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September 17, 1996

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

RE: Docket Nos. 930330-TP/960658-TP

Dear Mrs. Bayo:

Enclosed are an original and fifteen copies of BellSouth Telecommunications, Inc.'s Prehearing Statement. Please file these documents in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served on the parties shown on the attached Certificate of Service.

Sincerely,

Nancy B. White

Nancy B. White

Enclosures

cc: All Parties of Record
A. M. Lombardo
R. G. Beatty
W. J. Ellenberg

DOCUMENT NUMBER-DATE

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into)
IntraLATA Presubscription) Docket No. 930330-TP
)
In re: Complaint of Florida)
Interexchange Carriers) Docket No. 960658-TP
Association, and AT&T)
Communications of the)
Southern States, Inc. against) Filed: September 17, 1996
BellSouth Telecommunications,)
Inc.)
_____)

PREHEARING STATEMENT OF BELLSOUTH TELECOMMUNICATIONS, INC.

BellSouth Telecommunications, Inc. ("BellSouth" or "Company"), in compliance with the Order Establishing Procedure (Order No. PSC-96-1044-PCO-TP) issued August 13, 1996, submits its Prehearing Statement for Docket Nos. 930330-TP and 960658-TP.

A. WITNESSES

BellSouth proposes to call the following witnesses to offer direct and rebuttal testimony on the issues indicated below:

<u>Witnesses</u>	<u>Issues</u>
Hilda Geer (Direct and Rebuttal)	1,2,3, and 4
Ed L. Honeycutt (Direct and Rebuttal)	1,3,4,5,6, and 7

BellSouth reserves the right to call additional rebuttal witnesses, witnesses to respond to Commission inquiries not addressed in direct or rebuttal testimony and

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witnesses to address issues not presently designated that may be designated by the Prehearing Officer at the prehearing conference to be held on October 7, 1996.

B. EXHIBITS

<u>Witness</u>	<u>Document Indicator</u>	<u>Title of Exhibit</u>
Hilda Geer	None	N/A
Ed L. Honeycutt	ELH-1	September 1996 Bill Insert
	ELH-2	Call Guide Sample Language
	ELH-3	BellCore Communications

BellSouth reserves the right to file exhibits to any additional testimony that may be filed under the circumstances identified in Section "A" above. BellSouth also reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Evidence and Rules of this Commission.

C. STATEMENT OF BASIC POSITION

On February 13, 1995, the Florida Public Service Commission ("Commission") issued Order No. PSC-95-0203-FOF-TP ("Order") in Docket No. 930330-TP holding that 1+

intraLATA presubscription was in the public interest and should be implemented in Florida. The Order set forth the implementation timeframe and the method of cost recovery. Moreover, the Commission agreed with the parties that balloting would not be required; instead, each company would obtain customers through marketing efforts.

On July 31, 1995, reconsideration of the Order was denied (Order No. PSC-95-0918-FOF-TP). On May 23, 1996, the Commission approved BellSouth's tariff to recover the implementation costs of intraLATA presubscription in Order No. PSC-96-0692-FOF-TP ("Tariff Order"). On June 11, 1996, the Joint Complainants protested the Tariff Order. On May 24, 1996, the Joint Complainants filed a Joint Complaint concerning BellSouth's tariff and business office practices regarding intraLATA presubscription. These dockets were subsequently consolidated.

BellSouth believes that its business office practices and various tariff charges regarding intraLATA presubscription are reasonable, nondiscriminatory, and in compliance with the Orders of this Commission. BellSouth's business office practices offer a balanced presentation of the alternatives available to Florida Consumers. Moreover,

BellSouth's cost recovery methodology is fair and reasonable.

D. BELLSOUTH'S POSITION ON THE ISSUES

Issue No. 1: Are BellSouth's present and planned business practices for communicating information to new customers regarding choices of intraLATA carriers available to the customer proper?

Position: Yes. BellSouth is only one of a number of companies vying for the end user customer's 1+ dialed toll business. BellSouth must be allowed to advertise and promote its services as it deems necessary to compete in this new open marketplace. Customer contact opportunities, such as customers calling BellSouth's business offices and other customer contact centers, inquiries about new services and promotions, and responses to bill inserts or advertisements are examples of legitimate opportunities for BellSouth to market its toll services.

Issue No. 2: Is it proper for BellSouth to initiate communications with existing customers about BellSouth's intraLATA services when those customers contact BellSouth for reasons other than selecting their intraLATA carrier?

Position: Yes. Current practices do not encourage service representatives to discuss intraLATA toll services on all customer initiated contacts. The Company, however, should have the option to advise customers of its service offerings in the most efficient manner. Therefore, the Company should be allowed the opportunity to market its services during any customer initiated contact.

Issue No. 3: When referring to the intraLATA service areas in directories and bill inserts should BellSouth be prohibited from utilizing terminology that suggest ownership of the intraLATA toll calling area?

Position: As of August 1, 1996, BellSouth's bill inserts in Florida do not refer to that area as the "BellSouth Calling Zone." The reference has been changed to "local toll". Further, BAPCO (the BellSouth entity that actually publishes directories) has agreed that the Customer Guide Pages also will not refer to that area as the "BellSouth Calling Zone." The area will be referred to as the "calling zone".

Issue No. 4: Should BellSouth be required to process the orders of all existing customers who contact BellSouth to change intraLATA carriers without first attempting to require the customers to contact the carrier for that purpose?

Position: No. BellSouth's costs for implementing intraLATA would increase. Moreover, the customer's account with the selected carrier would not be established in the most efficient manner.

Issue No. 5: With respect to a new customer who is undecided regarding choice of intraLATA carrier, should BellSouth designate such a customer as "no PIC" status or should BellSouth default the customer to BellSouth until a choice is made?

Position: BellSouth should default the customer to BellSouth until a choice is made, unless appropriate cost recovery can be had of the monies necessary to implement "NO PIC" in BellSouth's switches.

Issue No. 6: Should existing customers be given an opportunity to designate their preferred intraLATA carrier one time without incurring a PIC change charge?

Position: No. BellSouth incurs costs for every PIC change made. BellSouth should be allowed to recover those costs from the IXC or end user customer generating the cost.

Issue No. 7: Should BellSouth impose a single PIC change charge on a customer who changes interLATA and intraLATA carriers at the same time?

Position: No. BellSouth incurs costs for every PIC change made and should be allowed to recover those costs.

E. STIPULATIONS

There are no stipulations of which BellSouth is aware.

F. PENDING MOTIONS

There are no pending motions at this time.

G. OTHER REQUIREMENTS

BellSouth knows of no requirement set forth in any prehearing order with which it cannot comply.

Respectfully submitted this 17th day of September,

1996.

BELLSOUTH TELECOMMUNICATIONS, INC.

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CERTIFICATE OF SERVICE
Docket Nos. 930330-TP and 960658-TP

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S.

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