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Federal Express Delivery

January 8, 2004

Thomas M. Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Re: Case No. 2003-00379 Triennial Review Order Proceeding

Dear Mr. Dorman:

Attached are originals of Z-Tel's Communication Inc.'s Objections to BellSouth Telecommunications, Inc.'s ("BellSouth") First Set of Interrogatories, Response to BellSouth's First Set of Interrogatories, Objections to BellSouth's First Request for Production of Documents, Response to BellSouth's First Request for Production of Documents, and Responses to BellSouth's Second Set of Interrogatories and Request for Production of Documents.

Thank you for your attention to this matter. *✓ added 1-12-04 JH*

Sincerely,

Michael Strobl
Director, Strategic Planning
Z-Tel Communications, Inc.

cc: Dorothy J. Chambers; R. Douglas Lackey

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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COMMISSION

In the matter of:
REVIEW OF FEDERAL COMMUNICATIONS
COMMISSION'S TRIENNIAL REVIEW ORDER
REGARDING UNBUNDLING REQUIREMENTS
FOR INDIVIDUAL NETWORK ELEMENTS

Case No. 2003-00379

Filed: January 8, 2004

**OBJECTIONS OF Z-TEL COMMUNICATIONS, INC. TO
BELLSOUTH'S FIRST SET OF INTERROGATORIES**

Z-Tel Communications, Inc. ("Z-Tel") submits its preliminary objections to BellSouth Telecommunications, Inc.'s ("BellSouth") First Set of Interrogatories to Z-Tel.

These objections are preliminary in nature. Should additional grounds for objection be discovered as Z-Tel prepares its responses to any discovery, Z-Tel reserves the right to supplement these objections.

Further, at the time of the filing of these objections, the issues to be addressed in this proceeding have not yet been identified. Should additional grounds for objections develop as the Commission identifies the issues to be addressed in this proceeding, Z-Tel reserves the right to supplement these objections.

PRELIMINARY GENERAL OBJECTIONS

Z-Tel makes the following general objections to the First Set of Interrogatories:

1. Z-Tel objects to the "Definitions" section, the "General Instructions," and the individual items of BellSouth's First Set of Interrogatories to Z-Tel to the extent that they are overly broad, unduly burdensome, and/or oppressive. Z-Tel will attempt to identify specific requests to which this objection applies within the specific objections that follow.

2. Z-Tel objects to the "Definitions," the "General Instructions," and the individual interrogatories to the extent they seek information that is irrelevant and not reasonably calculated

to lead to the discovery of admissible evidence. By way of illustration and not limitation, Z-Tel objects to interrogatories that seek information that is unrelated to or inconsistent with the methodology and parameters of the analysis of impairment prescribed by the FCC in its Triennial Review Order. Z-Tel will attempt to identify individual items to which this general objection is applicable within the specific objections that follow.

3. Z-Tel objects to the “Definitions,” the “General Instructions,” and the individual interrogatories to the extent they are vague, ambiguous, imprecise, or utilize terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these Requests.

4. Z-Tel objects to the “General Instructions” and the items of BellSouth’s First Set of Interrogatories to Z-Tel to the extent that they purport to impose discovery obligations on Z-Tel that exceed the scope of discovery allowed by the applicable Kentucky Rules of Civil Procedure.

5. Z-Tel objects to BellSouth’s First Set of Interrogatories to Z-Tel to the extent that the interrogatories seek discovery of materials and/or information protected by the attorney/client privilege, the work product doctrine, the accountant/client privilege, or any other applicable privilege.

6. Z-Tel objects to BellSouth’s First Set of Interrogatories to the extent that the requests would require disclosure of information that constitutes trade secrets and/or confidential, proprietary business information, which either should not be disclosed at all or should be disclosed (provided the information is otherwise discoverable) only pursuant to the terms of a mutually acceptable confidentiality agreement and use of the Commission’s rules and procedures relating to confidential and proprietary information.

7. Z-Tel objects to all interrogatories which would require Z-Tel to provide information which is already in BellSouth's possession or is in the public record before the Commission. To duplicate information that BellSouth already has or is readily available to BellSouth would be unduly burdensome and oppressive.

8. Z-Tel objects to BellSouth's First Set of Interrogatories to the extent BellSouth seeks to impose an obligation on Z-Tel to respond on behalf of subsidiaries and/or former officers, employees, agents, and directors on the grounds that such requests for production are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.

9. Z-Tel will interpret each interrogatory as relating to intrastate Tennessee operations within BellSouth's service area. To the extent any interrogatories are not intended to relate to Kentucky intrastate operations within BellSouth's Kentucky service area, Z-Tel objects to such interrogatories as overbroad, unduly burdensome, irrelevant, and not reasonably calculated to lead to the discovery of admissible evidence

10. Z-Tel objects to the use of the terms "qualifying service" and "nonqualifying service" on the grounds the terms are subject to differing interpretations.

SPECIFIC OBJECTIONS TO INDIVIDUAL INTERROGATORIES

Z-Tel hereby incorporates by reference the above general objections. To the extent possible given the constraints of the seven-day preliminary objection period, Z-Tel will attempt to identify individual items that are objectionable. Z-Tel reserves the right to add to or enlarge upon these objections when it files its responses.

INTERROGATORY 7: With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 6, separate the lines by end user and end user location in the following manner:

- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
- (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
- (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (i) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;

(l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and

(m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

OBJECTION: This interrogatory asks Z-Tel to break down the total voice-grade equivalent lines identified by ILEC wire center in a prior response on the basis of “end user and end user location.” Z-Tel objects to this interrogatory on the grounds it is vague and ambiguous. The meaning of “customer location” is unclear in context. Z-Tel requests clarification of the item. Z-Tel also objects on the basis that the information sought with respect to BellSouth’s switches is known to BellSouth. Further, in the event BellSouth intends to require Z-Tel to provide the information for each customer’s address, Z-Tel objects to the interrogatory on the basis that it is onerous, unduly burdensome, and asks for confidential, proprietary information that BellSouth does not require for its legitimate discovery purposes.

INTERROGATORY 11: Identify by name, address, and CLLI code each ILEC wire center area, i.e., the territory serviced by the wire center, in which you provide qualifying service to any end user customers in Kentucky using an ILEC’s switch either on an unbundled or resale basis. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located.

OBJECTION: Z-Tel objects to this interrogatory on the grounds that, with respect to the information relating to the wire center area of a BellSouth switch used by Z-Tel, the information is already in BellSouth’s possession.

INTERROGATORY 12: For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice - grade equivalent lines you are providing to end user customers in that wire center area using an ILEC's switch either on an unbundled or resale basis.

OBJECTION: Z-Tel objects to this interrogatory on the grounds it requests information -i.e., the number of lines that Z-Tel provides using BellSouth switches - that is already in BellSouth's possession. Further, the information is proprietary and confidential.

INTERROGATORY 13: With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 12, separate the lines by end user and end user location in the following manner:

- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
- (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
- (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;

- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (i) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines;
- (m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

OBJECTION: Z-Tel objects with respect to BellSouth's switching on the ground that the information sought is already known to and available to BellSouth. Further, the information is proprietary and confidential.

INTERROGATORY 15: Identify every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or relates to the offering of a qualifying service using: (1) the Unbundled Network Element Platform (UNE-P), (2) self-provisioned switching, (3) switching obtained from a third party provider other than an ILEC, or (4) any combination of these items.

OBJECTION: Z-Tel objects to this interrogatory on the grounds it seeks information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence, inasmuch as the FCC has determined that the state commissions' analysis of impairment is not to be based on individual carriers' business cases. Z-Tel also objects on the grounds that the interrogatory seeks the disclosure of commercially sensitive, confidential and proprietary business information. Z-Tel also objects because as defined within the interrogatories the term "business case" is overbroad. Z-Tel also objects because, particularly in view of the fact the information is irrelevant, requiring Z-Tel to disclose its internal analyses would be oppressive and unduly burdensome.

INTERROGATORY 16: Identify any documents that you have provided to any of your employees or agents, or to any financial analyst, bank or other financial institution, shareholder or any other person that describes, presents, evaluates or otherwise discusses in whole or in part, how you intend to offer or provide local exchange service, including but not limited to such things as the markets in which you either do participate or intend to participate, the costs of providing such service, the market share you anticipate obtaining in each market, the time horizon over which you anticipate obtaining such market share, and the average revenues you expect per customer.

OBJECTION: Z-Tel objects to this interrogatory on the grounds that, inasmuch as the FCC has determined the state commissions' impairment analyses is not to be based on individual carriers' business modules, it seeks information that is irrelevant to the impairment analysis to be conducted by the Commission and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the interrogatory is

overbroad, oppressive, and unduly burdensome. Z-Tel objects on the grounds the interrogatory requests proprietary and confidential business information.

INTERROGATORY 17: If not identified in response to a prior Interrogatory, identify every document in your possession, custody, or control referring or relating to the financial viability of self-provisioning switching in your providing qualifying services to end user customers.

OBJECTION: Z-Tel also objects on the grounds the interrogatory seeks information that is unrelated to and inconsistent with the impairment analysis prescribed by the FCC. It is therefore irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects to this interrogatory on the grounds that the request to identify "every" document is unduly burdensome and oppressive. Z-Tel also objects on the grounds the interrogatory seeks the disclosure of confidential and proprietary business information.

INTERROGATORY 26: For those end user customers to whom you only provide qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

OBJECTION: Z-Tel objects on the grounds the interrogatory asks for information that is irrelevant to the impairment analysis prescribed in the Triennial Review Order and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects to this interrogatory on the grounds it seeks confidential and proprietary business information. Further, Z-Tel interprets this interrogatory to request aggregate information. If BellSouth intended to request average monthly revenues for each individual end use customer, then Z-Tel objects on the grounds that the interrogatory is unduly burdensome and oppressive.

INTERROGATORY 34: For each class or type of end user customer referenced in Interrogatory No. 33, please state the average acquisition cost for each such end user class or type. Please provide this information for each month from January 2000 to the present.

OBJECTION: Z-Tel objects to this interrogatory on the grounds it seeks information that is unrelated to and inconsistent with the impairment analysis prescribed in the Triennial Review Order, is therefore irrelevant to the issues in the case and the analysis to be conducted by the Commission, and is not reasonably designed to lead to the discovery of admissible evidence. Network Telephone also objects on the grounds the interrogatory seeks the disclosure of commercially sensitive, confidential and proprietary business information. Z-Tel objects to the request for information on a monthly basis since January 2000 as onerous, oppressive, unduly burdensome and beyond any legitimate discovery need.

INTERROGATORY 35: For each class or type of end user customer referenced in Interrogatory No. 33, please state the typical churn rate for each such end user class or type. Please provide this information for each month from January 2000 to the present.

OBJECTION: Z-Tel objects to this interrogatory on the grounds it seeks information that, inasmuch as it is unrelated to and inconsistent with the impairment analysis prescribed in the Triennial Review Order, is irrelevant to the issues in this case and the analysis that the Commission is to conduct, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the interrogatory seeks the disclosure of commercially sensitive, confidential and proprietary information. Z-Tel also objects on the grounds that the request for monthly information beginning with January 2000 is unduly burdensome.

INTERROGATORY 39: Describe how the marketing organization that is responsible for marketing qualifying service in Kentucky is organized, including the organization's structure, size in terms of full time or equivalent employees including contract and temporary employees, and the physical work locations for such employees. In answering this Interrogatory, please state whether you utilize authorized sales representatives in your marketing efforts in Kentucky, and, if so, describe with particularity the nature, extent, and rates, terms, and conditions of such use.

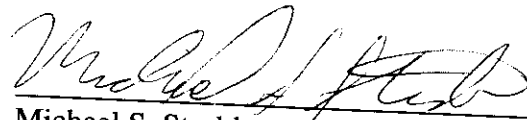
OBJECTION: Z-Tel objects to this interrogatory on the grounds that, because it relates to Z-Tel's individual business model, it is inconsistent with the analysis prescribed in the Triennial Review order, is unrelated to the analysis the Kentucky is to make, irrelevant to the issues in the docket and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the basis that the interrogatory seeks the disclosure of confidential and proprietary business information. Z-Tel also objects on the grounds the interrogatory as framed is overbroad and unduly burdensome.

INTERROGATORY 43: What cost of capital do you use in evaluating whether to offer a qualifying service in a particular geographic market and how is that cost of capital determined?

OBJECTION: Z-Tel objects to the interrogatory on the grounds it seeks information that, given the determination in the Triennial Review Order that the impairment analysis is not to be based on individual carriers' business models, is irrelevant to the issues in the case and unrelated to the analysis the Commission is to conduct, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the interrogatory seeks the disclosure of confidential and proprietary business information.

INTERROGATORY 44: With regard to the cost of capital you use in evaluating whether to provide a qualifying service in a particular geographic market, what are the individual components of that cost of capital, such as the debt-equity ratio, the cost of debt and the cost of equity?

OBJECTION: Z-Tel objects to this interrogatory on the grounds it seeks information that is inconsistent with the parameters of the Triennial Review Order, unrelated to the analysis the Commission is to conduct, irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the interrogatory seeks the disclosure of confidential and proprietary business information.



Michael S. Strobl
Director, Strategic Planning
Z-Tel Communications, Inc.
601 S. Harbour Island Blvd., Suite 220
Tampa, Florida 33602
(813) 233-4629
mstrobl@ztel.com


CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Z-TEL Communications, Inc.'s Objections to BellSouth Telecommunications, Inc.'s First Set of Interrogatories has been provided by Federal Express Delivery this 8th day of January 2004, to the following:

Thomas M. Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Dorothy J. Chambers
601 W. Chestnut Street, Room 407
Louisville, KY 40232

R. Douglas Lackey
BellSouth Telecommunications, Inc.
Suite 4300, BellSouth Center
675 W. Peachtree Street, NE
Atlanta, GA 30375


Michael S. Strobl

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the matter of:
REVIEW OF FEDERAL COMMUNICATIONS
COMMISSION'S TRIENNIAL REVIEW ORDER
REGARDING UNBUNDLING REQUIREMENTS
FOR INDIVIDUAL NETWORK ELEMENTS

Case No. 2003-00379

Filed: January 8, 2004

**OBJECTIONS OF Z-TEL COMMUNICATIONS, INC. TO
BELL SOUTH'S FIRST REQUESTS FOR PRODUCTION OF
DOCUMENTS**

Z-Tel Corporation ("Z-Tel") submits its preliminary objections to BellSouth Telecommunications, Inc.'s ("BellSouth") First Request for Production of Documents to Z-Tel.

These objections are preliminary in nature. Should additional grounds for objection be discovered as Z-Tel prepares its responses to any discovery, Z-Tel reserves the right to supplement these objections.

Further, at the time of the filing of these objections, the issues to be addressed in this proceeding have not yet been identified. Should additional grounds for objections develop as the Commission identifies the issues to be addressed in this proceeding, Z-Tel reserves the right to supplement these objections.

GENERAL OBJECTIONS

Z-Tel makes the following general objections to the Requests:

1. Z-Tel objects to the "Definitions" section, the "General Instructions," and the individual request items of BellSouth's First Requests for Production of Documents to Z-Tel to the extent that they are overly broad, unduly burdensome, and/or oppressive. Z-Tel will attempt to identify specific requests to which this objection applies within the specific objections that follow.

2. Z-Tel objects to the “Definitions,” the “General Instructions,” and the individual request items to the extent they are irrelevant and not likely to lead to the discovery of admissible evidence. By way of illustration and not limitation, Z-Tel objects to requests that seek materials and documents that are inconsistent with or unrelated to the parameters and methodology of the impairment analysis prescribed by the FCC in its Triennial Review Order. Z-Tel will attempt to identify individual requests to which this general objection is applicable within the specific objections that follow.

3. Z-Tel objects to the “Definitions,” the “General Instructions,” and the request items to the extent they are vague, ambiguous, imprecise, or utilize terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these Requests.

4. Z-Tel objects to the “General Instructions” and the request items of BellSouth’s First Set of Requests for Production to Z-Tel to the extent that they purport to impose discovery obligations on Z-Tel that exceed the scope of discovery allowed by the applicable Kentucky Rules of Civil Procedure.

5. Z-Tel objects to the “General Instructions” section and the individual request items of BellSouth’s First Requests for Production to Z-Tel to the extent that the “instructions” purport to seek disclosure of “all” documents, materials or information in Z-Tel’s possession. Z-Tel’s responses will provide all nonprivileged and otherwise discoverable information obtained by Z-Tel after a reasonable and diligent search conducted in connection with the Requests. Such search will include a review of only those files that are reasonably expected to contain the requested documents and/or information. To the extent that “instructions” or individual requests require more, Z-Tel objects on the grounds that compliance would be unduly burdensome,

expensive, oppressive, or excessively time consuming, and unnecessary to accomplish BellSouth's legitimate discovery needs.

6. Z-Tel objects to BellSouth's First Requests for Production to the extent that the requests seeks discovery of materials and/or information protected by attorney/client privilege, the work product doctrine, the accountant/client privilege, or any other applicable privilege.

7. Z-Tel objects to BellSouth's First Set of Requests for Production to the extent that the requests would require disclosure of information that constitutes trade secrets and/or confidential and proprietary information that should be disclosed either not at all or only pursuant to the terms of a mutually acceptable confidentiality agreement and use of the Public Service Commission's rules and orders governing confidentiality

8. Z-Tel objects to all requests which would require the production of materials and/or information which is already in BellSouth's possession or is in the public record before the Public Service Commission. To duplicate information that BellSouth already has or is readily available to BellSouth would be unduly burdensome and oppressive.

9. Z-Tel objects to BellSouth's First Request for Production to the extent BellSouth seeks to impose an obligation on Z-Tel to respond on behalf of subsidiaries and/or former officers, employees, agents, and directors on the grounds that such requests for production are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.

10. Z-Tel will interpret each request as relating to Kentucky intrastate operations within BellSouth's service areas. To the extent any requests are not intended to relate to Kentucky intrastate operations within BellSouth's Kentucky service area, Z-Tel objects to such requests as overbroad, irrelevant, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence.

11. Z-Tel objects to the use of the terms “qualifying service” and “nonqualifying service” on the grounds the terms are subject to differing interpretations.

SPECIFIC OBJECTIONS TO REQUESTS

Z-Tel hereby incorporates the above general objections by reference. To the extent possible within the expedited seven-day time frame for the filing of preliminary objections, Z-Tel will attempt to identify individual items that are subject to objection. Z-Tel reserves the right to add or enlarge upon these objections when Z-Tel files its responses.

REQUEST NO. 1: Produce all documents identified in response to BellSouth’s First Set of Interrogatories.

OBJECTION: Z-Tel objects to the extent No. 1 seeks confidential and proprietary documents. Z-Tel also incorporates by reference its Objections to the First Set of Interrogatories.

REQUEST NO. 2: Produce every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or related to the offering of a qualifying service in the State of Kentucky.

OBJECTION: Z-Tel objects to No. 2 on the grounds that it seeks discovery of documents that, inasmuch as the FCC ruled the state commissions’ impairment analyses are not to be based on individual carriers’ business cases, are unrelated to the analysis the Regulatory Authority will conduct, are irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the request seeks the disclosure of confidential and proprietary business information.

REQUEST NO. 3: Produce all documents referring or relating to the average monthly revenues you receive from end users customers in Kentucky to whom you only provide qualifying service.

OBJECTION: Z-Tel objects to Request No. 2 on the grounds that the request seeks documents that are unrelated to the analysis of impairment prescribed by the FCC and irrelevant to the issues in this case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects on the grounds the request seeks the disclosure of confidential and proprietary information. Z-Tel objects to No. 3 on the grounds that the request to produce “all documents” relating to the average monthly revenues is oppressive and unduly burdensome.

REQUEST NO. 4: Produce all documents referring or relating to the average number of access lines you produce to end user customers in Kentucky to whom you only provide qualifying service.

OBJECTION: Z-Tel objects to No. 4 on the grounds the request to provide all documents is onerous, unduly burdensome, and goes far beyond any legitimate discovery needs. Z-Tel also objects on the basis the information is proprietary and confidential.

REQUEST NO. 8: Produce all documents referring or relating to the classifications used by Z-Tel to offer service to end user customers Kentucky (e.g., residential customers, small business customers, mass market customers, enterprise customers, or whatever type of classification that you use to classify your customers).

OBJECTION: Z-Tel objects to No. 8 on the grounds the request for “all documents” is onerous, unduly burdensome, oppressive, and goes far beyond any legitimate discovery need. Z-Tel objects on the grounds the information is irrelevant and not calculated to lead to the discovery of admissible evidence.

REQUEST NO. 9: Produce all documents referring or relating to the average acquisition cost for each class or type of end user customer served by Z-Tel, as requested in BellSouth's First Set of Interrogatories, No. 34.

OBJECTION: Z-Tel objects to No. 9 on the grounds that, because they relate to Z-Tel's individual business model, the request seeks documents that are unrelated to the impairment analysis prescribed in the Triennial Review Order, irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the request seeks disclosure of confidential and proprietary business information. Z-Tel also objects to the request to produce "all" documents as overbroad, unduly burdensome, and oppressive.

REQUEST NO. 10: Produce all documents referring or relating to the typical churn for each class or type of end user customer served by Z-Tel, as requested in BellSouth's First Set of Interrogatories, No. 35.

OBJECTION: Z-Tel objects to the request because it seeks carrier-specific information that is unrelated to and inconsistent with the impairment analysis prescribed within the Triennial Review Order, and the requested documents are therefore irrelevant and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects to the request that it provide "all" documents as overbroad and unduly burdensome. In addition, Network objects because the request seeks confidential and proprietary business information.

REQUEST NO. 11: Produce all documents referring or relating to how Z-Tel Corporation determines whether to serve an individual customer's location with multiple DS0s or with a DS1 or larger transmission system.

OBJECTION: As stated in the general objections, which have been incorporated into each specific objection, Z-Tel objects to the request that it provide “all” documents. In addition, Z-Tel objects because the request seeks confidential and proprietary business information.

REQUEST NO. 12: Produce all documents referring or relating to the typical or average number of DS0s at which Z-Tel would choose to serve a particular customer with a DS1 or larger transmission system as opposed to multiple DS1s, all other things being equal.

OBJECTION: As stated in the general objections, which have been incorporated into each specific objection, Z-Tel objects to the request that it provide “all” documents. In addition, Z-Tel objects because the request seeks confidential and proprietary business information.

REQUEST NO. 13: Produce all documents referring or relating to the cost of capital used by Z-Tel in evaluating whether to offer a qualifying service in a particular geographic market.

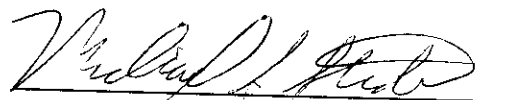
OBJECTION: Z-Tel objects to the request on the grounds that, because they relate to Z-Tel’s specific business model, it requests documents that are unrelated to the impairment analysis prescribed by the FCC in its Triennial Review Order, irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects to the request for “all” documents as overbroad and unduly burdensome. Z-Tel also objects on the grounds the information sought is confidential and proprietary business information.

REQUEST NO. 15: Produce all documents referring or relating to your estimates of sales expense when evaluating whether to offer a qualifying service in a particular geographic market.

OBJECTION: Z-Tel objects to No. 15 on the grounds it requests documents that, because they relate to financial aspects of Z-Tel's specific business model, are unrelated to the impairment analysis prescribed within the Triennial Review Order, irrelevant to the issues in this case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects on the grounds the request for "all" documents is overbroad and unduly burdensome. Z-Tel also objects on the grounds that the request seeks documents that are confidential and proprietary business information.

REQUEST NO. 16: Produce all documents referring or relating to your estimates of general and administrative (G&A) expenses when evaluating whether to offer a qualifying service in a particular geographic market.

OBJECTION: Z-Tel objects to No. 16 on the grounds that it seeks documents that, because they relate to Z-Tel's specific business model, are unrelated to the prescribed impairment analysis, irrelevant to the issues in the case, and not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the request seeks the disclosure of confidential and proprietary business information. Further, the request for "all" documents is overbroad and unduly burdensome.



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(813) 233-4629
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Z-TEL Communications, Inc.'s Objections to BellSouth Telecommunications, Inc.'s First Set of Request for Production of Documents has been provided by Federal Express Delivery this 8th day of January 2004, to the following:

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Dorothy J. Chambers
601 W. Chestnut Street, Room 407
Louisville, KY 40232

R. Douglas Lackey
BellSouth Telecommunications, Inc.
Suite 4300, BellSouth Center
675 W. Peachtree Street, NE
Atlanta, GA 30375



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**RESPONSES OF Z-TEL COMMUNICATIONS, INC. TO
BELLSOUTH'S FIRST REQUESTS FOR PRODUCTION OF
DOCUMENTS**

Z-TEL Communications, Inc. ("Z-TEL") hereby provides its Objections and Responses to BellSouth Telecommunications, Inc.'s First Request for Production of Documents. Z-TEL hereby adopts, incorporates by reference, and renews the preliminary Objections that it filed on January 8, 2004. Z-TEL further responses are as follows:

REQUESTS FOR PRODUCTION

1. Produce all documents identified in response to BellSouth's First Set of Interrogatories.

RESPONSE: Z-Tel incorporates its objection to the First Set of Interrogatories. Z-Tel objects to the extent the documents are in BellSouth's possession or are in the public domain.

2. Produce every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or relates to the offering of a qualifying service in the State of Kentucky.

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant. Z-TEL objects that the request is irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary

and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession.

3. Produce all documents referring or relating to the average monthly revenues you receive from end user customers in Kentucky to whom you only provide qualifying service.

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant and the request is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession.

4. Produce all documents referring or relating to the average number of access lines you provide to end user customers in Kentucky to whom you only provide qualifying service.

RESPONSE: Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information.

5. Produce all documents referring or relating to the average monthly revenues you receive from end user customers in Kentucky to whom you only provide non-qualifying service.

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant and the request is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it

seeks "all" documents in Z-TEL's possession.

6. Produce all documents referring or relating to the average monthly revenues you receive from end user customers in Kentucky to whom you provide both qualifying and non-qualifying service.

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant and the request is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession.

7. Produce all documents referring or relating to the average number of access lines you provide to end user customers in Kentucky to whom you provide both qualifying and non-qualifying service.

RESPONSE: Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL will provide responsive information subject to a confidentiality agreement.

8. Provide all documents referring or relating to the classifications used by Z-TEL Communications, Inc. to offer service to end user customers Kentucky (e.g., residential customers, small business customers, mass market customers, enterprise customers, or whatever type of classification that you use to classify your customers).

RESPONSE: Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession. Z-TEL has provided

the address of a website that reasonably responds to this request.

9. Produce all documents referring or relating to the average acquisition cost for each class or type of end user customer served by Z-TEL Communications, Inc., as requested in BellSouth's First Set of Interrogatories, No. 34

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession.

10. Produce all documents referring or relating to the typical churn for each class or type of end user customer served by Z-TEL Communications, Inc., as requested in BellSouth's First Set of Interrogatories, No. 35.

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession. Notwithstanding this objection, and without waiving it, Z-TEL states that there are no such documents.

11. Produce all documents referring or relating to how Z-TEL Communications, Inc.

determines whether to serve an individual customer's location with multiple DS0s or with a DS1 or larger transmission system.

RESPONSE: None.

12. Produce all documents referring or relating to the typical or average number of DS0s at which Z-TEL Communications, Inc. would choose to serve a particular customer with a DS1 or larger transmission system as opposed to multiple DS0, all other things being equal.

RESPONSE: None.

13. Produce all documents referring or relating to the cost of capital used by Z-TEL Communications, Inc. in evaluating whether to offer a qualifying service in a particular geographic market.

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession.

14. Produce all documents referring or relating to the time period used by Z-TEL Communications, Inc. in evaluating whether to offering a qualifying service in a particular geographic market (e.g., one year, five years, ten years or some other time horizon over which a project is evaluated)?

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers'

business models, the request asks for documents that are irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks “all” documents in Z-TEL’s possession.

15. Produce all documents referring or relating to your estimates of sales expense when evaluating whether to offer a qualifying service in a particular geographic market.

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers’ business models, the request asks for documents that are irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks “all” documents in Z-TEL’s possession.

16. Produce all documents referring or relating to your estimates of general and administrative (G&A) expenses when evaluating whether to offer a qualifying service in a particular geographic market.

RESPONSE: Z-TEL objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers’ business models, the request asks for documents that are irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-TEL objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks “all”

documents in Z-TEL's possession.

17. Produce all documents referring or relating to any complaints by Z-TEL Communications, Inc. or its end user customers about individual hot cuts performed by BellSouth since January 1, 2000.

RESPONSE: Z-TEL objects to this request on the grounds that the request seeks information in BellSouth's possession.

18. Produce all documents referring or relating to a batch hot cut process used by any ILEC in the BellSouth region that is acceptable to Z-TEL Communications, Inc. or that Z-TEL Communications, Inc. believes is superior to BellSouth's batch hot cut process.

RESPONSE: Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession. Notwithstanding this objection, and without waiving it, Z-TEL states that there are no such documents.

19. Produce all documents referring or relating to an individual hot cut process used by any ILEC in the BellSouth region that is acceptable to Z-TEL Communications, Inc. or that Z-TEL Communications, Inc. believes is superior to BellSouth's individual hot cut process.

RESPONSE: Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession. Notwithstanding this objection, and without waiving it, Z-TEL states that there are no such documents.

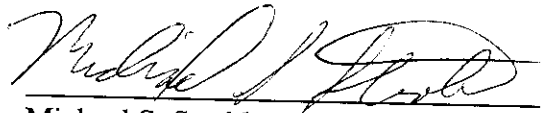
20. Produce all documents referring or relating to a batch hot cut process used by any ILEC outside the BellSouth region that is acceptable to Z-TEL Communications, Inc. or that Z-TEL Communications, Inc. believes is superior to BellSouth's batch hot cut process.

RESPONSE: Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession. Notwithstanding this

objection, and without waiving it, Z-TEL states that there are no such documents.

21. Produce all documents referring or relating to an individual hot cut process used by any ILEC outside the BellSouth region that is acceptable to Z-TEL Communications, Inc. or that Z-TEL Communications, Inc. believes is superior to BellSouth's individual hot cut process.

RESPONSE: Z-TEL objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-TEL's possession. Notwithstanding this objection, and without waiving it, Z-TEL states that there are no such documents.



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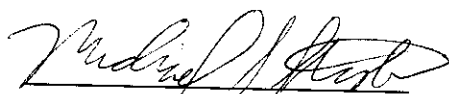
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Z-TEL Communications, Inc.'s Response to BellSouth Telecommunications, Inc.'s First Set of Requests for Production of Documents has been provided by Federal Express Delivery this 8th day of January 2004, to the following:

Thomas M. Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Dorothy J. Chambers
601 W. Chestnut Street, Room 407
Louisville, KY 40232

R. Douglas Lackey
BellSouth Telecommunications, Inc.
Suite 4300, BellSouth Center
675 W. Peachtree Street, NE
Atlanta, GA 30375


Michael S. Strobl

RECEIVED

JAN 09 2004

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the matter of:
REVIEW OF FEDERAL COMMUNICATIONS
COMMISSION'S TRIENNIAL REVIEW ORDER
REGARDING UNBUNDLING REQUIREMENTS
FOR INDIVIDUAL NETWORK ELEMENTS

Case No. 2003-00379

Filed: January 8, 2004

**Z-TEL COMMUNICATIONS, INC.'S
RESPONSE TO BELL SOUTH TELECOMMUNICATIONS, INC.'S
SECOND SET OF INTERROGATORIES (1-28) AND FIRST REQUESTS FOR
PRODUCTION OF DOCUMENTS (1-5)**

Z-Tel Communications, Inc. ("Z-Tel") hereby provides its responses to BellSouth Telecommunications, Inc.'s ("BellSouth") First Set of Interrogatories.

Z-Tel hereby adopts, incorporates by reference, and renews its preliminary Objections, dated January 8, 2004. Z-Tel further responds as follows:

INTERROGATORY NO. 1: Affirm or deny that you have self-provided high capacity transport facilities that you own (i.e., any DS3 or greater facilities, including dark fiber) that provide transport along a route between a pair of ILEC central offices or wire centers in Kentucky for use in your own operations. The facilities must terminate to an active physical or virtual collocation (includes all types of collocation, not just those qualifying under section 251(c)(6) at each end of the transport route) associated with each central office of the pair and be operationally ready to provide transport into or out of each office of the pair. Answer this question in the affirmative if you are self-providing such facilities. For purposes of this question, you "own" transport facilities if (i) you have legal title to the facility; or (ii) if you have obtained dark fiber under a long term (10 or more years) IRU and have attached your own optronics to light the facility. Facilities obtained through any other means, including but not limited to special access, unbundled network elements or other services or facilities obtained from third parties, should not be included in this response.

RESPONSE: Z-Tel has not self-provided any high capacity transport facilities that provide transport along a route between a pair of ILEC central offices or wire centers in any of the nine Southeastern states for use in its own operations.

Answer provided by Peggy Rubino

INTERROGATORY NO. 2: Affirm or deny that you offer to carriers on a wholesale basis DS1 or higher transport facilities, or dark fiber transport facilities that you own that provide a route between a pair of ILEC central offices or wire centers, to one or more pair of wire

centers, in Kentucky. The facilities must terminate to an active physical or virtual collocation (includes all types of collocation, not just those qualifying under section 251(c)(6) at each end of the transport route) associated with each office of the pair and be operationally ready to provide transport into or out of each office in the pair. Answer this question in the affirmative if you are offering such facilities. For purposes of this question, you “own” a facility (i) if you have legal title to the facility, or (ii) if you have obtained on an unbundled, leased or purchased basis dark fiber and have attached your own optronics to light the facility and are serving customers using the facility. Facilities obtained through any other means, including but not limited to special access, other unbundled network elements or other services obtained from third parties, should not be included in this response.

RESPONSE: Z-Tel does not offer to carriers on a wholesale basis DS1 or higher transport facilities, or dark fiber transport facilities that Z-Tel owns that provide a route between a pair of ILEC central offices or wire centers in any of the nine states.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 3: Affirm or deny whether you have acquired on a wholesale basis from a third party (other than the ILEC or a CLEC that is a party to this proceeding) DS1, DS3, or dark fiber transport between two or more ILEC central offices in Kentucky. The facilities must terminate to an active physical or virtual collocation (includes all types of collocation, not just those qualifying under section 251(c)(6) at each end of the transport route) associated with each office of the pair and be operationally ready to provide transport into or out of each office in the pair.

RESPONSE: Z-Tel has not acquired on a wholesale basis from a third party other than the ILEC, DS1, DS3, or dark fiber transport between two or more ILEC central offices in any of the Southeastern states.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 4: For each state in Question 1 that you answered in the affirmative (that you have deployed or self-provide high capacity transport for use in your own operations), provide a list of all the paired ILEC CO to ILEC CO routes on which you have deployed such facilities identifying:

- a. The CLLI codes of the paired ILEC CO locations that make up each and every route. In each case show the “low alpha” (alphabetically first) CLLI code as Wire Center A and the “high alpha” CLLI code as Wire Center Z. (Provide the full 11 character CLLI).
- b. Whether your self-provided transport facilities are terminated to collocations (includes all types of collocation, not just those qualifying under section 251(c)(6) at each end of the transport route). Provide the customer name of record for the collocation arrangement and 11-character ACTL CLLI code for the collocation arrangement.
- c. Whether your self-provided transport facilities are provisioned entirely on facilities

- you own (as defined in Question 1).
- d. If any of your self-provided transport facilities include facilities obtained through third parties (Yes, No); if your response is yes, indicate the vendor name.
 - e. Indicate whether the facility is provided over dark fiber you have obtained from BellSouth on an IRU basis. (Yes, No)
 - f. Whether you are able to immediately provide transport along the particular route.
 - g. The capacity deployed and the capacity active on the route as of September 30, 2003.

RESPONSE: N/A

Answer provided by Peggy Rubino.

INTERROGATORY NO. 5: For each state in Question 2 that you answered in the affirmative (that you offer at wholesale DS1, DS3 or higher, or dark fiber capacity transport) provide a list of all ILEC CO to ILEC CO routes along which you provide such transport identifying:

- a. The CLLI codes of the paired ILEC CO locations that make up the end points of each and every route. In each case show the "low alpha" (alphabetically first) CLLI code as Wire Center A and the "high alpha" CLLI code as Wire Center Z. (Provide the full 11 character CLLI).
- b. Whether your wholesale transport facilities are terminated to collocations (includes all types of collocation, not just those qualifying under section 251(c)(6) at each end of the transport route). Provide the customer name of record for the collocation arrangement and 11-character ACTL CLLI code of the collocation arrangement.
- c. Whether your wholesale transport services are provisioned entirely on facilities you own (as defined in Question 2).
- d. If any of your self-provided transport facilities include facilities obtained through third parties, indicate the vendor name.
- e. Indicate whether the facility is provided over dark fiber you have obtained from BellSouth on an IRU basis (Yes, No)
- f. Whether you are willing and able immediately to provide transport along the particular route.
- g. The capacity deployed and the capacity active on the route as of September 30, 2003.

RESPONSE: N/A

Answer provided by Peggy Rubino.

INTERROGATORY NO. 6: For each state in Question 3 that you answered in the affirmative (that you have acquired on a wholesale basis DS1, DS3 or higher, or dark fiber transport), provide the following in electronic format using the worksheet related to both self-provided (the Question 4 spreadsheet) and wholesale facilities (the Question 5 spreadsheet):

- a. The CLLI codes of the ILEC wire centers or COs of the starting and ending points of the transport routes;

- b. The name of the carrier or company from whom you received or purchased the transport;
- c. Whether you are operationally ready to provide transport using these facilities; and
- d. The capacity deployed and the capacity active on the route as of September 30, 2003.

RESPONSE: N/A

Answer provided by Peggy Rubino.

INTERROGATORY NO. 7: If, in response to Questions 4 and 5, you denied any of the specified characteristics, explain in detail the basis for your response. For example, if your wholesale operations are affiliated with another provider, state the name of the provider with whom you are affiliated. State also whether there are other limitations on your wholesale operations; if so, describe in detail any such limitations.

RESPONSE: N/A

Answer provided by Peggy Rubino.

INTERROGATORY NO. 8: Affirm or deny that you have self-provisioned high capacity loop or dark fiber facilities that you own (i.e., any DS3 or greater facilities that provide connections between a switch, wire center, collocation, point of interconnection, etc., and a customer's premises) to one or more customer locations in each/any of the nine Southeastern states for use in your own operations in providing retail service to your customers. Answer this question in the affirmative if you are self-providing such facilities. For purposes of this question, you "own" a facility (i) if you have legal title to the facility, or (ii) if you have obtained dark fiber under a long term (10 or more years) IRU and have attached your own optronics to light the facility and are serving customers using the facility. Facilities obtained through any other means, including but not limited to, special access, unbundled network elements or other services or facilities obtained from third parties, should not be included in this response.

RESPONSE: Z-Tel has not self-provided high capacity loop or dark fiber facilities for use in providing retail service to its own customers in any of the nine Southeastern states.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 9: Affirm or deny that you offer to carriers on a wholesale basis DS1, DS3 or higher capacity loop facilities or dark fiber that you own (i.e., any DS1 or greater facilities that provide connections between a switch, wire center, collocation, point of interconnection, etc., and a customer's premises) to one or more customer locations in Kentucky. Answer this question in the affirmative if you are offering such facilities. For purposes of this question, you "own" a facility if (i) you have legal title to the facility, or (ii) if you have obtained on an unbundled, leased or purchased basis dark fiber and have attached your own optronics to light the facility. Facilities obtained through any other means, including but not limited to special access, other unbundled network elements or other services obtained from third parties, should not be included in this response.

RESPONSE: Z-Tel does not offer to carriers on a wholesale basis DS1, DS3 or higher capacity loop facilities or dark fiber owned by Z-Tel to any customer location in any of the nine Southeastern states.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 10: Affirm or deny that you have obtained from a third party (other than the ILEC or a CLEC that is a party to this proceeding), high capacity loops or dark fiber loops for the provisioning of retail services to your customers, to one or more customer locations in Kentucky. Self-provided facilities that you “own” as defined in 8 above should not be included in this response.

RESPONSE: Z-Tel has not obtained from a third party other than the ILEC, any high capacity loops or dark fiber loops for the provisioning of retail services to Z-Tel customers in any of the Southeastern states.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 11: Affirm or deny that you have obtained from a third party (other than the ILEC or a CLEC that is a party to this proceeding), high capacity loops or dark fiber loops for the provisioning of services on a wholesale basis to one or more customer locations in Kentucky. Self-provided facilities that you “own” as defined in 9 above should not be included in this response.

RESPONSE: Z-Tel has not obtained from a third party other than the ILEC, high capacity loops or dark fiber loops for the provisioning of services on a wholesale basis to any customer location in any of the Southeastern states.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 12: For each state in Question 8 and 10 that you answered in the affirmative (that you have self-provided or obtained from a third party other than the ILEC or a CLEC that is a party to this proceeding high capacity loops or dark fiber for use in your own operations in providing retail service to your customers) provide a list of the customer locations to which you have deployed such loops, (in electronic format using the attached spreadsheets) identifying:

- a. The RSAG valid address of each customer location.
- b. The CLLI code of the CLEC switch, wire center, collocation, point of interconnection, etc., from which the loop is extended to the customer location. (Provide the full 11-character CLLI.)
- c. Indicate whether the facility is wholly owned by you (Yes, No); if no, provide the name of the vendor from whom you have purchased all or a portion of the facilities.
- d. Indicate whether the facility is provided over dark fiber you have obtained from

- BellSouth on an IRU basis (Yes, No).
- e. Indicate whether or not you have the unrestricted ability to serve all customers at that location if it is a multi-tenant location. (Yes, No, NA). This includes access to all units in the building, access to all buildings in a campus environment and equivalent access to the same minimum point of entry (MPOE), common space, house and riser and other intra building wire as the ILEC. If no, explain in detail any restrictions on your ability to serve customers and explain any and all actions you have taken to address such restrictions.
 - f. The capacity deployed and capacity activated to the specific location as of September 30, 2003.

RESPONSE: N/A

Answer provided by Peggy Rubino.

INTERROGATORY NO. 13: For each state in Questions 9 and 11 that you answered in the affirmative (that you offer at wholesale DS1, DS3 or higher capacity loops) provide a list of the customer locations to which you have provided such loops (in electronic format using the attached spreadsheets), identifying:

- a. The RSAG valid address of each customer location.
- b. The CLLI code of the location from which the loop is extended to the customer location. (Provide the full 11-character CLLI.)
- c. Indicate whether the facility is wholly owned by you (Yes, No); if no, provide the name of the vendor from whom you have purchased all or a portion of the facilities.
- d. Indicate whether the facility is provided over dark fiber you have obtained from BellSouth on an IRU basis or UNE basis (Yes, No).
- e. Indicate whether or not you have the unrestricted ability to serve all customers at that location if it is a multi-tenant location. (Yes, No, NA). This includes access to all units in the building, access to all buildings in a campus environment and equivalent access to the same minimum point of entry (MPOE), common space, house and riser and other intra building wire as the ILEC. If no, explain in detail any restrictions on your ability to serve customers and explain any and all actions you have taken to eliminate such restrictions.
- f. Indicate whether other carriers have access to these wholesale facilities at a technically feasible point (e.g., manhole, meet point, collocation, etc).

RESPONSE: N/A

Answer provided by Peggy Rubino.

INTERROGATORY NO. 14: Provide a list of all BellSouth wire centers in Kentucky to which you are currently in the process of deploying, or plan to deploy transport facilities and/or loop facilities. List wire centers if this deployment is in process or will take place from the time period beginning October 1, 2003 through December 31, 2004.

RESPONSE: Not applicable.

Answer provided by Michael Strobl.

INTERROGATORY NO. 15: List all BellSouth wire centers in the Southeastern states where you have collocation, either virtual or physical. In Microsoft Excel format, list the 11-character wire center CLLI code and the CLLI code designating each arrangement you have within that wire center. For each wire center listed identify:

- a. The type of collocation (caged, cageless, shared, virtual, other (with a description)) and identify the total amount of space currently occupied and reserved for future growth;
- b. The type of equipment and number of equivalent DS0 channels for all services in the collocation space (e.g., DLC, remote switches, multiplexers, transmission terminals, etc.).
- c. The transmission facilities and number of equivalent DS0 channels for all services used to connect the office to your switch or non-ILEC switching provider (e.g., BellSouth UNEs, BellSouth special access, self provision, third party provision).
- d. The amount of unused or excess space in each collocation space.
- e. The number of active and inactive DS1 cross connects
- f. The number of active and inactive DS3 Cross-connects
- g. The number of active and inactive 2-fiber cross-connects
- h. The number of active and inactive 4-fiber cross-connects.
- i. State whether you have deployed fiber "entrance" facilities that you own which connect to the collocation arrangements identified.
- j. State whether you have fiber "entrance" facilities that you have obtained from a person other than BellSouth which connect to the collocation arrangements identified.
- k. State whether you have fiber cross-connects which connect the identified arrangement(s) to other persons collocated at the same wire center. If yes, (i) identify all carriers to which your arrangements are connected within the wire center; and (ii) identify the capacity or type of connection.

RESPONSE: Z-Tel does not have virtual or physical collocation in any BellSouth wire centers.

Answer provided by Michael Strobl.

INTERROGATORY NO. 16: Provide a list of all BellSouth wire centers and/or central offices in Kentucky to which you have deployed high capacity transport facilities that are operationally ready to provide dedicated transport along a route, directly, or indirectly through a location not affiliated with BellSouth, to one other BellSouth central office. The facilities must terminate to an active collocation arrangement. This interrogatory varies from previous questions as it seeks wire centers/central offices even if you are not actually providing transport from the locations; it also seeks wire centers/central offices that your facilities route through

directly or indirectly. For example, in answering this Interrogatory, provide information about facilities that may indirectly provide transport along a route, for example, using the diagram below, the IXC transport route should be identified:

BST wire center → IXC POP ← → IXC POP → BST wire center

For each central office or wire center that you list, identify:

- a. The CLLI code of the central office.
- b. The type of collocation at which the facilities terminate;
- c. The customer name of record for the collocation arrangement and the 11-character CLLI code for the collocation arrangement;
- d. Indicate whether the facilities are provided over dark fiber you have obtained from BellSouth;
- e. The total active capacity and number of fiber strands deployed as of the most recent date available;
- f. Whether you are able and able immediately to provide DS1 transport, on a wholesale basis, over the transport facilities;
- g. Whether you are willing and able immediately to provide DS3 transport, on a wholesale basis, over the transport facilities;
- h. Whether you are willing and able immediately to provide dark fiber transport, on a wholesale basis, over the transport facilities.

For each central office or wire center that you list, identify:

- a. The CLLI code of the central office.
- b. The type of collocation at which the facilities terminate;
- c. The customer name of record for the collocation arrangement and the 11-character CLLI code for the collocation arrangement
- d. The total active capacity and number of fiber strands deployed as of the most recent date available;
- e. The type of facility (e.g., fiber, coaxial cable, etc.).

RESPONSE: Z-Tel has not deployed high capacity transport facilities.

Answer provided by Michael Strobl.

INTERROGATORY NO. 17: For each central office/wire center identified in response to Interrogatory No. 16:

- a. Are your transport facilities operationally ready to provide dedicated transport between the central office/wire center identified and any other ILEC wire center on the same list?
- b. If your responses to part (a) above is negative, identify each such the ILEC central offices on the list that does not satisfy part (a) and explain with particularity why not.

RESPONSE: N/A

Answer provided by Michael Strobl.

INTERROGATORY NO. 18: Provide a list of all BellSouth wire centers and/or central offices in Kentucky from which you offer to other carriers on a wholesale basis DS1 or higher

transport facilities, or dark fiber transport facilities that provide a route, directly, or indirectly through a location not affiliated with BellSouth, to one other BellSouth central office. The facilities must terminate to an active collocation arrangement. *This interrogatory varies from previous questions as it seeks wire centers/central offices that your facilities route through directly or indirectly. For example, in answering this Interrogatory, provide information about facilities that may indirectly provide transport along a route, for example, using the diagram below, the transport route between IXC – points of presence (“POP”) should be identified:*

BST wire center→IXC POP←→IXC POP→BST wire center

For each central office or wire center that you list, identify:

- a. The CLLI code of the central office.
- b. The type of collocation at which the facilities terminate;
- c. The customer name of record for the collocation arrangement and the 11-character CLLI code for the collocation arrangement;
- d. Indicate whether the facilities are provided over dark fiber you have obtained from BellSouth;
- e. The total active capacity and number of fiber strands deployed as of the most recent date available;
- f. Whether you are able and able immediately to provide DS1 transport, on a wholesale basis, over the transport facilities;
- g. Whether you are willing and able immediately to provide DS3 transport, on a wholesale basis, over the transport facilities;
- h. Whether you are willing and able immediately to provide dark fiber transport, on a wholesale basis, over the transport facilities.

RESPONSE: Z-Tel does not offer to carriers on a wholesale basis DS1, DS3 or higher capacity loop facilities or dark fiber owned by Z-Tel.

Answer provided by Michael Strobl.

INTERROGATORY NO. 19: For each central office/wire center identified in response to Interrogatory No. 17:

- a. Are you willing and able immediately to provide high capacity transport, on a wholesale basis, over transport facilities between the wire central office/wire center identified and any other ILEC wire center on the same list?
- b. If your responses to part (a) above is negative, identify each such the ILEC central office/wire center on the list that does not satisfy part (a) and explain with particularity why not.

RESPONSE: N/A.

Answer provided by Michael Strobl.

INTERROGATORY NO. 20: Identify the points within Kentucky at which you connect your local network facilities to the networks of other carriers, including but not limited to interconnection with other CLPs, interexchange carriers, internet service providers at any point of presence (“POP”), network access point (“NAP”), collocation hotels, data centers, or similar

facility. This interrogatory may be answered with network diagrams.

RESPONSE: Z-Tel interconnects with interexchange carriers at its POP in Tampa, Florida.

Answer provided by Michael Strobl.

INTERROGATORY NO. 21: Identify the points within Kentucky at which you connect your local network facilities to BellSouth's network, including but not limited to any and all points of presence ("POP"). This interrogatory may be answered with network diagrams.

RESPONSE: None.

Answer provided by Michael Strobl.

INTERROGATORY NO. 22: On an MSA-specific basis, in Kentucky please describe with specificity the configuration of your transport and/or loop facilities; including, but not limited to: (a) the configuration of your facilities (e.g., point to point or ring configuration); (b) the customer specific locations that are accessible from your facilities; and (c) a list of all customer units accessible in a multi-tenant building.

RESPONSE: Not applicable.

Answer provided by Michael Strobl.

INTERROGATORY NO. 23: Provide a list of all fiber rings in Kentucky you own or control and identify the location (by street address) of each add-drop multiplexer or comparable facility for connection other transport facilities (e.g., wire centers, loops, other fiber rings) to the fiber ring.

RESPONSE: None.

Answer provided by Michael Strobl.

INTERROGATORY NO. 24: Identify each shared or non-BellSouth location (e.g., collocation hotel) in Kentucky in which you are located. For each such location state:

- a. The type of collocation or sharing/leasing of space for placement of equipment (e.g., caged, cageless, shared, or virtual);
- b. The type of equipment and number of equivalent DS0 channels for all services in the collocation space (e.g., DLC, remote switches, multiplexers, transmission terminals, etc.).
- c. The transmission facilities and number of equivalent DS0 channels for all services used to connect the office to your switch or non-ILEC switching provider (e.g., BellSouth UNEs, BellSouth special access, self provision, third party provision).

RESPONSE: Not applicable.

Answer provided by Michael Strobl.

INTERROGATORY NO. 25: For each arrangement identified in response to Interrogatory 23 and in response to Interrogatory 16, please list the types of services that are provided utilizing such an arrangement.

- a. List all types of services you offer to your end users from each collocation space describe or demand and the quantity of each service you provide and/or offer.
- b. For each service identified in (a), list the average monthly revenue associated with each type of service.

RESPONSE: Not applicable.

Answer provided by Michael Strobl.

INTERROGATORY NO. 26: Provide a list of all customer locations in each/any of the Southeastern states at which you have deployed high capacity loop facilities (DS3 or greater facilities, including dark fiber) that you own and where you are serving customers using those facilities. *This interrogatory varies from Interrogatory No. 8 in this docket as it is not limited to loop facilities solely used to provide retail service.* For each customer location, identify:

- a. The RSAG valid address of the customer location;
- b. The CLLI code of the CLP switch, wire center, collocation, point of interconnection, etc. from which the loop is extended to the customer location (by 11 character CLLI);
- c. Whether you have the unrestricted ability to serve all customers at that location, if the location is a multi-tenant location. If not, explain with particularity why not, including any restrictions on your ability to serve customers and the steps you have taken to address such restrictions.
- d. The total active capacity and the number of fiber strands on your facilities at the specific customer locations using the most recent data available;
- e. Whether your facilities are operationally ready to provide DS3 loops at the specific customer location.

RESPONSE: Not applicable.

Answer provided by Michael Strobl.

INTERROGATORY NO. 27: Describe with particularity all factors you consider when deciding whether to extend high capacity loop or transport facilities to:

- a. pick up additional traffic;
- b. pick up additional or new customers;
- c. pick up additional or new buildings.

RESPONSE: Not applicable.

Answer provided by Michael Strobl.

REQUESTS FOR PRODUCTION

1. Produce any maps and/or diagrams that illustrate the most current information available for the physical location of your high capacity transport and/or loop facilities within Kentucky.

RESPONSE: Not applicable.

Answer provided by Michael Strobl.

2. Produce any documents identified in response to BellSouth's First or Second Set of Interrogatories.

RESPONSE: Not applicable.

Answer provided by Michael Strobl.

3. Produce any business case from 2000 to present in your possession, custody, or control that evaluates, discusses, analyzes or otherwise refers or relates to your actual or planned deployment of high capacity transport and/or loop facilities within Kentucky.

RESPONSE: Z-Tel objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant. Z-Tel objects that the request is irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-Tel objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-Tel's possession.

Answer provided by Michael Strobl.

4. Produce any business case from 2000 to present in your possession, custody, or control that evaluates, discusses, analyzes or otherwise refers or relates to your obtaining high capacity transport and/or loop facilities from other persons.

RESPONSE: Z-Tel objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for

documents that are irrelevant. Z-Tel objects that the request is irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-Tel objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-Tel's possession.

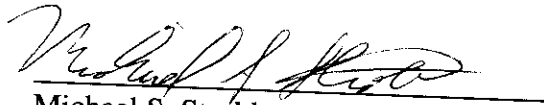
Answer provided by Michael Strobl.

5. Produce all documents from 2000 to present referring or relating to how you determine whether or not to deploy high capacity transport and/or loop facilities.

RESPONSE:

Z-Tel objects to this request on the grounds that, inasmuch as the FCC has ruled in the TRO that the impairment analysis is not to be based in individual carriers' business models, the request asks for documents that are irrelevant. Z-Tel objects that the request is irrelevant, and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects on the grounds the request seeks documents that comprise proprietary and confidential information. Z-Tel objects on the grounds the request is overbroad and unduly burdensome, inasmuch as it seeks "all" documents in Z-Tel's possession.

Answer provided by Michael Strobl.


Michael S. Strobl
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Z-Tel Communications, Inc.'s Response to BellSouth Telecommunications, Inc.'s Second Set of Interrogatories (1-28) and First Requests for Production of Documents (1-5) has been provided by Federal Express Delivery this 8th day of January 2004, to the following:

Thomas M. Dorman
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Dorothy J. Chambers
601 W. Chestnut Street, Room 407
Louisville, KY 40232

R. Douglas Lackey
BellSouth Telecommunications, Inc.
Suite 4300, BellSouth Center
675 W. Peachtree Street, NE
Atlanta, GA 30375


Michael S. Strobl

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

RECEIVED

JAN 09 2004

In the matter of:
REVIEW OF FEDERAL COMMUNICATIONS
COMMISSION'S TRIENNIAL REVIEW ORDER
REGARDING UNBUNDLING REQUIREMENTS
FOR INDIVIDUAL NETWORK ELEMENTS

Case No. 2003-00379 PUBLIC SERVICE
COMMISSION

Filed: January 8, 2004

**Z-TEL COMMUNICATIONS, INC.'S
RESPONSE TO BELL SOUTH TELECOMMUNICATIONS, INC.'S
FIRST SET OF INTERROGATORIES**

Z-Tel Communications, Inc. ("Z-Tel") hereby provides its objections and responses to BellSouth Telecommunications, Inc.'s ("BellSouth") First Set of Interrogatories.

Z-Tel hereby adopts, incorporates by reference, and renews its preliminary Objections, dated January 8, 2004. Z-Tel further responds to the First Set as follows:

INTERROGATORY NO. 1: Identify each switch owned by Z-Tel that Z-Tel uses to provide a qualifying service anywhere in Kentucky, irrespective of whether the switch itself is located in the State and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch).

RESPONSE: None.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 2: For each switch identified in response to Interrogatory No. 1, please:

- (a) provide the Common Language Location Identifier ("CLLI") code of the switch;
- (b) provide the street address, including the city and state in which the switch is located;

- (c) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
- (d) state the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch's existing configuration and component parts;
- (e) state the number of voice-grade equivalent lines the switch is currently serving based on the switch's existing configuration and component parts; and
- (f) provide information relating to the switch as contained in Telcordia's Local Exchange Routing Guide ("LERG"); or, state if the switch is not identified in the LERG.

RESPONSE: N/A.

INTERROGATORY NO. 3: Identify any other switch not previously identified in Interrogatory No. 1 that Z-Tel uses to provide a qualifying service anywhere in Kentucky, irrespective of whether the switch itself is located in the State and regardless of the type of switch (e.g., circuit switch, packet switch, soft switch, host switch, remote switch). In answering this Interrogatory, do not include ILEC switches used by Z-Tel either on an unbundled or resale basis.

RESPONSE: None.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 4: For each switch identified in response to Interrogatory No. 3, please:

- (a) identify the person that owns the switch;
- (b) provide the Common Language Location Identifier ("CLLI") code of the

switch;

- (c) provide the street address, including the city and state in which the switch is located;
- (d) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
- (e) describe in detail the arrangement by which you are making use of the switch, including stating whether you are leasing the switch or switching capacity on the switch;
- (f) identify all documents referring or relating to the rates, terms, and conditions of Z-Tel's use of the switch; and
- (g) provide information relating to the switch as contained in Telcordia's Local Exchange Routing Guide ("LERG"); or, state if the switch is not identified in the LERG.

RESPONSE: N/A.

INTERROGATORY NO. 5: Identify by name, address, and CLLI code each ILEC wire center area, e.g., (Louisville, 536 Armory Place, LSVLKYAP), in which you provide qualifying service to any end user customers in Kentucky utilizing any of the switches identified in response to Interrogatory No. 1. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located

RESPONSE: N/A.

INTERROGATORY NO. 6: For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area)

identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area from the switches identified in response to Interrogatory 1.

RESPONSE: N/A.

INTERROGATORY NO. 7: With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 6, separate the lines by end user and end user location in the following manner:

- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
- (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
- (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (i) The number of end user customers to whom you provide nine (9)

voice-grade equivalent lines;

(j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;

(k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;

(l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and

(m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

RESPONSE: N/A.

INTERROGATORY NO. 8: Identify by name, address, and CLLI code each ILEC wire center area, e.g. (Louisville, 526 Armory Place, LSVLKYAP), in which you provide qualifying service to any end user customers in Kentucky utilizing any of the switches identified in response to Interrogatory No. 3. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user is located.

RESPONSE: N/A.

INTERROGATORY NO. 9: For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area from the switches identified in response to Interrogatory No. 8.

RESPONSE: N/A.

INTERROGATORY NO. 10: With regard to the voice-grade equivalent lines identified

by ILEC wire center area (or ILEC exchange) in response to Interrogatory 9, separate the lines by end user and end user location in the following manner:

- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
- (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
- (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (h) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (i) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide eleven

(11) voice-grade equivalent lines;

(k) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and

(l) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

RESPONSE: N/A.

INTERROGATORY NO. 11: Identify by name, address, and CLLI code each ILEC wire center area, i.e., the territory served by the wire center, in which you provide qualifying service to any end user customers in Kentucky using an ILEC's switch either on an unbundled or resale basis. If you assert that you cannot identify or do not know how to ascertain the boundaries of a wire center area, provide the requested information for the ILEC exchange in which your end user customer is located.

RESPONSE: Z-Tel believes the term "qualifying service" is ambiguous. Subject to that objection, and without attempting to distinguish between qualifying and non-qualifying services, Z-Tel states that it offers local service to end user customers to all BellSouth wire centers in Kentucky.

Answer provided by Tom Koutsky.

INTERROGATORY NO. 12: For each ILEC wire center area identified in the foregoing Interrogatory (or ILEC exchange if you do not provide the information by wire center area) identify the total number of voice-grade equivalent lines you are providing to end user customers in that wire center area using an ILEC's switch either on an unbundled or resale basis.

RESPONSE: Z-Tel objects to the extent the Interrogatory as framed seeks information that is not limited to intrastate operations within BellSouth's Kentucky service area. Z-Tel

objects on the basis that, because BellSouth provides the switch that Z-Tel utilizes to provide service in BellSouth's service area, the information sought by BellSouth is already in its possession. To require Z-Tel to prepare and provide information that is already in BellSouth's possession by virtue of its furnishing of and its billing for use of the switch would be unduly burdensome and oppressive. Finally, Z-Tel objects on the basis that the information sought constitutes proprietary and confidential business information.

INTERROGATORY NO. 13: With regard to the voice-grade equivalent lines identified by ILEC wire center area (or ILEC exchange) in response to Interrogatory 12, separate the lines by end user and end user location in the following manner:

- (a) The number of end user customers to whom you provide one (1) voice-grade equivalent line;
- (b) The number of end user customers to whom you provide two (2) voice-grade equivalent lines;
- (c) The number of end user customers to whom you provide three (3) voice-grade equivalent lines;
- (d) The number of end user customers to whom you provide four (4) voice-grade equivalent lines;
- (e) The number of end user customers to whom you provide five (5) voice-grade equivalent lines;
- (f) The number of end user customers to whom you provide six (6) voice-grade equivalent lines;
- (g) The number of end user customers to whom you provide seven (7) voice-grade equivalent lines;

- (h) The number of end user customers to whom you provide eight (8) voice-grade equivalent lines;
- (i) The number of end user customers to whom you provide nine (9) voice-grade equivalent lines;
- (j) The number of end user customers to whom you provide ten (10) voice-grade equivalent lines;
- (k) The number of end user customers to whom you provide eleven (11) voice-grade equivalent lines;
- (l) The number of end user customers to whom you provide twelve (12) voice-grade equivalent lines; and
- (m) The number of end user customers to whom you provide more than twelve (12) voice-grade equivalent lines;

RESPONSE: Z-Tel objects to the extent the Interrogatory as framed seeks information that is not limited to intrastate operations within BellSouth's Kentucky service area. Z-Tel objects on the basis that, because BellSouth provides the switch that Z-Tel utilizes to provide service in BellSouth's service area, the information sought by BellSouth is already in its possession. To require Z-Tel to expend the time and resources to prepare and provide information that is already in the possession of BellSouth would be oppressive and unduly burdensome. Finally, Z-Tel objects on the basis that the information sought constitutes proprietary and confidential business information.

INTERROGATORY NO. 14: Do you offer to provide or do you provide switching capacity to another local exchange carrier for its use in providing qualifying service anywhere in the nine states in the BellSouth region. If the answer to this Interrogatory is in the affirmative,

for each switch that you use to offer or provide such switching capacity, please:

- (a) Provide the Common Language Location Identifier (“CLLI”) code of the switch;
- (b) Provide the street address, including the city and state in which the switch is located;
- (b) Identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
- (c) State the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch’s existing configuration and component parts;
- (d) State the number of voice-grade equivalent lines the switch is currently serving based on the switch’s existing configuration and component parts; and
- (e) Identify all documents referring or relating to the rates, terms, and conditions of Z-Tel’s provision of switching capability.

RESPONSE: No.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 15: Identify every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or relates to the offering of a qualifying service using: (1) the Unbundled Network Element Platform (UNE-P), (2) self-provisioned switching, (3) switching obtained from a third party provider other than an ILEC, or (4) any combination of these items.

RESPONSE: Z-Tel objects to Interrogatory No. 15 on the grounds that, inasmuch as the FCC ruled in the TRO that the impairment analysis is not to be based on the business models of

individual carriers, the Interrogatory seeks information that is irrelevant and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds that the Interrogatory seeks information that is proprietary and confidential business information. Z-Tel objects on the grounds that the interrogatory as framed is overbroad.

INTERROGATORY NO. 16: Identify any documents that you have provided to any of your employees or agents, or to any financial analyst, bank or other financial institution, shareholder or any other person that describes, presents, evaluates or otherwise discusses in whole or part, how you intend to offer or provide local exchange service, including but not limited to such things as the markets in which you either do participate or intend to participate, the costs of providing such service, the market share you anticipate obtaining in each market, the time horizon over which you anticipate obtaining such market share, and the average revenues you expect per customer.

RESPONSE: Z-Tel objects to Interrogatory No. 16 on the grounds that, inasmuch as the FCC ruled in the TRO that the impairment analysis is not to be based on the business model of individual carriers, the Interrogatory seeks information that is irrelevant and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds that the Interrogatory seeks information that is proprietary and confidential business information. Z-Tel also objects to the request for “any” documents as overbroad and unduly burdensome.

INTERROGATORY NO. 17: If not identified in response to a prior Interrogatory, identify every document in your possession, custody, or control referring or relating to the financial viability of self-provisioning switching in your providing qualifying services to end user customers.

RESPONSE: Z-Tel objects to Interrogatory No. 17 on the grounds that, inasmuch as the

FCC ruled in the TRO that the impairment analysis is not to be based on the business model of individual carriers, the Interrogatory seeks information that is irrelevant and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds that the Interrogatory seeks information that is proprietary and confidential business information. Z-Tel also objects to the use of request “any” documents as overbroad and unduly burdensome.

INTERROGATORY NO. 18: Do you have switches that are technically capable of providing, but are not presently being used to provide, a qualifying service in Kentucky? If the answer to this Interrogatory is in the affirmative, please:

- (a) provide the Common Language Location Identifier (“CLLI”) code of the switch;
- (b) provide the street address, including the city and state in which the switch is located;
- (c) identify the type of switch by manufacturer and model (e.g., Nortel DMS100);
- (d) state the total capacity of the switch by providing the maximum number of voice-grade equivalent lines the switch is capable of serving, based on the switch’s existing configuration and component parts;
- (e) state the number of voice-grade equivalent lines the switch is currently serving based on the switch’s existing configuration and component parts; and
- (f) identify any documents in your possession, custody or control that discuss, evaluate, analyze or otherwise refer or relate to whether those switches could be used to provide a qualifying service in Kentucky.

RESPONSE: No.

Answer provided by Peggy Rubino.

INTERROGATORY NO. 19: Identify each MSA in Kentucky where you are currently offering a qualifying service without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

RESPONSE: Z-Tel objects to the use and definition of the term “qualifying service” on the grounds the term and definition are ambiguous and not sufficiently well delineated to enable Z-Tel to provide a meaningful response. Subject to that objection, and without distinguishing between qualifying and non-qualifying services, Z-Tel states it offers local service in all MSAs served by BellSouth.

Answer provided by Thomas Koutsky.

INTERROGATORY NO. 20: If you offer a qualifying service outside of the MSAs identified in response to Interrogatory 19, identify those geographic areas either by describing those areas in words or by providing maps depicting the geographic areas in which you offer such service, without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

RESPONSE: Z-Tel objects to the use and definition of the term “qualifying service” on the grounds the term and definition are ambiguous and not sufficiently well delineated to enable Z-Tel to provide a meaningful response. Subject to this objection, Z-Tel states that it offers local service in all areas, including areas outside of the MSAs identified in Interrogatory No. 19, in which BellSouth provides local service in Kentucky.

Answer provided by Thomas Koutsky

INTERROGATORY NO. 21: Describe with particularity the qualifying services that you

offer in the geographic areas described in response to Interrogatories 19 and 20, including the rates, terms, and conditions under which such services are offered. If the qualifying services you offer in those areas vary by area, provide a separate statement of services offered and the rates, terms, and conditions for such services in each area. If this information is contained on a publicly available web site that clearly identifies the relevant geographic areas and identifies the relevant rates, terms and conditions for such areas, it will be a sufficient answer to identify that web site. It will not be a sufficient response if the web site requires the provision of a telephone number or series of telephone numbers in order to identify the geographic area in which you provide such service, or the rates, terms and conditions upon which service is provided.

RESPONSE: Z-Tel objects to the definition and use of the term “qualifying services,” on the grounds that the definition and term are ambiguous, and not sufficiently well delineated to enable Z-Tel to provide a meaningful response. Subject to the objection, Z-Tel states that the rates, terms and conditions under which it offers local services can be found at http://www.tariffs.net/tariffs/199FL_Local.pdf.

Answer provided by Thomas Koutsky.

INTERROGATORY NO. 22: Identify each MSA in Kentucky where you are currently offering a non-qualifying service without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

RESPONSE: See the Objection and Response of Z-Tel to Interrogatory No. 19, which Z-Tel incorporates by reference as its answer to this Interrogatory.

INTERROGATORY NO. 23: If you offer a non-qualifying service outside of the MSAs identified in response to Interrogatory 22, identify those geographic areas either by describing those areas in words or by providing maps depicting the geographic areas in which you offer

such service, without regard to whether you are offering the service using your own facilities, UNE-P, resale, or in some other fashion.

RESPONSE: See Objection and Response to Interrogatory No. 20, which Z-Tel adopts and incorporates by reference as its answer to this Interrogatory.

INTERROGATORY NO. 24: Describe with particularity the non-qualifying services that you offer in the geographic areas described in response to Interrogatories 22 and 23, including the rates, terms, and conditions under which such services are offered. If the non-qualifying services you offer in those areas vary by area, provide a separate statement of services offered and the rates, terms, and conditions for such services in each area. If this information is contained on a publicly available web site that clearly identifies the relevant geographic areas and identifies the relevant rates, terms and conditions for such areas, it will be a sufficient answer to identify that web site. It will not be a sufficient response if the web site requires the provision of a telephone number or series of telephone numbers in order to identify the geographic area in which you provide such service, or the rates, terms and conditions upon which service is provided.

RESPONSE: See Z-Tel's objection and response to Interrogatory No. 21, which Z-Tel adopts and incorporates by reference as its answer to this Interrogatory.

INTERROGATORY NO. 25: Please state the total number of end users customers in the State of Kentucky to whom you only provide qualifying service.

RESPONSE: Z-Tel objects to the definition and use of "qualifying service," on the grounds that the definition and term are ambiguous and not sufficiently well delineated to enable Z-Tel to provide a meaningful response. Subject to the objection, and without attempting to distinguish between qualifying and non-qualifying services, Z-Tel will provide an answer under

terms of a confidentiality agreement.

Answer provided by Thomas Koutsky.

INTERROGATORY NO. 26: For those end user customers to whom you only provide qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

RESPONSE: Z-Tel objects to Interrogatory No. 26 on the grounds that, inasmuch as the FCC rules in the TRO that the impairment analysis is not to be based on business models of individual carriers, the interrogatory seeks information that is irrelevant and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel objects to the use of the term “qualifying service,” on the grounds that it is ambiguous and not sufficiently well delineated to enable a meaningful response. Z-Tel objects on the grounds that the interrogatory seeks data that is proprietary and confidential business information. Further, Z-Tel interprets the interrogatory as seeking aggregate information; to the extent BellSouth intends to ask for information for each individual end-use customer, Z-Tel objects on the grounds that the request is overbroad, oppressive and unduly burdensome.

INTERROGATORY NO. 27: For those end user customers to whom you only provide qualifying service in the State of Kentucky, please state the average number of lines that you provide each such end user customer.

RESPONSE: Z-Tel objects to the use of the term “qualifying service,” on the grounds the definition and term are ambiguous and not sufficiently well delineated to enable Z-Tel to provide a meaningful response. If the intent is to require an answer for each end user, as opposed to aggregate information, Z-Tel objects on the basis that the interrogatory is oppressive

and unduly burdensome. Subject to these objections, and without attempting to distinguish between qualifying and non-qualifying service, Z-Tel will provide a response subject to the terms and conditions of a confidentiality agreement.

INTERROGATORY NO. 28: Please state the total number of end users customers in the State of Kentucky to whom you only provide non-qualifying service.

RESPONSE: See answer to Interrogatory No. 27, which Z-Tel incorporates by reference as its response to this Interrogatory No. 28.

INTERROGATORY NO. 29: For those end user customers to whom you only provide non-qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

RESPONSE: See objection to Interrogatory No. 26, which Z-Tel incorporates by reference to this Interrogatory.

INTERROGATORY NO. 30: Please state the total number of end users customers in the State of Kentucky to whom you provide both qualifying and non-qualifying service.

RESPONSE: See answer to Interrogatory No. 27, which Z-Tel incorporates by reference as its answer to this Interrogatory.

INTERROGATORY NO. 31: For those end user customers to whom you provide qualifying and non-qualifying service in the State of Kentucky, please state the average monthly revenues you receive from each such end user customer.

RESPONSE: See objection to Interrogatory No. 26, which Z-Tel incorporates by reference as its response to this Interrogatory.

INTERROGATORY NO. 32: For those end user customers to whom you provide

qualifying and non-qualifying service in the State of Kentucky, please state the average number of lines that you provide each such end user customer.

RESPONSE: Z-Tel objects to the use of the terms “qualifying and nonqualifying service,” on the grounds that such terms are ambiguous and not sufficiently well delineated to permit a meaningful response. Z-Tel objects to the extent the Interrogatory attempts to seek information that is not limited to BellSouth’s intrastate Kentucky operations. Z-Tel further objects on the grounds that, because Z-Tel utilizes BellSouth’s switch to provide local service in BellSouth’s service area, the information sought is already in BellSouth’s possession. Z-Tel also objects on the grounds that the interrogatory seeks information that is proprietary and confidential.

INTERROGATORY NO. 33: Please provide a breakdown of the total number of end user customers served by Z-Tel in Kentucky by class or type of end user customers (e.g., residential customers, small business customers, mass market customers, enterprise customers, or whatever type of classification that you use to classify your customers. For each such classification, and/or if you provide another type of classification, define and describe with specificity the classification so that it can be determined what kinds of customers you have in each classification).

RESPONSE: Z-Tel objects on the grounds that the interrogatory seeks proprietary and confidential business information. Notwithstanding that objection, Z-Tel states that it classifies end user customers on the basis of business and residential categories. Subject to its objection, and without waiving it, Z-Tel will provide information regarding the number of customers in each category pursuant to the terms of a confidentiality agreement.

Answer provided by Thomas Koutsky.

INTERROGATORY NO. 34: For each class or type of end user customer referenced in Interrogatory No. 33, please state the average acquisition cost for each such end user class or type. Please provide this information for each month from January 2000 to the present.

RESPONSE: Z-Tel objects on the grounds that, inasmuch as the FCC rules in the TRO that the impairment analysis is not to be based on individual carriers' business models, the interrogatory seeks information that is irrelevant and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds that the interrogatory seeks proprietary and confidential business information. Z-Tel also objects to the request for monthly data since January 2000 as oppressive and unduly burdensome.

INTERROGATORY NO. 35: For each class or type of end user customer referenced in Interrogatory No. 33, please state the typical churn rate for each such end user class or type. Please provide this information for each month from January 2000 to the present.

RESPONSE: Z-Tel objects on the grounds that, inasmuch as the FCC rules in the TRO that the impairment analysis is not to be based on individual carriers' business models, the interrogatory seeks information that is irrelevant and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds that the interrogatory seeks proprietary and confidential business information. Z-Tel also objects to the request for monthly data since January 2000 as oppressive and unduly burdensome.

INTERROGATORY NO. 36: For each class or type of end user customer referenced in Interrogatory No. 33, please state the share of the local exchange market you have obtained. Please provide this information for each month from January 2000 to the present.

RESPONSE: Z-Tel does not track its share of the local exchange market in Kentucky.

Answer provided by Peggy Rubino

INTERROGATORY NO. 37: Identify any documents in your possession, custody or control that evaluate, discuss or otherwise refer or relate to your cumulative market share of the local exchange market in Kentucky.

RESPONSE: There are no such documents. See answer to Interrogatory No. 36 above.

Answer provided by Peggy Rubino

INTERROGATORY NO. 38: Identify any documents in your possession, custody or control that evaluate, discuss or otherwise refer or relate to any projections that you have made regarding your cumulative market share growth in the local exchange market in Kentucky.

RESPONSE: There are no such documents. See answer to Interrogatory No. 36 above.

Answer provided by Peggy Rubino

INTERROGATORY NO. 39: Describe how the marketing organization that is responsible for marketing qualifying service in Kentucky is organized, including the organization's structure, size in terms of full time or equivalent employees including contract and temporary employees, and the physical work locations for such employees. In answering this Interrogatory, please state whether you utilize authorized sales representatives in your marketing efforts in Kentucky, and, if so, describe with particularity the nature, extent, and rates, terms, and conditions of such use.

RESPONSE: Z-Tel objects to this interrogatory on the grounds that, inasmuch as the FCC ruled in the TRO that the impairment analysis is not to be based on the business models of individual carriers, the interrogatory seeks information that is irrelevant and is not reasonably designed to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds the interrogatory seeks proprietary and confidential business information. Z-Tel also objects on the grounds the interrogatory as framed is overbroad and unduly burdensome.

INTERROGATORY NO. 40: How do you determine whether you will serve an individual customer's location with multiple DSOs or whether you are going to use a DS1 or larger transmission system? Provide a detailed description of the analysis you would undertake to resolve this issue, and identify the factors that you would consider in making this type of a decision.

RESPONSE: Z-Tel does not serve customers using DS1 or larger transmission systems.

Answer provided by Peggy Rubino

INTERROGATORY NO. 41: Is there a typical or average number of DSOs at which you would chose to serve a particular customer with a DS1 or larger transmission system, all other things being equal? If so, please provide that typical or average number and explain how this number was derived.

RESPONSE: No. See answer to Interrogatory No. 41.

Answer provided by Peggy Rubino

INTERROGATORY NO. 42: What additional equipment, if any, would be required (on the customer's side of the demarcation point rather than on network side of the demarcation point) to provide service to a customer with a DS1 rather than multiple DSOs? For instance, if a customer had 10 DSOs, and you want to provide the customer with the same functionality using a DS1, would a D-4 channel bank, or a digital PBX be required in order to provide equivalent service to the end user that has 10 DSOs? If so, please provide the average cost of the equipment that would be required to provide that functional equivalency (that is, the channel bank, or the PBX or whatever would typically be required should you decide to serve the customer with a DS1 rather than multiple DSOs.)

RESPONSE: Z-Tel has no information to provide. Any such analysis or determination

would be performed by the customer.

Answer provided by Peggy Rubino

INTERROGATORY NO. 43: What cost of capital do you use in evaluating whether to offer a qualifying service in a particular geographic market and how is that cost of capital determined?

RESPONSE: Z-Tel objects to this interrogatory on the grounds that, inasmuch as the FCC ruled in the TRO that the impairment analysis is not to be based on the business models of individual carriers, the interrogatory seeks irrelevant information and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel also objects on the grounds that the interrogatory seeks proprietary and confidential business information.

INTERROGATORY NO. 44: With regard to the cost of capital you use in evaluating whether to provide a qualifying service in a particular geographic market, what are the individual components of that cost of capital, such as the debt-equity ratio, the cost of debt and the cost of equity?

RESPONSE: As its objection to this interrogatory, Z-Tel adopts and incorporates by reference its objection to Interrogatory No. 43 above.

INTERROGATORY NO. 45: In determining whether to offer a qualifying service in a particular geographic market, what time period do you typically use to evaluate that offer? That is, do you use one year, five years, ten years or some other time horizon over which you evaluate the project?

RESPONSE: Z-Tel does not evaluate a decision to offer service on a basis of a time horizon.

Answer provided by Peggy Rubino

INTERROGATORY NO. 46: Provide your definition of sales expense as that term is used in your business.

RESPONSE: Z-Tel objects to this Interrogatory No. 46 on the grounds that, inasmuch as the FCC ruled in the TRO that the impairment analysis was not be based on the business models of individual carriers, the interrogatory seeks irrelevant information and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel further objects on the grounds that this interrogatory seeks proprietary and confidential business information.

INTERROGATORY NO. 47: Based on the definition of sales expense in the foregoing Interrogatory, please state how you estimate sales expense when evaluating whether to offer a qualifying service in a particular geographic market?

RESPONSE: Z-Tel objects to this Interrogatory No. 47 on the grounds that, inasmuch as the FCC ruled in the TRO that the impairment analysis was not be based on the business models of individual carriers, the interrogatory seeks irrelevant information and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel further objects on the grounds that this interrogatory seeks proprietary and confidential business information.

INTERROGATORY NO. 48: Provide your definition of general and administrative (G&A) costs as you use those terms in your business.

RESPONSE: Z-Tel objects to this Interrogatory No. 48 on the grounds that, inasmuch as the FCC ruled in the TRO that the impairment analysis was not be based on the business models of individual carriers, the interrogatory seeks irrelevant information and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel further objects on the grounds that this interrogatory seeks proprietary and confidential business information.

INTERROGATORY NO. 49: Based on the definition of G&A costs in the foregoing

Interrogatory, please state how you estimate G&A expenses when evaluating whether to offer a qualifying service in a particular geographic market?

RESPONSE: Z-Tel objects to this Interrogatory No. 49 on the grounds that, inasmuch as the FCC ruled in the TRO that the impairment analysis was not be based on the business models of individual carriers, the interrogatory seeks irrelevant information and is not reasonably calculated to lead to the discovery of admissible evidence. Z-Tel further objects on the grounds that this interrogatory seeks proprietary and confidential business information.

INTERROGATORY NO. 50: For each day since January 1, 2000, identify the number of individual hot cuts that BellSouth has performed for Z-Tel in each state in BellSouth's region.

RESPONSE: None.

Answer provided by Peggy Rubino

INTERROGATORY NO. 51: For each individual hot cut identified in response to Interrogatory No. 50, state:

- i. Whether the hot cut was coordinated or not;
- ii. If coordinated, whether the hot cut occurred as scheduled;
- iii. If the hot cut did not occur as scheduled, state whether this was due to a problem with BellSouth, Z-Tel, the end-user customer, or some third party, and describe with specificity the reason the hot cut did not occur as scheduled;
- iv. If there was a problem with the hot cut, state whether Z-Tel complained in writing to BellSouth or anyone else.

RESPONSE: N/A.

INTERROGATORY NO. 52: Does Z-Tel have a preferred process for performing batch

hot cuts? If the answer to this Interrogatory is in the affirmative, please describe this process with particularity and identify all documents that discuss, describe, or otherwise refer or relate to this preferred process.

RESPONSE: To date, no incumbent LEC has provided or offered Z-Tel a batch hot cut process that would meet the needs of serving "mass market" customers. Moreover, batch hot cut processes require entrants to "pay twice" for switching -- payment for unbundled local switching while the entrant gathers enough customers to become a "batch." As a result, batch hot cut processes are inherently discriminatory and pose a barrier to entry, because it forces entrants to pay twice for switching, a cost incumbents do not face.

Answer provided by Tom Koutsky

INTERROGATORY NO. 53: Does Z-Tel Communications, Inc. have a preferred process for performing individual hot cuts? If the answer to this Interrogatory is in the affirmative, please describe this process with particularity and identify all documents that discuss, describe, or otherwise relate to this preferred process.

RESPONSE: To date, no incumbent LEC has provided or offered Z-Tel with an individual hot cut process that would meet the needs of service mass market customers.

Answer provided by Tom Koutsky

INTERROGATORY NO. 54: If Z-Tel has a preferred process for individual hot cuts that differs from BellSouth's process, identify each specific step in Z-Tel's process that differs from BellSouth's process.

RESPONSE: See Response to Interrogatory No. 53.

INTERROGATORY NO. 55: If Z-Tel has a preferred process for bulk hot cuts that differs from BellSouth's process, identify each specific step in Z-Tel's process that differs from

BellSouth's process.

RESPONSE: See Response to Interrogatory No. 52.

INTERROGATORY NO. 56: Does Z-Tel have any estimates of what a typical individual hot cut should cost? If the answer to this Interrogatory is in the affirmative, please provide that estimate, describe with particularity how that estimate was calculated, and identify all documents referring or relating to such estimates.

RESPONSE: No. As a matter of public policy, the cost of a hot cut should resemble the presubscribed interexchange carrier change charge. That cost would provide parity between the ability of BellSouth to acquire "mass market" long-distance customers and the ability of entrants to acquire "mass market" local customers.

Answer provided by Thomas Koutsky

INTERROGATORY NO. 57: Does Z-Tel have any estimates of what a typical bulk hot cut should cost? If the answer to this Interrogatory is in the affirmative, please provide that estimate, describe with particularity how that estimate was calculated, and identify all documents referring or relating to such estimates.

RESPONSE: No. See Response to Interrogatory No. 56.

INTERROGATORY NO. 58: What is the largest number of individual hot cuts that Z-Tel has requested in any individual central office in each of the nine BellSouth states on a single day? In answering this Interrogatory, identify the central office for which the request was made, and the number of hot cuts that were requested. State with specificity what the outcome was for each of the hot cuts in each of the central offices so described, if not provided in response to an earlier interrogatory.

RESPONSE: Zero.

Answer provided by Peggy Rubino

INTERROGATORY NO. 59: Does any ILEC in the BellSouth region have a batch hot cut process that is acceptable to Z-Tel or that Z-Tel believes is superior to BellSouth's batch hot cut process? If so, identify the ILEC and describe with particularity the ILEC's batch hot cut process, specifying any differences between the ILEC's batch hot cut process and BellSouth's.

RESPONSE: No. See Response to Interrogatory No. 52.

Answer provided by Peggy Rubino

INTERROGATORY NO. 60: Does any ILEC in the BellSouth region have a cost for a batch hot cut process that is acceptable to Z-TEL? If so, name the ILEC and provide the rate and the source of the rate.

RESPONSE: No. See Response to Interrogatory No. 52.

Answer provided by Peggy Rubino

INTERROGATORY NO. 61: Does any ILEC in the BellSouth region have an individual hot cut process that is acceptable to Z-Tel or that Z-Tel believes is superior to BellSouth's individual hot cut process? If so, identify the ILEC and describe with particularity the ILEC's individual hot cut process, specifying any differences between the ILEC's individual hot cut process and BellSouth's.

RESPONSE: No. See Response to Interrogatory No. 53.

Answer provided by Peggy Rubino

INTERROGATORY NO. 62: Does any ILEC in the BellSouth region have a rate for an individual hot cut process that is acceptable to Z-Tel? If so, name the ILEC and provide the rate and the source of the rate.

RESPONSE: No. See Response to Interrogatory No. 53.

Answer provided by Peggy Rubino

INTERROGATORY NO. 63: Does any ILEC outside the BellSouth region have a batch hot cut process that is acceptable to Z-Tel or that Z-Tel believes is superior to BellSouth's batch hot cut process? If so, identify the ILEC and describe with particularity the ILEC's batch hot cut process, specifying any differences between the ILEC's batch hot cut process and BellSouth's.

RESPONSE: No. See Response to Interrogatory No. 52.

Answer provided by Peggy Rubino

INTERROGATORY NO. 64: Does any ILEC outside the BellSouth region have a rate for a batch hot cut process that is acceptable to Z-Tel? If so, name the ILEC and provide the rate and the source of the rate.

RESPONSE: No. See Response to Interrogatory No. 52.

Answer provided by Peggy Rubino

INTERROGATORY NO. 65: Does any ILEC outside the BellSouth region have an individual hot cut process that is acceptable to Z-Tel or that Z-Tel believes is superior to BellSouth's individual hot cut process? If so, identify the ILEC and describe with particularity the ILEC's individual hot cut process, specifying any differences between the ILEC's individual hot cut process and BellSouth's.

RESPONSE: No. See Response to Interrogatory No. 53.

Answer provided by Peggy Rubino

INTERROGATORY NO. 66: Does any ILEC outside the BellSouth region have a rate for an individual hot cut process that is acceptable to Z-Tel? If so, name the ILEC and provide the rate and the source of the rate.

RESPONSE: No. See Response to Interrogatory No. 53.

Answer provided by Peggy Rubino

INTERROGATORY NO. 67: Does Z-Tel order coordinated or non-coordinated hot cuts?

RESPONSE: Neither.

Answer provided by Peggy Rubino

INTERROGATORY NO. 68: Does Z-Tel use the CFA database?

RESPONSE: No.

INTERROGATORY NO. 69: Identify every issue related to BellSouth's hot cut process raised by Z-Tel at the Kentucky CLEC collaborative since October 2001.

RESPONSE: None.

Answer provided by Peggy Rubino

INTERROGATORY NO. 70: What is the appropriate volume of loops that you contend the Kentucky Public Service Commission should use in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

RESPONSE: See response to No. 52. As discussed above, batch hot cut processes are inherently discriminatory and pose a barrier to entry. Volume of hot cuts would need to support a CLEC's obtaining and maintaining a competitive level of entry (at least 50% of the "mass market" lines in Kentucky in the hands of competitors within three years). The cost of those hot cuts should not pose a barrier to entry. For example, the hot cut process should not require CLECs to "double-pay" for switching (e.g., paying for unbundled switching while it acquires sufficient customers to justify a "batch"). In addition, the cost of the hot cut should be commensurate with the cost BellSouth incurs to change a customer's presubscribed interexchange carrier.

Answer provided by Tom Koutsky

INTERROGATORY NO. 71: What is the appropriate process that you contend the Kentucky Public Service Commission should use in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

RESPONSE: Z-Tel has formulated no position.

INTERROGATORY NO. 72: If Z-Tel disagrees with BellSouth's individual hot cut process, identify every step that Z-Tel contends is unnecessary and state with specificity why the step is unnecessary.

RESPONSE: Z-Tel has formulated no position.

INTERROGATORY NO. 73: If Z-Tel disagrees with BellSouth's bulk hot cut process, identify every step that Z-Tel contends is unnecessary and state with specificity why the step is unnecessary.

RESPONSE: Z-Tel has formulated no position.

Answer provided by Peggy Rubino

INTERROGATORY NO. 74: Identify by date, author and recipient every written complaint Z-Tel has made to BellSouth regarding BellSouth's hot cut process since October 2001.

RESPONSE: None. See Response to Interrogatory No. 58.

Answer provided by Peggy Rubino

INTERROGATORY NO. 75: How many unbundled loops does Z-Tel contend BellSouth must provision per state per month to constitute sufficient volume to assess BellSouth's hot cut process?

RESPONSE: See Response to Interrogatory No. 70. The volume of loops should be the same.

Answer provided by Thomas Koutsky

INTERROGATORY NO. 76: What is the appropriate information that you contend the Kentucky Public Service Commission should consider in evaluating whether the ILEC is capable of migrating multiple lines served using unbundled local circuit switching to switches operated by a carrier other than the ILEC in a timely manner in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

RESPONSE: As of this writing, Z-Tel has made no such contention before the Kentucky Public Service Commission. See response no. 71. Z-Tel believes provisioning of such volumes should be in place without error for at least six months prior to assessing whether any further, additional operational or economic impairments to deployment of "mass market" switching remain in Kentucky.

Answer provided by Thomas Koutsky

INTERROGATORY NO. 77: What is the average completion interval metric for provision of high volumes of loops that you contend the Kentucky Public Service Commission should require in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

RESPONSE: As of this writing, Z-Tel has formulated no position and has made no such contention before the Kentucky Public Service Commission. In principle, Z-Tel believes the "average completion metric" should be benchmarked to BellSouth's "mass market" retail service and the provisioning qualify of UNE-P today in Kentucky. Consumers and competitors should not expect a

degradation in service if all UNE-P lines suddenly were to become UNE-L orders.

Answer provided by Thomas Koutsky

INTERROGATORY NO. 78: What are the rates that you contend the Kentucky Public Service Commission should adopt in establishing a batch hot cut process consistent with FCC Rule 51.319(d)(2)(ii)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

RESPONSE: See Response to Interrogatory No. 56.

INTERROGATORY NO. 79: What are the appropriate product market(s) that you contend the Kentucky Public Service Commission should use in implementing FCC Rule 51.319(d)(2)(i)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

RESPONSE: Z-Tel has formulated no such definition at this time.

Answer provided by Tom Koutsky

INTERROGATORY NO. 80: What are the appropriate geographic market(s) that you contend the Kentucky Public Service Commission should use in implementing FCC Rule 51.319(d)(2)(i)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

RESPONSE: Z-Tel has formulated no such definition at this time.

Answer provided by Tom Koutsky

INTERROGATORY NO. 81: Do you contend that there are operational barriers within the meaning of FCC Rule 51.319(d)(2)(iii)(B)(2) that would support a finding that requesting telecommunications carriers are impaired without Z-Tel to local circuit switching on an unbundled basis in a particular market? If the answer to this Interrogatory is in the affirmative, describe with particularity each such operational barrier, and state all facts and identify all

documents supporting your contention.

RESPONSE: Yes. The FCC Triennial Review Order and the filings of Z-Tel, the PACE Coalition, and other entrants in the Triennial Review proceeding are all available publicly to BellSouth and document these operational impairments.

Answer provided by Thomas Koutsky

INTERROGATORY NO. 82: Do you contend that there are economic barriers within the meaning of FCC Rule 51.319(d)(2)(iii)(B)(3) that would support a finding that requesting telecommunications carriers are impaired without Z-Tel to local circuit switching on an unbundled basis in a particular market? If the answer to this Interrogatory is in the affirmative, describe with particularity each such economic barrier, and state all facts and identify all documents supporting your contention.

RESPONSE: Yes. The FCC Triennial Review Order and the filings of Z-Tel, the PACE Coalition, and other entrants in the Triennial Review proceeding are all available publicly to BellSouth and document these economic impairments.

Answer provided by Tom Koutsky

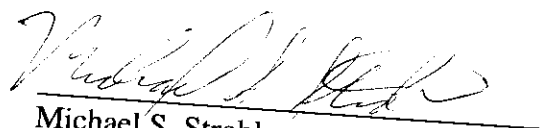
INTERROGATORY NO. 83: What is the maximum number of DS0 loops for each geographic market that you contend requesting telecommunications carriers can serve through unbundled switching when serving multiline end users at a single location that the Kentucky Public Service Commission should consider in establishing a "cutoff" consistent with FCC Rule 51.319(d)(2)(iii)(B)(4)? In answering this Interrogatory, please state all facts and identify all documents supporting this contention.

RESPONSE: Z-Tel has made no such contention before the Kentucky Public Service Commission. Z-Tel believes that it is ultimately up to the consumer to decide whether he or she wants or needs a "digital" DS1 circuit instead of multiple analog telephone lines. Many large firms require

analog lines, such as for fax machines. Many customers do not require digital DS1 data capability and may not wish to obtain the different CPE needed to utilize a DS1 line. Z-Tel believes it is presumptuous and ultimately folly that at any set "line count", the government should dictate the technology in which a competitor may be able to offer service to that customer.

Answer provided by Peggy Rubino

The undersigned has provided all Objections stated in response to the foregoing First Set of Interrogatories.



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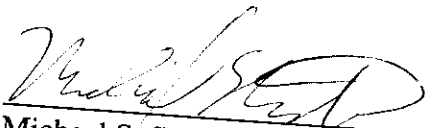
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Z-TEL Communications, Inc.'s Response to BellSouth Telecommunications, Inc.'s First Set of Interrogatories has been provided by Federal Express Delivery this 8th day of January 2004, to the following:

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