BELLSOUTH

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October 7, 2005

Ms. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Re: Petition of MCImetro Access Transmission Services, LLC for Arbitration of Certain Terms and Conditions of Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996
PSC 2005-00371

Dear Ms. O'Donnell:

Enclosed for filing in the above-captioned case are the original and ten (10) paper copies of BellSouth Telecommunications, Inc.'s Response to MCI's Petition for Arbitration. The Joint Issues Matrix is attached to the Response as Exhibit A. Exhibit B to the Response is the interconnection agreement between the parties that reflects both MCI's and BellSouth's proposed language on each of the remaining unresolved issues and is filed on a CD. Eleven CDs containing Exhibit B are provided to the Commission. A copy of the entire filing is served on each party.

Very truly yours,

Cheryl R. Winn

for Dorothy J. Chambers

Enclosures

cc: Parties of Record

605155

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In Re:

Petition of MCImetro Access Transmission Services, LLC for Arbitration of Certain Terms And Conditions of Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996	)	Case No. 2005-00371

BELLSOUTH TELECOMMUNICATIONS, INC.'S RESPONSE TO MCI'S PETITION FOR ARBITRATION

Pursuant to 47 U.S.C. § 252(b)(3), BellSouth Telecommunications, Inc. ("BellSouth"), responds to the *Petition for Arbitration* ("*Petition*") filed by MCImetro Access Transmission Services, LLC ("MCI") and states the following:

1. Sections 251 and 252 of the Telecommunications Act of 1996 ("1996 Act") encourage negotiations between parties to reach local interconnection agreements. Section 251(c)(1) of the 1996 Act requires incumbent local exchange companies to negotiate the particular terms and conditions of agreements to fulfill the duties described in Sections 251(b) and 251(c)(2)-(6).

2. As part of the negotiation process, the 1996 Act allows a party to petition a state commission for arbitration of unresolved issues.[1] The petition must identify the issues resulting from the negotiations that are resolved, as well as those that are unresolved.[2] The petitioning party must submit along with its petition "all relevant documentation concerning: (i) the unresolved issues; (ii) the position of each of the

[1] 47 U.S.C. § 252(b)(2).
[2] *See generally,* 47 U.S.C. §§ 252 (b)(2)(A) and 252 (b)(4).

parties with respect to those issues; and (iii) any other issues discussed and resolved by the parties."[3] A non-petitioning party to a negotiation under this section may respond to the other party's petition and provide such additional information as it wishes within 25 days after a commission receives the petition.[4] The 1996 Act limits a commission's consideration of any petition (and any response thereto) to the unresolved issues set forth in the petition and in the response.[5] Further, an ILEC can only be required to arbitrate and negotiate issues related to Section 251 of the 1996 Act, and the Commission can only arbitrate non-251 issues to the extent they are required for implementation of the interconnection agreement.[6]

3. Through the arbitration process, a commission must resolve the unresolved issues ensuring that the requirements of Sections 251 and 252 of the 1996 Act are met. The obligations contained in those sections of the 1996 Act are the obligations that form the basis for negotiation, and if negotiations are unsuccessful, they form the basis for arbitration. Issues or topics not specifically related to these areas are outside the scope of an arbitration proceeding. Once a commission has provided guidance on the unresolved issues, the parties must incorporate those resolutions into a final agreement to be submitted to a commission for approval.[7]

4. BellSouth and MCI previously entered into an interconnection agreement that has expired. Although BellSouth and MCI negotiated in good faith as to the terms and conditions for a new interconnection agreement, the parties have been unable to

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[3] 47 U.S.C. § 252(b)(2).
[4] 47 U.S.C. § 252(b)(3).
[5] 47 U.S.C. § 252(b)(4).
[6] *Conserve Limited Liab. Corp. v. Southwestern Bell Tel.,* 350 F.3d 482, 487 (5th Cir. 2003); *MCI Telecom., Corp. v. BellSouth Telecom., Inc.*, 298 F.3d 1269, 1274 (11th Cir. 2002).
[7] 47 U.S.C. § 252(a).

reach agreement on some issues and, as a result, MCI filed its *Petition.* BellSouth responds below to each of the separately numbered paragraphs of the Petition:

5. BellSouth lacks information sufficient to either admit or deny the allegations in Paragraph 1 of the *Petition.* These allegations, therefore, are denied.

6. The allegations in Paragraph 2 of the *Petition* require no response from BellSouth.

7. BellSouth denies that it provides interLATA long distance service. BellSouth admits the remainder of the allegations in Paragraph 3 of the *Petition.*

8. Responding to the allegations in Paragraph 4 of the *Petition,* BellSouth admits that the *Petition* has been timely filed and that the Commission shall consider and rule upon the appropriate, unresolved issues in accordance with Section 252 of the Act. BellSouth denies that the Commission has jurisdiction to address all issues that MCI raised in this Section 252 arbitration proceeding.

9. Responding to the allegations in Paragraph 5 of the *Petition*, BellSouth denies the allegations but admits that BellSouth currently provides services to MCI, the parties have been negotiating a new interconnection agreement, and a number of unresolved issues remain. Since the filing of the *Petition*, the parties have continued to negotiate and resolve certain issues. Accordingly, to provide the Commission with an updated and accurate status, attached as Exhibit A to this *Response* is an updated Matrix that reflects the unresolved issues and the positions of MCI and BellSouth. Each statement of an issue contained in the Matrix has been agreed upon by the parties unless otherwise indicated. BellSouth denies the remaining allegations in Paragraph 5 of the *Petition.*

10. Responding to the allegations in Paragraph 6 of the *Petition*, BellSouth admits that MCI included as Exhibit B to its *Petition* a draft interconnection agreement that is intended to reflect the parties' negotiations, including agreed upon language and disputed language. Because MCI's Exhibit B may not contain the latest proposals for each party,[8] attached as Exhibit B to this *Response* is a redlined version of the various attachments, including rates, that comprise the interconnection agreement that is the subject of this arbitration. BellSouth's Exhibit B accurately reflects BellSouth's view of the resolved and unresolved portions of such interconnection agreement. To the extent that any allegations in Paragraph 6 of the *Petition* are inconsistent with these statements, they are denied.

11. Responding to the allegations in Paragraph 7 of the *Petition*, BellSouth denies that MCI is entitled to the relief requested.

12. In response to Paragraphs 8 through 37 of the *Petition*, BellSouth states that these Paragraphs contain few (if any) factual allegations to which a response is required. Rather such Paragraphs are composed of: (i) a list of the issues as framed by MCI, along with MCI's positions on the issues, and some of BellSouth's positions on the issues' and (ii) MCI's citations to, and summary of, what MCI perceives to be applicable law. To the extent Paragraphs 8 through 37 quote or cite portions of the Act, FCC regulations, or other asserted applicable law, such matters speak for themselves and require no response from BellSouth. To the extent the allegations set forth in

[8] MCI attached an outdated version of the Tennessee SQM/SEEM plan to its *Petition*. Given that the SQM/SEEM plan is not relevant to any issue in this arbitration proceeding, its submission in this proceeding appears to have been inadvertent. In any event, to the extent that the SQM/SEEM plan allegedly has any relevance to any issue in this arbitration (which BellSouth denies), the relevant plan would be the SQM/SEEM plan approved by this Commission.

Paragraphs 8 through 37 require any response from BellSouth, or to the extent that such allegations are inconsistent with BellSouth's statement of the issues and/or with BellSouth's position on the issues as set forth in Exhibit A to this *Response*, such allegations are denied.

13. BellSouth denies that MCI is entitled to the relief requested in the "Wherefore" clause of the *Petition.* BellSouth affirmatively states that the Commission should reject MCI's position on each and every one of the issues set forth in the Petition and, instead, should adopt BellSouth's position, proposed language, and proposed rates for all unresolved issues.

14. BellSouth denies each and every allegation in the *Petition* (including Exhibits A and B to the *Petition*) not expressly admitted herein, and demands strict proof thereof.

15. To the extent MCI seeks arbitration of any service or element that BellSouth is not obligated to provide pursuant to Section 251, such issues are not appropriate for Section 252 arbitration and should be dismissed.

AFFIRMATIVE DEFENSES

16. To the extent MCI seeks to: (i) arbitrate issues not identified in its Petition; and/or (ii) include and/or incorporate decisions rendered in other pending dockets into the interconnection agreement that is being arbitrated in this docket on issues that were not identified in its *Petition*; MCI is barred from doing so pursuant to Section 252(b) of the Act and under the doctrine of laches, estoppel, and/or waiver.

Respectfully submitted, this 7th day of October, 2005.

BELLSOUTH TELECOMMUNICATIONS, INC.

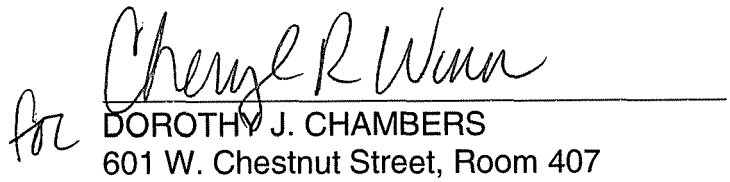

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EXHIBIT A

BELLSOUTH – MCI ARBITRATION
ISSUES/OPEN ITEMS MATRIX
Case NO. 2005-00371

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
GT&Cs (MAIN)					
1		G-5.2, 5.3, 5.5	What language should be included in the Parties' Interconnection Agreement ("Agreement") to limit or eliminate (a) liability in general; (b) liability arising from tariffs or contracts with End Users; or (c) liability for indirect, incidental or consequential damages?	No such language should be included. The Commission should not impose limitations of liability not agreed to by the parties. BellSouth, as MCI's sole supplier and its competitor, is in a position to inflict substantial business harm and should not be allowed to absolve itself from liability when the parties have not so agreed.	The industry standard limitation of liability of bill credits should apply between the parties. Further, consistent with industry standards, neither party should be responsible for indirect, incidental or consequential damages to the other. If a CLEC elects not to limit its liability to its End Users in its tariffs or contracts, the CLEC and not BellSouth should bear the risk of loss arising from that business decision.
2		G-8	What terms or conditions, if any, should be included in the Agreement regarding the appropriate forum to address disputes?	The parties should not be required to relinquish their right to bring disputes to a court or other forum that has jurisdiction to hear the case.	This Commission or the FCC should resolve disputes between the parties for matters that are within the Commission's or the FCC's expertise or jurisdiction. For matters that lie outside such expertise or jurisdiction, the parties should be able to bring disputes to a court of law.
NETWORK ELEMENTS (ATTACHMENT 2)					
3		*MCI Sections*: A2, 1.1.1,	What rates, terms, and conditions for the disputed rate elements in Attachment 2	BellSouth Proposes rates for UNE loop to special acces switch as-is conversions that are not compliant with	To the extent MCI is seeking rates that apply to high capacity loops and transport post-*TRRO*, the Commission

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
		1.13.5, 1.11.1, 2.1.2.1, 2.1.2.7, 2.1.5, 2.3.2.5, 2.3.2.7, 2.3.2.8, 2.3.6, 2.3.8, 2.3.11, 2.3.9, 5, 5.1.1 *BellSouth Sections*: Att. 2, Exhibits A & B	should be incorporated into the Agreement?	FCC TELRIC rules or the just and reasonable requirements of the Act. The rates proposed by BellSouth are approximately five (5) times greater than the rates for conversion of EELs to special access. At the same time, BellSouth has not proposed any rates for the conversion of special access to UNEs. Those rates should be set at zero until the final rates are determined. Final rates should be set no higher than the just and reasonable rates for the cinversion of EELs to special access. BellSouth also proposed rates that are not compliant with TELRIC rules and are not just and reasonable with regard to service and facility rearrangements. Also, BellSouth has proposed, as part of Exhibit B to Attachment 2, that HDSL-capable loops in non-impaired wire centers should be subject, post-March 10, 2005, to the same treatment as DS1 loops; however, HDSL-capable loops, per the Triennial Review Remand Order, should continue to be available to CLECs in the event DS1 loops are no longer available as UNEs. In South Carolina, the Commission-approved DUF-related rates that were included in BellSouth's SGAT are just and reasonable and should continue to	should decline to do so because it is without jurisdiction to establish such rates in unimpaired wire centers. Additionally, BellSouth submits that the issue of whether HDSL-capable copper loops should be subject to the same treatment as DS1 loops should be resolved in the *Generic Docket to Consider Amendments to Interconnection Agreements Resulting From Changes of Law* (Docket No. 2004-316-C). Issue 6 in that proceeding is "*Are HDSL-capable copper loops the equivalent of DS1 loops for the purpose of evaluating impairment?*" In the alternative, BellSouth's position is that the FCC has declared that an HDSL loop is the equivalent of a DS1 loop. Thus, an HDSL loop should be treated the same as a DS1 loop after March 10, 2005. Subject to, and without waiving, the foregoing, for all such other rate disputes, BellSouth's proposed rates are reasonable or TELRIC-compliant and should be adopted. Additionally, BellSouth has provided MCI with TELRIC prices for the services

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
				apply.	requested and the only alternative rates MCI has proposed are zero.
12		A2-7.4.2.2	Should MCI be required to indemnify BST for BSTs own negligent act committed in conjunction with BST's provision of PBX Locate Service	No. BST should be responsible for its own torts and the parties already have agreed to comprehensive indemnification language in the GTC's.	In conjunction with its obligation to provide 911 service to MCI as a UNE, BellSouth voluntarily makes available to MCI its PBX Locate Service, which is identical to BellSouth's retail product, Pinpoint. The Pinpoint product allows BellSouth's retail customers to identify for emergency personnel the locale of an incoming 911 call in a campus/hotel/hospital environment. Because this is a retail offering that BellSouth provides to its wholesale customers through PBX Locate, MCI may purchase the product but only at the same terms and conditions that apply to BellSouth's retail customers.
INTERCONNECTION (ATTACHMENT 3)					
15		A3 - 4.10, Pricing Attachment	Should the parties pay each other for two-way interconnection facilities based on their proportionate share of originated traffic or on a 50-50 basis?	The parties should pay each other based on their proportionate share of traffic. The FCC has ruled that parties are prohibited from assessing charges on other carriers for traffic that the party originates, and thus an arbitrary 50-50 split is not appropriate.	BellSouth has no ability to proportionally bill on a mechanized and monthly basis. Thus, the parties should initially split the costs of two-way interconnection trunk facilities on a 50-50 basis and then manually true-up the billings on a recurring six-month basis.
17		A3 -7.1	(A) To what extent should the definition of local traffic allow for the origination and termination of traffic in two	A) Each party should be free to define its local service area, subject to Commission approval.	A) InterLATA traffic should not be considered Local Traffic. Instead, Local Traffic should be defined as any telephone call that originates in one

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
			different LATAs? (B) Should traffic be jurisdictional based on the actual physical location of the calling and called parties, or based on the originating and terminating NPA/NXXs? (C) Should local traffic include optional extended calling plans as set forth in the originating party's tariff, or only non-optional extended calling plans (such as EAS)?	B) The jurisdiction of traffic should be based on the NPA/NXXs of the called and calling parties rather than their physical locations. C) No. Optional extended calling plans provide flat-rated toll service and such calls should not be considered local.	local calling area within a LATA and terminates within the same local calling area within the same LATA as such local calling area is defined in the originating party's tariff. Local Traffic also includes any cross boundary, intrastate, interLATA or interstate, interLATA calls established as a local call by the ruling regulatory body. This is consistent with decisions this Commission has reached in several prior proceedings. B) Traffic should be jurisdictionalized based on the physical endpoints of the call. C) Yes. Optional extended calling plans, like Area Plus, should be included in local traffic.
18		A3 - 7.2, and 7.5.1	Should IP/PSTN and PSTN/IP/PSTN traffic be excluded from the definition of intraLATA toll traffic?	Yes. Such traffic undergoes a net protocol conversion or features enhanced services should not be included in the definition of intraLATA traffic. The FCC has ruled that such traffic is interstate in nature.	No. For IP/PSTN, the FCC recently determined in the Vonage Order that IP/PSTN traffic is jurisdictionally mixed and that the FCC alone has the authority to regulate the interstate portion of the traffic. See In the Matter of Vonage Holdings Corporation, WC Docket No. 03-211 at 18 (Nov. 12, 2004). Further, the FCC preempted any state regulation of the intrastate portion of the traffic.

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
					Accordingly, the Commission has no jurisdiction to address IP/PSTN traffic, including the determination of what method of intercarrier compensation is appropriate in a Section 252 agreement or otherwise. In the alternative, if the Commission does not agree that the FCC's Vonage Order resolves this issue, BellSouth submits that the Commission should apply the FCC's historical standard of using the end points of the call to determine intercarrier compensation for IP/PSTN traffic. Regarding PSTN/IP/PSTN traffic, the FCC determined in its AT&T IP in the Middle Order, (FCC 04-97 at 12, 15) that the PSTN/IP/PSTN traffic at issue in that proceeding is a telecommunications service and that this traffic is subject to access charges. Thus, as with IP/PSTN traffic, the geographical end points of PSTN/IP/PSTN traffic should establish jurisdiction for compensation purposes, until such time as the FCC rules differently. As a result, the Commission need not address this issue.
19		A3 -7.5.1	What intercarrier compensation regime should be used for IP/PSTN and PSTN/IP/PSTN	Such traffic closely resembles ISP bound traffic so the same rate elements for exchanging ISP bound traffic	For IP/PSTN, the FCC recently determined in the Vonage Order that IP/PSTN traffic is jurisdictionally mixed

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			traffic?	should apply.	and that the FCC alone has the authority to regulate the interstate portion of the traffic. See In the Matter of Vonage Holdings Corporation, WC Docket No. 03-211 at 18 (Nov. 12, 2004). Further, the FCC preempted any state regulation of the intrastate portion of the traffic. Accordingly, the Commission has no jurisdiction to address IP/PSTN traffic, including the determination of what method of intercarrier compensation is appropriate in a Section 252 agreement or otherwise. In the alternative, if the Commission does not agree that the FCC's Vonage Order resolves this issue, BellSouth submits that the Commission should apply the FCC's historical standard of using the end points of the call to determine intercarrier compensation for IP/PSTN traffic. Regarding PSTN/IP/PSTN traffic, the FCC determined in its AT&T IP in the Middle Order, (FCC 04-97 at 12, 15) that the PSTN/IP/PSTN traffic at issue in that proceeding is a telecommunications service and that this traffic is subject to access charges. Thus, as with IP/PSTN traffic, the geographical end points of PSTN/IP/PSTN traffic should establish

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					jurisdiction for compensation purposes, until such time as the FCC rules differently. As a result, the Commission need not address this issue.
21		A3 -7.5.4	For intraLATA toll traffic originated by an ICO, carried over BellSouth's network and then terminated by MCI: A) what rate is MCI entitled to charge BellSouth, if at all and B) what records should be used to bill BellSouth?	When an ICP in on a Primary Carrier Plan, MCI is entitled to bill BellSouth the terminating access rates from its intrastate tariff, and BellSouth should required to send appropriate billing records if MCI is not able to bill for such traffic using its own switch records. BellSouth should be required to notify MCI if an ICO is not on a Primary Carrier Plan and when that is the case BellSouth should provide MCI with tandem billing records for such traffic that would enable MCI to bill the ITC MCI's portion of the access services provided.	MCI should bill BellSouth pursuant to EMI 110101 records and BellSouth's primary carrier plan ICO ratios at the rates set forth in MCI's intrastate tariffs. MCI should be prohibited from billing BellSouth from its own switch recordings because such recordings do no provide for the local calling area of the ICO. Thus, using MCI records could result in MCI billing BellSouth switched access when BellSouth is not the toll provider or when such traffic is local in nature. Moreover, BellSouth will provide a new list of PCP ICO's any time an ICO adopts an alternative to the PCP.
22		A3 -7.5.4, 7.5.5	How should FX-like or VNXX services offered by MCI to its customers be treated for intercarrier compensation purposes? If this traffic is not local, how should it be identified and what rates apply to it?	A) FX-like services should be treated as local consistent with industry standards and the FCC's decision in the Virginia arbitration. B) Because these calls should be treated as local, the second part of this issue need not be addressed.	This issue is not about FX-like services. Rather, it is about virtual NXX and whether MCI can avoid paying access charges for virtual NXX calls. InterLATA virtual NXX services should be treated as access for purposes of intercarrier compensation if the end points of the call dictate such. This is consistent with decisions this Commission has reached in several prior proceedings.

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
23		A3 -, 7.6.4, 7.7, Factors exhibit	How should IP/PSTN and PSTN/IP/PSTN traffic be categorized for purposes of determining compensation for interconnection facilities and termination of traffic?	For purposes of determining compensation for interconnection facilities, IP/PSTN and PSTN/IP/PSTN traffic should be placed in the same category as local traffic, just as ISP bound traffic is put in the same category. For purposes of determining compensation for termination of traffic, IP/PSTN and PSTN/IP/PSTN traffic should be treated in the same manner as ISP-bound traffic.	For IP/PSTN, the FCC recently determined in the Vonage Order that IP/PSTN traffic is jurisdictionally mixed and that the FCC alone has the authority to regulate the interstate portion of the traffic. See In the Matter of Vonage Holdings Corporation, WC Docket No. 03-211 at 18 (Nov. 12, 2004). Further, the FCC preempted any state regulation of the intrastate portion of the traffic. Accordingly, the Commission has no jurisdiction to address IP/PSTN traffic, including the determination of what method of intercarrier compensation is appropriate in a Section 252 agreement or otherwise. In the alternative, if the Commission does not agree that the FCC's Vonage Order resolves this issue, BellSouth submits that the Commission should apply the FCC's historical standard of using the end points of the call to determine intercarrier compensation for IP/PSTN traffic. Regarding PSTN/IP/PSTN traffic, the FCC determined in its AT&T IP in the Middle Order, (FCC 04-97 at 12, 15) that the PSTN/IP/PSTN traffic at issue in that proceeding is a telecommunications service and that this

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					traffic is subject to access charges. Thus, as with IP/PSTN traffic, the geographical end points of PSTN/IP/PSTN traffic should establish jurisdiction for compensation purposes, until such time as the FCC rules differently. As a result, the Commission need not address this issue.
25		A3 -7.10.1	Should a transiting party have to pay the terminating party intercarrier compensation if the transiting party is unable to provide the terminating party the records necessary for the terminating party to bill the originating third party?	Yes. If the transiting carrier cannot provide the terminating carrier with adequate records, it should bear the responsibility of paying the terminating carrier and seeking reimbursement from the originating carrier.	No. As the transiting party, BellSouth cannot guarantee that the originating third party carrier will deliver traffic to BellSouth in such a way that MCI is able to identify and bill such originating third party in all circumstances. BellSouth is willing to provide this non-251 service to MCI and is willing to work cooperatively with MCI, but BellSouth cannot guarantee payment to MCI when BellSouth does not get the records from the originating carrier.
26		A3 -7.10.2, pricing attachment	Is BellSouth obligated to act as a transit carrier? If so, what is the appropriate transit rate?	BellSouth is obligated to act as a transit carrier. MCI should not be required to negotiate interconnection agreements with all third party carriers, which would be highly inefficient. Further, MCI should not be liable to BellSouth for termination costs BellSouth has agreed to pay a third party carrier.	No. BellSouth has no section 251(c)(2) duty to provide transit service and thus cannot be required to accept a TELRIC rate if it provides transit service. Moreover, this issue is not appropriate for arbitration in this proceeding because it involves a request by the CLECs that is not encompassed within BellSouth's obligations pursuant to Section 251 of the Act. In the event

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
					that a terminating third party carrier imposes on BellSouth any charges or costs for the delivery of MCI's transit traffic, MCI should reimburse BellSouth for all charges paid by BellSouth.
COLLOCATION (ATTACHMENT 4)					
27		A4 -5.18, 5.18.1 and Att 2 - 2.11.1, 2.11.1.2, 2.11.1.3, 2.11.2	**N/A NC** What terms and conditions apply when one party interferes with or impairs the other party's ability to provide service?	BellSouth has proposed language that would give it nearly unbridled authority to disconnect MCI's collocated equipment and facilities. Electronic transmissions necessarily cause some degree of interference and it is therefore inappropriate for BellSouth to have unlimited discretion as to how much interference will be allowed. So long as MCI's collocated equipment and facilities operate within explicit national standards or applicable law, disconnection should not be authorized, except in the event of a threat of loss of life or damage to property. MCI's language appropriately and fairly requires that BellSouth shall not knowingly deploy or maintain facilities or equipment that, in excess of that permitted by national standards or law, interferes with or impairs service over MCI's facilities, or which causes damage to MCI's plant. Nor should BellSouth disconnect, remove or	The parties have already agreed that BellSouth will not knowingly interfere with or impair MCI's ability to provide service. MCI should be subject to this same obligation. Additionally, MCI should not be permitted to use any product or service provided under this Agreement that interferes with or impairs BellSouth's or another carrier's ability to provide service. If BellSouth reasonably determines that any equipment or facilities of MCI does so, BellSouth shall provide written notice to MCI and request that MCI cure the violation within 48 hours or, if such cure is not feasible, to commence curative measures within twenty-four (24) hours and exercise reasonable diligence to complete such measures as soon as possible thereafter. If MCI fails to do either, or if the violation is of a character that poses an immediate and substantial threat of damage to property or injury or

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
				attempt to repair MCI's facilities, without its consent. MCI's proposed language, moreover, unlike BellSouth's collocation language, requires each party to reasonably notify the other of situations that may result in service problems.	death to any person, or any other significant degradation, interference or impairment of BellSouth's or another entity's service, then and only in that event, BellSouth may take such action as it deems necessary to eliminate such threat including, without limitation, the interruption of electrical power to MCI's equipment and/or facilities.
ORDERING (ATTACHMENT 6)					
30		A6 -1.3.2	How should disputes over alleged unauthorized access to CSR information be handled under the Agreement?	If one Party disputes the other Party's assertion of non-compliance, that Party should notify the other Party in writing of the basis for its assertion of compliance. If the receiving Party fails to provide the other Party with notice that appropriate corrective measures have been taken within a reasonable time or provide the other Party with proof sufficient to persuade the other Party that it erred in asserting the non-compliance, the requesting Party should proceed pursuant to the Dispute Resolution provisions set forth in the General Terms and Conditions and the Parties should cooperatively seek expedited resolution of the dispute. "Self help," in the form of suspension of access to ordering systems and discontinuance of service, is inappropriate and coercive. Moreover, it effectively denies one Party the	This issue addresses when a party is in violation of federal law as well as the Interconnection Agreement by obtaining unauthorized access to CSR information. In such an instance and when the offending party cannot prove that the violation has been cured, the alleging party should have the right to suspend and terminate service after notice sent via e-mail and an explicit cure period. If there is a legitimate dispute as to the allegation of unauthorized access to CSR information, the alleging party should seek expedited resolution of the dispute at the Commission before any suspension or termination of service.

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
				ability to avail itself to the Dispute Resolution process otherwise agreed to by the Parties.	
31		A6 - 8 (including subparts); pricing attachment	Should BellSouth provide a download with daily updates to the directory assistance database (DADS) to MCI, at a nondiscriminatory price?	Yes. BellSouth is required to provide nondiscriminatory access under Sections 251(b)(3) of the 1996 Telecommunications Act, and any other applicable law. Nondiscriminatory access contemplates use of the data without use restrictions, at a price that is nondiscriminatory, especially where BellSouth has the vast majority of listings in its service area.	Yes, and BellSouth offers DADS pursuant to its tariff. The tariffed prices and terms for DADS are nondiscriminatory.
BILLING (ATTACHMENT 7)					
32		A7 -1.14.1	What charges, if any, should be imposed for records changes made by the Parties to reflect changes in corporate names or other LEC identifiers such as OCN, CC, CIC and ACNA?	Each party must make a number of changes (e.g., to the LERG, and to the CLLI) when merger activity occurs. Each party benefits from these changes, and thus each party should bear its own expenses.	This issue is not appropriate for arbitration in this proceeding because it involves a request by MCI that is not encompassed within BellSouth's obligations pursuant to § 251 of the Act. BellSouth's Merger and Acquisition process, which is available on its interconnection website, explains the process for obtaining rates for records changes associated with merger and acquisition activity. Requests of this type are initiated based on a business decision made by MCI, consequently the associated charges to perform this work should be borne by MCI.

ISSUE NO.		ICA §	UNRESOLVED ISSUE	MCI POSITION	BELLSOUTH POSITION
33		A7 -1.17	How should the rate for the calculation of late payments be determined?	The late payment rate should be included in the agreement and capped by applicable law.	BellSouth is willing to agree to language requiring it to comply with appropriate tariffs regarding late payment charges. It is unnecessary to include a late payment pricing table.
34		A7 -1.19 (all subsections)	What terms and conditions apply to: (A) nonpayment of past due billings and additional amounts that become past due during any suspension? (B) nonpayment of a requested deposit?	The process proposed by MCI should be used. This process is similar to the process currently in place. BellSouth proposes a process that would enable it, in the event of any payment that is not on time on an account, and regardless whether payment is disputed, to discontinue service and take other actions unilaterally and broadly, which is inappropriate. BellSouth should be required to go through the dispute resolution process before discontinuing service.	Based on MCI's prior financial history, including the filing of bankruptcy, MCI should pay all billings and then dispute. Accordingly, BellSouth should have the ability to suspend, discontinue, or terminate service for nonpayment of billings. In addition, MCI should be required to pay any additional, undisputed amounts that become past due during any suspension or cure period. Regarding deposits, there is no dispute that BellSouth can request a deposit. Thus, BellSouth should have the right to suspend, discontinue, or terminate for nonpayment of a deposit request.

CERTIFICATE OF SERVICE

It is hereby certified that a true and correct copy of the foregoing was served on the following individual by mailing a copy thereof, this 7th day of October 2005.

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