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Mary L. Henze
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OCT - 2 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

October 2, 2001

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20054

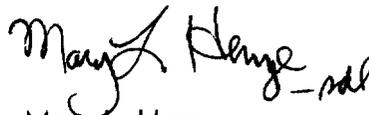
RE: CC Dkt. 00-199; 2000- Biennial Review, Comprehensive Review of Accounting Requirements

Dear Ms. Salas,

On October 2, 2001, BellSouth sent the attached letter to Carol Matthey, Deputy Chief of the Common Carrier Bureau. The letter provides additional information requested during a meeting on the above-mentioned proceeding.

This notice is being filed pursuant to Sec. 1.1206(b)(2) of the Commission's rules. If you have any questions concerning this filing, please do not hesitate to contact me.

Sincerely,


Mary L. Henze

cc: Carol Matthey
Dorothy Attwood
Kyle Dixon
Jordan Goldstein
Samuel Feder
Matthew Brill

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October 2, 2001

Ms. Carol Matthey
Deputy Chief, Common Carrier Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20054

***RE: CC Dkt. 00-199; 2000- Biennial Review, Comprehensive Review of
Accounting Requirements***

Dear Ms. Matthey,

During our September 5, 2001 ex parte meeting, you encouraged BellSouth to provide additional quantitative data regarding the application of the FCC's current affiliate transactions rules. In response, BellSouth has conducted an analysis of the results of Estimated Fair Market Value/Fully Distributed Cost comparisons conducted during the year 2000. Our analysis indicates that:

- For transactions going from affiliates to the operating telephone company (which must be recorded at the *lower* of EFMV or FDC) the comparison indicated that FDC was *lower* than EFMV for 92% of all transactions.
- For transactions going from the operating telephone company to affiliates (which must be recorded at the *higher* of EFMV or FDC) the comparison indicated that EFMV was *higher* than FDC for 80% of all transactions.

We hope that this information is helpful. Please do not hesitate to contact me should you have any questions regarding this information.

Sincerely,



Mary L. Henze