BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

October 2, 2000

IN RE:	)	
	)	
BELLSOUTH TELECOMMUNICATIONS, INC.	)	**DOCKET NO. 00-00391**
TARIFF TO INTRODUCE THE WELCOME	)	
BACK! WIN BACK PROGRAM	)	

ORDER APPROVING INITIAL ORDER OF HEARING OFFICER ACCEPTING SETTLEMENT AGREEMENT AND APPROVING REVISED TARIFF

This matter came before the Tennessee Regulatory Authority ("Authority") at a regularly scheduled Authority Conference held on June 20, 2000 for consideration of the Initial Order of the Hearing Officer accepting the Settlement Agreement and approving the Revised Tariff, which is attached as Exhibit 1. Such revised tariff is contained in the Joint Petition for Approval of Revised Tariff Embodying Settlement Agreement filed by BellSouth Telecommunications, Inc. ("BellSouth"), NEXTLINK Tennessee, Inc. ("NEXTLINK"), Southeastern Competitive Carriers Association ("SECCA"), Time Warner Telecom of the Mid-South, L.P. ("Time Warner"), and New South Communications Corporation ("New South"), which is attached to the Initial Order as Exhibit A.

On May 16, 2000, BellSouth filed a Tariff to Introduce the "Welcome Back! Win Back Program." On June 2, 2000, NEXTLINK filed a Petition to Suspend Tariff, Convene a Contested Case and to Intervene. The Authority heard oral argument from the parties on NEXTLINK's petition at the June 6, 2000 Authority Conference. Thereafter, a majority of the Authority voted to convene a contested case proceeding and granted NEXTLINK's intervention.[1]

---

[1] Director Greer moved that NEXTLINK's Petition be denied and the Tariff be approved. He expressed concern that NEXTLINK's petition may be a delaying tactic and considered the petition as not having merit. Director Greer further stated that by approving the Tariff, the Authority would promote competition by offering more competitive choices to consumers. His motion was not seconded.

Having determined to proceed with a contested case and allow the intervention, the majority appointed General Counsel or his designee to act as the Hearing Officer for the purpose of establishing a procedural schedule and rendering an initial decision on the merits. The parties agreed that the matter could proceed in an expeditious manner.

As to the issue of suspending the Tariff, NEXTLINK and BellSouth reached a verbal agreement that the Tariff would go into effect on June 15, 2000, and BellSouth would advise any customers signed up through the Tariff of the Authority's review of the program. If the Authority were to subsequently deny the Tariff, any customer signed up while the program was in effect would be eligible for the discounts received through the Tariff by negotiating a Contract Service Arrangement ("CSA") with BellSouth that would be filed with the Authority for approval. A majority of the Authority approved this agreement.[2]

Following the Authority Conference on June 6, 2000, a Pre-Hearing Conference was held to discuss preliminary matters and to set a procedural schedule to completion. At the beginning of the Pre-Hearing Conference, counsel for Time Warner, New South, and SECCA orally moved to intervene. Without objection from any party, the Hearing Officer accepted the oral motions for intervention and approved the intervention requests. Thereafter, in keeping with the remarks of BellSouth and NEXTLINK that the matter could proceed in an expeditious manner, the Hearing Officer established a expedited procedural schedule.

On June 14, 2000, the parties filed a joint petition containing the Settlement Agreement and Revised Tariff that amended the original Tariff to satisfy and resolve the concerns of the Intervenors. Specifically, BellSouth revised the Tariff to: (1) remove the requirement that participating business customers currently have service with another local service provider; (2) modify the termination liability provisions such that charges for termination or cancellation of

[2] Chairman Malone did not support the interim agreement because, depending upon the final resolution of this matter, the agreement may contradict the essence of NEXTLINK's Petition to Intervene.

the Win Back Program shall not exceed the lesser of: (a) the repayment of discounts received during the previous twelve (12) months of service or (b) six percent (6%) of the total tariffed service agreement amount; and (3) change the effective date to June 20, 2000. As this matter was before the Hearing Officer on the merits, the Hearing Officer reviewed the Settlement Agreement and Revised Tariff. On June 16, 2000, the Hearing Officer issued an Initial Order. The Hearing Officer found that, given the overall benefits provided by the Revised Tariff and its consistency with other tariffs and Contract Service Arrangements unanimously approved by the Authority, the Settlement Agreement should be accepted and the Revised Tariff should be approved.

Upon consideration of the entire record and arguments of the parties, a majority of the Authority finds and concludes:[3]

1. The Win Back Program serves business customers in the designated wire centers listed in the Settlement Agreement. To qualify, business customers must have monthly billed

[3] Chairman Malone concurred in part and dissented in part. Specifically, he concurred with the majority's decision to approve the revised termination provisions as they apply to termination of the Win Back Program. As set forth below, however, Chairman Malone dissented from the approval of the Settlement Agreement in that such approval knowingly permits BellSouth to collect termination charges from *new customers* not previously bound by tariff termination provisions an amount equal to between ninety (90%) and one hundred (100%) percent of the remaining charges upon termination of the underlying services. Previously, the agency has approved the termination consequences related to certain Volume and Term CSAs, in part, because the customer in such instances was already bound by the underlying tariff termination provisions. Here, with respect to new customers, such is not the case. According to the Chairman, to continue to acquiesce, under the circumstances here presented, namely new customers, in the application of a 90-to-100% buyout scheme adopted during and in support of a rate base/rate of return environment is, to say the least, imprudent. As is well known, the need to provide BellSouth with the opportunity to earn an authorized rate of return by guaranteeing its revenue streams via the allowance of severe termination provisions passed with the effectiveness of BellSouth's price regulation plan. As concerning the applicability of this Tariff to new customers, it is Chairman Malone's opinion that the agency has glossed over a most important distinction. While he too has approved Volume and Term CSAs coupled with underlying tariff termination provisions, he has done so only with the recognition that the customer was already so bound and with the hope that all of BellSouth's tariffs with harsh termination provisions would be modified by the agency in a timely manner. Notwithstanding the foregoing, as the agency has been reviewing the appropriateness of BellSouth's tariff termination provisions for more than two (2) years, Chairman Malone is of the opinion that it is high time to abandon our current rate of return ideology in this context and conform BellSouth's tariff termination provisions to today's environment and to BellSouth's election to operate under price regulation. But, even if the agency wishes to continue to permit 90-to-100% buyouts as concerning BellSouth's current customers, it is an altogether different inquiry with respect to new customers. Finally, Chairman Malone remarked that the Initial Order failed to determine whether the termination provisions were in accordance with state contract law principles as embodied in *Cleo* and that the Authority should address this issue before approving the settlement. *See Guiliano v. Cleo*, 995 S.W.2d 88 (Tenn. 1999). Still, there was no reconciliation between the termination provisions presented and *Cleo*.

revenues ranging between $70 and $10,000 and must then sign a term plan or contract of one, two, or three years during the enrollment period of June 15 through September 13, 2000. The monthly discounts range from eight percent (8%) to eighteen percent (18%).

2. The Revised Tariff contains two termination provisions. The first relates to the termination of the underlying service and is linked to the tariff provision applicable to the underlying service. The second applies to the termination of the Win Back Program. In the event of early termination of the Win Back Program, participants pay termination charges equal to the repayment of discounts received during the previous twelve (12) months of service, not to exceed six percent (6%) of the total tariffed service agreement amount.

3. The imposition of tariffed termination liability charges for underlying individual services is analogous to the termination provisions found in BellSouth's Volume and Term CSAs.[4] The Authority has voted unanimously to approve several Volume and Term CSAs containing such analogous termination provisions.[5]

4. The termination provisions in the Settlement Agreement requiring the repayment of discounts received during the previous twelve (12) months of service is consistent with prior decisions of the Authority unanimously approving similar termination provisions.[6]

5. The clause in the termination provision that caps termination charges at six percent (6%) of the total tariffed service agreement amount further limits the termination charges that can be imposed by BellSouth and is in the best interest of Win Back Program participants.

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[4] When a Volume and Term CSA customer terminates an underlying service, that customer must pay certain termination charges. Volume and Term CSAs typically describe the amount of the termination charges related to termination of the underlying service by referring back to the tariff applicable to the underlying service.

[5] Examples include: 1) Docket Nos. 99-00210, 99-00244, and 99-00510 approved at the Special Authority Conference held on September 2, 1999; 2) Docket No. 00-00085 approved at the Authority Conference held on February 29, 2000; and 3) Docket Nos. 00-00125 and 00-00126 approved at the Authority Conference held on March 14, 2000.

[6] *See BellSouth Telecommunications, Inc. Tariff Filing to Introduce Toll Free Dialing Service, Order Approving Tariff to Introduce Toll Free Dialing Service*, Docket No. 99-00683 (January 5, 2000).

6. Approval of the Settlement Agreement and Revised Tariff will promote competition and ensure that customers receive competitive rates.

Based on these findings, a majority of the Authority approves the Initial Order of the Hearing Officer and, thereby, grants the Joint Petition for Approval of Revised Tariff Embodying Settlement Agreement.

IT IS THEREFORE ORDERED THAT:

1. The Initial Order of the Hearing Officer entered on June 16, 2000 granting the Joint Petition for Approval of Revised Tariff Embodying Settlement Agreement, attached to this Order as Exhibit 1, is adopted and incorporated in this Order as if fully set out herein;

2. Any party aggrieved by this Order may file a Petition for Reconsideration pursuant to Tenn. Code Ann. § 4-5-317 with the Tennessee Regulatory Authority within fifteen (15) days of the entry of this Order; and

3. Any party aggrieved by the decision of the Tennessee Regulatory Authority may file a Petition for Review with the Tennessee Court of Appeals, Middle Division, within sixty (60) day of the date of entry of this Order.

______________________ *
Melvin J. Malone, Chairman

____
H. Lynn Greer, Jr., Director

____
Sara Kyle, Director

ATTEST:

____
K. David Waddell, Executive Secretary

* Director Malone concurred in part and dissented in part.

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

June 16, 2000

IN RE:	)	
	)	
BELLSOUTH TELECOMMUNICATIONS, INC.	)	**DOCKET NO. 00-00391**
TARIFF TO INTRODUCE THE WELCOME	)	
BACK! WIN BACK PROGRAM	)	

INITIAL ORDER ACCEPTING SETTLEMENT AGREEMENT AND APPROVING REVISED TARIFF

This matter came before the Tennessee Regulatory Authority (the "Authority" or "TRA") at a regularly scheduled Authority Conference held on June 6, 2000 for consideration of the Tariff to Introduce the "Welcome Back! Win Back Program" filed by BellSouth Telecommunications, Inc. ("BellSouth") on May 16, 2000. The Authority also considered the Petition to Suspend Tariff, Convene a Contested Case and to Intervene ("Petition") filed on June 2, 2000 by NextLink Tennessee, Inc. ("NextLink").

The Directors heard oral argument from the parties on NextLink's Petition at the June 6, 2000 Authority Conference. The parties agreed that the matter could proceed in an expeditious manner. Thereafter, a majority of the Directors[1] voted to convene a contested case proceeding. Applying the legal standards for intervention, codified at Tenn. Code Ann. § 4-5-310, a majority of the Directors granted NextLink's intervention. Having determined to

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[1] Director Greer moved that NextLink's Petition be denied and the Tariff be approved. He expressed concern that NextLink's petition may be a delaying tactic and considered the petition as not having merit. His motion was not seconded. Director Greer further stated that by approving the tariff the Authority would promote competition by offering more competitive choices to consumers.

Exhibit 1.

proceed with a contested case and allow the intervention, a majority of the Directors appointed General Counsel or his designee to act as the Hearing Officer in this matter for the purpose of establishing a procedural schedule and rendering an initial decision on the merits of BellSouth's Tariff.

A Pre-Hearing Conference was held following the Authority Conference on June 6, 2000 to discuss preliminary matters and to set a procedural schedule to completion. At the beginning of the Pre-Hearing Conference, Time Warner Telecom of the Mid-South, L.P., New South Communications Corporation, and Southeastern Competitive Carriers Association orally moved to intervene. Without objection from any party, the Hearing Officer accepted the oral motions for intervention and approved the intervention requests.

In keeping with the remarks of BellSouth and NextLink that the matter could proceed in an expeditious manner, the Hearing Officer established an expedited procedural schedule. The schedule required that any parties wishing to intervene file their petitions no later than June 9, 2000. In addition, all parties filed discovery requests on June 9, 2000 in compliance with the schedule.

On June 14, 2000, the parties submitted a Joint Petition for Approval of Revised Tariff Embodying Settlement Agreement ("Settlement Agreement") to the Authority and attached Revised Tariff pages ("Revised Tariff").[2] The Settlement Agreement is attached hereto as Exhibit A, and its terms and conditions are specified therein. The Settlement Agreement reached by the parties provides for revising the original Tariff to satisfy and resolve the concerns of the Intervenors.

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[2] The last paragraph of the Settlement Agreement states: "Finally, all parties have agreed to hold all discovery and other filings in abeyance pending the TRA's consideration and approval of the attached revised tariff." Absent the filing of a motion and subsequent grant of the requested relief by either the Authority or Hearing Officer, such an agreement does not bind the Authority and is followed by the parties at their own peril.

The purpose of the Revised Tariff is to introduce a competitive response program designed to provide discounts to certain business customers who enter into term plans.[3] To qualify for the program, business customers must be served from designated wire centers listed in the Tariff and must have monthly billed revenues ranging between $70 and $10,000. Qualifying business customers must then sign a term plan or contract of one, two, or three years during the enrollment period of June 15 through September 13, 2000 in order to receive monthly discounts ranging from eight percent (8%) to eighteen percent (18%) on monthly billed services.[4] After the enrollment period has ended, no customers may participate in the program. Termination charges may be imposed if a participating business customer prematurely terminates a Tariff plan.

As specified in the Settlement Agreement, BellSouth revised the Tariff to:

1. Remove the requirement that participating business customers currently have service with another local service provider;

2. Modify the termination liability provisions such that charges for termination or cancellation of service under the Tariff shall not exceed the lesser of: (a) the repayment of discounts received during the previous twelve (12) months of service, or (b) six percent (6%) of the total tariffed service agreement amount; and

3. Change the effective date to June 20, 2000.

The Hearing Officer finds that it is within the grant of authority from the Directors to hear this matter on the merits to review and to either disapprove or approve the Settlement Agreement and Revised Tariff. After having reviewed the documents submitted by the

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[3] A term plan is an agreement to purchase a service for a specific duration usually expressed in months, such as a 36-month term, as opposed to a month-to-month agreement, which commits the purchaser to only one month.
[4] Local, toll, and private line services are eligible for Tariff program discounts.

parties, the Hearing Officer finds that the Revised Tariff is consistent with the terms of the Settlement Agreement. The Hearing Officer further finds that the termination provision in the Revised Tariff requiring the repayment of discounts received during the previous twelve (12) months of service is consistent with prior decisions of the Authority unanimously approving similar termination provisions. *See BellSouth Telecommunications, Inc. Tariff Filing to Introduce Toll Free Dialing Service, Order Approving Tariff to Introduce Toll Free Dialing Service*, Docket No. 99-00683 (January 5, 2000). With respect to the termination provision in the revised Tariff that caps termination charges at six percent (6%) of the total tariffed service agreement amount, the Hearing Officer concludes that the capping provision further limits the amount of termination charges that can be imposed by BellSouth and is therefore in the best interest of Tariff program participants.

Finally, the Revised Tariff provides that, in addition to the reimbursement of discounts, tariffed termination liability charges for individual services will be applied, if applicable. The Hearing Officer concludes that imposition of tariffed termination liability charges for underlying individual services that are used to meet the program participant's monthly billed revenue commitment is analogous to the requirements of termination provisions found in BellSouth's volume and term Contract Service Arrangements ("CSAs").[5] These CSAs generally provide that customers pay applicable tariffed termination liability charges should the customer elect to terminate the underlying service commitments. The Hearing Officer finds that the Authority has voted unanimously to approve several volume and term Contract Service Arrangements containing such analogous termination provisions, such as Docket Nos. 99-00210 and 99-00244 approved at the Special Authority Conference

[5] Customers with volume and term Contract Service Arrangements are not eligible for the Tariff program.

held on September 2, 1999; Docket No. 00-00085 approved at the Authority Conference held on February 29, 2000; and Docket Nos. 00-00125 and 00-00126 approved at the Authority Conference held on March 14, 2000.

Given the overall benefits this Tariff provides and the Tariff's consistency with other tariffs and CSAs unanimously approved by the Authority, the Hearing Officer concludes that the Settlement Agreement should be accepted and the Revised Tariff should be approved.

IT IS THEREFORE ORDERED THAT:

1. The Joint Petition for Approval of Revised Tariff Embodying Settlement Agreement is accepted and the Revised Tariff approved; and

2. This Initial Order will be considered by the Directors of the Tennessee Regulatory Authority at the regularly scheduled Authority Conference to be held on June 20, 2000.

Julie M. Woodruff

JULIE M. WOODRUFF,
HEARING OFFICER

ATTEST:

K. David Waddell

K. David Waddell, Executive Secretary

BELLSOUTH

BellSouth Telecommunications, Inc.
2101
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Nashville, Tennessee 37201-3300

615 214-6311
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Patrick Turner
Attorney

REC'D TN REGULATORY AUTH.

'00 JUN 14 PM 3 01

June 14, 2000

OFFICE OF THE EXECUTIVE SECRETARY

VIA HAND DELIVERY

David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *BellSouth Tariff*
Docket No. 00-00391

Dear Mr. Waddell:

The parties to this docket have reached a settlement agreement. Accordingly, enclosed are the original and thirteen copies of a Joint Petition for Approval of Revised Tariff Embodying Settlement Agreement for consideration by the Directors. As stated in the document, the parties to this docket respectfully request that you place the revised tariff that BellSouth is filing contemporaneously with this Petition on the Director's June 20, 2000 Conference and approve that Tariff during that Conference. Copies of the enclosed are being provided to counsel of record for all parties.

Very truly yours,

Patrick Turner

Patrick W. Turner

PWT:ch
Enclosure
cc: Hon. Julie Woodruff, Hearing Officer

EXHIBIT
A

216526

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *BellSouth "Win Back" Tariff*
Docket No. 00-00391

JOINT PETITION FOR APPROVAL OF REVISED TARIFF EMBODYING SETTLEMENT AGREEMENT

BellSouth Telecommunications, Inc., NEXTLINK Tennessee Inc., Southeastern Competitive Carriers Association, Time Warner Telecom of the Mid-South, L.P. and New South Communications Corporation,[1] jointly petition the Tennessee Regulatory Authority ("TRA") to approve the attached revised tariff that BellSouth has contemporaneously filed with the TRA today.

This revised tariff embodies the settlement agreement reached by the parties by:

1. Removing the requirement that participating business customers currently have service with another local service provider and making this offering available to any business customers in the wire centers designated in the revised tariff; and

2. Modifying the termination liability provisions in the original tariff to make them explicitly consistent with the terms of the proposed settlement agreement submitted to the TRA for approval in Docket No. 00-00170 (*Petition to Require BellSouth Telecommunications, Inc. to Appear and Show Cause that Certain Sections of its General Subscriber Services Tariff and Private Line Services Tariff Do Not Violate Current State and Federal Law*).

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1 No other persons or entities have intervened in this docket.

All parties to this docket request the TRA to place the attached revised Tariff on the Agenda for the Director's June 20, 2000 Conference and to approve the Tariff during that Conference. All Intervenors agree to withdraw from this docket upon such approval.

Finally, all parties have agreed to hold all discovery and other filings in abeyance pending the TRA's consideration and approval of the attached revised Tariff.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

Patrick Turner

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BELLSOUTH

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Jim Gotto
Manager
Regulatory

June 14, 2000

Ms. Darlene Standley
Regulatory Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee

Dear Darlene:

SUBJECT: Tariff Filing for Welcome Back! Win Back Program Docket No 00-00391

These revised tariff pages replace, in their entirety, the tariff pages filed May 16, 2000.

General Subscriber Services Tariff A
Section A13 - Contents Fifth Revised Page 6
First Revised Page 68.1
Original Page 68.2
Second Revised Page 69

Private Line Services Tariff
Subject Index - Third Revised Page 2
Section B7 - Contents Fifth Revised Page 2
First Revised Page 54
Original Page 55

This filing is being revised to comply with the settlement agreement reached among BellSouth, Nextlink, SECCA, Time Warner, and New South that is being filed concurrent with this filing. The revisions include changing the offering name to Competitive Response Program and extending the availability to any business customer that meet the revenue criteria in specified wire centers.

We appreciate your returning a receipted copy as evidence of this substitution. Please call me at 214-3815 if you have questions or wish to discuss.

Yours truly,

Attachments

A13. MISCELLANEOUS SERVICE ARRANGEMENTS

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A13. MISCELLANEOUS SERVICE ARRANGEMENTS

A13.54 Business Programs (Cont'd)

A13.54.1 Business Discount Program (Cont'd)

B. Discount Schedule (Cont'd)

2. If a Program participant purchases new services during the 60-day enrollment period, line connection charges will be waived for those services ordered.
3. A bonus 5 percent discount in addition to the base discounts will apply to non-recurring and monthly recurring charges for BellSouth® Primary Rate ISDN Service. This includes existing services and those ordered by a Program participant during the 60-day enrollment period.
4. For each month during which a contract which is signed under this Program is in effect, the customer will receive the discount associated with the customer's total billed revenue at a given location as defined in A.1.; 2.; 3.; and 4., preceding for that particular month.
5. If a Program participant's monthly revenue at a given location in a given month falls below the minimum revenue per month or above the maximum revenue per month, discounts will not be applied at that location for that month.
6. The applied discounts will appear as a credit in the Other Charges and Credits (OC&C) section of the Program Participant's bill.

A13.54.2 Competitive Response Program

A. Rules and Regulations

Beginning June 15, 2000, continuing until September 13, 2000, qualifying customers may enroll in this Program, which provides discounts on their billed BellSouth revenue as described below, by signing a one-year, two-year, or three-year term contract.

1. This Program is available to business customers in the designated wire centers (listed in bold) of the following Exchanges: Chattanooga - **Brainerd, Dodds, Ninth St**; Franklin - **Cool Springs, Main**; Knoxville - **Bearden, Fountain City, Main, West Hills**; Memphis - **Bartlett, Chickasaw, Eastland, Germantown, Main, Midtown, Oakville, Southland, Southside**; Nashville - **Airport, Brentwood, Burton Hills, Crieve Hall, Donelson, Inglewood, Madison, Main, Sharondale, University, West Meade**; and Oak Ridge - **Main**. In addition, customers must have total monthly billed BellSouth revenue at Tennessee locations (excluding charges identified in 4. following) between $70 and $10,000. Services for a Program participant that has monthly revenue outside this range are not eligible for this discount.
2. Qualifying Program participants must sign a term contract of one, two, or three years to receive the discounts that are detailed in B. following, Discount Schedule.
3. Discounts will be applied to billing for services in the General Subscriber Services Tariff and the Private Line Services Tariff.
4. Discounts are based on end-user monthly total billed BellSouth revenue at Tennessee locations excluding: Unregulated charges, taxes, late payment charges, charges billed pursuant to federal or state access service tariffs, charges collected on behalf of municipalities (including, but not limited to services for 911 service and dual party relay services), and charges for services provided by other companies.
5. To participate in this Program, qualifying customers must sign a one, two, or three-year term contract between June 15 and September 13, 2000. Following this period, no subscribers may enroll in this Program. This Program is available for resale for the duration of this enrollment period. Following the expiration of this enrollment period, no new customers may enroll in the Program, but any contract established under this Program between BellSouth and its customers would continue to be available for resale for the remaining term of the existing contract. Aside from these resale situations, a customer may not assign its rights under any contract signed pursuant to this Program to another customer or to any other third party.
6. Should a participating customer terminate a contract signed under this Program without cause, charges for termination or cancellation of service shall not exceed the lesser of: (a) the repayment of discounts received during the previous 12 months of the service; or (b) 6% of the total tariffed service agreement amount. In addition to the reimbursement of the discounts, tariffed termination liability charges for individual services will be applied, if applicable.
7. The customer may renew the contract for another term under the same terms and conditions by providing BellSouth written notice of their intent to do so, thirty days in advance of the expiration of the initial term of the contract.
8. Customers with volume and term Contract Service Arrangements (CSAs) are not eligible for this Program.

Material previously appearing on this page now appears on page(s) 68.2 and 69 of this section.

A13. MISCELLANEOUS SERVICE ARRANGEMENTS

A13.54 Business Programs (Cont'd)

A13.54.2 Competitive Response Program (Cont'd)

A. Rules and Regulations (Cont'd)

9. Customers may not participate concurrently in any previous or current Key Customer Promotions, Business Discount Program or Hunting Promotion and/or any future versions of those programs.
10. Customers that have changed locations since having their service with BellSouth are not eligible to participate in this Program and are considered new customers.
11. Customers with total billed BellSouth revenue at Tennessee locations as defined in 1., 2., 3. and 4. preceding that exceeds $150,000 annually are not eligible to participate in this Program even if some or all of their accounts meet the revenue criteria.

B. Discount Schedule

1. Discounts applicable to the subscribers' total billed BellSouth revenue at Tennessee locations as defined in A.1., 2., 3. and 4., preceding are as follows:

Monthly Total Billed Revenue	12 Month Term	24 Month Term	36 Month Term
$5,500 - $10,000	16%	17%	18%
$3,000 - $4,499.99	14%	15%	16%
$1,500 - $2,999.99	12%	13%	14%
$500.00 - $1,499.99	10%	11%	12%
$70.00 - $499.99	8%	9%	10%

2. If a Program participant purchases additional services during the 90-day enrollment period, line connection charges will be waived for those services ordered.
3. For each month during which a contract which is signed under this Program is in effect, the customer will receive the discount associated with the customer's total billed BellSouth revenue at Tennessee locations as defined in A.1., 2., 3. and 4., preceding for that particular month.
4. If a Program participant's total billed BellSouth revenue at Tennessee locations as defined in A.1., 2., 3. and 4. preceding for a given month falls below the minimum revenue per month, discounts will not be applied for that customer.
5. The applied discounts will appear as a credit in the Other Charges and Credits (OC&C) section of the Program Participant's bill.

A13.55 Reserved For Future Use

A13.56 Hot Line Service

This service receives promotional pricing treatment as described in A2.3.26 of this Tariff.

A13.56.1 General

A. Hot Line Service is an automatic dialing feature which provides the customer with the ability to automatically be connected with another line in the circuit switched network. When the customer's telephone instrument goes off-hook, a switched connection is set-up without any further action.

B. Hot Line Service may be used only in connection with individual line service.

C. Hot Line Service is furnished only from central offices which have been arranged to provide this service and is provided subject to the availability of facilities.

A13.56.2 Rates and Charges

A. Hot Line Service

The rates and charges for this service are in addition to normal service and monthly charges for individual line service found in Sections A3. and A4. of this Tariff, respectively.

1. Per Line Equipped

	Nonrecurring Charge	Monthly Rate	USOC
(a) Residence	$2.00	$.50	HLS
(b) Business	2.00	.50	HLS

A13. MISCELLANEOUS SERVICE ARRANGEMENTS

A13.57 Warm Line Service (N

This service receives promotional pricing treatment as described in A2.3.26 of this Tariff. (N

A13.57.1 General (N

A. Warm Line Service provides a customer who has basic exchange line service with a time delayed automatic dialing capability. If the customer with this service goes off-hook and initiates dialing within the time delay period, the call will proceed normally as dialed. If dialing does not commence within the time delay period (0-20 seconds), a preprogrammed telephone number is automatically dialed. The preprogrammed telephone number and time-delay period are selected by the customer at the time service is established and can be changed only via service order. (N

B. Warm Line Service may be used only in connection with individual line service. (N

C. Warm Line Service is furnished only from central offices which have been arranged to provide this service and is provided subject to the availability of facilities. (N

A13.57.2 Rates and Charges

A. Warm Line Service

The rates and charges for this service are in addition to normal service and monthly charges for individual line service found in Sections A3. and A4. of this Tariff, respectively.

1. Per Line Equipped

	Nonrecurring Charge	Monthly Rate	USOC
(a) Residence	$25.00	$.50	WLS
(b) Business	25.00	.50	WLS

A13.58 Uniform Access Number (UAN)

A13.58.1 Description of Service

A. Uniform Access Number (UAN) is an optional service which provides the customer with a uniform Business Line Telephone Number for client access to the customer's service. The client will be able to dial one number from all locations within the specified area and the call can be routed to a specified customer location. UAN will be provided under the following terms and conditions.

1. A UAN telephone number may not be accessed by 0+ or 1+ toll calls. Also, no operator assisted calls will be permitted to be placed to a UAN, nor will third party or collect toll calls be permitted to be billed to UANs.
2. The assigned telephone number will have a dedicated NXX.
3. UAN can be delivered through a line-side connection or a trunk-side connection as specified in A3.28 of this Tariff but not simultaneously for the same dedicated NXX number. A trunk-side connection is required if UAN is used with Automatic Number Identification (ANI).
4. Line side connections are made through regular exchange access lines (by individual business lines, PBX trunks, etc.). Trunk side connections are made via a Trunk Side Access Facility.
5. Nonrecurring charges apply for each UAN per Traffic Operator Position System (TOPS) Tandem office. Where more than one UAN is established at the same TOPS Tandem location for the same customer and the UANs are ordered and installed at the same time the first nonrecurring charge rate element applies to the first UAN. Each additional UAN number will be billed at the additional service installed rate. The same nonrecurring charges and application apply per TOPS Tandem for UAN number changes requested by the customer subsequent to the original UAN assignment.
6. Number changes required for Company reasons will not incur the Service Establishment Charge.
7. A customer may reserve UANs to meet his specified growth requirements at specified locations. In the event the customer elects not to be provided with reserved UANs, assignment of these UANs cannot be assured.
8. This service includes preassigned UANs. Such telephone numbers will be removed from reserved status and assigned as active UANs as requested by the customer.
9. The assignment of UANs is made at the discretion of the Company. Special numbers are furnished subject to the availability of numbers.

SUBJECT INDEX

B.

SUBJECT	SECTION
Bipolar with 8 Zero Substitution (B8ZS)	B2.
Billing of Private Line Service Provided by Multiple Companies	B2.
Business Programs	B7.

B7. DIGITAL NETWORK SERVICE

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B7. DIGITAL NETWORK SERVICE

B7.11 Business Programs (Cont'd)

B7.11.1 Business Discount Program (Cont'd)

B. Discount Schedule (Cont'd)

2. If a Program participant purchases new services during the 60-day enrollment period, line connection charges will be waived for those services ordered.
3. A bonus 5 percent discount in addition to the base discounts will apply to non-recurring and monthly recurring charges for BellSouth® Primary Rate ISDN Service. This includes existing services and those ordered by a Program participant during the 60-day enrollment period.
4. For each month during which a contract which is signed under this Program is in effect, the customer will receive the discount associated with the customer's total billed revenue at a given location as defined in A.1.; 2.; 3.; and 4., preceding for that particular month.
5. If a Program participant's monthly revenue at a given location in a given month falls below the minimum revenue per month or above the maximum revenue per month, discounts will not be applied at that location for that month.
6. The applied discounts will appear as a credit in the Other Charges and Credit (OC&C) section of the Program Participant's bill.

B7.11.2 Competitive Response Program (

A. Rules and Regulations (

Beginning June 15, 2000, continuing until September 13, 2000, qualifying customers may enroll in this Program, which provides discounts on their billed BellSouth revenue as described below, by signing a one-year, two-year, or three-year term contract. (

1. This Program is available to business customers in the designated wire centers (listed in bold) of the following Exchanges: Chattanooga - **Brainerd, Dodds, Ninth St**; Franklin - **Cool Springs, Main**; Knoxville - **Bearden, Fountain City, Main, West Hills**; Memphis - **Bartlett, Chickasaw, Eastland, Germantown, Main, Midtown, Oakville, Southland, Southside**; Nashville - **Airport, Brentwood, Burton Hills, Crieve Hall, Donelson, Inglewood, Madison, Main, Sharondale, University, West Meade**; and Oak Ridge - **Main**. In addition, customers must have total monthly billed BellSouth revenue at Tennessee locations (excluding charges identified in 4. following) between $70 and $10,000. Services for a Program participant that has monthly revenue outside this range are not eligible for this discount. (
2. Qualifying Program participants must sign a term contract of one, two, or three years to receive the discounts that are detailed in B. following, Discount Schedule. (
3. Discounts will be applied to billing for services in the General Subscriber Services Tariff and the Private Line Services Tariff. (
4. Discounts are based on end-user monthly total billed BellSouth revenue at Tennessee locations excluding: Unregulated charges, taxes, late payment charges, charges billed pursuant to federal or state access service tariffs, charges collected on behalf of municipalities (including, but not limited to services for 911 service and dual party relay services), and charges for services provided by other companies. (
5. To participate in this Program, qualifying customers must sign a one, two, or three-year term contract between June 15 and September 13, 2000. Following this period, no subscribers may enroll in this Program. This Program is available for resale for the duration of this enrollment period. Following the expiration of this enrollment period, no new customers may enroll in the Program, but any contract established under this Program between BellSouth and its customers would continue to be available for resale for the remaining term of the existing contract. Aside from these resale situations, a customer may not assign its rights under any contract signed pursuant to this Program to another customer or to any other third party. (
6. Should a participating customer terminate a contract signed under this Program without cause, charges for termination or cancellation of service shall not exceed the lesser of: (a) the repayment of discounts received during the previous 12 months of the service; or (b) 6% of the total tariffed service agreement amount. In addition to the reimbursement of the discounts, tariffed termination liability charges for individual services will be applied, if applicable. (
7. The customer may renew the contract for another term under the same terms and conditions by providing BellSouth written notice of their intent to do so, thirty days in advance of the expiration of the initial term of the contract. (
8. Customers with volume and term Contract Service Arrangements (CSAs) are not eligible for this Program. (
9. Customers may not participate concurrently in any previous or current Key Customer Promotions, Business Discount Program, or Hunting Promotion and/or any future versions of those programs. (
10. Customers that have changed locations since having their service with BellSouth are not eligible to participate in this Program and are considered new customers. (

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B7. DIGITAL NETWORK SERVICE

B7.11 Business Programs (Cont'd)

B7.11.2 Competitive Response Program (Cont'd) (N

A. Rules and Regulations (Cont'd)

11. Customers with total billed BellSouth revenue at Tennessee locations as defined in 1., 2., 3. and 4. preceding that exceeds $150,000 annually are not eligible to participate in this Program even if some or all of their accounts meet the revenue criteria. (N

B. Discount Schedule (N

1. Discounts applicable to the subscribers' total billed BellSouth revenue at Tennessee locations as defined in A.1., 2., 3. and 4., preceding are as follows: (N

Monthly Total Billed Revenue	12 Month Term	24 Month Term	36 Month Term	
$5,500 - $10,000	**16%**	**17%**	**18%**	(N
$3,000 - $4,499.99	**14%**	**15%**	**16%**	(N
$1,500 - $2,999.99	**12%**	**13%**	**14%**	(N
$500.00 - $1,499.99	**10%**	**11%**	**12%**	(N
$70.00 - $499.99	**8%**	**9%**	**10%**	(N

2. If a Program participant purchases additional services during the 90-day enrollment period, line connection charges will be waived for those services ordered. (N
3. For each month during which a contract which is signed under this Program is in effect, the customer will receive the discount associated with the customer's total billed BellSouth revenue at Tennessee locations as defined in A.1., 2., 3. and 4., preceding for that particular month. (N
4. If a Program participant's total billed BellSouth revenue at Tennessee locations as defined in A.1., 2., 3. and 4. preceding for a given month falls below the minimum revenue per month, discounts will not be applied for that customer. (N
5. The applied discounts will appear as a credit in the Other Charges and Credits (OC&C) section of the Program Participant's bill. (N

CERTIFICATE OF SERVICE

I hereby certify that on June 14, 2000, a copy of the foregoing document was served on the parties of record, via the method indicated:

[X] Hand [ ] Mail [ ] Facsimile [ ] Overnight	Julie Woodruff, Esquire Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, Tennessee 37243-0500
[ ] Hand [X] Mail [X] Facsimile [ ] Overnight	Henry Walker, Esquire Boult, Cummings, Conners & Berry 414 Union Avenue, #1600 Post Office Box 198062 Nashville, Tennessee 37219-8062
[ ] Hand [X] Mail [X] Facsimile [ ] Overnight	Charles B. Welch, Esquire Farris, Mathews, et al. 618 Church Street, #303 Nashville, Tennessee 37219

Patrick Turner

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