

REQUEST: For each corporate entity, including affiliates, for whom the ILEC is providing any type of collocation service, transport service, loop service, DS1 or greater switching service, DS0 switching service, or interconnection service, provide the following information. In the response, distinguish those companies that are known to own and provide at least a portion of their own switching services from those entities that do not own or provide a portion of their own switching services.

- a. The identity of the corporate entity, indicating whether the ILEC has any ownership or affiliate interest.
- b. A list of all specific services (bundled or otherwise) for which the entity is billed by wirecenter, indicating whether the service is being provided on either a retail or wholesale basis.
- c. The non-recurring and recurring prices of all bundled or individual services for which the entity is billed, indicating which are being provided on an unbundled basis. The rates in this response should correspond to the listed services provided in (b) above.
- d. If different terms, conditions, or rates exist from published tariffs (i.e., by special contract), identify each term, condition, or rate differential for each service for each entity.
- e. The total annual revenue generated (billed) for each entity.

RESPONSE:

- a. BellSouth is providing documents that contain information responsive to this request.
- b.-d. The UNE, interconnection, and collocation elements, services and rates that BellSouth offers pursuant to Sections 251 and 252 of the Act are set forth in BellSouth's Standard Interconnection Agreement, which is located at the

RESPONSE (Cont'):

following website:

http://interconnection.bellsouth.com/become_a_clec/html/ics_agreement.html.

Rates, terms and conditions for UNEs, interconnection and collocation are contained in Attachment 2, Unbundled Network Elements, Attachment 3, Network Interconnection and Attachment 4, Collocation of BellSouth's Standard Interconnection Agreement. Kentucky rates for these services can be found in the Kentucky – specific rate sheets behind Attachments 2, 3, and 4. The elements and services offered in BellSouth's Standard Agreement are offered on a wholesale basis.

It is unclear what Staff means when it asks BellSouth to identify which services are being provided on an “unbundled” basis. To the extent an element has been identified as a UNE by the FCC, BellSouth provides that element on an “unbundled” basis in its Standard Interconnection Agreement.

BellSouth bills for special access services pursuant to Section 7 of its FCC #1 Tariff and Section 7 of its Kentucky E Tariff. BellSouth tariffs can be located at the following website: <http://cpr.bellsouth.com/index2.html>.

- e. BellSouth is still assessing the data that would be responsive to this question and will require additional time to develop the response.

REQUEST: For each wirecenter containing a DS0 type switch and serving the "Mass Market," provide the following information:

- a. The total number of "Mass Market" customer accounts.
- b. The total annual revenue generated from these accounts, including a breakout of Plain Old Telephone Service revenue, long distance revenue, wireless (phone or pager) revenue, Internet revenue, and all other revenues.
- c. The number of customers and the revenue per customer account lost in 2002 and 2003 to a competitor. Identify the competitor.

RESPONSE:

- a. BellSouth has not yet determined the appropriate cross-over point for defining a "Mass Market" customer and, therefore, cannot yet answer this question at this time. BellSouth will supplement this response by December 2, 2003.
- b. BellSouth has not yet determined the appropriate cross-over point for defining a "Mass Market" customer and, therefore, cannot yet answer this question at this time, BellSouth will supplement this response by December 2, 2003.
- c. BellSouth has not yet determined the appropriate cross-over point for defining a "Mass Market" customer. However, in an effort to be responsive, BellSouth is providing the number of retail lines lost to competitors in an attachment. The information set forth on this attachment is proprietary and is being provided on the basis that it will be treated as confidential and proprietary.

BellSouth does not retain information to identify the competitor to which the "mass market" customer was lost.

REQUEST: Identify each wirecenter for which "Mass Market" customers are being served by switches other than DS0 switches. Explain how these customers are being served.

RESPONSE: BellSouth has not yet determined the appropriate cross-over point for defining a "Mass Market" customer and, therefore, cannot yet answer this question at this time. BellSouth will supplement this response by December 2, 2003.

REQUEST: Provide a copy of the ILEC's most current Strategic Plan/Outlook for 2003-2006 pertaining to the "Mass Market" as defined by the FCC, including discussions of current and future market conditions, company reactions to potential and actual competitive entry, company market preservation and recapture strategies, and revenue projections.

RESPONSE: As indicated in other responses, BellSouth is in the process of determining the appropriate cross-over point to define "Mass Market" customers. Nevertheless, in response to the remaining parts of this question, the Company responds as follows. As indicated in the Company's filings in the Transition Regulation Plan (2003-00304), the CSA proceeding (2002-00456), and the Presumptive Validity Docket (2002-00276) there are significant competitive options for customers in every market the Company serves. These alternatives are provided by both facilities-based (e.g. cable and wireless) and resale providers (UNE-P and resale). The Company provides competitive alternatives for new and/or re-acquired customers through packages, bundles, and contracts responsive to their needs. As indicated in the Analyst Briefing, in New York this week, the revenue projections for the Company are flat or in the single digit growth over the foreseeable future.¹

¹ See http://biz.yahoo.com/djus/031110/1600001296_2.html.

REQUEST: Explain whether or not a batch-cut migration process needs to be implemented by ILECs in the state. Identify any and all factors that warrant this conclusion.

RESPONSE: BellSouth has a batch Migration process for the purpose of migrating large numbers of UNE-P lines to UNE-Loops and the process is available throughout the state of Kentucky and BellSouth's region.

REQUEST: Assume that a batch-cut migration process will be implemented, and respond to the following:

- a. What is the appropriate volume of loops to be included in the "batch" and why?
- b. Identify and explain the specific processes that should be employed when a batch cut is performed.
- c. What type of completion interval metric should be used to monitor performance and why?
- d. Identify and explain why any existing loop performance metrics should be expanded to account for a batch-cut process.
- e. What are the appropriate TELRIC rates for the batch-cut activities?

RESPONSE:

- a. BellSouth's batch Migration process allows a CLEC to submit a single bulk request with up to 99 accounts in a single-serving wire center. Each account may have up to 25 lines associated with it. BellSouth believes these to be reasonable and manageable numbers, for both the ILEC and CLEC, to be migrated on a single bulk request. A CLEC may submit multiple bulk requests.
- b. BellSouth's CLEC Information Package for the Bulk Migration process can be found on the web at: <http://interconnection.bellsouth.com/guides/unedocs/BulkManpkg.pdf>. This document explains BellSouth's batch migration process. Essentially, it utilizes provisioning processes that have already been proven to be effective in converting thousands of customers from a BellSouth switch to a CLEC switch. The ordering process, as described in a. above, with the addition of a Project Manager, allows the conversion of large numbers of UNE-P lines on a single bulk request in an efficient and cost-effective manner.

RESPONSE (Cont'd):

- c. The existing due date missed appointment metric is sufficient to measure the completion interval performance. Bulk migration requests have a minimum 24-day processing interval which will vary due to the size of the project and the type of work activity that has to be performed. Therefore, the most effective method would be to continue to measure the performance related to meeting the committed due date interval which is currently captured in the missed appointment measurement.
- d. See BellSouth's response to c. above. The metrics that are currently in place for project-managed orders should be sufficient to measure BellSouth's performance related to Bulk Migrations. Requests of this type would currently be counted in these measures. "BellSouth is developing and/or modifying measurements to include the batch process."

BellSouth will present a rate for the batch cut process in its direct testimony. The rate is still being reviewed.