Legal Department

J. PHILLIP CARVER General Attorney

BellSouth Telecommunications, Inc. 150 South Monroe Street Room 400 Tallahassee, Florida 32301 (404) 335-0710 00 MAR 17 PM 1: 26

RECURSOS AND REPUBLING

March 17, 2000

Mrs. Blanca S. Bayó Director, Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No. 980281-TP

Dear Ms. Bayó:

Enclosed please find the original and fifteen copies of BellSouth's Response In Opposition To MCImetro Access Transmission Services, LLC's Motion to Enforce Commission Orders, which we ask that you file in the above-referenced matter.

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 to the parties shown on the attached Certificate of Service.

Sincerely

J. Phillip Carver

APP
CAE
CMU CLED
CTR
EAC
LEG I
MAS 5
OPC
RRR
SEC T

AFA

WAW

Cc: All Parties of Record Marshall M. Criser III R. Douglas Lackey Nancy B. White

DOCUMENT MINE OR - DATE

03437 MAR 178

CERTIFICATE OF SERVICE Docket No. 980281-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served

via Federal Express this 17th day of March, 2000 to the following:

Catherine Bedeil
Legal Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Tel. No. (850) 413-6197
Fax. No. (850) 413-6250

Hopping Law Firm Richard Melson P.O. Box 6526 123 South Calhoun Street Tallahassee, FL 32314 Tel. No. (850) 222-7500 Fax. No. (850) 224-8551

MCI WorldCom
Dulaney L. O'Roark III
6 Concourse Parkway
Suite 600
Atlanta, GA 30328
Tel. No. (770) 284-5498
Fax. No. (770) 284-5488

I Phillip Carver

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint of MCImetro Access)	
Transmission Services, LLC against)	Docket No. 980281-TP
BellSouth Telecommunications, Inc.)	
For Breach of Approved)	Filed: March 17, 2000
Interconnection Agreement)	

BELLSOUTH'S RESPONSE IN OPPOSITION TO MCIMETRO ACCESS TRANSMISSION SERVICES, LLC'S MOTION TO ENFORCE COMMISSION ORDERS

BellSouth Telecommunications, Inc. ("BellSouth") hereby files, pursuant to Rule 25-22.037, Florida Administrative Code, its Response in Opposition to MCImetro Access Transmission Services, LLC's ("MCIm") Motion to Enforce Commission Orders, and states the following:

1. At the outset, it must be noted that MCIm's Motion is misnamed since compliance with the Orders of the Florida Public Service Commission ("Commission") is not at issue. The Orders in question require BellSouth to provide MCIm with a download of the Region Street Address Guide ("RSAG"). As MCIm acknowledges in its Motion, BellSouth has agreed to provide the download (MCI Motion, p. 3). Thus, the instant dispute does not involve compliance with the Commission's Order per se. Instead, the issue is that BellSouth has requested that MCIm execute a license agreement to ensure that MCIm will, in fact, use the database only for address validation. Throughout this proceeding, MCIm has consistently represented that it needs a download of the RSAG database to perform address validation. Having obtained a Commission Order under which it will receive the database, MCIm now argues that it should be allowed to use the database in any way that it wishes. Specifically, MCIm objects to restrictions that are

O3437 MAR 178

designed to prevent it from using the database in the provision of long distance service, for marketing purposes, or to create derivative works for profit. BellSouth submits that none of these uses were identified by MCIm during the hearing of the matter as intended (or even as potential) uses for the database, and that this Commission's Order cannot fairly be read to require BellSouth to provide the database to MCIm for any of these purposes. Accordingly, it is entirely appropriate for MCIm to be restricted in some fashion (either by way of a license agreement or otherwise) to using the RSAG database only to validate street addresses. MCIm's contention to the contrary should be rejected, and its Motion should be denied.

- 2. It is important to remember that this entire dispute began with the execution of an Interconnection Agreement between BellSouth and MCIm in June of 1997, the purpose of which was to provide MCIm with the tools to enter the <u>local market</u>, pursuant to the provisions of the 1996 Telecommunications Act. There is nothing in the Telecommunications Act that even remotely suggests that it is proper for an ALEC to obtain a service, functionality, or database under the terms of an Interconnection Agreement for the purpose of using it for anything other than the provision of local service. It has been undisputed throughout this proceeding that the appropriate use of this database (whether accessed electronically or downloaded) is to perform address validations in the context of rendering local service. (<u>See</u> Order No. PSC-98-1484-FOF-TP, p. 9) ("Order Resolving Complaint" or "Final Order")).
- 3. In the testimony that MCIm filed in this proceeding, it stated repeatedly that its intended usage of this data is address validation. Mr. Martinez specifically testified that he "made it clear during the negotiations that MCImetro's goal was to be

able to validate addresses in-house so that MCIm would not be beholden to BellSouth for this critical function." (Tr. 35). Likewise, MCIm's witness, Bryan Green, testified that "a download of the RSAG with periodic updates would allow MCIm to electronically enter the information in its own system to be available to customer service representatives" (Tr. 164). This, according to Mr. Green, would allow MCIm employees to "simply use the MCImetro system to validate addresses and substantially reduce the risk of rejected orders." (Id.). In the Final Order, the Commission noted specifically that "witness Martinez opined that Section 2.3.2.5 of the Agreement was negotiated so that MCIm would have an additional way to obtain access to the RSAG data until its address validation capabilities were developed." (Order, p. 11).

- 4. BellSouth, of course, argued that the Agreement was only intended to give MCIm <u>access</u> to the RSAG database, as opposed to a download. Nevertheless, the Commission ruled in favor of MCIm and required BellSouth to provide the download. In doing so, however, the Commission specifically instructed the parties to "negotiate in good faith the appropriate subset of the database to be provided." (Final Order, p. 13). Further, the Commission concluded that "this subset should exclude any BST proprietary information, but include at a minimum all of the Florida address validation and facility availability data." (Id.).
- 5. Subsequent to the entry of this Order, BellSouth communicated to MCIm in early 1999 that it wished to have a license agreement in place to ensure that MCIm would utilize the database only for address validation. MCIm did not object at this point to negotiating an agreement for this purpose. Over the course of the next year, sporadic negotiations of a licensing agreement took place. Now, after more than a year of

negotiations, MCIm claims that BellSouth has no right to request a license agreement and that MCI should be allowed to do anything that it wishes with the database. Specifically, MCIm objects to the provisions of the license agreement that state that, to use MCIm's words, "(a) BellSouth will retain title to any works MCIm derives from RSAG data; (b) MCIm may not transfer RSAG data to any affiliate; (c) RSAG data only may be used for purposes of local telecommunications; and (d) MCIm must return RSAG data upon termination of the Agreement." (MCIm Motion, p. 3). Obviously, none of these restrictions would present an impediment to MCIm's utilizing the database for address validation, and MCIm does not contend otherwise in its Motion. Nevertheless, MCIm now takes the position that it should be able to use the database in any way it chooses with no restrictions whatsoever.

6. To this end, MCIm makes several arguments. First, MCIm argues that because the issue of the license agreement only arose during the post-Order negotiation period prescribed by the Commission, MCIm should not be required to sign a license agreement. MCIm contends that because BellSouth did not request a license agreement at the time the Interconnection Agreement was originally negotiated, its right to do so later has, in effect, been waived. This argument ignores two crucial facts. One, BellSouth's interpretation of the Agreement was that it required BellSouth to provide MCIm access to the database, not a download. Had BellSouth prevailed on this point, then the issue of what MCI could (or could not) do with the downloaded RSAG database would never have arisen. Thus, whether MCIm's use of the database should be restricted to address validation did not become an issue until the Commission ruled that MCIm was to be provided not just access to the database, but a download of the database. Given

BellSouth's understanding of the requirements of the Interconnection Agreement, there was simply no need to raise the license agreement issue during the initial negotiations.

- 7. Two, MCIm ignores the fact that the restrictions that BellSouth wishes to place upon MCIm's use of this information are entirely consistent with MCIm's previous testimony as to how it intended to use the database. Since the Commission specifically noted this testimony in the Final Order, BellSouth makes the reasonable assumption that this Commission intended for the database to be provided to MCIm to be used for address validation, not some other purpose unrelated to providing local service. Again, BellSouth has proposed no restriction that would be an impediment to utilizing this information for address validation. BellSouth respectfully submits that the Commission's decision requiring a download of RSAG data might well have been different had MCIm testified that it intended to utilize the database to develop a derivative work, to sell (or give) it to other parties, or to provide it to its long distance affiliate to market long distance service. MCI did not state any such intentions at the hearing, but rather testified that it needed this information for address validation. The restrictions BellSouth seeks would do nothing more than hold MCI to its word.
- 8. Of course, MCIm continues to be less than straightforward concerning its current intended use of the RSAG database. Specifically, MCIm states that it "is still a new entrant in the Florida local market and cannot now identify all business uses to which the RSAG might be put." (Motion, p. 4). MCIm's "newness" to the local market did not, of course, prevent it from engaging in negotiations three years ago to obtain the database for (according to the above-quoted testimony of Mr. Martinez) the express purpose of address validation. This "newness" also did not prevent Mr. Martinez and Mr.

Green from testifying to this Commission almost two years ago that it wanted the database for this same purpose. MCIm now states that it does not know what it wishes to do with this information, but that it should not be subject to any restrictions. In other words, MCIm wishes to reserve the right to use the database in some way other than what it told the Commission almost two years ago was its intended usage. MCIm, however, should have no such right, but rather should be limited to using the database as its witnesses said it would.

- 9. MCIm also makes an implausible argument to the effect that the data is essentially worthless and, therefore, there should be no restrictions on its use. MCIm appears to hold the view that information is either proprietary (i.e., valuable), or non-proprietary, in which case it is so little worth that it does not deserve protection. MCIm argues in its Motion that since the Commission "limited the RSAG download and updates to nonproprietary portions of the database," the database is of little value. To begin by stating the obvious, if this database had little intrinsic value, then MCIm would have given up long ago its attempts to obtain the database without restriction.
- 10. Further, MCIm's claim that the database has little intrinsic value (and therefore is not deserving of protection) is based upon a fundamental misreading of the Final Order. As stated previously, the Commission ordered that "BST proprietary information" should be excluded. The Commission also stated, however, that the information to be downloaded should include "all of the Florida address validation and facility availability data." (Final Order, p. 13). This information allows anyone having access to the database to know precisely what facilities are available at any given address listed in the database. To BellSouth's knowledge, there is no other database from which

MCI could obtain this information for BellSouth's service territory, and there is no means for MCIm to obtain this information except from BellSouth. Thus, to the extent that MCIm implies (but does not quite say) that this information is publicly available, this assertion is simply not true.

- little value, then this belief would render its position nonsensical. For example, MCIm contends that the data has no intrinsic value, but it refuses to agree to the restriction that BellSouth would retain title to the database, or that its database should be returned to BellSouth at the expiration of the contract. MCIm makes the unsupported assertion that the database has little or no use as a marketing tool, but wishes to reserve the ability to provide this information to its long distance affiliate to be utilized for marketing. MCI implies that the information in the database is publicly available, but ignores the fact that it contains information concerning placement of facilities that is not available from any other source. Obviously, MCIm's argument that the database has little or no intrinsic value (or potential for use) beyond address validation cannot be squared with MCIm's steadfast refusal to limit its use of the database to address validation.
- 12. It is noteworthy that MCIm has only raised four particular aspects of the licensing agreement with which it takes issue. However, MCIm requests this Commission to order that it may obtain the database without signing an agreement that contains <u>any</u> restrictions. BellSouth believes that each of the four restrictions to which MCIm objects are well-founded. However, BellSouth also submits that if this Commission determines that one or more of these restrictions should not be contained in

the license agreement, it should still not reject out of hand the approach of requiring MCIm to sign an agreement with the appropriate restrictions.

13. Finally, MCIm premises its argument primarily on the fact that it has not previously been ordered by the Commission to sign a license agreement. BellSouth submits that if the Commission is disinclined to allow BellSouth to require MCIm to sign a licensing agreement for this reason, then the Commission should still take the steps necessary to ensure that MCIm's use of the database is consistent with its representations earlier in this proceeding, i.e., the Commission should modify its Order to state that MCIm is prohibited from using the RSAG database in any way other than address validation in the context of providing local service. Again, MCIm argues that now that it has secured the right to obtain the database, it should be free to use the database in ways that are markedly different than the intended use that it described to the Commission earlier in this proceeding. BellSouth believes that this argument must be rejected, and that requiring MCIm to enter into a license agreement is an appropriate way to ensure that MCIm's use of this data is appropriate. If, however, the Commission would prefer, BellSouth is amenable to the approach of simply modifying the Commission's prior Orders to prevent MCIm from using the RSAG database for anything other than address validation.

WHEREFORE, BellSouth respectfully requests the entry of an Order denying MCIm's Motion in full for the reasons set forth above.

BELLSOUTH TELECOMMUNICATIONS, INC.

NANCY B. WHITE

c/o Nancy Sims

150 South Monroe Street, #400

Tallahassee, Florida 32301

(305) 347-5558

R. DOUGLAS LACKEY

J. PHILLIP CARVER

675 West Peachtree Street, #4300

Atlanta, Georgia 30375

(404)335-0710

201242