link-up provides a credit for qualifying subscribers of 50% of the non-recurring charges associated with installing service, with a maximum credit of \$30. This credit is reimbursed by NECA. Link-Up customers in Georgia receive an additional credit from BellSouth consisting of the balance of the charge.

For the states under negotiation, BellSouth averages about 3000 customers per month.

Eligibility

Eligibility for both programs varies from state, but may be based on eligibility in other low-income or assistance programs such as Medicaid, Food Stamps, AFDC or SSI.

390465

Attachment 4

BellSouth N11
5/30/96

N11 service is offered in Alabama, Florida, Georgia Louisiana and Tennessee where BellSouth has about 25 customers. BellSouth has no plans to offer N11 in Mississippi, Kentucky, North Carolina or South Carolina nor to actively market in the states where it is offered. Total projected revenue for 1996 is about \$1M.

330466

May 30, 1996

William J. Carroll
Vice President
AT&T
1200 Peachtree Street, N.E.
Atlanta, Georgia 30309

Dear Jim,

This letter is in response to your letters to Charlie Coe and Duane Ackerman of May 21, 1996. BellSouth is in the process of reviewing and responding to your letter to me of May 21, 1996. Due to the nature of AT&T's requests in that letter and the work involved in gathering the materials to be provided in the response, BellSouth will reply to it separately.

May 21 letter to Charlie Coe:

Regarding the provision of BellSouth cost studies, these studies including loop, port, and usage were provided several weeks ago. The majority of the other requested Unbundled Network Element (UNE) cost studies were provided to Neil Brown on Tuesday, May 22. The only outstanding cost study request is the "Loop Concentration Multiplexer" study which we are targeting to provide by May 30.

AT&T's letter includes considerable detail regarding the scheduling of and lack of participation by BellSouth in the 5/21 Cost/Price meeting. It should be noted that this is the first Cost/Price meeting in which BellSouth's key personnel were not present. BellSouth has dedicated a significant number of resources to meet and negotiate with AT&T and to respond to AT&T requests in a timely manner. The agenda attached to AT&T's letter acknowledges that Bob Scheye and Suzie Lavett had notified AT&T that they would be unable to attend the meeting. Ample notice was provided to allow rescheduling of the meeting if it was deemed necessary. Further, a more lengthy document attached to the agenda provided by Neil Brown indicated that all UNE components were to be discussed. This document prompted BellSouth's May 20, 1996, subsequent proposal to focus the discussions on developing a mutually acceptable set of unbundled features to form the basis for further negotiations.

It is appropriate to note that BellSouth personnel have attended several meetings in which AT&T representatives were not appropriately equipped or not prepared to discuss the subject matter contained in the proposed agenda. For example, five BellSouth employees attended a meeting on Wednesday, May 22, in which AT&T was to clarify UNE ordering and provisioning requirements. A document summarizing these requirements, apparently provided by AT&T headquarters, could not be explained by AT&T representatives attending the meeting. The group subsequently agreed to focus on BellSouth's unbundled loop and port offerings. However, UNE service configurations presented as necessary requirements by AT&T could not be explained by the AT&T representatives present. The configurations presented did not make sense, and the remainder of the meeting was spent having the BellSouth experts advise AT&T of BellSouth's view of possible UNE configurations.

330467

BellSouth has informed AT&T both verbally and in prior correspondence of similar circumstances which have occurred in the process of our negotiations. Notwithstanding these points, I assure you that BellSouth is ready and willing to engage in meaningful dialog to progress these negotiations in the areas of Resale and Unbundled Network Elements.

May 21 letter to Duane Ackerman regarding operational interfaces:

Your letter asserts that "BellSouth has delayed committing to provide the electronic interfaces that are necessary". Any delays that have occurred are attributable, at least in part, to AT&T. In order for BellSouth to commit to the formidable task and investment of developing electronic operational interfaces, it is necessary to understand the volume of transactions that are estimated to occur. The first forecasts of projected AT&T volume were provided to BellSouth in April of 1996. In addition, these forecasts were "rough estimates" and addressed only the resale portion of AT&T's local service plans. Although the forecast provided by Preston Foster in his letter of May 22 indicates that unbundled loops and ports are included, no forecasts for specific order volumes for unbundled services have been provided to date. In addition, the most recent forecast data shows an extremely wide range of values between the low and high estimates (the high estimate is approximately four times the low estimate).

The "fax interface" solution which you referenced in your letter has been proposed as a method to allow AT&T to immediately begin processing orders, and is a sufficient solution to handle the initial volumes of orders projected by AT&T. It should be noted that "fax" only refers to the transfer of order images, and does not mandate a manual fax transmission process. Nothing would preclude AT&T from using a computer based fax solution for service order placement and confirmation. AT&T has recently acknowledged that it will begin local service on a trial basis and will gradually increase its volume of local service orders. The "fax interface" is capable of accommodating AT&T's initial entry into the local service market. BellSouth has always maintained that implementation of mechanized interface solutions would be driven by transaction volumes, business needs, and relevant timing.

BellSouth is currently processing local service orders for several competitors using the fax method. Those competitors find the terms of this procedure to be acceptable. Only recently have other resellers or local exchange carriers begun to request electronic operational interfaces in the course of our negotiations with them. AT&T remains unique, however, in the extent of on-line and real time access requested.

In a letter sent to AT&T on May 16, BellSouth reviewed the steps it has taken or is in the process of undertaking to address AT&T's requirements for pre-ordering electronic interfaces and EDI (service requests and order confirmation). In addition to these steps, and as previously discussed with AT&T, BellSouth has developed or is developing interfaces for daily usage information, electronic trouble reporting, and serving central office and feature availability. BellSouth's current view of the costs of providing these electronic operational interface solutions are as follows:

Pre-Ordering: Estimated at \$7,000,000. However, the final figure cannot be determined until the completion of a design phase estimated to require approximately four months and \$500,000. As mentioned above, BellSouth has developed an interim process to provide feature availability information at no charge.

Service Request Transmission and Order Confirmation (EDI): \$200,000.

Direct Order Entry: Costs for this item have not been determined.

Directory Listing and Line Information Database: No Charge provided that the service order populates these databases. However, should BellSouth develop direct electronic interfaces for local service providers to enter data directly into these systems, additional costs would be incurred. No cost estimates for this functionality have been developed.

390468

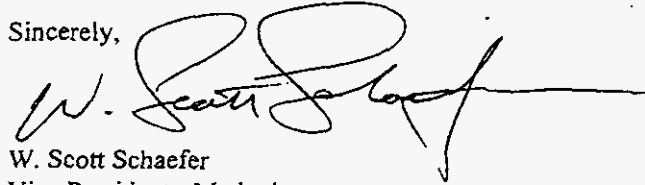
Trouble Reporting: Initially no cost to resellers in that the EC application for IXCs is being extended to other local exchange carriers. However, capacity upgrades required as a function of OLEC transaction volume will result in additional costs. In addition, enhancements to the EC platform needed to enable the system to more effectively manage POTS troubles are estimated to cost \$3,000,000.

Daily Usage: Initial development costs of \$125,000. Additionally, BellSouth will charge \$0.005 per message to offset the cost of ongoing usage file production.

BellSouth is proceeding as outlined on the electronic interfaces requested by AT&T notwithstanding that in doing so BellSouth is going above and beyond its obligations under the Act. BellSouth's proposals regarding the preordering, ordering and provisioning of services to be resold by AT&T are not unreasonable or discriminatory conditions or limitations under the Act. BellSouth has committed to treating AT&T as it does its own retail customers. Such commitment meets the requirements of the Act.

As proposed in a letter to you of May 16, BellSouth has two mechanisms for recovering these costs. BellSouth will continue to work with AT&T to develop an acceptable cost recovery mechanism based on an embedded cost approach and welcomes any proposals from AT&T in this regard.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Scott Schaefer", with a long horizontal flourish extending to the right.

W. Scott Schaefer
Vice President - Marketing
InterConnection Services

300463

AT&T Unbundled Network Elements Requirements
Technical feasibility Status - DRAFT

Category:	Loop	Switching	Transport	SS7 Signaling	Operator/ DA	Databases	AIN
BST Offering	<ul style="list-style-type: none"> • Metallic Loop • Non-integrated Digital Loop <p>Opens ~ 85% of Market Today</p>	<ul style="list-style-type: none"> • Port including access to BST Operator, DA, Repair and InterOffice Facilities • Tandem Switching • Data Switching (PulseLink) 	<ul style="list-style-type: none"> • Special Access, dedicated point-to-point • Channelization Systems • Digital Cross-connect System (FlexServ) 	<ul style="list-style-type: none"> • Link Transport to STPs 	<ul style="list-style-type: none"> • Stand Alone With AT&T Switch 	<ul style="list-style-type: none"> • 800 • DA • LIDB • E911 	<ul style="list-style-type: none"> • Access to Service Creation Platform (DesignEdge)
Additional Elements: AT&T/BST Agree Technically Feasible	<ul style="list-style-type: none"> • It appears that AT&T's Loop Feeder needs can be met by existing Special Access offerings. 			<ul style="list-style-type: none"> • Signaling "HUB" 			<ul style="list-style-type: none"> • Access to AIN Triggers
Additional AT&T Requirements: BST Does Not Agree Are Technically Feasible	<ul style="list-style-type: none"> • Integrated Digital Loop Carrier • Network Interface Device (NID) <p>NOTE: On 6/4/96, BST agreed to provide, upon request, a <u>separate</u> NID at AT&T's request.</p> <ul style="list-style-type: none"> • Loop Distribution • Loop Multiplexer/ Concentrator 	<ul style="list-style-type: none"> • Stand alone local switching without BST Operator, DA, Repair, IOF. • Routing to AT&T platforms (repair, operator, DA) and AT&T transport • Data Switching (PulseLink) "Partitioning" 	<ul style="list-style-type: none"> • Digital Cross-connect System (FlexServ) "Partitioning" 		<ul style="list-style-type: none"> • Branded AT&T With BST Port 	<ul style="list-style-type: none"> • Detailed Tracking 	

300470

Attachment 6

AT&T

Preston G. Foster
District Manager
Strategic Planning - Market Entry

May 31, 1996

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMail!pfoster

Dear Suzie:

Attached, as information and for action, are the action items from our May 29, 1996 joint Core Team meeting. They are:

1. Neil Brown agreed to review his notes from the avoided cost discussion and call Loraine with any additional questions.
2. BellSouth agreed to consider AT&T's proposal regarding PLOC charges of \$8.00 per occurrence for the first six months of market entry, and then to mirror the PIC charge going forward.
3. Preston Foster, lead negotiator, AT&T, presented the "BellSouth / AT&T Negotiations -- Operations / Cost Issues" matrix as a vehicle to identify and quantify operations issues that may have costs associated with them. Both BellSouth and AT&T agreed to populate the matrix, to the extent possible, and share copies with each other by Monday, June 3, 1996.
4. As previously agreed, Preston Foster submitted a framework for segmenting and assigning ownership at the Core Team level for the issues associated with Unbundled Network Elements. BellSouth and AT&T agreed to populate the matrix, to the extent possible, by Wednesday, June 5, 1996.

Thank you for your attention to these matters. Feel free to call me on (404) 810-8548.

Sincerely,



Preston G. Foster
Lead Negotiator, AT&T

390471

© BellSouth

May 17, 1996

Preston Foster
AT&T
1200 Peachtree St., NE
Atlanta, GA 30309

Dear Preston,

Following are the items owed to AT&T per our May 15, 1996, Core Team meeting.

- We have been unable to run down the answer to AT&T's inquiry regarding the "PLOC" charge and need further definition. We have a charge for the unauthorized change in local service to an OLEC which is described in Section VI, paragraph G, of the contract delivered to Jim Carroll today. Could this be what you were attempting to describe?
- A secondary service ordering charge, generally around \$8, will apply for "switch as is" resale customers who move from BellSouth to AT&T with no change in service. I will have more information regarding the tariff reference in our May 22, 1996, meeting.
- I have a change in the Core Team member for the escalated "Routing" issue negotiations. Keith Milner, telephone number 404 529-5489, has been added to the Core Team as a technical expert and will take the lead on this issue. Also, as information, I will remain the Core Team person for the "Notification" issue but Jocelyn Bivins will be leading the SME effort.
- We want to schedule the "products" meeting for June 4, 1996, for two reasons:
 - > BST is researching what is available and what can be provided to AT&T pursuant to its request for the market size of the products BST does not plan to offer for resale. AT&T has stated several times that it cannot make a decision regarding agreement with BST's position without such information. We can use the next two weeks for our companies to reach agreement regarding the level of information required to meet this need.
 - > Bob Scheye is not available until the first week of June. Our companies' product availability negotiations will greatly benefit from Bob's knowledge and experience. Please confirm this meeting with Bob at 404 420-8327 as soon as possible.

Please let me know if you have any questions regarding the above information.

Sincerely,



Suzie Lavett

330473

JOINT AT&T/BELLSOUTH CORE TEAM MEETING
June 12, 1996

On Wednesday, June 12, 1996, the Joint AT&T/Bellsouth Core Team met at 1200 Peachtree St. with the following in attendance:

Preston Foster	Sylvia Anderson
Pam Nelson	Wayne Ellison
David Epsteiner	Andre' Mule'
Quinton Sanders	Randy Jenkins
Mason Fawzi	Suzie Lavett
Mary Jo Peed	Jerry Hendrix

1. Preston reviewed the agenda (attachment 1) and asked if there were any other items to be added. There were none.

a) Mary Jo asked why we were discussing the TSR proposal when it was being considered at the Executive Level.

b) Preston answered that we believed we had additional information that may be helpful.

2. EDI Update

a) Pam briefly discussed the data mapping meeting held last week. It was a positive meeting and the mapping continues.

b) Preston asked if there were any major milestones.

1. Pam: finishing the mapping is most critical. There are different completion dates for different pieces of it. We're looking at late July or early August. The gap is USOC vs. English language. TCIF seems to be agreed to by both parties.

2. Suzie: We should be able to process orders by September

1.

3. Pam: We'll be ready by mid-August. That will meet our needs.

c) Preston: We'll continue to visit this subject weekly.

d) Suzie: The only concern I've heard is there are some areas where there is no TCIF standard.

3. EDI Development Costs

a) Preston: A couple of weeks ago we put out a matrix that we had hoped would lead to identification of development costs. Jerry was working on that.

b) Jerry distributed the matrix (attachment 2)

300473

c) Mary Jo: Regarding the matrix, BST would take issue with the column "Required by the Telecom Act." Actually, this is AT&T's interpretation.

d) Jerry: We need to determine whether costs apply to the Industry or are AT&T specific (see column 4).

e) Suzie: Phase I is EDI; Phase II is real time access. I don't think we'd ever get to complete real time access. Our service representatives don't have real time access to all our systems.

1. Preston: What we seek is parity. If your guys don't have it, we wouldn't want it.

f) Jerry: The other issue is cost. These are actual costs, not TSLRIC or LRIC.

1. Wayne: On the \$7 million, what kind of support do you have?

2. Jerry: I didn't bring any back-up. I'd have to ask Mary Jo how far we can go.

3. Suzie: We're in the design phase. Once the design is firmed up, we'll review the cost estimate. This will take two months. I don't know the start date; sometime in May, I think.

4. Mason: In the Pre-Ordering Phase, the chart shows no recurring costs.

a) Suzie: With EDI, we don't anticipate recurring costs. We'll know better after the design Phase.

5. Jerry: The last column on the right is our best estimate of some of the benefits.

6. Preston: Is there any formula how you want to pro-rate the costs among the industry.

a) Suzie: We need the cost people to come up with options.

b) Preston will ask Neil to get a small group together to talk about cost recovery. Jerry will be the BST contact.

7. Suzie: Pre-Ordering interface is access to the same system as our service representatives use.

8. Suzie: Maybe we need a separate, detailed document

a) Pam: Maybe we can use our requirements document. We could reference the detailed document on the matrix.

* 9. Suzie: We'll pull all documents that are labeled "pre-ordering" and attach them to the matrix.

10. Suzie: The operations people will meet next Wednesday to have a walk through. I'll have my mechanization people there.

• 11. BST and AT&T agreed to meet on 6/24 to map the Operations/Cost requirements to identify any gaps in the respective positions.

12. Mason: If the goal is parity, we should be comparing our system to BST's, not the OLEC Handbook.

a) Suzie: I don't think we agree on what parity is. I thought our goal here was to identify costs.

b) Preston: We need to determine if BST will also benefit from the use of these systems.

c) Suzie: I know we don't agree on what it would take for AT&T to enter the market. That's in the Executive Committee.

d) Wayne: The comparison is to the pre-ordering systems you use today to serve the resale market.

e) Preston: We define parity as parity with what you use internally.

1. Mary Jo: We define parity as the same as we provide to our end user customers. The system is invisible to the customer.

f) Mason: We want a similar customer experience. Also, cost efficiency. What efficiencies are we introducing into BST's processing by insisting on these particular interfaces.

g) Preston: This is apples and oranges as far as parity is concerned. Who is the end user, AT&T or our customer?

1. Suzie: Your customer.

h) Mary Jo: BST's position is that we will treat AT&T's customer the same way we treat our customers.

i) Suzie: We feel there are different ways to do this. We're saying the market should drive enhancements.

j) Mary Jo: Does AT&T support enhancements as the market develops?

k) Sylvia: That's not our position.

l) Preston: There are two issues: How to pro-rate costs, and what is the cost.

m) Jerry: It's difficult to get at net cost until we have better numbers.

• n) AT&T agreed to provide a list of questions on how efficiencies should be defined. List to be provided by the next Core Team meeting (6/19).

• o) Jerry: Neil and I will develop, on a conceptual basis, options on how to recover the costs depicted in Column 5 of the Operations/Cost matrix; identify a process and timeline to determine actual costs, and determine if and when we can put a process and timeline in place to identify efficiencies.

4. Data Requests

a) Preston distributed lists of obsolete services for GA, FL, and NC. (attachment 3)

b) Wayne distributed a list of unbundled element data requests (attachment 4). Status and action items are on the attachment. This is the list of requests that was transmitted verbally to Frank Kolb.

1. Regarding Request #1, BST will provide redacted studies, since data are vendor-specific, within 10 days or less after receipt of the names of AT&T employees who will see the data.

2. Request #2: BST to provide the studies within 10 days or less after receipt of the names of AT&T employees.
 3. Request #3: BST will provide studies upon completion.
 4. Request #4: AT&T will review request to determine if a more restrictive request is appropriate.
 5. Request #5: AT&T will review BST's current service offerings to determine if the request can be stated in terms of individual retail or wholesale offerings.
 6. Request #8: AT&T will provide a list of names of persons to see the frame relay study.
- c) PLOC charges
1. Preston: Two weeks ago we offered an \$8 PLOC charge. Your response was more like \$30
 2. Suzie: Not \$30. We'll charge what's in the tariff for Transfers of Contracts (attachment 5). We did a cost study and it came out close to \$30.
 3. Preston: Explain the difference between the tariffed charges and the \$30.
 - a) Suzie: The existing Transfer of Contract charges are in the tariff. The cost study was \$30. Neil has the tariff reference.
 4. Preston: Can we get a copy of the cost study?
 - a) Suzie will check and report by Friday or Monday whether they can provide their PLOC Cost Study.
 5. Mary Jo: These are the rates we'll charge AT&T for switch as is.
 - d) Preston: Some of our people would like to meet with your folks to discuss ESSX. Can you help me set this up?
 - * 1. BST will advise by Friday when SMEs can meet to discuss Centrex and Multi-Serve issues..
 - 2. Mason: We need to understand your process for ordering; how you're reselling ESSX today, etc.
 - a) Mary Jo: I've got to add a caveat. ESSX is not available for resale.
 - b) Suzie: They're talking about Centrex, Multi-Serve.
 - e) Jerry will update cost studies to include MS and SC
 - f) Suzie distributed N11 projected revenues (attachment 6), BST Linkup and Lifeline Services subscribers (attachment 7).
5. Preston: Have you been asked to help to respond to the TSR proposal?
 - a) Suzie: Yes, but we're not ready to discuss yet.
6. Mason: Regarding services available for resale,
 - a) We need the data outlined in the 5/21 letter from Jim Carroll to Scott Schaefer regarding grandfathered services (attachment 8).

300476

- b) BST agreed to clarify terms under which KY data would be provided by 6/13. AT&T may have to provide a list of names.
 - c) Suzie: The other data requests have been escalated to the Executive Team.
 - d) Mary Jo: Jim should talk to Scott about this.
 - e) Suzie: I'm terminating the conversation here. It's at the Executive Level.
 - f) Sylvia: How do you decide what to provide and not to provide?
 1. Suzie: The things we provided we were able to provide.
- The rest is not relevant.
- * g) BST agreed to stress to their Executive Team the importance AT&T attaches to the data requests in Jim Carroll's letter of 5/21 to Scott Schaefer.

7. Regulatory Activity

- a) Mason: Several things have come to our attention that seem to conflict with your positions that you have taken in the negotiations. I fax'd you a letter this morning (attachment 9)
- b) Mason: Basically, BST filed in a couple of states to enhance ESSX and Multi-Serve. This seems to be inconsistent with what you stated what your goal was, that is, to migrate customers off ESSX.
- c) BST will set up meeting by Friday to discuss Mason's letter to Suzie.

8. The next meeting will be 6/19, at 2:00, at BST Center.

AT&T/BellSouth Negotiations

June 12, 1996

Agenda

1. EDI Update
2. EDI Development Costs
3. Data Requests
 - UNE Cost Studies
 - Non-recurring charges (e.g. PLOC)
 - ESSX Meeting
 - MS, SC Cost Studies
4. Outstanding TSR Proposal
 - Services available for resale
 - Regulatory activity

BellSouth/AT&T Negotiations -- Operations/Cost Issues

Issue	Required by Telecom Act (Cite Reference)	BST Specific Proposed Solution	Industry Application or AT&T Specific	One-Time Cost Estimate	Annual Recurring Cost Estimate	BST Efficiency Benefits
(TSR) Pre-Ordering Interface	251(c)(4)(b)	Access to systems used by BST personnel to identify feature availability due dates, etc.	Initially AT&T then Industry	\$7M	-----	None Identified
(TSR) Ordering (Phase I)	251(c)(4)(b)	Order delivery	Initially AT&T then Industry	\$200K	-----	None Identified
(TSR) Ordering (Phase II)	251(c)(4)(b)	N/A	TBD	N/A	-----	TBD
(TSR) OutPLOC	251(c)(4)(b)	Mechanized list of AT&T end users who change LSP	Initially AT&T	\$30K	Transaction costs not done yet	None Identified
(TSR) Direct Routing	251(c)(4)(b)	N/A	TBD	N/A	-----	None Identified
CRIS Billing Daily Usage	251(c)(4)(b)	Mechanized daily unrated usage	Initially AT&T then Industry	\$125K	\$.005/msg	None Identified
(TSR) Maint. Elec. Bonding	251(c)(4)(b)	Access to BST "TAFI"	Initially AT&T then Industry	\$3M	-----	TBD

NA - Not applicable
TBD - To be determined

300473

Attachment 2



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMailpfoster

June 11, 1996

Dear Suzie:

Attached is AT&T's rough estimate of obsolete and grandfathered services for Georgia (provided earlier), Florida, and North Carolina. These are, of course estimates based on our manual review of the tariffs. As you know, AT&T has requested several times that BellSouth quantify the services that BellSouth is seeking to exclude from resale. AT&T recently delivered to BellSouth a proactive proposal on TSR. That proposal includes our offer to resell to customers who subscribe to obsolete and grandfathered services. AT&T is willing, given the right environment, to consider reselling a subset of obsolete services -- if BellSouth provides a clear, accurate, order of magnitude, by state, of services presently obsolete.

Last week, in our joint Core Team meeting, you raised concerns regarding BellSouth's ability to provide this information. Your concerns, as I understand them are 1) BellSouth's ability to assemble the requested data and 2) the confidentiality of the information. As you can see from our estimates, AT&T manually assembled a rough version of the data we are requesting from you. It would seem that BellSouth could, given your access to and ownership of the automated internal database, easily assemble and provide AT&T with an accurate set of information regarding obsolete and grandfathered services.

I honestly do not understand BellSouth's concern about the confidentiality of the requested information. Early in our negotiations, AT&T and BellSouth both signed a confidentiality agreement which defines the scope of how confidential information can be used. Further, we offered, last week, to address your concerns regarding access to and use of certain highly confidential information. We would respond immediately to any proposal to address BellSouth's concerns regarding the provision of this information.

AT&T is ready to complete negotiations on Total Services Resale. Our proposal of June 5 addresses the key issues yet to be resolved. Again, we are hampered by not having an accurate sizing of business that is obsolete / grandfathered. Please provide us with this information for all nine BellSouth states.

300400

Sincerely,

A handwritten signature in dark ink, appearing to read 'P/GF' or similar, written in a cursive style.

Preston G. Foster
Lead Negotiator
AT&T

300481

Georgia
Comparison of Revenues from Obsolete
Services with Total State Revenues

	<u>Total Revenues</u>	<u>Obsolete Revenues</u>	<u>% Total</u>
1. Basic Services	\$413,821,172	0	0
2. Non-Basic Services	1,033,174,124	55,537,976*	5.4
3. Interconnection	99,682,337	49,448	.05
Total	\$1,546,677,633	\$55,587,464	3.6

* Approximately \$44M in Revenue was grandfathered in 3rd and 4th qtr of 1995 with ESSX and Digital ESSX Service.

Source: 1) Total Revenues: BellSouth Market Basket Summary of Annual Revenues filed on September 1, 1995, in compliance with Georgia Public Service Commission's Order Adopting Interim Filing Requirements for Notification of Alternative Regulation.

2) Obsolete Revenues: Compiled by matching service revenues from BellSouth's Market Basket Summary of Annual Revenues with obsolete services listed in BellSouth's Georgia General Subscriber Services Tariff (GSST).

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BELLSOUTH
Georgia GSST Obsolete Services

Tariff Section	Services Name/Description	Date Obsolete	Current Revenue
A103	Basic Local Exchange Service Farmers Line & Farmers Exchange Stations	05/15/60	0
A107	Coin Telephone Service Booths & Special Mounting Arrangements Shelves Semi Public Extensions Public Telephone Access for CPE	11/19/70 11/19/70 01/01/83 03/05/90	\$3,992 \$1,621 0 \$49,488
A108	Telephone Answer Service Facilities Concentrator - Identifier Unit AUTOAS Answering System Concentrator	01/13/83 01/13/83	\$30 \$335
A109	Foreign Exchange Service Intercept Arrangements		\$59
A112	Central Office Non-Transport Service Offerings ESSX-1 Service - Attendant Services ESSX-1 Automatic Call Distribution ESSX-1 Auxiliary Station Line Service ESSX-1 Service Electronic Tandem Switching ESSX S, M and L and ESSX-1 Custom Management ESSX S, M and L - 85 Digital ESSX - 85 Electronic Tandem Switching - 85 Prestige Communications Package Prestige Single Line Service (PSLS) Prestige Deluxe Service ESSX Service Vintage II Feature SMDI ESSX Service Customized Dialing Package (CDP) ESSX Service - VS and S ESSX Service - M ESSX Service - L Digital ESSX Service - VS and S Digital ESSX Service - S Digital ESSX Service - M Digital ESSX Service - L ESSX Service - Vintage II Electronic Tandem Switching Features Digital ESSX Service - Vintage II ESSX Multi-Account Service Digital Electronic Tandem Switching Features ESSX ISDN Service	09/08/81 06/20/85 *06/14/85 06/14/85 *07/10/89 *07/10/89 07/10/89 12/15/89 12/15/89 09/28/92 09/28/92 12/17/93 01/05/95 01/05/95 01/05/95 01/05/95 01/05/95 01/05/95 01/05/95 10/26/95 10/08/95 10/26/95 10/08/95 10/08/95 10/22/95	0 0 \$6,717 \$252,865 0 \$2,445 \$1,952,125 \$2,670,607 \$4,978 \$305,090 \$245,370 \$2,416 \$26,675 \$3,305 ** ** ** *** *** *** *** \$18,563,174 \$24,925,390 \$79 \$22,971 \$581,256

Tariff Section	Services Name/Description	Date Obsoleted	Current Revenue
A113	Miscellaneous Service Arrangements		
	Group Emergency Alerting & Dispatching System	10/10/88	\$8,211
	Municipal Emergency Reporting Service	04/10/80	0
	Arrangements for Night, Sunday and Holiday Service	07/21/80	\$13,504
	Extension and Tie Line Services	03/10/90	\$715,420
	Submarine Cable Mileage	10/06/80	0
	Custom Calling Services	05/30/86	\$8,808
	Network Facilities for use with Public Announcement Services	02/17/92	0
	Custom Calling Services - Packages	03/02/92	0
	Touchstar Service - Packages	03/02/92	0
	TicketTaker Service	07/18/94	\$8,694
A114	Auxiliary Equipment		
	ESSX-1 Customer Premises Attendant Services	09/08/81	0
	Data Link Console	09/08/81	0
	High Voltage Protection Equipment	11/21/85	\$30,870
A115	Terminal Equipment and Communications Systems	07/14/80	\$182,178
A116	Calling Zone/LATA Calling Plans		
	CallSaver	07/01/85	0
A117	Mobile Telephone Service	12/22/92	0
A118	Long Distance MTS		
	Enterprise Service (Special Reversed Charge Toll)	02/24/89	\$8,835
	Saver Service	01/01/90	\$1,788,128
A124	Emergency Reporting Services		
	E911 PSAP Equipment	11/14/85	\$2,275,837
A129	Data Transport Service		
	Access Channel Service	02/26/90	\$2,400
	Integration Plus Management Svc (FlexServ)	12/28/92	\$935,683
A130	Equipment for Disabled Customers		
	Outright Sales Option & Month-to-Month Option	09/22/95	\$6,117

• Included in 09/26/95 Grandfathering Filing

** Could not be separately identified...included in ESSX Service - Vintage II

*** Could not be separately identified...included in Digital ESSX Service - Vintage II

Florida
Comparison of Revenues from Obsolete
Services with Total State Revenues

	<u>Total Revenues</u>	<u>Obsolete Revenues</u>	<u>% Total</u>
1. Basic Services	\$456,123,592	0	0
2. Non-Basic Services	1,413,062,557	12,421,336*	.9
3. Interconnection	308,877,141	0	0
Total	\$2,178,063,290	\$12,421,336*	.6

- Approximately \$58M in Revenue was grandfathered in May, 1996 with ESSX and Digital ESSX Service that is not included in these figures (assuming estimates are correct, approximately \$70M in revenue is from grandfathered customers).

Source: 1) Total Revenues: BellSouth Market Basket Summary of Annual Revenues filed with the Florida Public Service Commission.

2) Obsolete Revenues: Compiled by matching service revenues from BellSouth's Market Basket Summary of Annual Revenues with obsolete services listed in BellSouth's Florida General Subscriber Services Tariff (GSST).

BELLSOUTH

Florida GSST Obsolete Services

Tariff Section	Services Name/Description	Date Obsolete	Current Revenue
A103	Basic Local Exchange Service Local Exception - Res Unlimited - Unmeasured Option	01/23/95	
A105	Charges Applicable Under Special Conditions Restoration Priority Charge	04/08/91	0
A107	Coin Telephone Service Booths & Special Mounting Arrangements Semipublic Extension Stations Single Slot Panel Coin Telephone	08/15/77 01/01/83 08/15/77	\$396 \$5,613 \$6,009
A108	Telephone Answer Service Facilities Concentrator - Identifier Unit AUTOAS Answering System Concentrator	06/06/63 09/28/82	0 0
A109	Foreign Exchange Service Intercept Arrangement	06/15/80	0
A112	Central Office Non-Transport Service Offerings Centrex Service to U.S. Military Bases Centrex - CO Service ESSX-1 Service Attendant Service (50A Consoles) Automatic Call Distribution - ESS Systems Electronic Tandem Switching Features ESSX-1 Service Electronic Tandem Switching Features Misc Service Arrangements by No. 1 ESS ESSX S, M and L Service; Customer Mgmt Features ESSX S, M and L Service - 85 Digital ESSX Service - 85 Electronic Tandem Switching Features ESSX Service S, M and L Service - 88 Digital ESSX Service - 88 Prestige Communications Package (PCP) Prestige Single Line Service (PSLS) Digital Electronic Business Set Service II ESSX Service Vintage 2 Feature - SMDI Prestige Deluxe Service ESSX Service Optional Features - SMDR - Premises Digital ESSX Service Optional Features - SMDR - Premises Customized Dialing Package (CDP) ESSX Service - Multi-Line - Caller ID Digital ESSX Service - Multi-Line - Caller ID	04/17/73 09/29/76 10/05/81 12/30/80 06/28/89 07/01/85 07/01/85 07/01/85 02/09/87 11/22/88 11/22/88 11/22/88 04/01/89 04/01/89 01/15/90 01/15/90 10/05/92 10/05/92 10/05/92 10/02/92 10/02/92 06/22/93 06/05/95 06/05/95	0 \$148,565 \$6,516 0 \$1,217 \$215,189 0 0 \$3,218 \$1,749,320 \$421,801 0 0 0 \$481,590 \$354,239 \$4,049 \$9,840 \$86,155 \$53,464 \$11,096 \$92,481 0 0
A113	Miscellaneous Service Arrangements Group Emergency Alerting & Dispatching System Municipal & Industrial Emergency Reporting Svc Multistation One-Way Circuit Arrangements Arrangements for Night, Sunday and Holiday Svc Extension and Tie Line Services	05/01/87 06/06/80 01/27/65 12/12/80 01/16/91	\$9,976 \$187,000 0 \$5,706 \$483,729

00460

Tariff Section	Services Name/Description	Date Obsoleted	Current Revenue
A113	Miscellaneous Service Arrangements (con't) Custom Calling Services Network Facilities for use with Public Announcement Services Central Office Local Area Network Service Network Facilities for Use with 976 Service TicketTaker Service TouchStar Service - Multi-Line Caller ID	06/16/86 04/05/93 06/29/93 02/15/94 07/31/94 06/05/95	\$606 \$28,099 \$33,649 \$3,000 \$68,373
A114	Auxiliary Equipment Special Line Filter Private Line Sampling Arrangement ESSX-1 Customer Premises Attendant Services	06/06/80 12/12/80 10/05/81	\$608 0 0
A115	Connection of Terminal Equipment and Communications Systems Recorder Coupler Equipment Telephotograph Equipment Data Transmitting/Receiving Terminal Equipment Voice Transmitting/Receiving Terminal Equipment Alarm Detection and Reporting Equipment Dictation Recording Equipment Connecting Arrangements - Voice Manual Connecting Arrangements - Voice Automatic Public Address and Loudspeaker or Radio Paging Systems	 12/10/70 01/06/81 01/06/81 01/06/81 01/06/81 01/06/81 01/06/81 01/06/81	\$10,760 \$34 \$61,038 0 \$24,575 \$374 0 \$34,829 0
A117	Mobile Telephone Service Airtime Dispatching Service Signaling Service	08/14/92 08/14/92 08/14/92	0 0 0
A118	Long Distance Message Telecommunication Service Enterprise Service VALU-PAK Service Saver Service	06/15/87 09/09/95 08/02/95	\$1,601
A119	Wide Area Telecommunications Service Access Line Charges - 800 Service 800 Number Service Termination	01/22/94 06/03/95	\$1,002,203
A122	Customer Payment Plans ESSX Term Payment Plans	01/08/91	
A124	Emergency Reporting Services E911 PSAP Equipment Enhanced Universal Emergency Number Service - E911 E911 Service Features and PSAP Equipment	11/29/85 09/19/95 06/15/95	\$713,969 \$4,438,185 \$1,037,334
A129	Data Transport Service Dial Backup Service FLEXSERVE Service - Digital Access Cross Connect	09/30/95 02/05/95	\$2,640 \$805,002
A130	Equipment for Disabled Customers Outright Sale/Month-to-Month Option	10/16/95	\$7,101

300487

North Carolina
Comparison of Revenues from Obsolete
Services with Total State Revenues

	<u>Total Revenues</u>	<u>Obsolete Revenues</u>	<u>% Total</u>
1. Basic Services	\$294,847,392	\$2,499,721	0.8
2. Non-Basic Services	484,046,815	20,696,409*	4.3
3. Interconnection	21,425,654	0	0
4. Access Services	147,204,321	0	0
Total	\$947,524,182	\$23,196,130*	2.4

* Approximately \$19M in Revenue is from Digital ESSX Service - 85, which was grandfathered on 12/30/88.

Source: 1) Total Revenues: BellSouth Market Basket Summary of Annual Revenues filed with the North Carolina Utilities Commission.

2) Obsolete Revenues: Compiled by matching service revenues from BellSouth's Market Basket Summary of Annual Revenues with obsolete services listed in BellSouth's North Carolina General Subscriber Services Tariff (GSST).

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BELLSOUTH
North Carolina GSST Obsolete Services

Tariff Section	Services Name/Description	Date Obsolete	Current Revenue
A103	Basic Local Exchange Service		
	Joint User Service	03/26/85	
	Thrifty Caller Service	*09/13/92	
	Message Rate Service	12/09/95	
	Outgoing Only Service	12/09/95	
A107	Coin Telephone Service Booths & Special Mounting Arrangements	10/15/80	\$3,616
A108	Telephone Answer Service Facilities		
	Concentrator - Identifier Unit	04/17/81	\$456
	AUTOTAS Answering System Concentrator	09/01/82	\$15,834
A112	Central Office Non-Transport Service Offerings		
	ESSX Service - SMDR	02/03/93	0
	Centrex - CO Service	03/02/77	0
	ESSX-1 Service	12/19/79	\$164
	Automatic Call Distribution - ESS		0
	DID to Customer - Premises	12/08/82	\$159,263
	Secretarial Service In-Dialing Arrangements	12/08/82	\$2,885
	ESSX - 1 Service	08/28/85	0
	Electronic Tandem Switching	08/28/85	\$3,953
	Miscellaneous ESS Features	08/28/85	0
	ESSX S, M & L Custom Management Features	01/28/87	\$2,400
	ESSX S, M & L - 85	12/30/88	\$234,801
	Digital ESSX Service - 85	12/30/88	\$19,321,945
	Electronic Tandem Switching	12/30/88	0
	Prestige Communications Package	07/25/90	\$257,448
	Prestige Single Line Service	07/25/90	\$120,900
	Prestige Deluxe Service	08/05/92	\$5,417
	Digital ESSX Service - SMDI	04/28/93	\$32,509
	Customized Dialing Packages		\$337
	ESSX ISDN Service	09/28/94	\$9,851
A113	Miscellaneous Service Arrangements		
	Group Emergency Alerting & Dispatching System	06/30/70	0
	Municipal Emergency Reporting Service	01/01/80	\$13
	Arrangements for Night, Sunday and Holiday Service	12/24/80	\$2,798
	Custom Calling Services	06/23/86	\$2,325
	Central Office Local Area Network Service	06/23/93	\$1,008
	Key Telephone System		\$7,434

300488

Tariff Section	Services Name/Description	Date Obsoleted	Current Revenue
A114	Auxiliary Equipment Private Line Sampling Arrangement ESSX-1 Customer Premises Attendant Services	03/03/82 09/02/81	\$116 0
A115	Connections of Terminal Equipment and Communications Systems Recorder Coupler Equipment Telephotograph Equipment Voice Connectivity Arrangement Alarm Detection Equipment Dictation Recording Connectivity Arrangements - Voice Public Address/Loudspeaker	03/29/72 12/31/80 12/31/80 12/31/80 12/31/80 12/31/80 12/31/80	\$1,642 \$6,126 \$6,380 \$7,474 0 \$5,897 0
A118	Long Distance MTS Enterprise Service	06/27/87	\$1,897
A119	Wide Area Telecommunications Service WATS Extension Stations Combined 800 Service**	06/20/68 01/01/94	
A120	Extended Community Calling Metro Connection Plan	12/09/95	
A122	Customer Payment Plans ESSX Term Payment Plan	11/28/90	
A123	Sharing and Resale ELS Sharing/Resale Thrifty Caller Service		
A124	Emergency Reporting Services		
	911 Non-Unique Equipment E911 PSAP Equipment E911 Service Features E911 Service Features and PSAP Equipment E911 Number Services	01/01/84 11/16/85 09/04/86 07/03/90 10/20/93	\$9,500 \$133,866 \$1,238,678 \$524,626 \$585,600
A129	Data Transport Service FLEXSERV - Digital Access Cross-Connect	05/05/93	\$487,189
A130	Equipment for Disabled Customers Outright Sale/Month-to-Month Option		\$1,675

• Revisions as recently as 12/09/95.

** Rates lowered in pending tariff filing, to be effective 06/01/96.

June 12, 1996

Following is a list of the verbal data requests submitted by Wayne Ellison to Frank Kolb of BellSouth on Wednesday morning, June 5, and the current status of each request:

Request No. 1: Provide the non-recurring studies for port termination and unbundled loops referenced in the recurring unbundled element studies given AT&T on April 26, 1996.

*Admitted
Vendor-specific
studies. Let
them 10 day*

Status: BellSouth maintains that it has completed such studies only for Florida. Reg Starks informed Wayne Ellison on June 12 that BellSouth would provide the requested study 10 days or less after receipt of the names of reviewing AT&T employees.

Request No. 2: Provide the unbundled element studies submitted to the Florida Public Service Commission in response to Order No. PSC-96-0444-FOF-TP.

Status: Reg Starks informed Wayne Ellison on June 12 that the requested studies would be provided to AT&T 10 days or less after receipt of the names of reviewing AT&T employees.

Request No. 3: Provide the Louisiana unbundled element cost studies required by the Louisiana local competition rules at the time they are completed.

Status: BellSouth agrees to provide such studies to AT&T upon completion.

Request No. 4: Provide copies of BellSouth's cost studies for the Company's special access and private line services.

*we
will review
to see if we can
limit this req.*

Status: Reg Starks has asked that AT&T be more specific about required individual cost elements. Wayne Ellison has agreed to review BellSouth's offerings to determine if a more restrictive request is appropriate.

Request No. 5: Provide studies identifying BellSouth's costs of providing loops and transport services over SONET rings.

Status: Reg Starks has asked that AT&T be more specific about required individual cost elements. This request does not appear to need further definition. However, Wayne Ellison has agreed to review BellSouth's current service offerings to determine if the request can be stated in terms of individual retail or wholesale offerings.

Request No. 6: Provide BellSouth's cost studies for direct-in-dialing services.

Status: These studies were provided Wednesday PM, June 11, 1996.

Request No. 7: Provide studies identifying BellSouth's costs of providing vertical features.

Status: These studies were provided Wednesday PM, June 11, 1996.

Request No. 8: Provide studies of BellSouth's costs of providing data switching services, including circuit switched data services, ISDN services, frame relay, and ATM.

Status: As of this A.M. Reginald Starks has agreed to provide the frame relay studies 10 days or less after receipt of the names of reviewing AT&T employees. Mr. Starks has stated that BellSouth has not yet determined if the Company will provide the requested ATM studies. With regard to other data switching services, Mr. Stark has requested that AT&T identify specific BellSouth service offerings, and AT&T has agreed to do so.

St. needs to provide a list of names of persons to see frame relay study.

June 12, 1996 Core Team Meeting

BellSouth Transfer of Contract Charges
(OUTPLOC)

State	Residence	Business
AL	\$8	\$23
FL	10	19
KY	15	20
LA	17	26
TN	20	24
GA	5.50 12	8.50 without final bill 15.75 with final bill
NC	5.25 27.50	8.75 without final bill 41.25 with final bill

A recent "Resale" cost study indicates
the actual cost to be about \$30.

Note: This is confirmation of information provided verbally June 7, 1996.

330412

Attachment 6

FAX

Date 6/12/96

Number of pages including cover sheet 1

TO: Mason Fawsi
Phone 404 810-8574
Fax Phone 404 810-8477
TO:
Phone
Fax Phone
TO:
Phone
Fax Phone

FROM: Suzie Lavett
BellSouth
Telecommunications
Phone 404 529-7496, or
205 977-0104
Fax Phone 404 420-0031, or
205 977-0164

CC:

REMARKS: ☒ Urgent ☐ For your review ☐ Reply ASAP ☐ Please Comment

Mason,

This is in response to your voice mail.

N11 Projected Revenue by State:

AL	\$ 31K
FL	\$ 562K
GA	\$ 468K
LA	\$ 79K
TN	\$ 19K

The LifeLine/Link-up state figures should be available later today.

300494

June 12, 1996 Core Team Meeting
BellSouth Linkup and Lifeline Services

	LINKUP	LIFELINE
	1995 Average Subscribers Per Mo.	1995 Average Subscribers Per Mo.
AL	14	1,351
FL	9	103,007
GA	1,675	78,946
KY	938	-
LA	262	-
NC	9	8,664
TN	8	12,917
TOTAL	2,916	204,885

300495

JUN 11 '96 09:11 AT&T FAX 9020FX
 POST-IT - Grand fax u...initial... 70... pages > 4

To: Mason Farzi	From: A. Mule
Co.	Co.
Dept.	Phone #
Fax #	Fax #

Attachment P.1



William J. (Jim) Carroll
 Vice President

Room 4170
 1200 Peachtree St., NE
 Atlanta, GA 30309
 404 810-7262

May 21, 1996

Via Facsimile and Hand Delivery

Mr. Scott Schaefer
 Acting Vice President
 InterConnection Services
 BellSouth
 675 W. Peachtree Street
 Atlanta, GA 30375

Dear Scott:

This letter requests that BellSouth provide AT&T with detailed information which will allow AT&T to determine with certainty:

1. any services which BellSouth proposes to restrict from resale and which are not described in the Louisiana tariff.
2. the scope of services excluded from resale as identified by the Louisiana tariff and BellSouth in response to 1 above.

AT&T again requests that BellSouth provide a comprehensive list of services excluded from resale on a state by state basis. Because BellSouth has repeatedly changed its position on which services are excluded from resale, it is becoming increasingly difficult for AT&T to proceed with any resale business plans. Following are a few examples of BellSouth's actions which prevent AT&T from gaining a clear understanding of the services BellSouth intends to make available for resale.

1. During the 3/12 executive meeting C. Coe indicated that all services would be made available for resale, with the exception of Contract Service Arrangements. However, during subsequent Core Team meetings, BellSouth informed AT&T that the list of excluded services had grown to include, among others, Grandfathered Services, Contract Service Arrangements, Special Assemblies, Promotional rates, etc.
2. During the 3/28 Core Team Meeting, AT&T requested itemized state specific lists of services available for resale, along with proposed wholesale prices. BellSouth responded with a letter stating that the wholesale discounts for business and consumer services in Georgia would be 9% and 11% respectively. When AT&T asked if this response implied that all services were, in fact, available for resale, BellSouth responded that they were not without further explanation.
3. Subsequently, AT&T requested, and BellSouth agreed, to provide an explicit list of services excluded from resale. However, BellSouth failed to produce such a list and, instead, referred AT&T to BellSouth's "Louisiana Tariff".

330496

4. In a 4/18 memo to Preston Foster, BellSouth informed AT&T that both Contract Service Arrangements and Spécial Assemblies would not be available for resale. However, when we reviewed the Louisiana Tariff, which BellSouth stated would be representative of services available for resale within the region, there was no mention of the exclusion of Special Assemblies.
5. A significant part of our Executive meetings on May 7, 1996 and May 14, 1996 was devoted to the subject of which services are available for resale. I think you would agree that we left that meeting with the understanding that much more clarity needs to be provided by BellSouth in order to develop win-win solutions.

In addition to the foregoing, our review of the Louisiana Tariff reflects that there are enough unique Louisiana state-specific service offerings so as to create uncertainty as to what is actually available for resale in other states. (i.e.: Louisiana Education Discount Program)

As you know, Section 251(c)(4)(A) of the Act requires local exchange carriers "to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers." Section 251(c)(4)(B) flatly prohibits local exchange carriers from imposing "unreasonable or discriminatory conditions or limitations" upon "the resale of such telecommunications services." In enacting these provisions, Congress clearly recognized that commercially viable resale opportunities are vital to the development of competition in the local exchange.

Resale opportunities are critically important to AT&T, both as a means quickly to bring at least some of the benefits of competition to consumers and as a springboard to facilities-based entry. Resellers utilize many of their own inputs, including customer service and end-user billing and marketing, to meet customer demand, and these inputs may be provided more efficiently by resellers than local exchange carriers. More fundamentally, resale enables competitors such as AT&T to establish a presence in the market and begin to win customers.

Scott, to better understand the scope of any restrictions or limitations on resale proposed by BellSouth, please provide listings of all services available (and excluded) from resale for the states in which negotiations have commenced. These lists will assist us in identifying any unique state-specific services which may not exist in Louisiana, and would, therefore, not be addressed in the Louisiana tariff. Given the events to date, nothing short of a comprehensive detailed list will provide the clarity required for us to proceed with our resale business plans. Such clarity is required if we are to achieve our goal of substantially completing Total Services Resale negotiations by 6/1.

Additionally, as requested on May 7, 1996 and again on May 14, 1996, AT&T requires assistance in quantifying the scope of the services which BellSouth identifies in the Louisiana tariff as being excluded from the Total Services Resale market. Because we have not yet received data which quantifies the market segments being excluded from resale, we are providing a detailed list of items requested. This information will enable us to understand potential solutions, to ensure a level playing field in the market, and to ensure that customers may exercise their choice of local provider without the restrictions created in the monopoly market.

300407

For the items excluded from resale by each state, we would like for you to provide:

Grandfathered/Obsoleted Services *

YES,
REV. 000

List of services, date obsolete, and replacement service, if any

Current revenue for each service

Number of customers for each service

NO

NO

Link-up/Lifeline

Amount of revenue

Number of customers

Number of lines

Sources and amounts of funding for program

OK

PROVIDED 6/5 IN AGGREGATE, STATE

DETAIL 6/12

OK

N11, 911, E911

Amount of revenue by service

Number of customers by service

Number of lines by service

Amount/% of discount off list retail by service

OK -
PROVIDED 6/5 IN
AGGREGATE, 6/12
DETAIL

- In addition to providing quantification of Grandfathered/Obsoleted services data for all BellSouth states, as requested on May 14, 1996, we are seeking verification that the Georgia data we provided you on May 14, 1996 is accurate.

NO

Contract Service Arrangements

Services included (i.e.: ESSX, 800, etc.) and % revenue share of all CSAs

Number of CSA contracts

Amount of CSA revenue

Number of CSA customers

Amount/% of discount off list retail

NO

Special Billing Arrangements (SBA)

Services included (i.e.: ESSX, 800, etc.) and % revenue share of all SBAs

Number of SBAs

Amount of SBA revenue

Number of SBA customers

Amount/% of discount off list retail

NO

Educational Discount Program

Amount of revenue

Number of customers

Amount/% of discount off list retail

NO

390498

Promotional Rates

Examples of promotion types; services included

Number per year; term

Amount/% revenue off list retail

No info provided

Installment Billing

Number customers utilizing this feature in 1994 and 1995, by year

Amount of "deferred" installment billing in 1994 and 1995, by year

No info

Centrex

Although Centrex is not explicitly excluded from resale, certain restrictions/prohibitions do exist in some retail tariffs which limit or prevent resale by resellers. Please clarify whether such restrictions and prohibitions will continue, or whether resellers will be provided unrestricted access to non-Grandfathered Centrex services. If these restrictions will continue, provide a description of the limited/restricted Centrex services, the amount of "restricted" (non-Grandfathered) Centrex revenue, and the number of customers.

No info

Please also provide this information on any other services which may not be explicitly excluded from resale but which have restrictions which prevent resale by resellers.

No info

For the items for which BellSouth proposes no discount (Non-recurring charges, Pass Through Charges, and Taxes), it is our understanding that these are not stand alone offerings and are instead associated with particular services. In some cases, AT&T believes that discussions regarding avoided cost are appropriate while other items require further clarification. These discussions/clarifications should occur during the Cost/Price Team meetings.

Thank you for your assistance.

Regards,



William J. Carroll

330470



Preston G. Foster
District Manager
Strategic Planning - Market Entry

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMail:pfooster

June 13, 1996

Via Facsimile and U.S. Mail

To: Suzie Lavett

From: Preston Foster
Lead Negotiator AT&T

RE: Correction to June 12, 1996 P. Foster letter

As we discussed during the Core Team Meeting yesterday, in order to make progress in our negotiations AT&T believes it is critical that BellSouth respond to AT&T's request for data which quantifies the scope of services excluded from resale. Although the need for such data was discussed several times at the executive levels, Jim Carroll first formally requested this data in a letter dated May 21, 1996. My letter dated June 12, 1996 erroneously stated that Jim Carroll's data request letter was dated May 30, 1996.

I hope that this eliminates my confusion.

A handwritten signature in cursive script that reads "Preston".

cc: S. Scheafer

300500

6/12
Core Team

AT&T

Preston G. Foster
District Manager
Strategic Planning - Market Entry

June 14, 1996

Room 10140
1200 Peachtree St.
Atlanta, GA 30309
404 810-8548
FAX: 404 810-8477
ATTMailpfoster

Dear Suzie:

Attached, as information and for action, are the action items from our June 12, 1996 joint Core Team Meeting. Feel free to call me on 404-810-8548 if you have questions.

Sincerely,



Preston G. Foster
Lead Negotiator
AT&T

300501

ACTION ITEMS FROM
JOINT AT&T/BELLSOUTH CORE TEAM MEETING
June 12, 1996

1. BST agreed to attach all documents labeled "Pre-Ordering" and attach them to the matrix.
2. BST and AT&T agreed to meet on 6/24 to map the Operations/Cost requirements to identify any gaps in the respective positions.
3. Regarding Electronic Interface, AT&T agreed to provide a list of questions on how efficiencies should be defined. List to be provided by the next Core Team meeting (6/19).
4. AT&T and BST agreed to determine:
 - a) on a conceptual basis, options on how to recover costs depicted in Column 5 of the Operations/Cost Matrix,
 - b) identify a process and timeline to determine actual costs,
 - c) if and when we can put a process and timeline in place to identify efficiencies.
5. Regarding the list of verbal data requests submitted to Frank Kolb:
 - a) Request #1: BST will provide a redacted study within 10 days or less after receipt of the names of AT&T employees who will see the data.
 - b) Request #2: BST to provide the studies within 10 days or less after receipt of the names of AT&T employees.
 - c) Request #3: BST will provide studies upon completion.
 - d) Request #4: AT&T will review request to determine if a more restrictive request is appropriate.
 - e) Request #5: AT&T will review BST's current service offerings to determine if the request can be stated in terms of individual retail or wholesale offerings.
 - f) Request #8: AT&T will provide a list of names of persons to see the frame relay study.
6. BST will advise by Friday or Monday whether they can provide their PLOC Cost Study.
7. BST will advise by Friday when SMEs can meet to discuss Centrex and Multi-Serve issues.
8. BST agreed to provide AT&T with cost studies for MS and SC.

330502

9. Regarding services available for resale, BST agreed to clarify terms under which KY data would be provided by 6/13. AT&T may have to provide a list of names.

10. BST agreed to stress to their Executive Team the importance AT&T attaches to the data requests in Jim Carroll's letter of 5/21 to Scott Schaefer.

11. BST will set up meeting by Friday to discuss Mason's letter to Suzie.

330508

JOINT AT&T/BELLSOUTH CORE TEAM MEETING

June 19, 1996

On Wednesday, June 19, 1996, the Joint AT&T/BellSouth Core Team met at 675 W. Peachtree Street with the following in attendance:

Randy Jenkins
Suzie Lavett
Neil Brown
Preston Foster
Sylvia Anderson

Greg Follensbee
Mary Jo Peed
Pam Nelson
Jerry Hendrix
Andre' Mule'

1. Preston reviewed the agenda (attachment 1) and asked if there were any additions. There were none.
2. EDI Update
 - a) Suzie distributed copies of the EDI project timeline (attachment 2)
 - b) She explained that we were on target and moving forward. There were no jeopardies.
 - c) Pam added that there was still a work item on USOC vs. English language. This was not a jeopardy. The SME team will discuss this week.
 - d) Preston: Will we know by 6/24 where we will be on pre-ordering?
 1. Suzie: I think so. We'll have the definition by 6/24.
 - e) Suzie: We're still on target and will be in full production by 4Q96.
 - f) Regarding pre-ordering:
 1. Suzie distributed a chart on Pre-Ordering Interfaces for Resellers (attachment 3). She explained that the dark line is the system proposed by BST.
- *
 2. Pam: I'm interested in what the EDI gateway will look like.
 - a) Suzie will check with SMEs and provide information
 3. Suzie: The design phase takes two months and starts next week.
 4. Neil: Are you going to lay out what's required by the Act and what is being done only for AT&T?
 - a) Mary Jo: This isn't required by the Act.
 - b) Suzie: I think we've been fairly clear about this all along.
 5. Neil: Yesterday, Jerry said he wasn't in a position to discuss costs, but at some point we'll need to know the costs.
 6. At this point, Preston distributed the Operations/Cost Issues matrix (attachment 4). He said that perhaps this will clarify what Neil is getting

300504

at. He asked if it was BST's position that everything on the page is not required by the Act.

a) Mary Jo: Yes. I had asked that this chart be changed.

b) Sylvia: We should have an asterisk on Column 2 indicating that this is AT&T's interpretation of the Act. Some columns should be split up.

c) Suzie: The last column needs to be clarified.

7. Neil: I need to find a way to gain an understanding of the costs involved.

8. Greg: I understand BST is saying you have to provide certain functions. We've asked you to do things sooner than you think they should be done, based on your market projections. Time Warner and MCI may resell and be players, but AT&T has special needs simply because we're AT&T.

a) Mary Jo: We don't need to do this now to meet the Act.

b) Greg: You don't mean the Act will never require you to provide these things?

c) Mary Jo: Oh, no. Just not now.

3. EDI cost recovery methodology

a) Preston: I hope we can negotiate a cost recovery methodology to propose to the executives for a solution.

b) Jerry distributed notes from the June 18 cost recovery meeting (attachment 5)

c) Neil: The handout reflects what we discussed yesterday with Jerry. The bottom line is we'd want to own it if we paid for it.

d) Jerry: Where we go from here is there are other things to be identified.

e) Neil: We need an understanding of what we're getting for \$7 million. Also, we need to identify efficiencies for BST.

f) Greg: Is the pre-ordering interface to be used for ordering UNE as well?

1. Suzie: It can be used for UNE ports. There is some potential use for loops, but it's probably not appropriate.

g) Greg: Will EDI be transportable to UNE?

1. Suzie: Yes.

h) Preston: We're trying to compartmentalize the issue:

1. What is the cost recovery system?

2. What are the efficiency benefits for BST?

3. Whether the costs are AT&T-specific or Industry-applicable

4. Is it realistic to negotiate cost recovery without having

agreed on the other two items? (2 and 3 above)

5. Neil: I think you can.

6. Greg: Were the costs developed to meet AT&T's volumes or an overlay of industry volumes?
7. Suzie: We tried to use an overlay of industry volumes. The bulk of the costs are development costs. They're only partly sensitive to volume.
- l) Greg: On another subject, OUTPLOC, was that only for switch-as-is?
- a) Suzie: Any end user under any circumstances would pay this.
- j) Greg: Did Jerry and Neil think about an option other than putting the costs on the local termination rate?
- k) Preston: Let's focus on recovery of one-time costs.
1. Suzie: Our problem is we don't see the need for total real-time access.
2. Greg: But the Georgia order requires real-time access.
- a) Suzie: Do you want real-time access to everything? Our service representatives don't have real time access to everything.
- b) Greg: We want access to everything you have access to.
- c) Suzie: OK.
3. Neil: Phase 2 is 100% parity. Whatever you got, we got.
4. Suzie: But is it in the same manner?
5. Preston: I agree. But for the purposes of this conversation, we can table Phase 2 and concentrate on EDI.
- a) Mary Jo: Only if we agree on EDI.
- b) Pam: I'm OK with saying Phase 1 is EDI that we're working on today, with certain caveats that we all know about, plus the next stages of ordering that are still on the table, such as getting jeopardies back.
- c) Suzie: I think we still need a clear definition.
6. Sylvia: Does BST believe that Phase 1 is followed by Phase 2?
- a) Suzie: No. We believe we need to offer to you the same degree of service as we offer to our end users.
7. Sylvia: Then, if our customers don't end up similarly situated, then you've got more work to do.
- a) Mary Jo: We may, and that's as close as I'll get to a yes.
8. Mary Jo: we don't want to build a "golden lamb" when a lead one will do.
9. Preston: We're trying to define parity. Suzie, what is your definition of parity?
- a) Suzie: We'll provide AT&T with the same tools as we provide to our end users to be a reseller in the market.
- b) Preston: Did you say anything about our customers having the same experience as yours?
- c) Suzie: No.

d) Greg: So, if you give your customers service in 10 minutes, you'll give AT&T the tools to provide our customers service in 10 minutes?

e) Suzie: Yes.

10. Mary Jo: It looks like we won't agree on parity today.

11. Sylvia: Maybe we need a break out group on parity.

* a) Preston: Let's take as an action item that BST and AT&T will write down and exchange our definitions of parity.

12. Preston: I still think we can negotiate our one-time costs without having parity defined. Let's work off the big ticket items: preordering, ordering, maintenance-electronic bonding

a) Suzie: Not electronic bonding

b) Preston: OK, just maintenance.

13. Preston: Do we agree that electronic interface may be required by the industry at some point in time?

a) Mary Jo: Yes.

14. Neil: If other resellers use the systems, we need to find a way for them to pay.

a) Sylvia: Also, if BST benefits from this, shouldn't they contribute?

b) Mary Jo: Yes.

15. Preston, moving to the easel: OK. We've got three options:

a) Assess AT&T early in the timeframe and then true up at a date certain,

b) Determine the time value of money (TVM) return on capital from AT&T to BST on a date certain.

c) AT&T pays for and owns the system on a date certain, then leases it to other ALECs.

16. Preston: Are there any options that are better to both sides?

a) Jerry: Why don't we prioritize them, because unknown is what are the actual costs. I'd number them just as you've listed them.

b) Suzie: I like number two (b) because it's cleaner.

c) Neil: I like number two for the same reason.

17. Preston: A fourth option is that AT&T pays on a date certain, then BST flows through revenue to AT&T from the other ALECs.

18. The group agreed on the priorities for the options:

a) Determine the TVM return on capital from AT&T to BST on a date certain.

b) Assess AT&T early in the timeframe and then true up on a date certain.

c) AT&T pays, on date certain, BST flows through revenues to AT&T, from other ALECs

d) AT&T pays and owns the system on a date certain, then licenses to BST and other ALECs.

19. Greg: We should work on costs.
20. Preston: Now we need to define, agree, or agree to disagree, on:
- a) Costs:
 - * 1) Total cost (Suzie agreed to provide cost details and design concepts by 2:00 pm on 6/25)
 - 2) BST efficiencies
 - 3) Net cost
 - b) Parity (Sylvia and Mary Jo will define by noon on 6/25)
 - c) Operational specifics (Suzie will have available by 6/24)

4. Neil: We're trying to work on a counter-proposal to your proposal we got on Friday afternoon. Wayne Ellison needs some additional data (attachment 6)

- * a) Mary Jo will give list to Reg Stark and they will verify with Wayne that the list is not duplicative.

5. Services available for resale

a) Greg: Last week Mason sent a letter to you expressing AT&T's concern about some recent tariff filings that enhance your ESSX service.

b) Suzie: I gave Preston a response to that. The explanation is that the rollout of MultiServ was not as successful as we anticipated. We ended up with a product that required an effort on customers' part to change to MultiServ. Also, the sales force didn't want to fool with it. Marketing has a new program that will go into effect on 6/30 to move people over to MultiServ. There will be incentives in it for the sales force. Enhancements to ESSX are a stop-gap to meet some customer needs while we formulate the plan to move them to MultiServ. An example is that customers needed more lines, so that was an enhancement. We had made it too complex for customers to migrate to the new system.

c) Greg: What if customers don't migrate? They may be happy with enhanced ESSX.

1. Suzie: We will not be continuing to enhance ESSX. Product Management feels we can migrate customers over with this new plan.

d) Greg: Will you be filing ESSX enhancements in other states?

* 1. Suzie: I'll check.

e) Sylvia: What about CSAs? Does the letter address that?

1. Suzie: CSAs are competitive responses. There is no change from our previous position.

2. Greg: When you price below tariff, what do you forego?

a) Mary Jo: Contribution.

6. AT&T Proposals

300503

a) Preston: We received your proposal on Friday. Scott's cover letter doesn't say anything about Terms and Volume. We thought you were interested in that.

b) Suzie: I don't recall saying we were.

c) Preston: I can quote you chapter and verse.

d) Mary Jo: Please do.

e) Preston: Quinton asked about Terms and Volume when we announced to you our last proposal. We thought you were interested.

f) Mary Jo: You never got that signal from us.

1. Greg: Maybe you two didn't, but I thought Scheye had. Schaefer mentioned it to Jim. Quinton mentioned it in a Core Team meeting. Is BST interested in this, or should we not bother?

2. Suzie: All I can say is that we didn't ask for it.

g) Greg: Is the offer you made on Friday in return for the offer we made to you, or is it a new offer?

1. Suzie: In return.

h) Mary Jo: Perhaps Jim should talk to Scott about this.

i) Preston: AT&T plans to make another offer early next week. It addresses TSR, UNE and Interconnection. We'd like to deliver it as soon as it's ready. Who'd be the right body to visit with for that?

1. Mary Jo: You're the ones who write to everyone.

2. Preston: Where is it more effective to deliver it?

3. Suzie: Probably to me.

7. Suzie: I have one final request before we wrap up. On matrix type forms, would you note if it's an AT&T form, or a joint BST/AT&T form? We agreed.

8. Greg: One last question. Who's Jerry Wilson? Is he a spokesman for BST? He indicated he thought it appropriate in the negotiations to have the parties review LEC to LEC agreements.

a) Suzie and Mary Jo said they didn't know who he was, but he didn't speak for them.

BellSouth/AT&T Core Team Negotiations

June 19, 1996

Agenda

1. Agenda Review
2. EDI Update
3. EDI Cost Recovery Methodology
4. Services Available for Resale
5. AT&T Proposals
6. Recap

EDI PROJECT TIMELINE MILESTONES

File: edi_tmrv5.doc

6/18/96

<u>MILESTONE</u>	<u>START</u>	<u>END</u>	<u>RESP</u>
1.0 PHASE 1 SERVICES			
TOTAL SERVICES RESALE - 1FR, 1FB, PBX INCLUDING EDI TRANSACTIONS 850, 855, 860, 864(?), 865, AND 997			
TASKS			
1.1 Define EDI process flow from existing (BellSouth Ordering Guidelines) fax process (compare BST LSR and OBF)	5/17/96	5/21/96	Craig
1.1.a document gaps, mismatches (where EDI can't be mapped)	CLOSED	5/21/96	
1.2. AT&T review existing process	5/17/96	5/21/96	E. Frohse
1.2.a. document changes	CLOSED	5/21/96	
1.3 Define services to be included	5/17/96	5/21/96	Bradbury
	CLOSED	5/23/96	
1.3.a. Define services for Phase 1 for all nine states	5/23/96	6/3/96	Bradbury
	CLOSED	6/3/96	
1.4 Include all service order request types	5/17/96	5/21/96	Craig
	CLOSED	5/21/96	
1.5 Exchange data	5/22/96	5/22/96	Team
	CLOSED	5/23/96	
1.5.a Joint conference call to discuss gaps - 8:30 - 11:30 CDT	5/23/96	5/23/96	Higdon/ Bradbury
	CLOSED	5/23/96	
1.6 Conference call regarding transaction set 850 issues.	5/20/96	5/20/96	Wallace/ Britton
	CLOSED	5/20/96	
1.6.a Prepare Crs(change requests)	5/21/96	5/28/96	Wallace/ Britton
	CLOSED	5/28/96	
1.6.b Review, finalize and submit Crs	5/29/96	5/29/96	Wallace/ Britton
	CLOSED	5/29/96	
1.6.1 Crs to be submitted if required on DRC	5/23/96	5/29/96	Bradbury
Note: AT&T not complete; design layout records issue - NOT a part of Phase 1	CHANGED	7/8/96	
1.6.2 Crs to be submitted if required on TER, Freeze, Jack Status (demarc), and Pulse	5/23/96	5/29/96	Wallace
	CLOSED	5/29/96	

300511

EDI PROJECT TIMELINE MILESTONES

File: edi_tmv5.doc

6/18/96

<u>MILESTONE</u>	<u>START</u>	<u>END</u>	<u>RESP</u>
2.0 DEFINE LANGUAGE USOC VS ENGLISH			
TASKS			
2.1 Decision to be made regarding the language to be used for receiving requests from AT&T.	5/15/96	5/24/96	Wilcox/Britton
2.1.a. BST provided position to AT&T		5/24/96	
2.1.b. AT&T provided proposal		6/3/96	
Note: Both Companies agree that EDI can accept proposal. However, internal changes will be needed for both.			
2.1.c. BST will determine impact from AT&T proposal.		6/17/96	Wilcox/Wilson
	CLOSED	6/17/96	Higdon
> 2.1.d. AT&T to provide matrix for services in Phase 1		6/25/96	Bradbury
3.0 FINALIZE THE DATA REQUIREMENTS AND LOGICAL MAPPING FOR PHASE 1			
TASKS			
3.1 Define/document BST service order data elements	5/17/96	5/28/96	Craig
	CLOSED	5/28/96	
3.2 Define/document AT&T reverse feed requirements	5/17/96	5/28/96	Britton
Note: Still in progress	CHANGED	6/7/96	
	CLOSED	6/7/96	
3.3 AT&T to send revised document (includes all agreed upon EDI transactions)		5/29/96	Beechwood
	CLOSED	5/29/96	
3.3.a Complete document to review		5/31/96	EDI TEAM
	CHANGED	6/7/96	
850 Transaction completed	CLOSED	6/7/96	
3.3.b Both Companies working to finalize document	6/5/96	6/7/96	EDI TEAM
3.3.b.1 850 gaps identified		6/7/96	EDI TEAM
	CLOSED	6/7/96	

EDI PROJECT TIMELINE MILESTONES

File: edi_tm5.doc

6/18/96

<u>MILESTONE</u>	<u>START</u>	<u>END</u>	<u>RESP</u>
3.3.b.1.a Multi line open mapping		6/25/96	Bradbury/Craig Taylor
3.3.b.1.b EU form - inside wire		6/20/96	BDSI
3.3.b.1.c RMKS -global or line level		6/25/96	Bradbury
3.3.b.1.d Directory listings		6/25/96	Bradbury
3.3.b.2 Complete mapping 855, 860, 865 modeling/mapping		6/24/96	EDI TEAM
3.3.c AT&T and BDSI submit clean copy of 850 document		6/21/96	AT&T/BDSI
	CLOSED	6/17/96	
3.3.d Review EDI 850 mapping document	6/5/96	6/26/96	EDI TEAM
	CLOSED	6/17/96	
3.3.e Review 850 SIG document		6/24/96	EDI TEAM
3.3.f AT&T/BDSI to submit clean copy of 855, 860, and 865 document and review SIG document		7/5/96	AT&T/BDSI
3.3.g Review EDI 855,860 & 865 mapping document.		7/12/96	EDI TEAM
3.4 Joint data modeling/logical mapping EDI SME to EDI SME-B'ham 850 transaction completed	6/3/96 CLOSED	6/7/96 6/7/96	BST & AT&T
3.4.a BST to est logistics for meeting	5/17/96 CLOSED	5/17/96 5/17/96	Wallace
3.5 Develop test plan for 850	6/3/96 CHANGED	6/7/96 6/24/96	BST/AT&T EDI team/Craig
3.6 Sign-off on 850 technical specifications (this date establishes change control)	6/7/96 CHANGED	6/7/96 6/24/96	EDI teams & Higdon/Bradbury
3.7 Develop test plan for 855,860,865		7/12/96	BST/AT&T EDI team/Craig
3.8 Sign-off on 855,860,865 technical specifications (this date establishes change control)		7/12/96	EDI teams & Higdon/Bradbury
4.0 PHYSICAL MAPPING TASKS			

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EDI PROJECT TIMELINE MILESTONES

File: edi_tm5.doc

6/18/96

<u>MILESTONE</u>	<u>START</u>	<u>END</u>	<u>RESP</u>
4.1 EDI coding into translation software (formatting, conversion, input/output files) BST & AT&T	6/10/96	6/28/96	EDI Team
4.2 EDI internal testing (BST & AT&T)	6/10/96	6/28/96	EDI Team

Note: The above functions are taking place in each company, but not jointly.

AT&T has two dependencies associated with this milestone before AT&T can establish dates.

1. Resource allocation
2. Hardware in-place

5.0 CODING FROM EDI TRANSLATOR TO INTERNAL OSSs

TASKS

5.1 Begin coding (includes internal testing)	7/1/96	8/12/96	BST-IT/AT&T
---	--------	---------	-------------

6.0 PHYSICAL COMMUNICATIONS

TASKS

6.1 AT&T determine direct connect options for event driven.	5/17/96	5/24/96	Britton
---	---------	---------	---------

Note: Still in progress

CHANGED 6/7/96
CHANGED 6/21/96

Jay waiting to discuss with Ray on location where to connect

CHANGED 6/17/96
CHANGED 6/21/96

Bradbury

6.2 Order additional circuits by 6/14 (if approp)

6.3 Back-up link

Britton/Coe
Britton

Note: Joint testing will be impacted if 6.0 delayed.

7.0 JOINT TESTING

TASKS

7.1 Connectivity testing (Dependency on Milestone 6 new circuits not needed)	7/01/96	7/03/96	
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EDI PROJECT TIMELINE MILESTONES

File: edi_tm5.doc

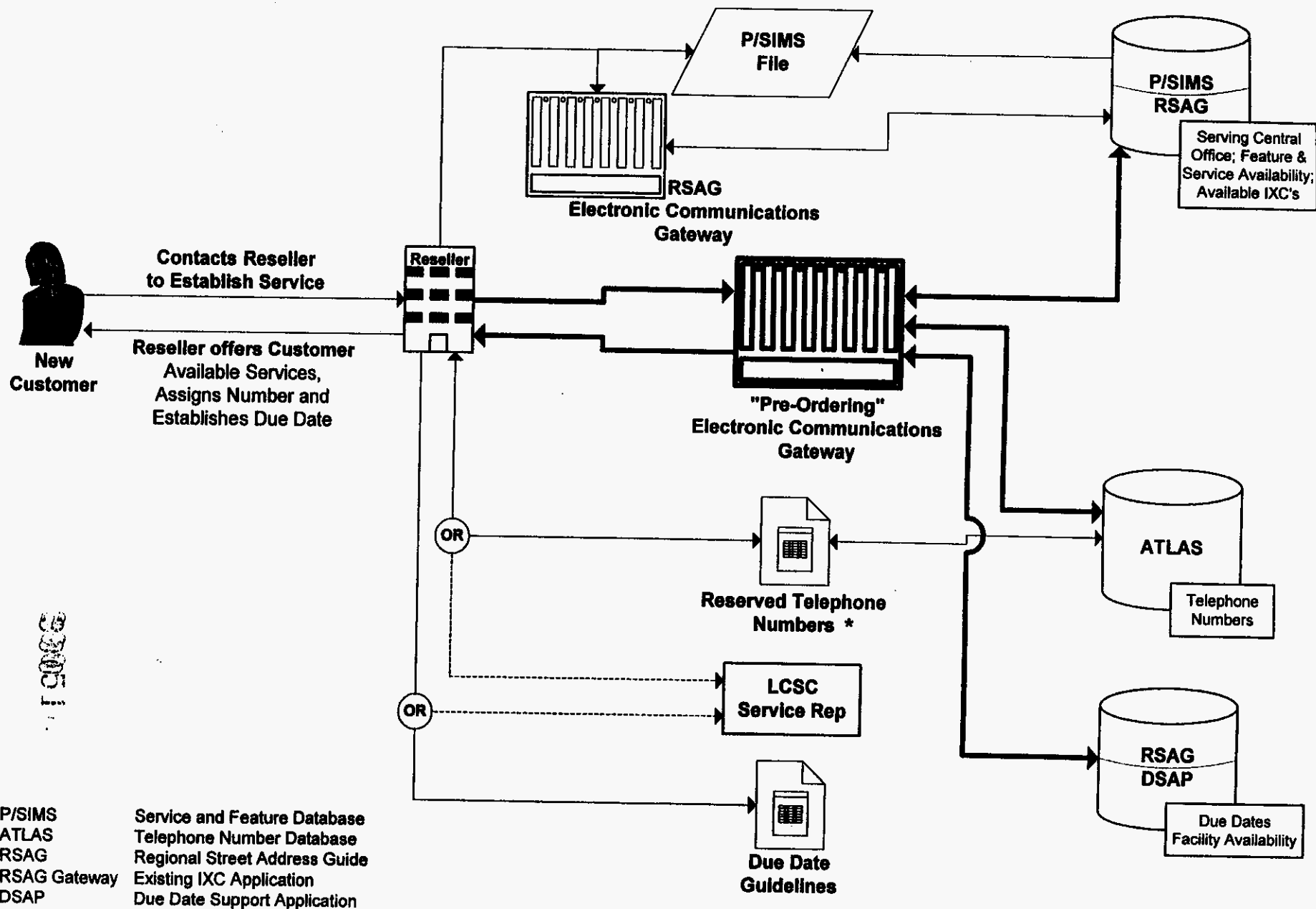
6/18/96

<u>MILESTONE</u>	<u>START</u>	<u>END</u>	<u>RESP</u>
7.2 Develop test cases	7/08/96	7/12/96	
7.3 Syntax testing (i.e., testing the standards)	7/15/96	7/19/96	
7.4 End to End testing	8/13/96	8/27/96	
7.5 Sign-off on user acceptance testing	8/28/96	8/28/96	
NOTE: Begin production trial AT&T site to be determined	9/03/96		
8.0 PRODUCTION TASKS			
8.1 Trial site (one site)	9/03/96	9/30/96	
8.2 Ramp up (remaining sites) or additional volume	10/01/96	10/31/96	
8.3 Full Entry	11/01/96	On-going	
9.0 PLANNING MEETING FOR PHASE 2 END OF YEAR DELIVERY			
TASKS			
9.1 Meeting scheduled	7/8/96	7/9/96	
9.1.a Logistics scheduled by BST	5/17/96	5/17/96	Wallace
	CLOSED	5/17/96	
9.2 Services targeted for 12/96	7/8/96	12/31/96	
* Multi-Serv			
*Private Line			
*AIN			
*ISDN			
9.3 Processes to be completed by 10/96	7/8/96	10/31/96	
*JIA			
*Recovery			
*Error Resolution			
*Change Control			

NOTE: Weekly status calls will be scheduled for length of project. Beginning 6/3/96 and every Monday through June and July. Bridge # 205 970-3741 acc 3598. 3:00 cst. Same Bridge June & July.

330515

Pre-Ordering Interface for Resellers



* Interim file option under development, ECD 9/96

Attachment 3

June 19, 1996

BellSouth/AT&T Negotiations -- Operations/Cost Issues

Purpose: In regard to our Local Market Entry plans, AT&T seeks the timely development and deployment of electronic interface systems that are at parity with those of BellSouth. We are attempting to negotiate the costs, efficiency savings, and cost recovery methods for these systems. The following is provided by AT&T as basis for understanding the efficiency benefits to BellSouth which will help determine the net costs of the provision of electronic interface systems by BellSouth to the ALEC industry and to AT&T.

AT&T questions BellSouth's position that it will not achieve any efficiency benefits from the creation of the systems developed for an interface between the two companies. AT&T has already identified several potential efficiencies for BellSouth. For example, each time a reseller has direct access to BellSouth systems, (i.e., ATLAS, RSAG, DSAP, TAFI) BellSouth gains efficiencies on each order by avoiding time to speak with the reseller to take the order, assign due dates, check status and to input into systems etc. AT&T views such productivity/efficiency gains as benefits which overtime, partially offset electronic interface development costs.

In order to identify more specific efficiencies AT&T would like a better understanding of the following:

- A more complete description of the actual technical and operational parameters of each system
- More detail surrounding the development of the cost estimates so that we can further understand each aspect of the total cost estimate figures
- Whether or not any of the changes in systems or addition of systems for AT&T will simultaneously improve the efficiencies of serving BellSouth's customers
- Why BellSouth indicates that initially only AT&T will benefit from the new systems? If only AT&T will be utilizing and paying for the systems perhaps AT&T should license the systems?

Once the above items are investigated further AT&T will be in a better position to identify specific benefits that could be achieved by BellSouth as a result of the development of new systems for resellers.

BellSouth/AT&T Negotiations -- Operations/Cost Issues

Issue	Required by Telecom Act (Cite Reference)	BST Specific Proposed Solution	Industry Application or AT&T Specific	One-Time Cost Estimate	Annual Recurring Cost Estimate	BST Efficiency Benefits
(TSR) Pre-Ordering Interface	251(c)(4)(b)	Access to systems used by BST personnel to identify feature availability due dates, etc.	Initially AT&T then industry	\$7M	---	If reseller has direct access to ATLAS & RSAG, BST gains efficiencies on each order by avoiding time to speak with reseller to take order and to input into systems.
(TSR) Ordering (Phase I)	251(c)(4)(b)	Order delivery	Initially AT&T then industry	\$200K	----	If reseller has direct access to DSAP, BST gains efficiencies by avoiding time on phone w/ reseller to assign due dates & check status
(TSR) Ordering (Phase II)	251(c)(4)(b)	N/A	TBD	N/A	TBD	TBD
(TSR) OutPLOC	251(c)(4)(b)	Mechanized list of AT&T end users who change LSP	Initially AT&T	\$30K	Transaction costs not done yet	TBD
(TSR) Direct Routing	251(c)(4)(b)	N/A	TBD	N/A	----	TBD
CRIS Billing Daily Usage	251(c)(4)(b)	Mechanized daily unrated usage	Initially AT&T then industry	\$125K *	\$.005/msg	TBD
(TSR) Maint. Elec. Bonding	251(c)(4)(b)	Access to BST "TAFI"	Initially AT&T then industry	\$3M	----	If reseller has direct access to TAFI, BS gains efficiencies by avoiding expenditure of time speaking with resellers & inputting resellers requests.

** BST will absorb*

NA - Not applicable
TBD - To be determined

000513

June 18, 1996 Meeting Overview

Attendees:

- Pam Nelson - AT&T
- Neil Brown - AT&T
- Mike Guedel - AT&T
- Jerry Hendrix - *BELLSOUTH*

Purpose: Discuss process and timelines for cost recovery and to identify cost efficiencies.

- **Recovery options discussed for the recovery of one-time costs**

1. Allocate one-time costs on a resold line basis to be charged to entities on 1-1-99. This will allow the market to develop and any recovery will include the time value of money. (AT&T) Note: Mike mentioned that it is important to identify improvements and benefits from the system to ensure costs are appropriately adjusted.
2. Allocate one-time costs on a resold line basis to sooner than 1-1-99. (*BELLSOUTH*)

- **Recovery options discussed for the recovery of recurring costs**

1. Recurring cost recovery could be based on local market share (AT&T)
2. Recurring cost recovery could be based on switched access market share, using the minutes of the local service providers to establish the universe, until local market is further developed. (*BST*)

- **Pre-time line**

1. More specifications, on major cost items initially - need ASAP (AT&T)
2. Identify what is required by the ACT and what is incremental as a result of AT&T's request (AT&T)
3. Determine efficiencies if any (AT&T)

Supplemental Data Request to BellSouth
June 19, 1996

1. Provide the most current study performed by BellSouth to identify hourly engineering and labor rates (by function) used in the determination of non-recurring and recurring service costs. The requested documentation should include a rate break-down for each function into various cost components (direct labor, first line supervision, benefits, etc).
2. Provide BellSouth studies identifying the costs of furnishing:
 - a. pole attachment space
 - b. conduit space
 - c. a twisted-pair residential network interface device
 - d. SMARTRing, SMARTPath, and SMARTGate services
 - e. ISDN local switch termination and usage costs
 - f. Busy line verification, emergency interrupt, and intercept services
 - g. STS-1 interoffice channel
 - h. FlexServ
 - i. ISDN packet switching
 - j. Circuit switched data switching
 - k. SPNP-Remote
 - l. SPNP-DID
 - m. Virtual collocation
 - n. Physical collocation
 - o. "Dark" fiber lease
 - p. AccuPulse Service
 - q. Data Transport Access Channel Service

Wayne Ellison
404-810-8068

330530

JOINT AT&T/BELLSOUTH CORE TEAM MEETING

June 26, 1996

On Wednesday, June 26, 1996, the Joint AT&T/BellSouth Core Team met at 1200 Peachtree Street with the following in attendance:

Ken McNeely	Suzie Lavett
Quinton Sanders	Mary Jo Peed
Greg Follensbee	Pam Nelson
Beth Dresher	Mike Guedel
Preston Foster	Mason Fawzi
Randy Jenkins	Andre' Mule'

1. Preston distributed and reviewed the agenda (attachment 1) and asked if there were any additions. There were none.

2. Preston announced that AT&T expects to deliver to BST on Friday a comprehensive proposal on LSR, UNE, and Interconnection. He expects that the Core Team will want to spend a considerable amount of time reviewing it. With the Olympics scheduled to start on July 19, it may be prudent to identify alternative meeting sites. AT&T has meeting space available in Alpharetta. He asked BST to identify a site. Our objective is to negotiate to that proposal and come to an agreement as soon as possible. If necessary, AT&T is prepared to negotiate every day.

a) Suzie: Birmingham would be OK with us. If we are to negotiate each day, I'd have to be sure we're moving forward.

b) Ken: It will be important to have the right people at the table.

c) Mary Jo: Is this Friday thing a response to the comprehensive agreement we sent to you?

1. Preston: I guess so. It's much more detailed.

d) Mary Jo: We sent over a comprehensive LSR, UNE, Interconnection proposal. Is this your response?

1. Preston: Yes.

e) Mary Jo: What about what we got last Friday?

1. Preston: That will be incorporated in the new proposal.

f) Mary Jo: OK. Then the prices will be as you submitted on Friday.

1. Preston: Yes.

g) Greg: It also incorporates the agreed upon items.

200521

h) Mary Jo: I thought we had a process whereby Suzie and Pam would get together about the agreed upon items and pass it on to the lawyers to write the language. I wish we had stuck to the process, but I'm sure we can deal with it.

i) Suzie: I guess I would have expected Sylvia to call Mary Jo and try to stay in the process.

j) Greg: We thought this would save us some time.

k) Preston: What we need to do after you've had a chance to review the proposal, is to exchange schedules of issues to make sure we have the right people at the table.

l) Mary Jo: What's AT&T's view of the Executive negotiations? Will they be superseded by these daily meetings?

m) Greg: I think they will be negotiating closure. We'll be negotiating actual language.

1. Mary Jo: So the Executive Team will continue to go down the road regarding UNE and other issues, and we'll primarily look at language.

* n) Greg: Suzie, would you check the availability of hotels in Birmingham, in case we need rooms during the Olympics?

o) Mary Jo: Let me make sure I understand this. We'll be writing language?

1. Preston: Language and secondary issues where we may be in general agreement, but need to decide how we're going to accomplish.

p) Preston: I suggest we stay in Atlanta until the 12th, and then look at Birmingham.

1. Suzie: Or, Alpharetta. I'm having trouble seeing the need to meet every day for half a day.

2. Preston: Perhaps if we divide the issues among smaller groups that would help.

3. Suzie: That would help us to get the right people negotiating. I'd also like to lay down goals on what we'll be negotiating; items we'll agree on price; items we agree are technically feasible, but we don't have enough time to come to an agreement.

q) Preston: I agree. We want to negotiate until we hit the wall; either agree, or agree to disagree.

r) Ken: Once we give you the draft agreement on Friday, it doesn't seem appropriate for this group to participate in negotiating terms and conditions.

s) Mary Jo: I agree. BST needs to take some time to review the proposal. Then come up with an idea of where we are. Then Sylvia and I can get together and I can give you a list of where the problem areas are.

* 1. Preston: Is it reasonable to expect that review of items and players by next Wednesday?

2. Suzie: Yes.

t) Mary Jo: Is it AT&T's position that we work from your draft?

1. Ken: I think you'll see that there are similarities between your proposal and ours. We need to marry the two.

3. Parity

a) Ken led a discussion of the two definitions of parity that were exchanged (attachments 2 and 3)

b) Ken: In your first sentence, it states that BST will provide AT&T, as a reseller, the same degree of service as BST provides to its end users. The next sentence says AT&T's customers will receive service that is comparable to BST's end users. Are we drawing a distinction between "the same degree of service," and "comparable" service?

c) Mary Jo: Regarding the word "comparable," we're talking about processes that may not be identical to the processes we use, but would be comparable. As far as 1FB and 1FR, custom calling, etc, they will have the same quality measurements as our end users get. The quality of the service is the same.

d) Greg: Are you drawing a distinction between the dial tone and the network and responsiveness to the customer?

e) Mary Jo: It encompasses all of that. The reason I used the word "comparable" is the processes won't be identical. The customer care will be identical. It will be transparent.

f) Greg: But if it's demonstrated that those processes don't provide the same level of service, then we don't have parity, right?

1. Mary Jo: If it can be demonstrated to our satisfaction.

2. Greg: Or demonstrated to a third party arbitrator.

3. Mary Jo: Yes. I can't absolutely guarantee that everything would be transparent to the end user, but that's our goal.

g) Greg: But isn't this different from the position you've taken before the Georgia PSC?

1. Mary Jo: It's not our intent to be inconsistent. The position we've taken with the Commission is the same as we take in negotiations.

h) Greg: Do you feel we still have a different view of parity?

1. Mary Jo: Yes, because of AT&T's publicly stated position that the real time processes have to be the same.

i) Ken: The first sentence points to AT&T as your end user. The second sentence addresses our end users.

1. Quinton: By putting in the words "as a reseller" we recognize AT&T's position as a reseller. If I was talking about providing service just to AT&T, I would have left that phrase out.

4. Electronic Interface

a) Pam led a discussion on AT&T's compromise proposals to BST's 6/21 report on Electronic Interface (attachments 4 and 5).

b) She reviewed AT&T's compromise positions on Pre-Ordering.

1. Suzie: Regarding the Technical Specifications, I'd have to see if there's any way to accelerate that. On Implementation, we see that taking 10 months. It just can't be done by 12/31/96.

c) On Ordering, Suzie said that she needs a better definition of AT&T's Direct Order entry process.

d) On Maintenance and Trouble Reporting, BST shows the existing IXC Gateway. AT&T is asking for Technical Specifications in July and TAFI enhancements by 3/31/97.

1. Suzie: I understand what you're asking for. The dates are just not doable. I don't think we're far enough on design. We do have an existing interface for trouble reporting.

e) On providing Daily Usage requirements by 9/1/96, Suzie said that was OK.

f) On Directory Listings, Suzie agreed that there are no additional requirements.

* g) Suzie agreed to provide a response to all items on the Friday conference call.

5. Electronic Interface Cost Recovery

a) Greg distributed the four options we agreed to last week (attachment 6) and suggested that Jerry Hendrix and Neil Brown get together.

b) Suzie: I'm not sure about the prioritization. We need more information.

* c) Preston: Can we agree to share comments by Monday?

1. Suzie: OK.

6. Operations/Cost Matrix (attachment 7)

* a) BST agreed to clarify proposed solutions and positions by Monday.

b) Suzie: On Direct Routing, I suggest we move it to the bottom of the list. The parties agreed to disagree. Nothing we can do on this Team on that.

7. Greg: One last thing. Is it possible for you to get us copies of the interconnect agreements as soon as they become public information, rather than our having to go to the Commissions? It might speed the process along.

a) Mary Jo and Suzie agreed.

AT&T / BellSouth Core Team Meeting

June 26, 1996

Agenda

1. Negotiations Scheduling
2. Parity
3. Electronic Interface Schedule
4. Electronic Interface Cost Recovery
5. Re-cap

att
gnt.

Attachment 2

BellSouth's position regarding the quality and appropriate level of service to resellers:

BellSouth will provide to AT&T, as a reseller, the same quality of service as it provides to its end users. To that end, BellSouth has designed ordering, billing, provisioning, and repair processes that enable AT&T to provide customer care comparable to that with which BellSouth serves its retail end user customers. While these processes may not always be identical in every respect to the processes utilized by the retail arm of BellSouth, these processes will be largely transparent to the end user.

300526

6/25/96
MJP

Attachment 3



Sylvia E. Anderson
Chief Commercial Counsel
Southern Region

Promenade I
1200 Peachtree Street, N.E.
Atlanta, GA 30309
404 810-8070
FAX: 404 810-8629

June 25, 1996

**SENT VIA FAX
ORIGINAL U.S. MAIL**

Ms. Mary Jo Peed
General Attorney
BellSouth Telecommunications, Inc.
675 West Peachtree Street, Suite 4300
Atlanta, GA 30375-0001

Dear Mary Jo:

As agreed, I am providing to you AT&T's definition of parity. Parity, as used by AT&T in these negotiations shall mean:

BellSouth will provide AT&T with at least the capability to provide an AT&T customer the same experience as BellSouth provides its own customers. This capability shall be in accordance with standards or other measurements that are at least equal to the highest level that BellSouth provides or is required to provide by law or its own internal procedures.

Sincerely,

Sylvia E. Anderson, sgc

Sylvia E. Anderson
sea/sgc
cc: AT&T Leadership Team
AT&T Core Team

300527

Electronic Interfaces*Attachment 4*

AT&T is willing to compromise with the BellSouth proposal to the following extent:

AT&T Compromise	BellSouth 6/21 Report
<i>Pre Ordering</i> Technical specifications to AT&T by July 15, 1996. LAN to LAN access to the Regional Street Address Guide by 9/1/96. Implementation of long term solution by 12/31/96.	 Scheduled for 9/96. Does not address. Scheduled for 4/97.
<i>Ordering</i> Technical specifications to AT&T by July 15, 1996. All services be available for ordering through EDI Order Communications by 12/31/96. Direct order entry with interactive capability by 3/31/97.	 Does not address. Current BST proposal only addresses some services. Does not address on timeline.
<i>Maintenance and Trouble Reporting</i> Technical specifications to AT&T by July 15, 1996. TAFI enhancements by 3/31/97.	 Does not address. Scheduled for 12/97.
<i>Daily Usage Data</i> Complete outstanding unrated message requirements by 9/1/96.	 Available.
<i>Directory Listings</i> No additional requirements.	 Available.

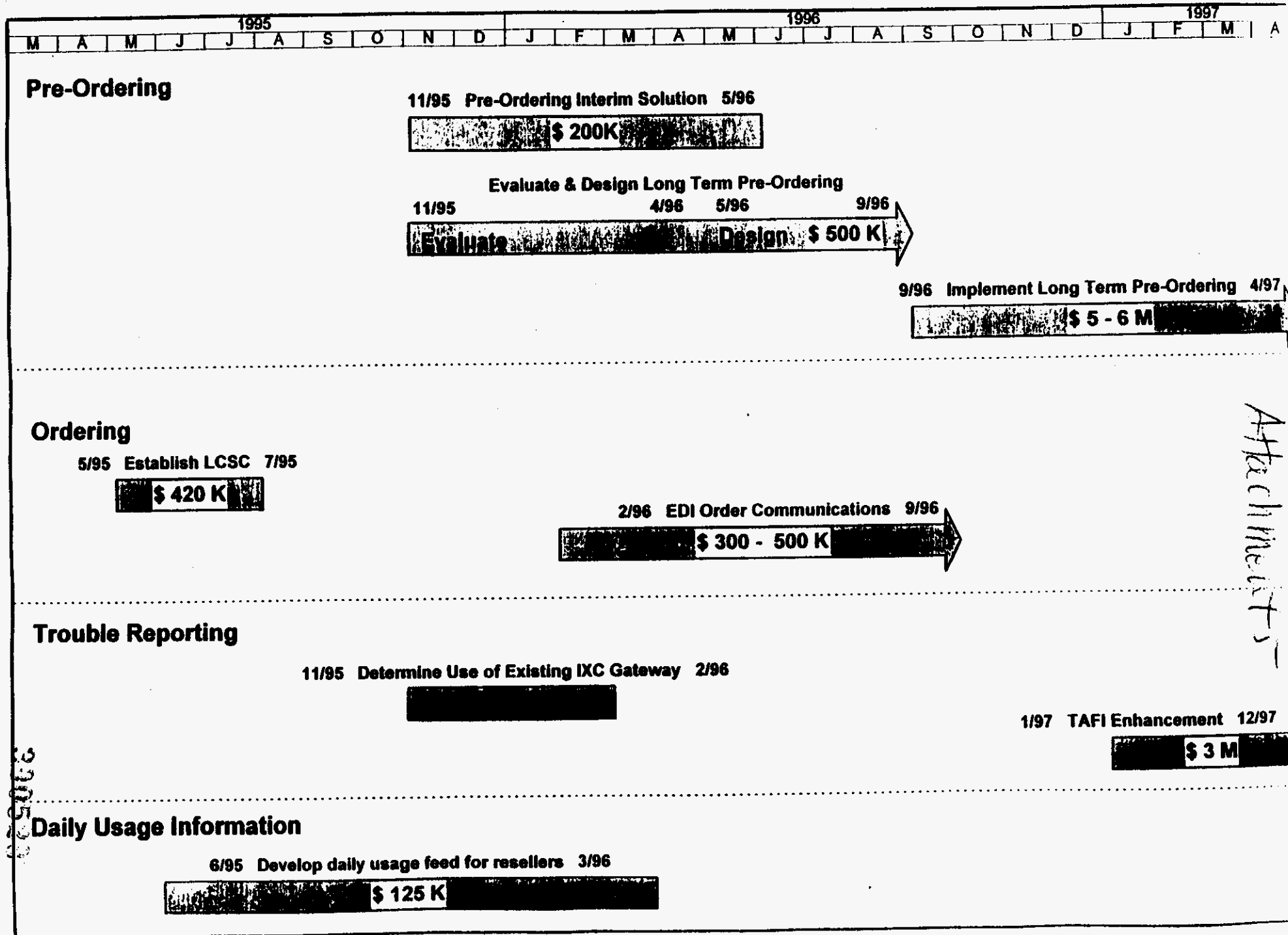


FIGURE 7

**THESE PAGES CONTAINED
AT&T
PROPRIETARY INFORMATION**

BATES STAMP

NOS. 300530 ~~TO~~ _____

**THESE PAGES CONTAINED
AT&T
PROPRIETARY INFORMATION**

BATES STAMP

NOS. 300531 ~~TO~~ _____

JOINT AT&T/BELLSOUTH CORE TEAM MEETING

July 3, 1996

On Wednesday, July 3, 1996, the Joint AT&T/BellSouth Core Team met at 675 W. Peachtree Street with the following in attendance:

Mike Guedel	Greg Follensbee
Mason Fawzi	Randy Jenkins
Pam Nelson	Preston Foster
David Eppsteiner	Andre' Mule'
Quinton Sanders	Suzie Lavett
Mary Jo Peed	Jerry Hendrix

1. Preston explained that the purpose of this meeting was to agree on the process and logistics that will facilitate negotiations for the next several weeks. He asked if there were any other items that needed to be discussed. There were none.
2. Preston then distributed AT&T's and BellSouth's proposed schedules (attachments 1 and 2), and asked Suzie to begin the discussion.
3. Suzie reviewed attachment 1: We wanted a week to focus on your proposal, identify items for mediation, and items we can close on. We plan to deliver to you by 7/12 items for Alabama mediation, and to finalize the list by 7/15. We'd have parallel meetings on cost data exchanges, price, operations, and electronic interface. We're not optimistic about agreeing on cost, but we don't want to close the door. The schedule focuses on getting to a point where we can sign a contract.
 - a) Greg: Do we need to bring a list of items to the mediation on 7/11?
 - b) Suzie: Yes, that's our understanding.
4. Preston: Let me walk you through our proposal (attachment 2). We proposed setting up four sub-teams to do parallel negotiations related to specific parts of our comprehensive agreement.
 - a) Mary Jo: I have a question about the comprehensive agreement. some sections were marked "subject to negotiation." What does that mean?
 - b) David: It means we had raised the issue but no agreement was reached. In other areas we tried to capture the agreements that were reached in principle, but now we have to agree on language.

390532

c) Preston: That's why we think it's useful to have an attorney at the sub-team table to draft the language and relate it to the contract. The end will be one document that shows where we agree and where we disagree.

d) Suzie: I'm concerned about all these teams and throwing resources at this. We don't need the SMEs. They've defined our positions. We need people who can make decisions. That's why we'd like to have a week to work on a counter proposal. Attorneys may need to be present for this. then we'll have defined positions for mediation or arbitration.

e) Preston: the purpose for putting SMEs on the teams is as much for time as for subject matter expertise. Jim and Scott wanted closure by 7/17.

f) Mary Jo: Part of the problem with teams is that we are the BellSouth team. I don't think we can manage this process.

g) David: We're just trying to bring us farther along.

h) Mary Jo: I think we are farther along. we identified issues in our Alabama mediation proposal. Let's take advantage of the mediation process to do some of this. I don't think we need to duplicate at the Core Team level what we're doing at the mediation level.

i) Suzie: What can we do?

j) Mason: Can't we start providing the red lines in smaller doses, rather than waiting until the complete contract is red-lined? That may speed things up.

k) Greg: Is there any way for BST to devote more attorneys to this?

1. Mary Jo: We can talk about it. I don't know who's available.

l) Preston: It seems as though the best way to recover time is to look at the week of 7/5 to 7/12.

1. Mary Jo: We need time to digest your proposal.

2. Suzie: And we need to focus on a proposal that pulls out items we won't agree on and get a document we can sign.

3. David: Most of the attachments to the proposal have already been provided to BST. I think we're all working toward the same goal.

4. Preston: We're both saying that we need to segregate the agreed upon items from the items we don't agree on. I think we can recover time from the 12th to the 17th.

m) Mary Jo: The Alabama mediation contains 5 items:

1. Exclusions from resale (includes use and user restrictions)

2. Direct routing

3. Pricing

4. Electronic Interface

5. What is an unbundled element?

Do you know your position on these?

n) Greg: Given the Georgia decision on electronic interface, I don't know if it needs to be mediated.

1. Mary Jo: We don't know where we are on the Georgia order.

o) Greg: This list is the big ticket items. If you take these out of the contract, that leaves maybe 120 pages we can work on. You need time to red-

line, and you want to meet the week of the 17th. Can you work on concurrent teams?

1. Mary Jo: We'll have to check on our ability to use concurrent teams.

2. Suzie: We do have resources who can red-line certain sections because they're specialized.

p) David: What do you mean by "pull out?"

1. Mary Jo: We think we should pull out all sections that will be mediated. There are certain sections that deal with exclusions from resale, direct routing, etc. As I read the contract, I didn't feel that our positions on services available for resale were close.

2. David: Is it possible to get an early list?

3. Mary Jo: Maybe.

4. Suzie: We'll try to get it to you.

q) Preston: What do you expect to get from mediation?

1. Mary Jo: The mediator should push the parties toward the middle on issues such as electronic interface. The caveat is it's not binding.

r) Greg: The objective of our process is that we felt it would be helpful to have language that each party agrees on, and also, each party's position on items where there is no agreement. Then, the arbitrator would be able to choose.

1. Mary Jo: The law says that the person who files for arbitration has to set forth the items agreed to and not agreed to. The other party gets to respond. The arbitrator then has both sets of language.

2. Suzie: I see some value to have both positions documented

3. Greg: We thought this would be an easy way to do that.

4. Mary Jo: It really works itself out. But I think I have to talk to my client about it.

3. Preston: OK, what will this process yield?

* a) Suzie will check on resources by 7/8

* b) BST will identify areas of the proposal that can be worked on by the SMEs

* c) Concurrent tracks start week of 7/15.

4. Mary Jo: I think our schedule is simpler.

a) Greg: We're putting our SMEs on this, too. It looks more complicated, but it may help you.

b) David: Monday, we'll have a better sense. After you've checked your resources.

5. Greg: On the mediation issues, does direct routing include branding?

a) Suzie: Yes

6. Preston: Is there any way Terms and Conditions can be pulled up?

a) Mary Jo: No

* 7. Preston: We need to schedule a conference call on Monday to review our progress. How about 8:00 am?

8. Mary Jo: Do we really need an end of the week Core Team meeting?

a) Greg: If we have parallel tracks, you may not know what's going on.

b) Mary Jo: How about conference calls? Short ones.

9. Greg: Will we get a counter offer on our proposal?

a) Mary Jo: Not on the mediated items.

10. Jerry Hendrix gave Mike Guedel embedded cost studies that AT&T had requested, and were the subject of the Tennessee mediation.

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for TSR/UNE/LI Negotiations
7/3/96**

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- 7/26 BellSouth delivers Ancillary red lined version
- 7/30 Meet to close on Ancillary

Parallel Meetings/Activities:

- Cost data exchange, discussions
- Price discussions
- Operation planning
- Electronic Interface planning and development

AT&T Focused Negotiations Proposal
July 3, 1996

Purpose: The purpose of this proposal is to recommend the process and logistics that will facilitate AT&T's and BellSouth's negotiations under the Telecommunications Act of 1996.

1. Proposed Negotiations Framework:

A. 4 Sub-Teams

- Terms and Conditions
- Local Services Resale
- Unbundled Network Elements/Ancillary Functions
- Pricing

2. Proposed Negotiating Process

A. Prioritize items within subject area; segregate issues into:

- agreed-to
- negotiable
- agree-to-disagree

B. Negotiate to closure in the above sequence (agreed-to, negotiable, etc.)

C. When closure is reached,

- attorneys at table for language finalization
- table and synthesize "agree-to-disagree" positions for inclusion in the agreement
- escalate appropriate issues to Executive Team via lead negotiators

D. Report progress, process problems at end-of-week joint Core Team meetings (Thursday or Friday a.m.)

- report progress
- share best practices; resolve problems
- re-calibrate schedule, resources

E. Negotiate anytime, anywhere:

- in person @AT&T or BellSouth locations (downtown, Alpharetta, Tucker)
- via teleconference (each team is empowered to set-up meetings, conference bridges)

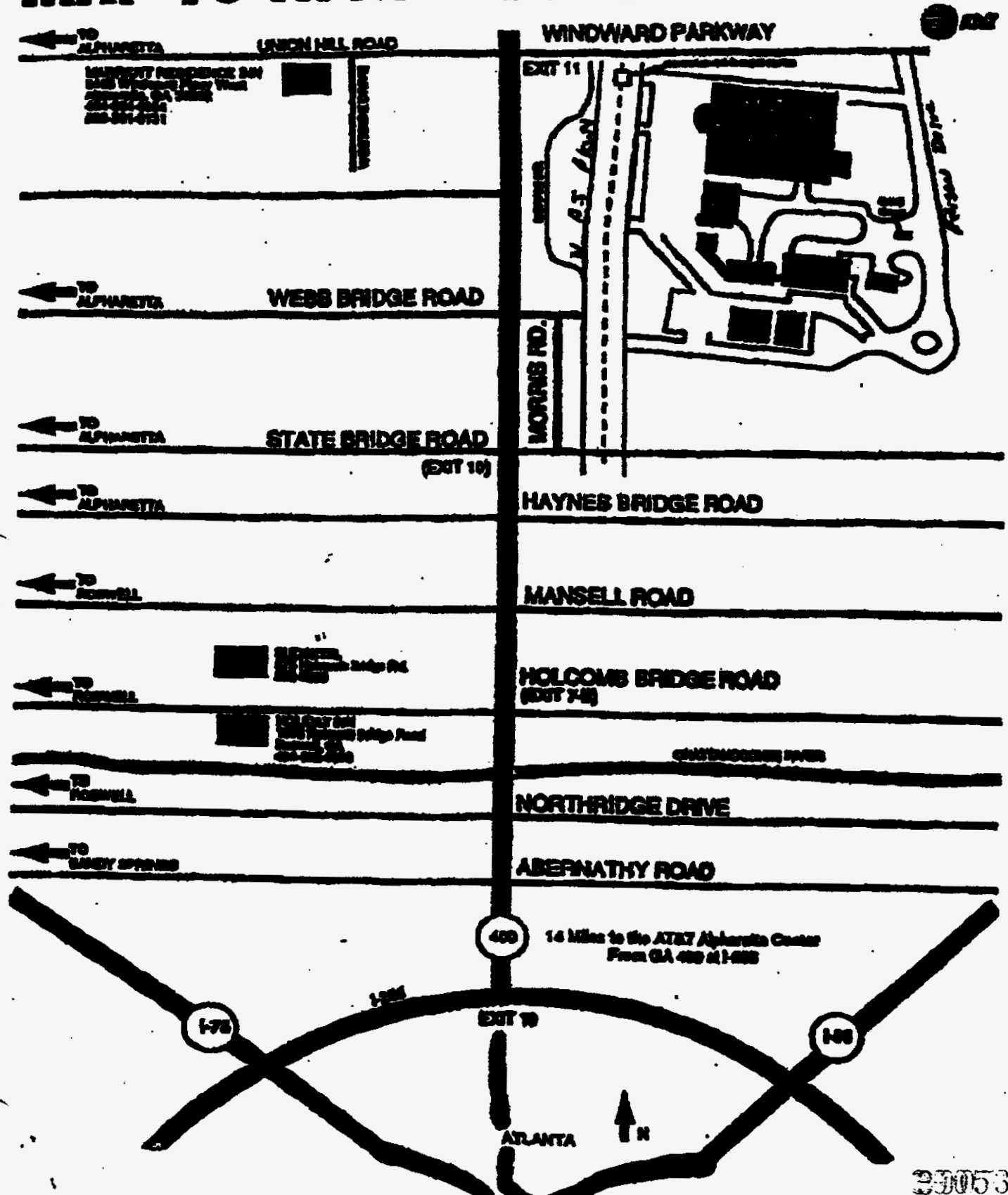
F. Principled Negotiations

- State respective positions
- Re-state negotiating partners position
- Share underlying concerns
- Brainstorm for "win/win" re: concerns
- Agree on best idea(s), or
- Document positions re: areas of disagreement

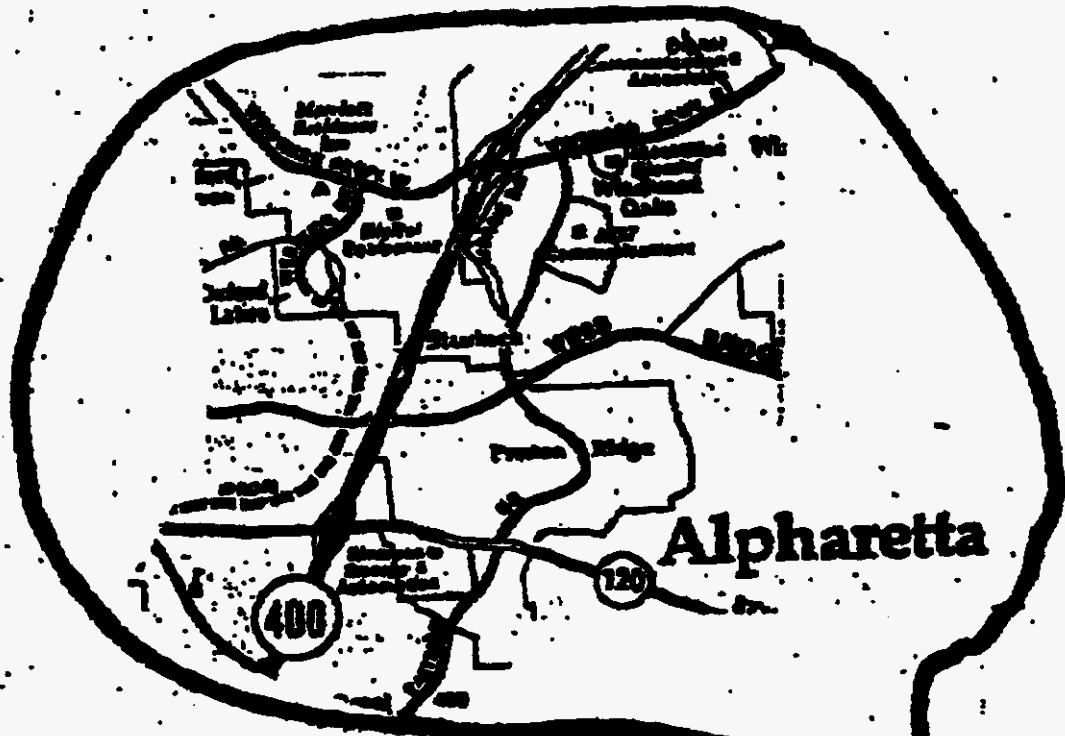
3. Negotiating Locations (July 15 - August 5)

- A. AT&T location in Alpharetta, Bldg 400, rooms 106, 108 (see map)
- B. BellSouth location in Tucker, Northlake Quorum (?)
- C. 1200 Peachtree and 675 West Peachtree - TBD (July 8-12)
- D. Via teleconference

MAP TO AT&T ALPHARETTA CENTER



DIRECTIONS TO AT&T - ALPHARETTA, GA



FROM AIRPORT

Take I-85 North,
Follow through city,

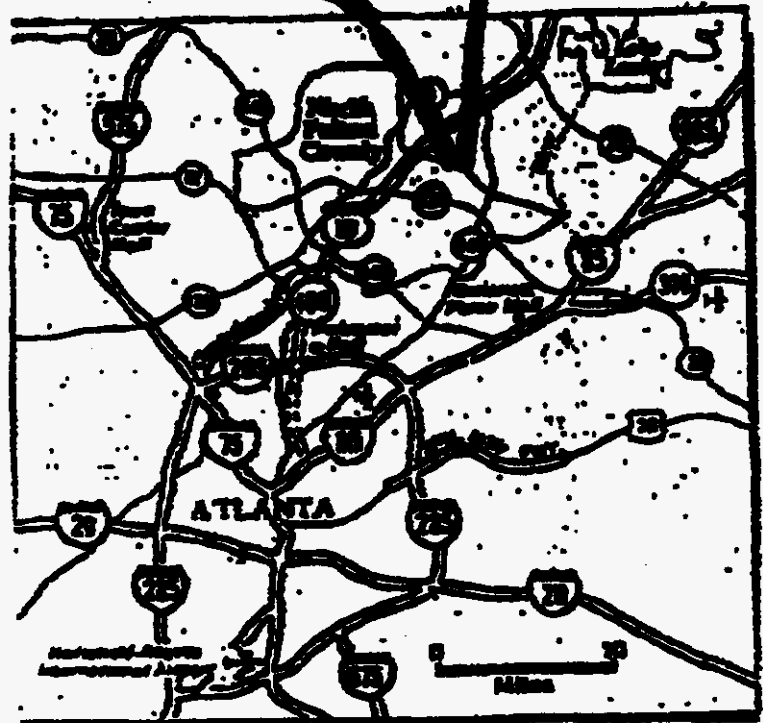
Stay on I-85 (exit 100)
where I-85 / I-75 split.

After 2 miles, get in right lane,
exit onto GA-400 (exit 100.50).

Stay on GA-400 to WINDWARD PKWY (exit 11)

At exit stoplight (Windward Pkwy) turn RIGHT.
Follow to next traffic light (North Point Pkwy),
turn RIGHT and continue 1.5 miles.

At this point, entrance to AT&T's
Alpharetta Campus are on left. Building
numbers are posted outside at curb.



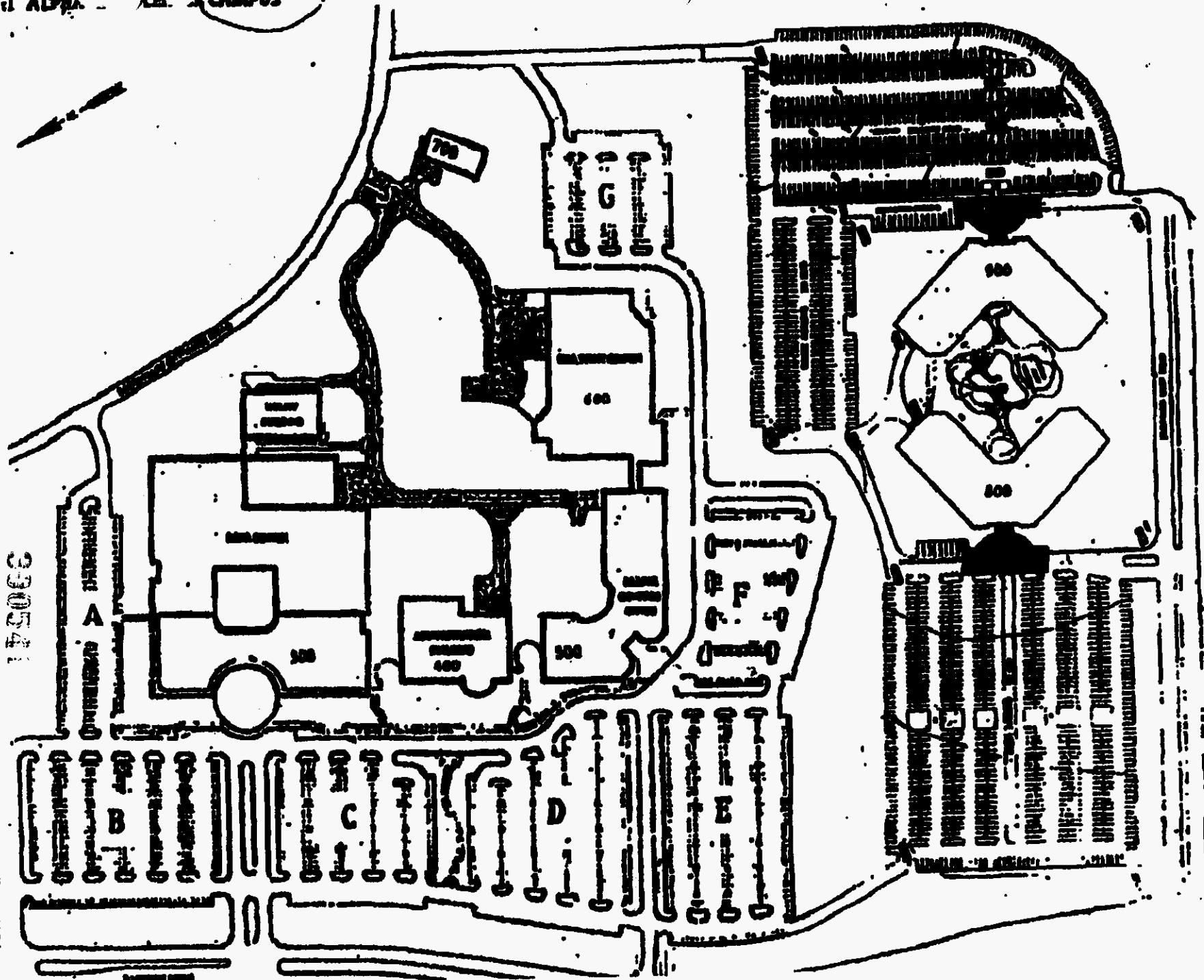
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JOINT AT&T/BELLSOUTH CORE TEAM MEETING

July 8, 1996

On Monday, July 8, 1996 the Joint AT&T BellSouth Core Team met via conference call with the following in attendance:

Mason Fawzi	Preston Foster
Sylvia Anderson	Ed Shaffer
Ray Crafton	Suzie Lavett
Andre' Mule'	

1. Preston: This will serve as a follow-up to our last Core Team meeting. Suzie, you were to talk to Scott about resources.
 - a) Suzie: We have another attorney working with Mary Jo. I don't see that we can pull up the schedule much. We've got SMEs working on your proposal.
2. Preston (referring to Attachment 1): Can you help me understand which items you can pull up and which dates?
 - a) Suzie: We can pull up Attachments 5, 6, and 7 to 7/16. We will provide the red-line version of those documents in addition to pages 1 to 20 that we proposed.
 - b) Sylvia: Pages 1 to 20 are plain old legal boiler-plate. Those particular pages can be reviewed in a couple of hours. I urge you to urge Mary Jo to give us the red-lined version of that earlier.
 - c) Suzie: I'll pass that along and ask Mary Jo to give you a call.
 - d) Sylvia: I feel that way about the rest of the schedule as well. I think you can get us a red-lined version sooner. It's not as if BST hasn't seen this.
 - e) Suzie: We're also working on the Alabama mediation. We can't commit to moving up the schedule.
3. Sylvia: Let me make a point about the mediation. The mediation should not slow down the negotiations.
 - a) Suzie: I don't understand.
 - b) Sylvia: The mediator simply helps us facilitate the negotiations.
 - c) Suzie: But we'll be mediating those things we're far apart on. These are two separate tracks.
 - d) Sylvia: So, you see two separate negotiations?
 - e) Suzie: Yes.

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4. Preston: On 7/12, you show BST will deliver a list of items for mediation. To AT&T, the mediator, or both?

a) Suzie: We'll give the mediator more details on 7/11. On 7/12, we'll be specific to the contract proposal. I would hope we'll use the tracking forms that Pam and I use and try to present to the mediator what we agree on.

b) Preston: I would think that if we're to make a joint presentation, we should be in agreement on the contract language.

c) Suzie: We hadn't proposed to take contract language to the mediator.

d) Preston: I'm skeptical of saying we're in agreement without contract language. I'm happy to work with you on this. Will you be in Atlanta this week?

e) Suzie: Yes. you may want to get the agreed to items from Pam, and the current executive summary on UNE from Robert Oakes.

f) Preston: Seems we have to set up time tomorrow and Wednesday to take a look at that. I want to make sure we're clear on what items we agree on.

g) Suzie: I'm not sure what we can accomplish. Get with Pam first. Our companies have agreed on language.

h) Preston: I think we need to verify what we agreed to.

i) Sylvia: I agree. It may not take very long. If the goal is to go in to mediation jointly, we need to be sure.

j) Suzie: OK. But you need to get with Pam first.

k) Preston: I have no problem getting with Pam, but I want to get with you one more time to be sure we're together.

l) Suzie: Is tomorrow afternoon at 3:30 OK?

m) Preston: On the telephone or in person?

n) Suzie: In person. If you'll get the agreed to items from Pam and the executive summary of UNE from Robert.

5. Preston: Can you say more about the 12th? What's the format?

a) Suzie: We'll probably have a list. "The following sections of the proposal are tied to mediation and should be moved to that venue." It will be much more specific.

b) Sylvia: You've proposed that we exclude some items. What's left, in your opinion.

c) Suzie: Coming to closure on contract language on items we've agreed to.

6. Sylvia: I'm troubled by the delay we might have if BST will negotiate separately on these issues.

a) Suzie: We'll need an aggressive schedule.

7. Preston: Can you go through your schedule and give me an idea of anything else to be pulled up?

a) Suzie: Nothing.

b) Preston: By 7/30 we're to close on everything?

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- c) Suzie: Right.
- d) Preston: Is that because of mediation, or do you possibly need that much time to respond to AT&T's proposal?
- e) Suzie: We need that time to develop a response to AT&T's proposal.
- f) Preston: Jim and Scott had proposed mid-July to complete this. This stretches it out two weeks.
- g) Suzie: I think Jim and Scott have talked about this.

8. Preston: Regarding your dates on meetings to close on UNE, Resale and Ancillary. What happens then?

- a) Suzie: That's for us to go through our red-lined items; those not in mediation.
- b) Sylvia: so this schedule doesn't include those items we're mediating?
- c) Suzie: If we reach agreement in mediation, we should be close to getting the language right.

9. Preston: Isn't there a way to work items concurrently rather than serially and finish early?

- a) Suzie: I don't see how we can do this. We need legal involved.
- b) Preston: We'll work with you. If you can get additional resources, we'd favor that.

10. Ray: Suzie, what are your key assumptions throughout this process? Have you identified any milestones in the mediation process?

- a) Suzie: We'll be in mediation a couple of times a week.
- b) Ray: Have you made an assumption on the length of the mediation?
- c) Suzie: No.
- d) Ray: What about resource levels? What kind of resources are you prepared to use?
- e) Suzie: Mary Jo is the attorney for mediation and negotiations.
- f) Ray: Any thought to adding to this?
- g) Suzie: We talked to her boss. There are no other resources.
- h) Ray: Are there any other resources needed in addition to legal?
- i) Suzie: Yes, my time and Scott's.
- j) Ray: Any chance in assigning more resources?
- k) Suzie: If we brought in other attorneys, they wouldn't be up to speed.
- l) Sylvia: What about Hank Anthony and Doug Lackey?
- m) Suzie: They're just not available at this time.

11. Suzie: We don't plan to have two different groups working on the same issues in negotiations and mediation.

12. Sylvia: Are the SMEs finished their work?
a) Suzie: No. They're primarily working on UNE now. We need to start talking about the ORT.
13. Ray: We have a strong interest in your assigning more resources.
a) Suzie: I understand and will pass it along.

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 - 1) EDI Planning
 - 2) GA order and elec. int. activity

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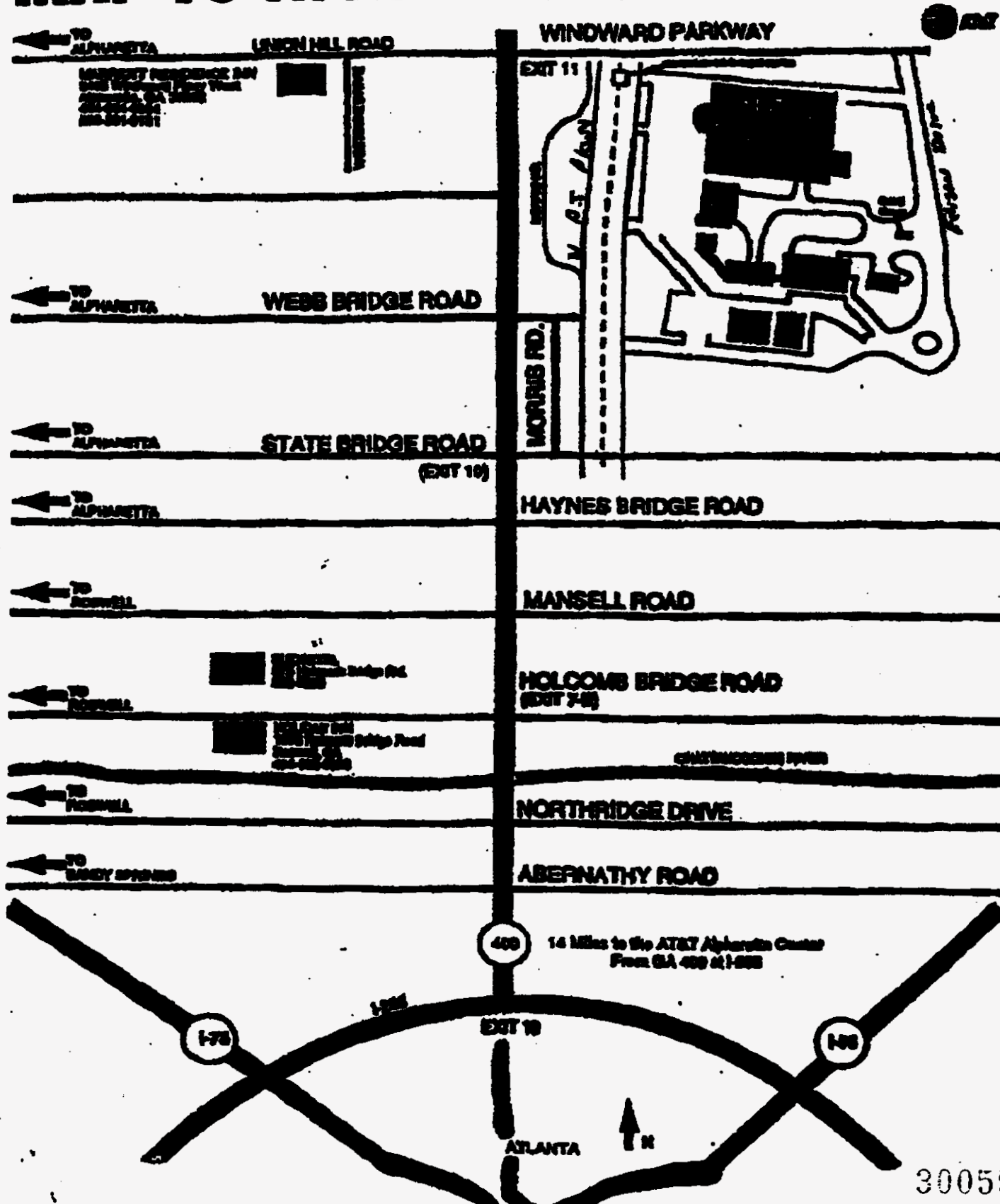
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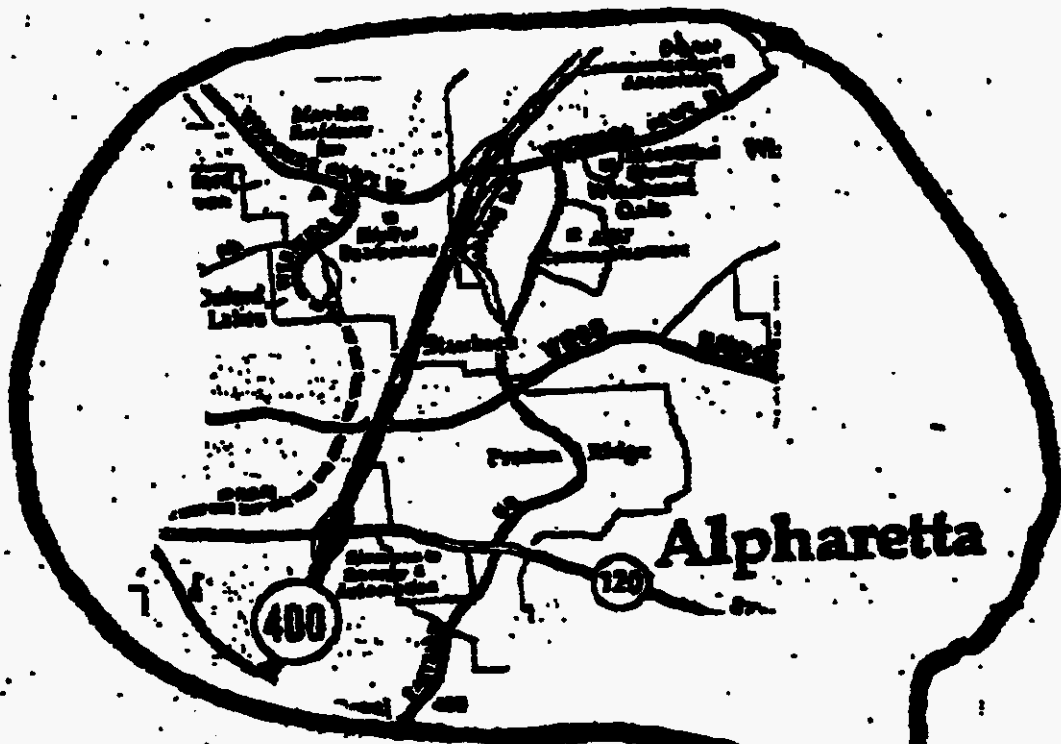
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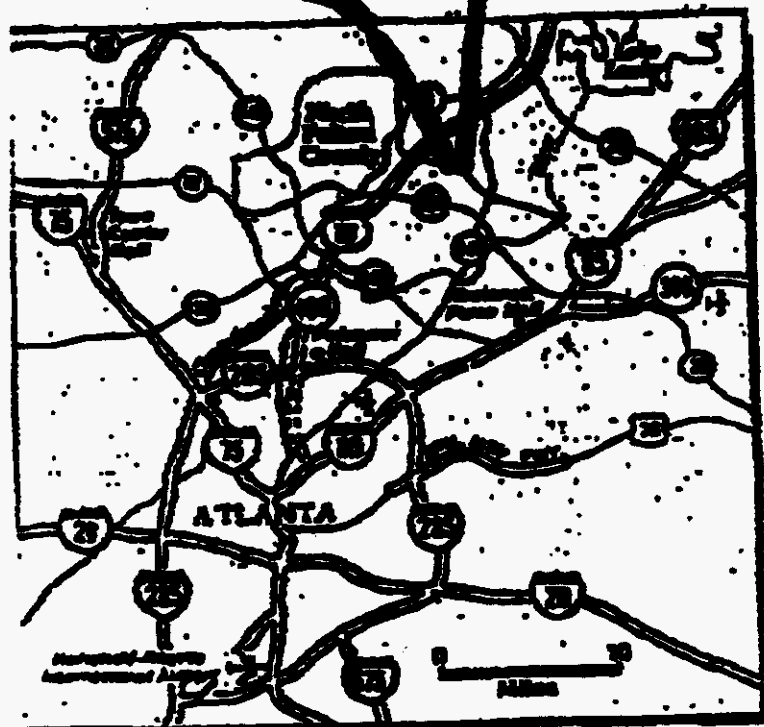
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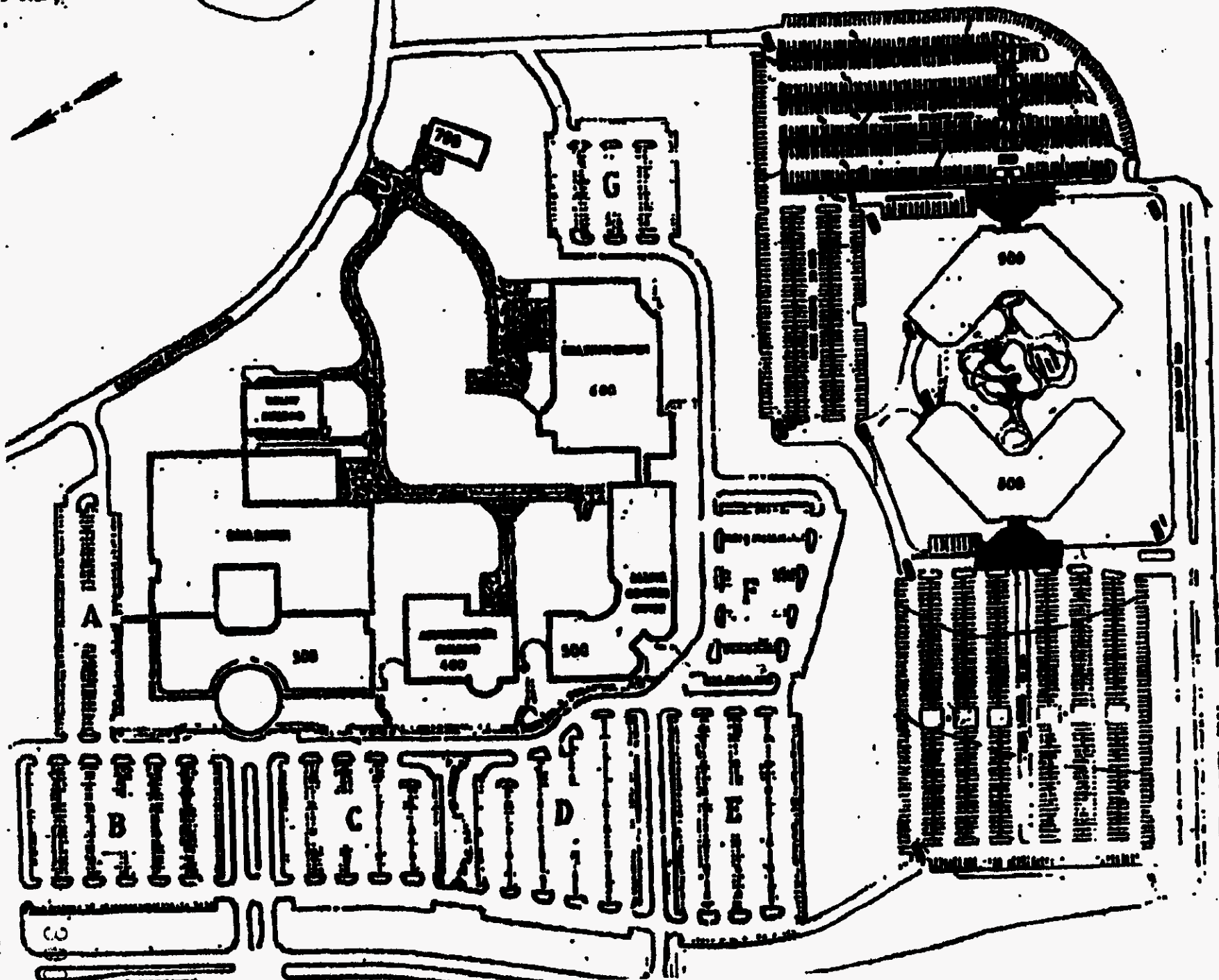
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