APPENDIX "A"

Docket No. 6537-U, Petition of MCImetro to Establish Nondiscriminatory Rates, Terms and Conditions for the Unbundling and Resale of Local Loops

Docket No. 6414-U, Petition of MFS Intelenet of Georgia, Inc. For BellSouth Nondiscriminatory Unbundled Loops and Interconnection Rates, Terms and Conditions

SUMMARY OF ISSUES

Issue #1: **What is the appropriate process by which BellSouth should be required to assign central office (NXX) codes?**

MCImetro

Until the NXX code administration is moved to a neutral third party administrator, BellSouth should be required to provide nondiscriminatory NXX assignments to MCImetro on the same basis such assignments are made to other LECs including BellSouth.

MFS

BellSouth should assign NXX codes to MFS on a nondiscriminatory basis.

BELLSOUTH

In the long term, number assignment and control should be handled by an independent administrator. Until such time this is accomplished, BellSouth will continue to administer the guidelines for code assignments in a fair and nondiscriminatory manner.

SPRINT

All carriers should have equal and non-discriminatory access to sufficient blocks of telephone numbers to offer service. Number administrators, including incumbents should develop means for electronic access to telephone numbers assignments so that number assignments are not tied to administrators' hours of operation.

STAFF

The Commission shall order BellSouth to provide nondiscriminatory NXX code assignments to all competing local exchange carriers on the same basis that such assignments are made to incumbent LECs, including BellSouth, until such time an independent third party administrator is selected. BellSouth shall file its proposed procedure to comply with this directive within 30 days of the issuance of a Commission Order in this matter.

Issue #2: **What are the appropriate technical arrangements for the provision of unbundled loops?**

MCImetro

MCImetro has requested that BellSouth provide, on an unbundled basis, those basic network elements which provide a connection between the consumer's premises and the LEC's central office switch. The network elements involved would include buried cable or aerial facilities and the line card or other terminating device inside the LEC's central office which provides connectivity to the switch. BellSouth has offered the use of private line services in response to MCImetro's request for unbundled loops. MCImetro's use of private line services instead of unbundled loops would merely increase its cost while providing no additional needed functionality. MCImetro has also requested that BellSouth provide loop concentration to competitors at the central office and loop transport.

MFS

MFS has requested that BellSouth unbundle its network into two elements: the link element plus cross-connect element and the port element plus cross-connect element. Specifically, MFS seeks the following forms of unbundled loops and ports: (1) 2-wire and 4-wire analog voice grade loops; (2) 2-wire ISDN digital grade loops; (3) 2 wire and 4-wire CSA type loops; (4) 4-wire DID DS-1 digital trunk ports. MFS also requests the ability to utilize its own digital loop carrier through collocation, or to purchase loop concentration from BellSouth and sub-loop unbundled access and interconnection. The use of a private line or special access channel is totally inappropriate to provide local service. The Commission should remind BellSouth of its obligation to respond promptly to future request for unbundling of additional elements.

BELLSOUTH

BellSouth will provide a loop capable of voice communication, with a data layout record normally associated with special access. The data layout record provides the engineering parameters of the circuit and has been specifically requested by the carriers. BellSouth offers an unbundled two-wire voice grade exchange port for connection of a new entrant's end user loop to BellSouth's public switched network. The provision of loop concentration requires the development of an entirely new service, as it has been requested, it is not a capability currently in BellSouth's network. Mr. Scheye testified that BellSouth was willing to provide loop concentration, BellSouth intends to provide collocation arrangements to new entrants similar to those provided to interexchange carriers. The operations and support systems required to order and administer sub-loop unbundling would be extremely difficult to develop and maintain. BellSouth suggests a process similar to the one established in the FCC's ONA Plan as appropriate for new local exchange network unbundling request.

GTA

Any unbundling request or arrangements decided in this matter will not and cannot apply of future requests made of other incumbent LECs.

AT&T

The unbundled network elements sought by MFS and MCImetro are technically feasible and should be ordered by the Commission. The law does not allow BellSouth to deny the availability of unbundled network elements which are technically feasible to provide. The Commission should expressly adopt a policy to require the level of unbundling requested by a particular carrier based on technical feasibility and nondiscriminatory and cost-based pricing.

ACSI

Other new entrants should be entitled, upon request, to the same arrangements as MFS and MCImetro on a non-discriminatory basis. The Commission should direct BellSouth to offer unbundled loops.

SPRINT

BellSouth should upon receipt of a bona fide request unbundle and separately price and offer the following network elements: local loop, local switch, transport, data switching, ancillary services and tandem/transit switching. BellSouth should also be required to unbundle the six elements identified into sub-elements as requested. BellSouth should be required in writing within 30days whether it is technically feasible to provide sub-element unbundled capability and, if feasible the price of the requested service.

CTAG

Any decision(s) the Commission may render are limited in effect to the issues raised by the parties involved in their respective negotiations. The Commission should adopt policies regarding unbundling of the incumbents LEC's networks that facilitate and encourage flexibility and independence in the construction of CLEC's resulting networks.

COMPTEL

To ensure that multiple providers are able to compete with BellSouth throughout the state. BellSouth must be required to unbundle all network elements, including the capabilities of the local switch.

STAFF

BellSouth shall be required to provide unbundled elements in accordance with the requests sought by MCImetro and MFS. Special access lines are not an appropriate substitute for unbundled loops. BellSouth shall be required to provide loop concentration and loop transport as requested. BellSouth is not required to provide sub-loop unbundling at this time. Further evidence regarding the development of necessary implementation and administration procedures for such must be developed before further consideration is given regarding this request. The Commission shall develop an appropriate procedure in the context of its proposed rulemaking to facilitate future unbundling request.

Issue #3: **What are the appropriate financial arrangements for the provision of unbundled loops?**

MCImetro

The appropriate rate which MCImetro should pay to BellSouth for use of unbundled local loops and any associated concentration, multiplexing or transport should be the direct economic cost of those services or BellSouth's Total Service Long Run Incremental Cost ("TSLRIC"). The use of the traditional fully embedded economic cost model should be expressly rejected by the Commission. The Commission should adopt the findings of the Benchmark Cost Model ("BCM") for Georgia as an interim price for unbundled loops until BellSouth provides a TSLRIC study and such study has been fully examined in a contested case. The BCM identifies a range for the cost of unbundled loops which vary according to density of $5.35 - $60.88.

MFS

BellSouth's Long Run Incremental Cost ("LRIC") should serve as the target price and cap for unbundled loops where such loops must be employed by competitive carriers to compete with BellSouth. LRIC is the direct economic cost of a given facility, including cost of capital. BellSouth should be required to perform long-run incremental cost studies for each component of the local exchange access line, including the link, port, cross-connect, and local usage elements. MFS proposes that the Commission adopt interim unbundled loop rates of $9 in urban areas, $12 in suburban areas, and $16 in rural areas. MFS proposed rates are based on rates voluntarily agreed to by Ameritech in its co-carrier agreement with MFS.

BELLSOUTH

The Federal Act requires pricing of unbundled elements to be based on cost, nondiscriminatory, and may include a reasonable profit. "Based on cost" must include incremental costs, as well as a contribution to the shared and common cost of the business. The rates proposed by BellSouth have already been approved either by this Commission or the Federal Communications Commission. The Federal Act contains no requirement that the basis for pricing unbundled elements be a TSLRIC methodology. The appropriate rate level for unbundled loops is the existing tariffed rate for a voice grade channel of $25 per month. Current public policy in Georgia is that prices for local exchange service are higher in the metropolitan areas and lower in the rural areas. Pricing a loop based on population density results in the inverse. BellSouth offers to submit to this Commission a long run incremental cost study of the loop in order to provide the underlying cost upon which a rate could be developed. The existing rates included in BellSouth's General Subscriber Services Tariff for unbundled ports are $2.28 per month for a residence port, a business port rate of $4.60 per month, a PBX port rate of $7.37 per month and a rotary (hunting) of $2.77. Additional usage charges apply for outward local messages and a day/week discount applies to the usage charges.

AT&T

The Commission should adopt TSLRIC as the proper cost methodology and the rate for unbundled network elements by which it will assure compliance with the federal pricing standard. BellSouth's proposed use of its existing tariff rates for unbundled loops and ports is one hundred and eighty degrees from the direction set by The Telecommunications Act of 1996.

CUC

Cutover to across-the-board use of TSLRIC should take place within one year. Moreover. this algorithm should be disaggregated by service, rate element, and costing area. TSLRIC is the only approach suited to development of competitive markets and efficient service provisioning.

SPRINT

Sprint supports MCImetro's argument that prices for unbundled elements should be based on TSLRIC, rather than LRIC as proposed by MFS. Sprint also participated in developing the Benchmark Cost Model and would support use of it as an proxy model in lieu of actual TSLRIC studies. The price of unbundled elements should be based on TSLRIC. including cost of capital plus a reasonable contribution to joint and common costs. Sprint contends that the level of contribution to joint and common cost should be a uniform loading that is reflective of an economically efficient LEC, but not to exceed 15 percent. The profit level should be the most recent authorized intrastate rate of return or prescribed interstate rate of return.

ACSI

The Commission should direct BellSouth to offer unbundled local loops at cost-based rates. TSLRIC is the appropriate methodology for determining unbundled loop prices. A fundamental tenet of TSLRIC is that unbundled prices must not include any portion of the shared and common costs of the incumbent LEC. The Commission should take into account density and distance-sensitivity in determining local loop rates. ACSI supports the recommendation of MFS for three interim loop rate categories based on distance and density as adopted in Illinois (urban $9, suburban $12, rural $16). ASCI also strongly urges the Commission to scrutinize any nonrecurring charges associated with unbundled loops.

CTAG

TSLRIC is the appropriate long-term pricing standard to be applied to the interconnection and unbundling of network elements. TSLRIC, plus a reasonable allocation for contribution to forward-looking joint and common costs, is consistent with the pricing standard mandated in the Federal Act. The resulting charges should not include embedded costs or universal service subsidies.

COMPTEL

Unbundled network elements, including unbundled switching must be priced so that competing carriers face the same cost structure as the incumbent itself faces, i.e.,at "economic cost" or TSLRIC as required by the Federal Act. The Commission should reject any notion that BellSouth should be awarded a mark-up above TSLRIC to recover joint and common costs.

STAFF

The Commission shall determine that rates for unbundled elements be determined pursuant to a forward-looking economic cost pricing methodology. The prices that new entrants pay for unbundled elements should be based on the local telephone companies Total Service Long-Run Incremental Cost of a particular element, which is called "Total Element Long-Run Incremental Cost" (TELRIC), plus a reasonable share of forward-looking joint and common cost.

The Commission shall direct BellSouth to file cost studies within 45 days of the issuance of a Commission Order to be utilized in establishing long-term prices for the unbundled elements approved by the Commission. The studies filed shall comply with the definitions and the methodology contained in § 51.505 and § 51.511 of the FCC's Local Competition Rules. BellSouth shall provide a detailed narrative which explains and identifies all assumptions, data inputs, origin of inputs, time frames and any other information which may be necessary for the Commission to determine that the proposed cost study complies with the FCC rules. Within the studies BellSouth shall clearly identify the recovery sought for any joint and common costs. In addition the filed cost studies shall comply with the provisions contained in § 51.507(f) of the FCC rules which requires that rates be established for at least three defined geographic areas within the State to reflect geographic cost differences. These cost studies shall become the subject of a contested proceeding upon filing.

In the interim the Commission shall adopt a rate of $14.22 per month for unbundled loops. This rate has been established by computing a weighted average of the Benchmark Cost Model ("BCM") results for Georgia. The BCM is one of the cost studies the FCC utilized in establishing a default proxy rate for unbundled loops in Georgia. This statewide weighted rate is consistent with the requirements contained in § 51.509(a) of the FCC rules and in line with the proxy ceiling ($16.09) established for Georgia in § 51.513(c)(1) of the FCC rules. BellSouth proposed rates for unbundled loops and ports do not comply with the provisions contained in the FCC rules.

Issue #4: **What are the appropriate technical arrangements for physical interconnection and traffic exchange?**

MFS

Interconnection should initially occur at a single neutral interconnection point in each LATA. Where MFS and BellSouth interconnect, MFS should have the right to specify the method of interconnection (i.e..mid-fiber,digital cross-connect, collocation.....)MFS and BellSouth should be responsible for completing calls to all end users on their network. Carriers should pass both local and toll traffic over a single trunk group, utilizing a percent local usage factor to provide the proper jurisdictional call type. More than one meet-point could be established if mutually acceptable. The Commission should adopt a plan that gives both BellSouth and MFS the flexibility to determine the point of interconnection. Competitive carriers and BellSouth should reciprocally terminate LATA-wide traffic originating on each others network via two-way trunking arrangements. Each carrier should be required to provide the same standard of maintenance and repair service for its trunks terminating at a point of interconnection as it does for interoffice trunks within its own network. BellSouth should be required to exchange traffic between its network and the networks of competing carriers using reasonably efficient routing, trunking, and signaling arrangements.

BELLSOUTH

Interconnection should occur at the BellSouth's access tandem and end office levels. Without knowing the capabilities of different competing carriers meet-point interconnections may not be technically feasible. Reciprocal compensation arrangements for terminating traffic on BellSouth and new entrants networks that are based on switched access rate structure and rate levels. A default to the toll access model if local calls cannot be distinguished from toll and a transistional structure that will eventually merge all interconnection plans.

CTAG

The Commission should adopt policies regarding interconnection of the incumbents LECs' networks that facilitate and encourage flexibility and independence in the construction of the competing LEC's resulting network. CTAG believes that a flexible and evolving definition of what constitutes a technically feasible interconnection point will permit the most efficient arrangements between incumbents and competitors.

GTA

Any decisions arising from this proceeding are not applicable to the interconnection arrangements among other carriers which must be established in accordance with the Federal Act.

CUC

The Commission should mandate that all interconnection and unbundling agreements be filed for inclusion in a database, which would be further subdivided into proprietary and nonproprietary segments. The GPSC would perform a clearinghouse function accumulating and disseminating this information.

AT&T

Interconnection must be made available at any technically feasible point as required by the Federal Act. Interconnection must be made available to new carriers in a manner equal in quality to the incumbents LEC's own services. No restriction should be placed on interconnection standards and offerings that would limit these requirements to the existing inventory of LEC network functions. LECs must not be permitted to discriminate in any respect against new entrants, such as in delays in provisioning or inferior provisioning, installation or maintenance, or uneconomic pricing of interconnection arrangements.

STAFF

BellSouth shall be required to provide interconnection, trunking and signaling arrangements at any technically feasible point in the network in accordance with § 51.305 (a)(2) of the FCC Rules. BellSouth shall make interconnection available in a manner equal in quality to the incumbents LEC's own services consistent with § 51.305(a)(3) of the FCC Rules. Meet-point arrangements shall be permitted where they are found to be technically feasible pursuant to § 51.321(b)(2) of the FCC Rules. BellSouth and competing carriers shall exercise flexibility in determining points of interconnection. Competing carriers shall have the option to interconnect via one-way or two-way trunking arrangements. All carriers shall be responsible for completing calls to all end users on their networks. Carriers may be permitted to pass both local and toll traffic over a single trunk group, utilizing a percent local usage factor to jurisdictionally separate traffic. This factor shall be subject to audit.

Issue #5: What are the appropriate financial arrangements for interconnection?

MFS

BellSouth and MFS shall compensate each other with an equal, reciprocal, and identical per minute of use rate for the calls parties terminate on the other carrier's network. The use of non-cost-based switched access rates with a cap would have anti-competitive effects. The Commission, consistent with the 1996 Telecommunications Act should order an equal, reciprocal and mutual local call termination rate of $0.005. This rate is consistent with the LRIC based rates endorsed by the Commissions in Maryland, Illinois, Washington, California, and Connecticut.

BELLSOUTH

BellSouth believes that the local interconnection rate structure should mirror the current switched access charge structure. While there was disagreement to the appropriate levels for interconnection, both MCImetro and MFS endorsed the concept of usage sensitive rate structure. MFS's proposal is not based on Georgia specific cost studies of the incremental cost of local call termination. This Commission's decision on such an important rate issue should not be based on cost information derived from states other than Georgia. BellSouth proposes that the rate level for interconnection is BellSouth's intrastate terminating switched access rates which are $0.175 as of July 1. 1996. This rate would cover cost (incremental. as well as contribution to shared and common) and provide support for universal service. The Federal Act precludes a state from ordering "bill-and-keep."

AT&T

The Commission should require BellSouth to perform appropriate TSLRIC cost studies in order to set interconnection prices and set interconnection rates at TSLRIC. The Commission should establish "bill and keep" as an interim mutual compensation arrangement until BellSouth's TSLRIC studies are performed and produced. The Commission should require BellSouth to charge an originating alternative local exchange carrier ("ALEC") the TSLRIC associated with the tandem switching function for local calls originated.

CUC

The Commission should utilize a TSLRIC methodology to develop interconnection rates.

SPRINT

Sprint supports the use of bill-and-keep initially for transport cost recovery for a period not to exceed 24 months from the date of new entrant's interconnection to the incumbent local exchange carrier's local calling area. Within the 24 month period in which bill-and-keep is used, the incumbent local exchange carrier would be expected to develop specific charges associated with tandem and termination functions based on its TSLRIC. A permanent solution should be flat-rated, capacity-based, charges that are cost based. A non-incumbent local exchange carrier's prices for interconnection and reciprocal compensation charges should be presumed to be cost-based and should not be regulated unless this carrier develops market power.

ACSI

ACSI advocates "bill-and-keep" as a simple and equitable mechanism for achieving reciprocal compensation. BellSouth interpretation of the aspect of the Federal Act is plainly incorrect. If, however, the Commission decided to determine a per minute rate for call termination, ACSI recommends that such a rate be calculated on a TSLRIC basis. The Commission should implement a single, reciprocal rate for local call termination at both the end office and the tandem to be consistent with the Federal Act and to increase administrative simplicity.

CTAG

TSLRIC or less is the appropriate long-term pricing standard for transport and termination and that reciprocal compensation for transport and termination should be based on the incremental cost to terminate an additional call originating on another carriers network. These rates should not include any overheads, common costs, legacy costs, or markups. The absence of TSLRIC price studies and the competition delaying time period necessary for their development calls for the implementation of an interim solution for pricing of transport and termination. Bill-and-keep is the appropriate solution.

STAFF

The Commission shall determine that rates for interconnection be determined pursuant to a forward-looking economic cost pricing methodology. The prices that new entrants pay for interconnection should be based on the local telephone companies Total Service Long-Run Incremental Cost of a particular element, which is called "Total Element Long-Run Incremental Cost" (TELRIC), plus a reasonable share of forward-looking joint and common cost.

The Commission shall direct BellSouth to file cost studies within 45 days of the issuance of a Commission Order to be utilized in establishing long-term prices for interconnection. The studies filed shall comply with the definitions and the methodology contained in § 51.505 and § 51.511 of the FCC's Local Competition Rules. BellSouth shall provide a detailed narrative which explains and identifies all assumptions, data inputs, origin of inputs, time frames and any other information which may be necessary for the Commission to determine that the proposed cost study complies with the FCC rules. Within the studies BellSouth shall clearly identify the recovery sought for any joint and common costs. In addition the filed cost studies shall comply with the provisions contained in § 51.507(f) of the FCC rules which requires that rates be established for at least three defined geographic areas within the State to reflect geographic cost differences. These cost studies shall become the subject of a contested proceeding upon filing.

The Commission shall set interim transport and termination rates at the default ceiling for end-office switching (0.4 cents per minute of use), tandem switching (0.15 cents per minute of use) and transport (as described in § 51.707(b)(2) of the FCC Rules).

Issue #6: **What are the appropriate arrangements for the maintenance of telephone directories?**

MFS

BellSouth's publishing has refused to include MFS's logo in the Information Pages at no charge. Allowing competitive local services providers to include their logos in the information pages is appropriate because the incumbent service provider will have a *de facto* monopoly on telephone directories, especially white pages. GTE, NYNEX, Bell Atlantic and Ameritech provide MFS listing with its logo. BellSouth should provide the same listings in Georgia.

BAPCO

The Commission should decide MFS's request by taking the same action it took in AT&T's case in Docket No. 6352-U. It should limit its order to a requirement that MFS customers receive, at no cost to them or MFS, basic listings in the white page directories.

STAFF

The Commission's role in directory matters is to ensure that a complete white pages directory is published. Directory advertising arrangements are a matter of contract between the local service provider and BellSouth's publishing affiliate. MFS customers shall receive basic listings in the relevant white pages and all other directory matters of interest to MFS be pursued with BAPCO and arranged by contract. Other Directory matters forwarded by intervenor Southern Directory are clearly outside of the scope of this proceeding.

Issue #7: **What are the appropriate arrangements for intermediary transit switching and cross-connection?**

MFS

Carriers should have the option of obtaining a dedicated cross-connection between their respective facilities if they are both collocated in the same BellSouth wire center. The rate for a dedicated cross-connection should be equal to the rate for a cross-connection from the same collocation facility to BellSouth's network, divided equally between the two participating carriers. MFS should have the option to route traffic through BellSouth's tandem switch to the switches of other LECs. BellSouth should be permitted to collect a tandem transiting charge for the use of its tandem in this situation, based upon the LRIC of tandem switching. MFS has proposed that a reasonable rate would be $0.00075 per minute, which exceeds BellSouth's tandem switching cost as estimated in Florida, and is the same tandem switching rate approved by the Florida PSC for GTE.

BELLSOUTH

BellSouth plans to provide an intermediary function that would allow calls from an ALEC customer to transit BellSouth's network to any other LEC network. The appropriate rates will be the applicable charges for tandem switching and transport in addition to a charge of $.002 per minute of use for the intermediary function. BellSouth intends to provide collocation arrangements to new entrants similar to those provided to interexchange carriers. BellSouth believes the normal tariff rates should apply for direct cross-connect.

STAFF

BellSouth shall permit ALEC's collocated in the same office to direct cross-connect. The appropriate charge for a dedicated cross-connect shall be equal to the rate for a cross-connection from the same collocation facility to BellSouth's network, divided equally between the two participating carriers. The Commission shall determine rates for intermediary transit pursuant to a forward-looking economic cost pricing methodology. The prices that new entrants pay for intermediary transit should be based on the local telephone companies Total Service Long-Run Incremental Cost of a particular element, which is called "Total Element Long-Run Incremental Cost" (TELRIC), plus a reasonable share of forward-looking joint and common cost.

The Commission shall direct BellSouth to file cost studies within 45 days of the issuance of a Commission Order to be utilized in establishing long-term prices for intermediary transit. The studies filed shall comply with the definitions and the methodology contained in § 51.505 and § 51.511 of the FCC's Local Competition Rules. BellSouth shall provide a detailed narrative which explains and identifies all assumptions, data inputs, origin of inputs, time frames and any other information which may be necessary for the Commission to determine that the proposed cost study complies with the FCC rules. Within the studies BellSouth shall clearly identify the recovery sought for any joint and common costs.

Issue #8: **What are the appropriate arrangements for interim number portability?**

MFS

The most significant issue remaining regarding interim number portability is the compensation for termination of "ported" calls and the entitlement to terminating network access charges on such calls. A new entrant terminating a call should receive the appropriate compensation (switched access or local compensation, depending on the type of call) regardless of whether a call is completed using interim number portability. BellSouth should compensate MFS as if the traffic had been terminated directly to MFS's network, as is the case for standard meet-point billing arrangements. Traffic from IXCs forwarded to MFS via interim number potability should be subject to the appropriate intraLATA, interLATA-intrastate, or interstate switched access rate less those transport elements corresponding to the use of BellSouth's network to complete the call. If BellSouth bills the switched access rate elements on ported calls, as it proposes, MFS will not receive the appropriate switched access charges when it terminates a call. Specifically the Residual Interconnect Charge ("RIC"). The terminating carrier should collect the RIC.

BELLSOUTH

The appropriate financial and operational arrangements for interexchange calls terminated to a number that has been "ported" to a new entrant are identical to those for a situation in which an interexchange carrier is connected through the BellSouth access tandem and then is connected to an ALEC end office. On jointly handled interexchange calls, BellSouth should receive the tandem switching and transport charges including the RIC, while the end user provider is entitled to the local switching and Carrier Common Line ("CCL") charges. The RIC arose out of the Local Transport Restructure proceeding at the FCC. The RIC recovers the shortfall between the overall transport revenue requirement and the revenues generated by the new and lower transport and tandem switching charges. The new entrants will not have a revenue requirement associated with the RIC charge.

AT&T

When a number has been ported to an ALEC through interim number portability arrangements, the incumbent local exchange company should receive the switched access charges associated with the local transport functions (either dedicated or tandem but not the residual interconnection charge) in transporting the call to the incumbent's end office from which the call is "ported" to the ALEC.

STAFF

Carriers providing tandem switching or intermediary function shall collect access charges that apply only to the actual functions they carry out. The carrier providing the terminating access shall collect the RIC charge. This same standard shall apply to meet-point billing arrangements.

ADDITIONAL RECOMMENDATIONS

BellSouth shall provide new entrants nondiscriminatory access to Directory Assistance Services and Databases, and E911 Database updates. BellSouth shall enter into reasonable arrangements for billing and collection of caller-paid information services, such as "976" and similar services. BellSouth shall provide nondiscriminatory access to Operations Support Systems Functions pursuant to § 51.319(f) of the FCC rules.

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION

In the matter of:	)	
	)	
MFS Intelenet of Georgia, Inc. Petition for Bellsouth Nondiscriminatory Unbundled Loops and Interconnection Rates, Terms and Conditions	)	**Docket No. 6415-U**
	)	
MCI Metro Petition to Establish Nondiscriminatory Rates, and Terms and Conditions for Unbundled Loops	)	**Docket No. 6537-U**

CERTIFICATE OF SERVICE

I hereby certify that the Interim Order in the above-referenced dockets was filed with the Commission's Executive Secretary, and copies of same were served upon all parties and persons listed below or via hand-delivery where indicated by an asterisk, or by first-class mail addressed as follows:

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So certified this 21st day of August, 1996.

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Attachment II

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Resolution of petition(s) to establish nondiscriminatory rates, terms, and conditions for resale involving local exchange companies and alternative local exchange companies pursuant to Section 364.161, F. S.	DOCKET NO. 950984-TP ORDER NO. PSC-96-0811-FOF-TP ISSUED: June 24, 1996

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

BY THE COMMISSION:

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On behalf of Central Telephone Company of Florida and United Telephone Company of Florida.

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On behalf of AT&T Communications of the Southern States, Inc.

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On behalf of Florida Cable Telecommunications Association, Inc.

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On behalf of Intermedia Communications of Florida, Inc.

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On behalf of WorldCom, Inc. d/b/a LDDS WorldCom Communications.

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On behalf of MCI Metro Access Transmission Services, Inc.

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On behalf of Time Warner AxS of Florida L.P. and Digital Media Partners.

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On behalf of Sprint Communications Company, L.P.

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On behalf of the Commission Staff.

ORDER ESTABLISHING PROVISIONS FOR THE RESALE OF SERVICES PROVIDED BY GTE FLORIDA INCORPORATED, UNITED TELEPHONE COMPANY OF FLORIDA, AND CENTRAL TELEPHONE COMPANY OF FLORIDA

I. BACKGROUND

The 1995 Florida Legislature approved substantial revisions to Chapter 364, Florida Statutes. These changes included provisions that authorize the competitive provision of local exchange telecommunications service. Incumbent local exchange companies may elect to be price regulated rather than rate base, rate-of-return regulated companies. GTE Florida Incorporated (GTEFL) and United Telephone Company of Florida and Central Telephone Company of Florida (collectively United/Centel) elected to be price regulated.

Section 364.161, Florida Statutes, provides that upon request, each local exchange telecommunications company shall unbundle all of its network features, functions, and capabilities, and offer them to any other telecommunications provider requesting them for resale to the extent technically and economically feasible. If the parties to the proceeding are unable to successfully negotiate the terms, conditions, and prices of any feasible unbundling request, the Commission, pursuant to Section 364.162(3), Florida Statutes, is required to set nondiscriminatory rates, terms, and conditions for resale of services and facilities within 120 days of receiving a petition.

On August 30, 1995, the Prehearing Officer set forth the procedural dates governing petitions filed requesting the Commission to establish nondiscriminatory rates, terms, and conditions for resale. See Order No. PSC-95-1083-PCO-TP. On January 24, 1996, Metropolitan Fiber Systems of Florida, Inc. (MFS-FL) filed a petition requesting that the Commission establish such nondiscriminatory rates, terms, and conditions for resale with GTEFL and United/Centel. The hearing in this docket was held on March 20 and 21, 1996. Our decision, based on the evidence in the record, is set forth below.

II. MFS-FL/GTEFL STIPULATION

On February 19, 1996, MFS-FL and GTEFL signed an agreement regarding several terms for unbundling and resale and stipulated some issues within this proceeding. On March 20, 1996, at the hearing, we approved the stipulation without objection. The stipulation resolves some of the terms for unbundling and resale between MFS-FL and GTEFL with regards to Sections IV, V and VII of this Order. The stipulation is attached to this Order as Attachment A, and is by reference incorporated herein.

III. NON-PETITIONING PARTIES AND THIS DECISION

At the prehearing conference held on March 1, 1996, the following issue was identified: "To what extent are the non-petitioning parties that actively participate in this proceeding bound by the Commission's decision in this docket as it relates to

United/Centel and GTEFL?" The issue was orally argued at the hearing by the parties and ruled upon as follows:

> Any intervenor ALEC who fully participates in this proceeding is bound by the resolution of the issues. Such ALEC is still free to negotiate its own rate. To the extent negotiations fail, the affected ALEC may petition the Commission to set rates.

IV. UNBUNDLED ELEMENTS

Section 364.161 (1), Florida Statutes, states that upon request, each local exchange company (LEC) shall:

> unbundle all of its network features, functions, and capabilities, including access to signalling databases, system and routing processes, and offer them to any other telecommunications provider requesting such features, functions or capabilities for resale to the extent technically and economically feasible.

We interpret this to mean that LECs are required to unbundle any network feature, function and capability upon request. This section does not require the LECs to offer existing tariffed services as unbundled network elements.

Generally, the parties agree that United/Centel should be required to unbundle loops, ports, loop concentration and any transport associated with these elements. Disagreement among the parties arises as to the level of unbundling requested by MFS-FL.

A. MFS-FL's Request

MFS-FL requested that United/Centel unbundle its exchange services into two separate packages: the link element plus cross-connect element and the port element plus cross-connect element. Specifically, MFS-FL seeks unbundled access and interconnection to the following forms of unbundled links: 1) 2-wire and 4-wire analog voice grade; 2) 2-wire Integrated Services Digital Network (ISDN) digital grade; and 3) 4-wire DS-1 digital grade.

A link element or loop element is the transmission facility, or channel or group of channels on such facility, which extends from the LEC end office to a demarcation point at the customer's premises. 2-wire analog voice grade links are commonly used for local dial tone service. 2-wire ISDN digital grade links are a 2B +D basic rate interface integrated services digital network (BRI-

ISDN) type of loop which meets national ISDN standards. 4-wire DS-1 digital grade links provide the equivalent of 24 voice grade channels. Cross-connection is an intra-wire center channel connecting separate pieces of telecommunications equipment including equipment between separate collocation facilities.

MFS-FL also requests the following forms of unbundled ports be made available by United/Centel: 1) 2-wire and 4-wire analog line; 2) 2-wire ISDN digital line; 3) 2-wire analog direct inward dialing (DID) trunk; 4) 4-wire DS-1 digital DID trunk; and 5) 4-wire ISDN DS-1 digital trunk.

A port element is a line card and associated equipment on the LEC switch which serves as the hardware termination for the customer's exchange service. The port generates dial tone and provides the customer a pathway into the public switched network. Each port is typically associated with one or more telephone numbers which serve as the customer's network address.

2-wire analog line ports are line side switch connections that provide basic residential and business type exchange services. A line side connection from the switch provides access to the customer. 2-wire ISDN digital line ports are basic rate interface (BRI) line side switch connections that provide ISDN exchange services. A 2-wire analog DID trunk port is a DID trunk side connection that provides incoming trunk type exchange services. A trunk side connection from the switch typically provides access to another switch. 4-wire DS-1 digital DID trunk ports are trunk side switch connections that provide the equivalent of 24 analog incoming trunk type exchange services. 4-wire ISDN digital DS-1 trunk ports are primary rate interface (PRI) trunk side switch connections that provide ISDN exchange services.

MFS-FL also requests the ability to use its own digital loop carrier (DLC) through collocation to provide loop concentration or to purchase such loop concentration from United/Centel. MFS-FL also filed testimony on unbundled access and interconnection to the link sub-elements of United/Centel's DLCs located in the field.

B. United/Centel's Proposal

In addition to collocation offered in its expanded interconnection tariffs, United/Centel proposes to offer unbundled loops and ports. United/Centel's witness Poag asserts that United/Centel's existing special access tariff contains the loop elements that should be provided to MFS-FL on an unbundled basis. Special access services are currently used to connect end users to IXCs for switched toll and private line services. United/Centel asserts that special access services meet the needs of IXCs and end users for a large variety of toll services; special access should be used to provide services on a local basis as well as a toll basis.

United/Centel proposes to offer unbundled ports with the capability to handle local, long distance, directory assistance, operator and 911 type calls. Currently, United/Centel's only tariffed port is a Centrex network access register (NAR) which is equivalent to the dial tone element of a PBX trunk. United/Centel states that it is in the process of developing residence, single line business, and rotary business ports.

C. Loop/Link vs. Special Access

MFS-FL argues that using a special access line as an unbundled loop is not appropriate. MFS-FL's witness Devine asserts that special access lines provide for additional performance parameters that are beyond what is necessary to provide plain old telephone service (POTS). He states that installation of a special access line typically requires special engineering by the LEC and costs more than installation of a POTS line. Another concern arises when a United/Centel customer chooses to change service to MFS-FL. MFS-FL asserts that the customer's existing link facility should be rolled over from United/Centel to MFS-FL without having the entire link re-provisioned or engineered over different facilities. MFS-FL's concerns regarding customer rollover are addressed in Section VII of this Order. We recognize that dedicated services are rated to reflect operational parameters that go beyond that of a basic local loop. Therefore, we find that special access lines are not an appropriate substitute for an unbundled loop.

D. ISDN Loops and Ports

MFS-FL argues that alternative local exchange companies (ALECs) must be able to use 2-wire and 4-wire connections in analog or digital format to offer advanced network services such as ISDN. Further, MFS-FL states that private branch exchange (PBX) and key systems almost always require a 4-wire connection. MFS-FL asserts that if the appropriate range of unbundled loops are not offered, ALECs effectively will be precluded from offering sophisticated telecommunications services, such as ISDN. Thus, MFS-FL states, United/Centel will be able to offer such sophisticated services without competition.

United/Centel states that it has 2-wire and 4-wire analog voice grade loops as well as data loops available in its special access tariff. United/Centel's witness Khazraee states that ports are not currently tariffed but various grades of ports can be offered once a tariff is developed and operational issues are resolved. United/Centel states that it was confused as to exactly what MFS-FL is requesting.

It is curious that six months after MFS-FL's initial contact with United/Centel there is still a misunderstanding regarding MFS-FL's unbundling request. We find MFS-FL's request to be reasonable. We also find MFS-FL's request is consistent with its agreement with GTEFL and our decision regarding MFS-FL's unbundling for BellSouth Telecommunications, Inc. See Order No. PSC-06-0444-FOF-TP, issued March 29, 1996.

E. Loop Concentration

MFS-FL a nonpetitioner requests that it be allowed to collocate loop concentration equipment in United/Centel's central offices. United/Centel states that it will allow central office collocation of loop contentration equipment if it is being used for terminating loop facilities. We find that it is appropriate to allow ALECs to collocate loop concentration equipment. Collocating loop concentration equipment was not explicitly addressed during the expanded interconnection proceedings. That proceeding addressed collocation facilities as encompassing central office equipment needed to terminate basic transmission facilities, including optical terminating equipment and multiplexers. See Order No. PSC-94-0285-FOF-TP, issued March 10, 1994. In addition, we believe that the procedures for collocating loop concentration devices should be the same as those ordered in the expanded interconnection proceedings.

F. Loop Transport

MCImetro, an intervenor, requests loop transport from United/Centel. Loop transport is the function of transporting concentrated loops from the central office of the incumbent LEC to the switch of the ALEC. United/Centel asserts that loop transport is nothing more than interoffice transport and should be handled via existing tariffed rates. MFS-FL agrees and states that it would purchase this capability from United/Centel's tariff. We do not construe MFS-FL's request to include loop transport as an unbundled element. The ALECs currently have the option to lease these facilities from the LEC or to provide the facilities themselves as envisioned in expanded interconnection and ordered in the local transport restructure. See Orders Nos. PSC-94-0285-FOF-TP, issued March 10, 1994, and PSC-95-0034-FOF-TP, issued January 9, 1995. Accordingly, we find that it is not necessary to require

United/Centel to create a new pricing element if the petitioner has not requested it.

G. Sub-loop Unbundling

MFS-FL states that sub-loop unbundling consists of breaking the local loop into sub-elements that can be purchased by the ALEC. MFS-FL's witness Devine maintains that MFS-FL should have access to United/Centel's loop concentration equipment deployed in the field. Witness Devine states that sub-loop unbundling is needed in the future but that MFS-FL is not initially requesting it. We find that United/Centel shall not be required to offer sub-loop unbundling at this time because MFS-FL has not requested it. Upon a bona fide request from MFS-FL, United/Centel and MFS-FL shall develop a comprehensive proposal for sub-loop unbundling for our review. The proposal shall include cost and price support for each unbundled element, and a list of operational, administrative and maintenance procedures.

V. TECHNICAL ARRANGEMENTS

MFS-FL and MCImetro assert that interconnection of unbundled elements should occur at United/Centel's central office via collocated facilities, including loop concentration, or by way of loop transport. LDDS supports MFS-FL's and MCImetro's request.

FCTA and Time Warner state that unbundled elements should be made available at interconnection points. Time Warner believes this should be achieved according to industry standards.

AT&T asserts that unbundled elements should be provided in a manner that will not prohibit the new entrant from providing the same quality of service as the incumbent LEC. This means that technical arrangements used to connect unbundled elements to a new entrant's network should be equal to those currently used to connect these elements within the LEC's own network.

MFS-FL provided references to BellCore technical publications for digital loop carrier systems. Witness Devine states that most companies, whether an ALEC, incumbent LEC, or interexchange carrier, generally abide by BellCore standards. MFS-FL is requesting that collocation of loop concentration devices (digital loop carrier) be allowed. MFS-FL intends to aggregate its traffic via loop concentration and transport it to its respective switch. As stated previously, ALECs shall be allowed to collocate loop concentration devices within United/Centel's central office.