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OFFICE OF THE
EXECUTIVE SECRETARY

September 15, 2000

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
360 James Robertson Parkway
Nashville, TN 37201

Re: Tariff Filings by all Telephone Companies Regarding Reclassification of Pay Telephone Service as Required by FCC Order 96-439
Docket No. 97-00409

Dear Mr. Waddell:

Please accept for filing the original and thirteen copies of the Direct Testimony of Don J. Wood filed on behalf of the Tennessee Payphone Owners Association in the above-captioned proceeding. Copies have been provided to parties of record.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:
Henry Walker

HW/nl
Enclosure

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POSTED 9-18-00

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

Re: Tariff Filings by all Telephone Companies Regarding Reclassification of Pay Telephone Service as Required by FCC Order 96-439	))))))	Docket No. 97-00409

DIRECT TESTIMONY OF DON J. WOOD

ON BEHALF OF

TENNESSEE PAYPHONE OWNERS ASSOCIATION

September 15, 2000

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Don J. Wood. I am a principal in the firm of Wood &Wood, an economic and financial consulting firm. My business address is 4625 Alexander Drive, Suite 125, Alpharetta, Georgia 30022. I provide economic and regulatory analysis of the telecommunications, cable, and related "convergence" industries, with an emphasis on economic policy, development of competitive markets, and cost-of-service issues.

Q. PLEASE DESCRIBE YOUR BACKGROUND AND EXPERIENCE.

A. I received a BBA in Finance with distinction from Emory University and an MBA with concentrations in Finance and Microeconomics from the College of William and Mary. My telecommunications experience includes employment at both a Regional Bell Operating Company ("RBOC") and an Interexchange Carrier ("IXC").

Specifically, I was employed in the local exchange industry by BellSouth Services, Inc. in its Pricing and Economics, Service Cost Division. My responsibilities included performing cost analyses of new and existing services, preparing documentation for filings with state regulatory commissions and the Federal Communications Commission ("FCC"), developing methodology and computer models for use by other analysts, and performing special assembly cost studies.

I was employed in the interexchange industry by MCI Telecommunications Corporation, as Manager of Regulatory Analysis for the Southern Division. In this capacity I was responsible for the development and implementation of regulatory policy for operations in the southern U. S. I then served as a Manager in MCI's Economic Analysis and Regulatory Affairs Organization, where I participated in the development of regulatory policy for national issues.

Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE STATE REGULATORS?

A. Yes. I have testified on telecommunications issues before the regulatory commissions of twenty-eight states, Puerto Rico, and the District of Columbia. I have also presented testimony regarding interconnection and cost of service issues in state, federal, and overseas courts and have presented comments to the FCC. A listing of my previous testimony is attached as Exhibit DJW-1.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS AUTHORITY?

A. Yes. I have presented testimony before the Authority on a number of occasions, including Docket No. 97-01262 which related specifically to a determination of

BellSouth's costs consistent with the FCC's methodology.

Q. PLEASE DESCRIBE YOUR EXPERIENCE REVIEWING COST STUDIES, MODELS, AND METHODOLOGIES.

A. While employed in the BellSouth Service Cost Division, I had the opportunity to work with a number of cost models, and to analyze and review the manner in which these models were used in the cost development process. Since that time, I have reviewed cost studies performed by each of the seven (now four) RBOCs, and a number of other incumbent local exchange carriers ("ILECs"). In each case, my review of these cost studies has included an extensive evaluation of the methodologies, computer models and spreadsheets, and inputs/assumptions employed by the particular ILEC.

I have also been asked by regulators to develop detailed rules for ILECs' performance of cost studies. My proposed costing rules have been adopted and implemented in both Delaware and Wyoming.

Q. PLEASE DESCRIBE YOUR EXPERIENCE WITH THE EVALUATION OF PROPOSED RATES FOR PAYPHONE ACCESS SERVICES.

A. I have been asked to evaluate the appropriateness of payphone access services rates, in light of the FCC rules implementing Section 276 of the Communications Act of 1934, as amended ("Act"), in Colorado, Florida, Louisiana, North Carolina, Ohio, Puerto Rico, South Carolina, Massachusetts, and here in Tennessee.

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. I have been asked by the Tennessee Payphone Owners Association ("TPOA") to review and evaluate the rates for payphone access services offered by BellSouth Telecommunications, Inc. ("BellSouth"), United Telephone Southeast, Inc. ("UTSE"), Citizens Telecommunications Company of Tennessee and Citizens Telecommunications Company of the Volunteer State ("Citizens"), collectively "the ILECs", in particular the rates for Public Telephone Access Service ("PTAS"). In doing so, I have attempted to determine if these rates conform to the requirements of Section 276 of the Act and the subsequent FCC Orders implementing that section of the Act[1]. It is my understanding that the ILECs will be filing cost studies with their testimony, and I will make a rate recommendation to the Authority once I have had a chance to review those cost studies.

[1] Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, 11 FCC Rcd 20,541 (1996) (*"Report and Order"*); Order on Reconsideration, 11 FCC Rcd 21,233 (1996) (*"Order on Reconsideration"*); Order, 12 FCC Rcd 20,997 (Comm. Car. Bur. 1997) (*"Bureau Waiver Order"*); Order, 12 FCC Rcd 21,370 (Comm. Car.

My testimony describes the standard to be applied by this Authority when evaluating the appropriateness of the ILEC's existing rates for payphone access services, including the FCC's four part test.

Q. PLEASE DESCRIBE HOW YOU HAVE APPROACHED YOU ANALYSIS OF THE ILEC's EXISTING RATES.

A. My analysis of the rates and related cost information seeks to answer four questions:

(1) Are the ILEC's rates *cost based*?

(2) Are the ILEC's rates *consistent with the requirements of section 276 of the Act*?

(3) Are the ILEC's rates *nondiscriminatory*?

(4) Are the ILEC's rates *consistent with the FCC's Computer III tariffing guidelines (i.e., in compliance with the so-called "new services test"?)*

I want to be clear that these are four distinct and independent areas of inquiry required in light of the *Payphone Orders*. While the first question is perhaps the most critical (rates that are properly cost based are likely to be

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Bur. 1997) (*"Second Bureau Waiver Order"*). (Collectively, the "*Payphone Orders*.")

consistent with the Act, be nondiscriminatory, and meet the FCC's Computer III guidelines), these are four distinct criteria that each of the ILEC's payphone access services rates must meet. The FCC's "new services test" is one, but only one, of these four independent criteria.

Q. WHY HAVE YOU FOCUSED YOUR ANALYSIS ON THESE FOUR SPECIFIC QUESTIONS?

A. I have focused my analysis in this manner because these are the four criteria expressly adopted by the FCC in its *Payphone Orders* that were issued pursuant to its responsibilities as defined in Section 276 of the Act. This is the standard that state regulators are to apply when determining if existing or proposed intrastate rates for the elements of payphone access services (access lines, usage, and features) are in compliance with the FCC requirements. It is the standard that has in fact been applied by other state regulators.

Q. WHY HAS THE FCC ESTABLISHED A SET OF STANDARDS TO BE APPLIED BY STATE REGULATORS WHEN DETERMINING INTRASTATE RATES FOR PAYPHONE ACCESS SERVICES?

A. The Act mandates that the FCC take this role. Specifically, section 276(b)(1)(C) requires that the FCC establish a set of nonstructural safeguards to implement the provisions of the Act. The Act states that these safeguards are to include -- at a minimum -- the "new services test", established previously by the FCC in the *Computer III* inquiry. As I will explain in more detail below, the FCC, in response to this legislative mandate, established the *four part* test to be applied to interstate payphone access services (features) and intrastate payphone access services (access lines, usage, and features).

Q. HOW DID THE FCC RESPOND TO THIS LEGISLATIVE MANDATE?

A. The FCC has issued the series of *Payphone Orders* that set forth the requirements for rates for payphone access services in CC Docket 96-128 and related dockets. The basic requirements are most recently set forth in the *Bureau Waiver Order* (at ¶35): "LECs must have effective state tariffs that comply with the requirements" set forth for these rates and "these requirements are: that payphone services state tariffs must be cost based, consistent with section 276, nondiscriminatory, and consistent with Computer III tariffing guidelines."

The *Second Bureau Waiver Order* reiterated the mandate that payphone access services tariffed at the state level must comply with these requirements. In that *Order* the FCC's Common Carrier Bureau ("CCB") granted a limited extension of time for LECs to file tariffs that contained rates in compliance with the four part test described above. The

CCB noted (at ¶18) that in requesting this limited waiver, the "RBOC coalition concedes that the Authority's payphone orders, as clarified by the *Bureau Waiver Order*" will determine the basis for how new and existing payphone access service rates will be evaluated by state regulators.

To summarize, the FCC has required all ILECs to have on file intrastate tariffs that include rates for payphone access services in full compliance with the four part test. In addition, ILECs must provide the cost data necessary for the state regulator to determine whether the existing or proposed rates comply with the FCC standard.

Q. HAVE OTHER STATE REGULATORS APPLIED THE FCC'S FOUR PART TEST TO DETERMINE WHETHER INTRASTATE PAYPHONE ACCESS SERVICES RATES ARE APPROPRIATE AND LAWFUL?

A. Yes. The Delaware Public Service Commission, in Docket No. 97-031T Consolidated, applied the FCC's four part test in order to determine whether the intrastate rates for Bell Atlantic payphone access lines were appropriate, and concluded that the rates as proposed did not meet these requirements.[2] Similarly, the West Virginia Public Service Commission applied the FCC requirements in its

[2] In the Matter of the Tariff Filing by Bell Atlantic-Delaware, Inc. To Make Revisions to P.S.C.-DEL.-No. 1, PSC Docket No. 97-013T Consolidated, Order No. 4637, November 4, 1997 (¶¶ 3, 18)

Order in Case No. 97-0643-T-T and likewise concluded that existing intrastate rates for Bell Atlantic payphone access lines did not comply with the FCC's four part test.[3] More recently, the South Carolina Public Service Commission concluded in Docket No. 97-124-C that the requirements of the FCC's four part test should be applied in order to determine appropriate levels for intrastate payphone access services rates.[4]

Q. DOES THE AUTHORITY FACE THE SAME TASK IN THIS PROCEEDING THAT THE DELAWARE, WEST VIRGINIA, AND SOUTH CAROLINA COMMISSIONS FACED IN THE PROCEEDINGS THAT YOU CITED?

A. Yes. In each case, the state regulator sought to determine whether a LEC's existing or proposed rates for payphone access services complied with the requirements of both Section 276 of the Act and the subsequent FCC *Payphone Orders* implementing Section 276.

(*"Delaware Order"*)

[3] Bell Atlantic-West Virginia, Inc., Case No. 97-0643-T-T, Commission Order, May 22, 1997 (pages 4-5, 8, 13-15) (*"West Virginia Order"*).

[4] Request of BellSouth Telecommunications, Inc. for Approval of Revisions to its General Subscriber Service Tariff and Access Service Tariff, Docket No. 97-124-C, Order No. 1999-285, April 19, 1999 (¶ 4) (*"South Carolina Order"*).

Q. HOW SHOULD THE AUTHORITY PROCEED IN THIS CASE?

A. In order to determine if the ILEC's PTAS rates meet each of the FCC requirements, the Authority must have the information necessary to gain a clear and complete understanding of the costs related to the provisioning of payphone access services. Obviously, this cost data must be specific to the elements of payphone access services (including access lines, usage, and features) and must be fully documented.

Q. WHAT TYPES OF COSTS WILL NEED TO BE CONSIDERED?

A. The Authority will need to examine three categories of costs: direct, shared, and common. Direct costs are those costs that are specific to the service or individual rate element being studied; in other words, it is the decision or requirement to offer the specific service or rate element that *causes* the cost to be incurred. For example, the local loop facilities used by the ILEC's to provide a payphone access line to a TPOA member is a direct cost. Shared costs are caused by the decision or requirement to offer a group of services. For example, ILECs incur marketing costs when offering competitive services. These services, as a group, cause these costs to be incurred. Finally, common costs are caused simply by the fact that the company is in business; they are not specific to (i.e., are not caused by) any rate element, service, or group of services. An often given example of a common cost is the company president's desk. It is important to note that while common costs are not specific to any subset of the company's operations, they do vary with the total size of the company (the president of a large company often has a larger and more expensive desk than the president of a small company).

In order to apply the FCC's requirements that PTAS rates be cost based and compliant with the new services test, the Authority must consider each of these categories of costs. Specifically, the rates for PTAS service should equal -- and should under no circumstances be greater than -- the total of the direct, shared, and common costs that BellSouth *demonstrates* are reasonable and appropriate.

Q. ANOTHER TERM OFTEN USED TO DESCRIBE A CATEGORY OF COSTS IS "OVERHEAD." WHAT ARE "OVERHEAD" COSTS?

A. Depending on the context, the term "overhead" sometimes refers only to common costs, but sometimes is intended to mean both shared and common costs. When analyzing cost studies or the orders of a regulator mandating a particular form of costing, it is important to review the supporting documentation carefully in order to determine how the term "overhead" is intended to be applied.

When applying the FCC's new services test, the term "overhead" is defined to include both shared and common costs. The "overhead loading" that is to be evaluated pursuant to the new services test is the amount in excess of the calculated direct cost.

In its evaluation of the rates for payphone access services, therefore, the Authority has two categories of costs to consider. First, it must review the reported direct cost of providing the rate element to determine if the ILEC has met its burden of demonstrating that the reported cost is reasonable. Second, it must review the level of overhead loading (the ILEC's calculation of shared and common costs), again in order to determine if the ILEC has met its burden of demonstrating that the reported cost is reasonable. Clearly, a rate that exceeds the level of direct cost plus overhead loading (i.e., direct + shared + common costs) that an ILEC has demonstrated to be reasonable *cannot* meet the FCC requirements that such a rate be both cost based and compliant with the new services test.

Q. DOES THE AUTHORITY HAVE EXPERIENCE DEALING WITH THESE DISTINCT CATEGORIES OF COSTS?

A. Yes. In arbitrations conducted pursuant to section 251 of the Act and the subsequent unbundled network element ("UNE") pricing investigation (Docket No. 97-01262), the Authority faced the task of establishing rates for unbundled network elements that are based on cost, pursuant to the requirements of section 252(d)(1) of the Act. The cost based rates adopted in those proceedings were required to include the appropriate amount of direct, shared, and common costs of the unbundled network elements at issue.

In this proceeding, the Authority faces the same fundamental task: to determine cost based rates (this time for payphone access services) that include the appropriate amount of direct, shared, and common costs. As I will describe later in my testimony, the Authority can and should rely on its experience in these earlier proceedings when determining cost based rates for payphone access services.

Q. IS IT YOUR POSITION THAT THE REQUIREMENTS OF SECTION 252 OF THE ACT APPLY TO PAYPHONE ACCESS SERVICES?

A. No. I am not suggesting that Section 252 sets forth requirements that the Authority must apply to intrastate payphone access services. I am suggesting, however, that the task before the Authority in this proceeding is a familiar one: the Authority must now determine the level of "cost based" rates (including appropriate and justified levels of direct, shared, and common costs). In the arbitrations and UNE cost proceeding, the Authority was faced with the task of determining the level of rates which were "based on cost" (including appropriate and justified levels of direct, shared, and common costs) for the same network facilities. ILECs cannot seriously argue that a meaningful distinction can be drawn between the phrases "cost based" and "based on cost," and, therefore, they must acknowledge that the UNE costs and rates are an appropriate benchmark for evaluating the level of payphone access services rates.[5]

Q. WHAT IS THE FIRST STEP THAT MUST BE TAKEN IN ORDER TO DETERMINE THE RELEVANT COSTS OF PAYPHONE ACCESS SERVICE?

A. The first step in any costing process is to determine the cost methodology to be followed. Are the costs to be a measure of embedded costs or should they instead reflect the costs of an efficient provider on a forward-looking basis?

The forward-looking economic cost methodology should -- and must -- be used here for several reasons. First, this methodology is the conceptually correct one. If rates for payphone access services are set at a level that recovers these costs, ILECs will be fully compensated while the stated objectives of the Act -- to promote competition among payphone service providers and promote the widespread deployment of payphone services to the benefit of the general public -- can be met. See 47 U.S.C. 276(b)(1).

Second, this methodology is consistent with previous orders of the FCC describing a proper application of the new services test. For example, the FCC has stated that "we recognize that competition depends on the ability of competitors to purchase LEC facilities at rates that reflect economic costs, and not rates that are calculated to deter

[5] Of course, it may be necessary to adjust the UNE costs in order to reflect characteristics that are specific to payphone access services.

entry by efficient providers".[6]

Last but certainly not least, the application of this costing methodology is consistent with this Authority's orders issued in recent proceedings in which the Authority faced the conceptually identical task of determining cost based rates for UNEs. For the same reasons that the Authority applied a forward-looking cost methodology in order to determine the appropriate cost based rates for unbundled network elements, it should use this same methodology when determining cost based rates for payphone access services.

Q. ONCE THE COST METHODOLOGY TO BE FOLLOWED IS DETERMINED, WHAT IS THE NEXT STEP THAT MUST BE TAKEN IN ORDER TO DETERMINE THE RELEVANT COSTS OF PAYPHONE ACCESS SERVICES?

A. As with any cost analysis, the next step is to determine the relevant "cost drivers" for the various elements of the service. Put simply, cost drivers are those characteristics which determine the level of costs, and that determine how costs differ between different services or geographic areas. For example, the primary cost component of a payphone

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[6] Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection Through Virtual Collocation for Special Access and Switched Transport, CC Docket No. 94-97, Phase I, Report and Order, 10 FCC Rcd 6375, 6404 (1995) (*"Virtual Collocation Overhead Prescription*

access line is the local loop that connects the payphone with the ILEC central office. The cost drivers of this local loop, in turn, are length and density. In other words, the length of a loop is a characteristic that directly and significantly impacts its cost (all else being equal, a longer loop is more expensive to provide than a shorter one). Similarly, the density of lines in the area being served directly and significantly impacts the cost of the loop (all else being equal, loops in high density areas, such as business districts, are less expensive to provide than loops in an area with low line density).

Once the relevant cost drivers for each component of payphone access services are identified, it is necessary to determine the appropriate values for these assumptions that are specific to payphone access services in Tennessee.

Q. THE ILEC'S COST ANALYSIS HAS BEEN DEVELOPED FOR THE COSTS OF UNBUNDLED NETWORK ELEMENT LOOPS. IS THIS A REASONABLE STARTING POINT FOR THE AUTHORITY'S EVALUATION OF THE PROPOSED RATES FOR PAYPHONE ACCESS LINES?

A. Yes. The network facilities used by the ILECs to provide payphone access lines and the associated usage purchased by TPOA payphone-service-provider members are the same as the network facilities used to provide the unbundled network elements that were at

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Order").

issue in previous Authority proceedings. In addition, as described previously, the standard being applied to determine rates for unbundled network elements was the same as the standard to be applied in this proceeding: rates were to be based on cost (including appropriate levels of direct, shared, and common costs). As a result, the local loop, switch line port, and usage costs developed in these prior Authority proceedings can and should be used as a starting point for determining the costs of payphone access services complying with the *Payphone Orders*.

Q. YOU STATED PREVIOUSLY IN YOUR TESTIMONY THAT ONCE THE RELEVANT COST DRIVERS ARE IDENTIFIED, IT IS NECESSARY TO DETERMINE THE APPROPRIATE VALUES FOR THESE ASSUMPTIONS THAT ARE SPECIFIC TO PAYPHONE ACCESS SERVICES IN TENNESSEE. ARE THE VALUES FOR THESE COST DRIVERS THAT WERE APPROPRIATE FOR UNBUNDLED NETWORK ELEMENTS NECESSARILY APPROPRIATE FOR PAYPHONE ACCESS SERVICES?

A. No. It is necessary, therefore, to make specific adjustments to the unbundled network element costs in order to develop costs that are specific to payphone access services. These adjustments can and should be made without otherwise altering the methodology, inputs, and assumptions determined to be appropriate by the Authority in the previous proceedings.

Q. WHAT ADJUSTMENTS ARE NECESSARY TO THE COSTS DEVELOPED FOR UNBUNDLED NETWORK ELEMENT LOOPS IN ORDER TO YIELD COSTS THAT ARE SPECIFIC TO PAYPHONE ACCESS LINES?

A. The local loop costs must be adjusted to (1) remove any costs of unbundling included in the UNE rates, (2) reflect the characteristics of payphone access services and (3) recognize the impact of related and potentially duplicative charges.

Q. HOW SHOULD LOCAL LOOP COSTS BE ADJUSTED TO BE SPECIFIC TO PAYPHONE ACCESS SERVICES?

A. As described above, the two primary cost drivers for local loop costs are length and line density. On average, local loops with residence line characteristics are longer and provided in areas of lower density than local loops with business line characteristics. As a result, the cost of a residence local loop is, on average, higher than the cost of a business local loop.

When a competitive local exchange provider purchases an unbundled local loop from an ILEC, it may use that loop to provide either business or residence service. Accordingly, the cost studies performed for unbundled local loops include a mixture of residence and business loops (BellSouth's loop cost study, for example, is based on a sample of local loops within its Tennessee service territory). The costs developed through this process reflect a composite of residence and business local loop characteristics, and effectively assume that an unbundled local loop is equally likely to have business line or residence line characteristics. When a TPOA member purchases a payphone access line from BellSouth, however, the local loop used to provide the service is certainly not equally likely to have residence or business line characteristics. On the contrary, since TPOA payphone service provider members place their phones exclusively at business locations,[7] the local loop used to provide service to them is highly likely -- if not certain -- to have business line characteristics.

In order to use the local loop costs developed for unbundled network elements, therefore, it is necessary to adjust the cost so that it reflects the costs associated with business line characteristics rather than a mixture of residence and business lines.

Q. YOU STATED THAT THE LOCAL LOOP COSTS FOR UNBUNDLED NETWORK ELEMENTS SHOULD BE ADJUSTED IN ORDER TO RECOGNIZE THE IMPACT OF CERTAIN RELATED AND POTENTIALLY DUPLICATIVE CHARGES.

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[7] It is my understanding that BellSouth will only process and order for a payphone access line if the line is to be provided to a business, rather than residence, address. As a result, TPOA members can

PLEASE DESCRIBE THESE CHARGES AND EXPLAIN WHY SUCH AN ADJUSTMENT IS NECESSARY.

A. As a facilities-based carrier, the ILECs receive revenue from a number of sources when they provide a service over a local loop. In addition to the intrastate tariffed rate, the ILEC also receives a Subscriber Line Charge ("SLC") or End User Common Line Charge ("EUCL"), a Primary Interexchange Carrier Charge ("PICC"), and may also be entitled to intrastate and interstate Carrier Common Line Charges ("CCLCs"). These charges have been designed and implemented to produce revenue for the specific purpose of assisting with the recovery of the non-traffic-sensitive ("NTS") costs of the network (i.e., the local loop).

In contrast, when a competitive local exchange carrier ("CLEC") purchases an unbundled local loop from an ILEC in order to offer a competing retail service, the CLEC pays the ILEC only the unbundled local loop rate. As a result, this cost based rate is set at a level that permits the ILEC to fully recover the appropriate amount of direct, shared, and common costs. Because the CLEC becomes the facilities-based carrier under this scenario, it – not the ILEC -- is entitled to collect the SLC/EUCL, PICC, and any applicable CCLC.

As a result, when establishing a cost based rate for an unbundled local loop, it is

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only place their phones at business locations.

necessary to set a rate high enough to permit all of the appropriate costs to be recovered from this single charge. CLECs can compete after paying this fully compensatory unbundled loop rate because they receive the SLC/EUCL and PICC (and possibly CCLC) revenues to offset their higher costs.

The position of competing payphone providers is fundamentally different from that of CLECs, however. When a payphone provider purchases a payphone access line from the ILEC, the ILEC remains the facilities-based carrier. As a result, it continues to receive all of the SLC/EUCL and PICC revenues (and any applicable CCLC). The competing payphone provider is the customer that pays the SLC/EUCL and PICC to the ILEC, in addition to the tariffed rate for payphone access services.

Q. HOW SHOULD THE AUTHORITY RECOGNIZE THIS FUNDAMENTAL DISTINCTION BETWEEN CLECS AND COMPETING PAYPHONE PROVIDERS WHEN ESTABLISHING COST BASED RATES FOR PAYPHONE ACCESS SERVICES?

A. It is essential that the total cost of the local loop be reduced by the amount of the SLC/EUCL and PICC (and any applicable CCLC) charges in order to calculate the cost based rate for a payphone access line, or, alternatively, that a payphone access line rate be established that is inclusive of these federal charges (so that they are not also charged to the competing payphone provider). This adjustment is necessary in order to prevent the ILEC from (1) receiving a double recovery of its costs and (2) gaining an artificial and significant competitive advantage.

The danger of a double recovery of costs can easily be seen by example using only the local loop costs and the SLC. If, for example, the ILEC incurs a cost of $20.00 (statewide average) when providing an unbundled local loop, a rate of $20.00 paid by a CLEC will permit it to fully recover those costs, but to only recover them once:

Total Cost (including direct, shared, and common):	$20.00
Intrastate Rate:	$20.00
Percentage of Total Cost Recovered	**100%**

Conversely, if a payphone access line is set at the level of the total cost reported by the ILEC, the cost recovery for the ILEC changes significantly:

Total Cost (including direct, shared, and common):	$20.00
Intrastate Rate	$20.00
Subscriber Line Charge	$ 7.85
Total Revenue:	$27.85
Percentage of Total Cost Recovered	**140%**

If the payphone access line rate is properly adjusted by the amount of the additional charges, however, the ILEC's cost recovery is appropriate:

Total Cost (including direct, shared, and common):	$20.00
Intrastate Rate	$12.15
Subscriber Line Charge	$ 7.85
Total Revenue:	$20.00
Percentage of Total Cost Recovered	**100%**

Alternatively, establishing an intrastate rate that is inclusive of the Subscriber Line Charge will accomplish the same objective:

Total Cost (including direct, shared, and common):	$20.00
Intrastate Rate (*inclusive of SLC*)	$20.00
Subscriber Line Charge	$ N/A
Total Revenue:	$20.00
Percentage of Total Cost Recovered	**100%**

Q. HAVE OTHER STATE REGULATORS EXPLICITLY CONSIDERED ADDITIONAL APPLICABLE CHARGES WHEN ESTABLISHING COST BASED RATES FOR PAYPHONE ACCESS SERVICES?

A. Yes. The West Virginia Public Service Commission recently addressed this issue in the Order referred to previously in my testimony. In that proceeding, Bell Atlantic-West Virginia, like the ILECs in this proceeding, used the cost approved by the Commission for an unbundled local loop as the starting point for determining a cost based rate for payphone access lines. The West Virginia PSC correctly noted that the cost numbers used to develop the cost based unbundled local loop rate were total costs (not separated into intrastate and interstate components). Since total costs were being used, the West Virginia PSC correctly reasoned, it is necessary to consider both intrastate and interstate sources of revenue (such as the SLC and PICC) when determining how much of this total cost should be recovered by the intrastate rate: "to allow BA-WV to include interstate costs into its payphone line rates while the Company recovers an SLC would result in BA-WV double-recovering its interstate costs associated with payphone lines" *West Virginia Order*, at p. 16.

After reaching this conclusion, the West Virginia PSC indicated that it agreed with a proposal that "BA-WV's payphone rates should be further reduced by the SLC which BA-WV currently recovers." Id. In order to implement this decision, the West Virginia PSC ordered that the total of the intrastate payphone access line rate and the SLC could not exceed the Commission's determination of Bell Atlantic's total cost of that line.

Q. IN YOUR EXPERIENCE, HAVE ILECS IN OTHER STATES CONCEDED THAT THESE ADDITIONAL CHARGES SHOULD BE CONSIDERED WHEN DETERMINING THE APPROPRIATE LEVEL OF THE INTRASTATE PAYPHONE ACCESS LINE RATE?

A. Yes. In recent filings made with the North Carolina Public Service Commission, both GTE (with respect to the SLC) and Sprint (with respect to the SLC, PICC, and CCLC) included these additional rates in their analysis and apparently consider these revenues to be relevant when analyzing the recovery of jurisdictionally unseparated costs.

Of course, the ILECs in Tennessee are in no way bound by the positions of other ILECs in other states. However, I think that it is important for the Authority to be made aware that not all ILECs consider these rates, which represent a federally prescribed cost recovery mechanism for certain of the ILEC's costs, to be irrelevant to a determination of the appropriate intrastate rates for payphone access services.

Q. WHY IS IT CORRECT TO TREAT THE PICC AND ANY APPLICABLE CCLC CHARGES IN THE SAME WAY THAT THE SLC/EUCL IS TREATED?

A. Each of these charges was created for the same purpose: to assist in the recovery of the NTS costs of the local network (i.e., the local loop). Each of these charges represents revenues that the ILEC receives that are earmarked for local loop cost recovery; if these rates are not explicitly recognized when establishing cost based rates for payphone access lines, BellSouth will double recover these costs.

A brief review of the history of these charges makes their purpose clear. In the original *Access Charge Order*[8], the FCC established a mechanism for the LECs to recover the costs of providing IXCs with access to the LEC's network for the completion of interstate and international calls. Access service includes rates specifically established to recover traffic sensitive costs and NTS costs. NTS costs do not vary with the amount of usage and are caused by the provisioning of that portion of the network whose cost does not vary with usage: the local loop (the facility which connects the end user to a LEC central office).

In order to minimize the impact on retail local rates, the FCC decided to apportion the recovery of the interstate portion of local loop costs between a monthly, flat-rated SLC paid by end users directly to the LEC, and a per-minute CCL charge paid to the LEC by IXCs. That way, although all of these charges would be passed through eventually to end users, not all of the assessed amount would increase the cost of basic local exchange

[8] MTS and WATS Market Structure, CC Docket No. 78-72, Third Report and Order, 93 F.C.C. 2d 241 (1983) ("*Access Charge Order*"), modified, 97 F.C.C. 2d 682 (1983) *("Reconsideration Order")*, further modified, 92 F.C.C. 2d 834 (1984) ("*Second Reconsideration Order"),* aff'd in principal part and remanded in part sub nom. NARUC v. FCC, 737 F.2d 1095 (D.C. Cir. 1984), cert.

service.

The SLC is a flat, end-user charge designed to recover part or all of the local loop costs allocated to the interstate jurisdiction.[9] This dollar amount is intended to approximate a portion of local loop cost attributed to the end user's interstate calling.[10] Until 1997, if the interstate portion of the local loop cost exceeded the SLC ceiling set by the FCC, IXCs were assessed a per-minute CCLC to recover the difference.[11]

The 1996 changes to the Act sought to reform certain aspects of the access charge system. Because costs for the local loop are fixed and do not increase with the amount of usage, recovering these costs by means of a per-minute CCLC is economically inefficient and creates a situation where usage rates significantly exceed the incremental cost of using the loop. In the *Access Charge Reform Order* implementing the access charge reform changes to the Act, the FCC raised the SLC ceilings, so that more common line costs could be recovered directly from end users by means of a flat rate.[12]

The remaining common line costs above the SLC ceiling are recovered through

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denied, 469 U.S. 1227 (1985).

[9] In the Matter of Access Charge Reform, et al., Notice of Proposed Rulemaking, 11 FCC Rcd. 21,354 (1996) (*"Access Charge Reform NPRM"*), at ¶ 27.

[10] Id., at ¶ 57

[11] Id.

[12] Access Charge Reform, CC Docket No. 96-262, First Report and Order, 12 FCC Rcd. 15,982 (1996) (*"Access Charge Reform Order"*), at ¶ 38.

the newly created Primary Interexchange Carrier Charge ("PICC"), a flat, per-line charge assessed to each customer's presubscribed IXC, or assessed individually on each end user who does not choose a PIC. If the SLC and the PICC together still don't recover the interstate-allocated common line costs, LECs can continue to assess IXCs a per-minute CCLC.[13]

As the history of these charges makes clear, each rate (1) was established for the purpose of creating a revenue source for the recovery of NTS (local loop) costs, and (2) has been treated as interchangeable with other rates (a higher SLC reduced the level of the CCLC, the introduction of the PICC eliminated the need for some CCLCs). Clearly, these rates have been used collectively by the FCC to generate revenue for a specifically stated purpose – the recovery of NTS (i.e., local loop) costs for ILECs. To consider one, but not all, of these charges is simply an incomplete analysis that leads to an incomplete adjustment.

Q. YOU STATED THAT AN ADJUSTMENT TO REFLECT THESE ADDITIONAL CHARGES IS ALSO NECESSARY TO AVOID GIVING THE ILECS AN ARTIFICIAL AND SIGNIFICANT COMPETITIVE ADVANTAGE. PLEASE EXPLAIN.

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[13] Id., at ¶ 71.

A. This possibility is also best understood using a simple illustrative example. Assume that the total cost for a payphone line (including the local loop and line termination into the end office switch) incurred by an ILEC (including direct, shared, and common costs) is \$14.50, and that a SLC of \$7.85 also applies. If the rate for a payphone access line is set to recover the full \$14.50 cost, the ILEC will receive a total of \$22.35 in revenue to recover a \$14.50 cost. A TPOA payphone-service-provider member attempting to compete with an ILEC must pay \$22.35 (which to the TPOA member is an unavoidable cost of doing business). In this scenario, the ILEC goes forth to compete with an extra \$7.85 in its pocket (available potentially to fund a reduction in rates to its payphone end user customers or pay a higher commission to the owner of a desirable location). The equity objective of the "cost based" rate requirement will have been lost: the ILEC will have been successful in artificially inflating the costs of its competitors. This outcome does not create an equal competitive footing, and is inconsistent with the stated objectives of Section 276 of the Act.

In contrast, if the rate for the payphone access line is established with the correct consideration of the additional revenues, a level playing field will be created. In this example, an intrastate payphone access line rate of \$6.65 will mean that the ILEC will receive \$14.50 (\$6.65 intrastate rate plus \$7.85 SLC/EUCL) to recover a \$14.50 cost. The competing TPOA member will incur a cost of \$14.50 (as it is responsible for payment of the intrastate rate and the SLC/EUCL), and the ILEC will incur a cost of $14.50 for the local loop that it uses for its own competing payphone. In this scenario, the ability of either competitor to offer lower retail prices or higher commission payments will be the result of its efficiency and sound management, rather than being artificially created by an inflated access line rate.

Q. DOES THE FCC REQUIREMENT THAT COST BASED RATES BE ESTABLISHED FOR PAYPHONE ACCESS SERVICES DEPEND IN ANY WAY ON A SHOWING BY THE TPOA THAT SUCH DISCRIMINATION HAS OCCURRED OR CAN OCCUR?

A. No. The requirements of the FCC's four part test must be applied to intrastate rates for the elements of payphone access services. While I am including examples in my testimony in order to illustrate the potential anticompetitive impacts of rates that exceed cost based levels, the requirement that the Authority apply the FCC's four part test does not depend on any such a demonstration by TPOA.

Q. ARE USAGE RATES THAT ARE APPLIED TO PAYPHONE ACCESS LINES SUBJECT TO THE FCC REQUIREMENTS?

A. Absolutely. The FCC's *Payphone Orders* set forth the standards to be applied for the pricing of payphone services tariffed at the state level. These *Orders* in no way limit the application of the requirements to any subset of the rate elements that competing providers of payphone services must purchase from BellSouth.

Q. THE FOURTH REQUIREMENT OF THE FCC IS THE APPLICATION OF THE SO-CALLED "NEW SERVICES TEST". WHAT IS THE NEW SERVICES TEST?

A. The definition and application of the new services test has proven to be a source of discussion in a number of recent state proceedings, including those cases in which intrastate rates for payphone access services were at issue. It may be useful, therefore, to review the elements of the new services test before embarking on a discussion of its application.

The new services test has been described in a number of FCC orders related to different ILEC-provided services. This test has been used to evaluate proposed rates for the elements of Open Network Architecture ("ONA"), interconnection, virtual and physical collocation, and, most recently, payphone access services. Because both the definition and the application of the new services test have evolved over time, it is important to consider all relevant FCC orders when attempting to understand both the definition and application of the test.

The new services test has two fundamental parts. In order to justify a proposed rate, the ILEC must fully demonstrate that the proposed rate is above the direct costs of the service and at or below a total of the direct costs plus a reasonable markup for overhead (in this context, overhead refers to the total of shared and common costs). It is important to note that the application of the new services test is a "bottom up" process: direct costs must be calculated and fully justified, and any markup for overhead[14] above this measure of direct costs must be fully justified. Both the calculation of direct costs and the calculation of an appropriate level of overhead can be considered key factors in the application of the test.

Q. HAS THE FCC BEEN CLEAR IN ITS ORDERS THAT THE NEW SERVICES TEST REQUIRES LECS TO FULLY JUSTIFY BOTH THE LEVEL OF DIRECT COSTS AND THE LEVEL OF ANY OVERHEAD LOADINGS IN A PROPOSED RATE?

A. Yes. When examining the level of proposed virtual collocation rates, for example, the FCC made it clear that both fundamental components of the new services test are important:

> The *Phase I Designation Order* designated for investigation the issue of whether the LECs had justified the level of their overhead loadings, a key factor affecting the rates for virtual collocation arrangements. We now continue our analysis of the LECs' virtual collocation rates by reviewing the LECs' direct costs of providing

[14] This markup above direct cost is sometimes referred to as an "overhead loading."

virtual collocation service -- another key factor affecting virtual collocation rates.[15]

More recently, the FCC has applied the new services test to evaluate the proposed rates for certain payphone features tariffed at the interstate level. Here again, the FCC has reiterated the importance of examining both direct costs and the level of any markup for overhead.

The FCC found, for example, that GTE's proposed direct cost for a payphone feature (selective class of call screening) was excessive, and GTE subsequently reduced the reported direct investment for this feature from $50 to $6 before the resulting rate was approved by the FCC.[16]

In the same order, again applying the new services test requirements, the FCC found that Bell Atlantic had not justified the overhead loadings that it had included in certain payphone features. Bell Atlantic subsequently made substantial reductions in the level of the overhead loadings before the rates were approved. In describing its requirement that the LECs must fully justify all proposed overhead loadings, the FCC

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[15] Order Designating Issues For Investigation, CC Docket No. 94-97 Phase II, 10 FCC Rcd 11,116 (Com. Car. Bur. 1995) , at ¶ 12.

[16] In the Matter of Local Exchange Carriers' Payphone Functions and Features, CC Docket No. 97-140, Memorandum Opinion and Order 12 FCC Rcd 17,996 (1997), at ¶¶ 15-16 (*"Payphone Features Order"*).

noted that "In Open Network Architecture Tariffs for Bell Operating Companies, the Commission concluded that US West's overhead rates for ONA features were unsupported *because it failed to provide a reasonable explanation for its overhead loadings for those rates*" (emphasis added).[17]

It is clear, therefore, that the FCC has required the LECs to fully justify both the level of direct costs and the level of any overhead loadings.

Q. HAS THE FCC PROVIDED A DETAILED EXPLANATION OF HOW ITS STANDARDS SHOULD BE IMPLEMENTED WHEN ESTABLISHING INTRASTATE RATES?

A. Yes. On March 2, 2000, the Competitive Pricing Division of the FCC's Common Carrier Bureau issued Order CCB/CPD No. 00-1 ("Wisconsin Order").[18] This order sets forth the details of the process that certain ILECs must follow when providing information to the FCC in order to demonstrate compliance with the four part test.[19] While the order is

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[17] Id., at ¶ 13.
[18] A copy of this order was previously filed with the Authority by TPOA.
[19] The Wisconsin Public Service Commission had previously determined that it could not undertake the investigation necessary to determine if the existing rates for payphone access services in Wisconsin meet the requirements of the Act and the subsequent *Payphone Orders*. Pursuant to the Order in the Payphone Reclassification Proceeding, ILECs must then submit the necessary information to the FCC so that it can conduct the necessary investigation.

specific to four Wisconsin ILECs, it does serve to provide clarification in this case by answering the following question: What would the FCC require the LECs to demonstrate (and what information would be specifically required to be provided) if the FCC were to apply its own standards to the rates for payphone access service?

In other words, the *Wisconsin Order* provides the Authority with an opportunity to resolve a difference of opinion that has arisen in similar proceedings in other states. I have argued in my testimony that the FCC has intended to require a four part test, and that application of the FCC's standard requires the LECs to make an affirmative demonstration of both the direct and a reasonable level of overhead costs associated with providing payphone access services. Such an affirmative demonstration must be supported by a cost study of each of the categories of cost to be included in the rate. In contrast, the ILECs have consistently taken the position that they can fully comply with the FCC's requirements by merely calculating a cost/price ratio for PTAS and comparing that ratio to the ratio of other services.

Q. IS IT YOUR TESTIMONY THAT THIS AUTHORITY SHOULD APPLY THE FCC'S STANDARDS IN THE MANNER SET FORTH IN YOUR TESTIMONY BECAUSE OF THE *WISCONSIN ORDER*?

A. No. I urge the Authority to require the ILECs to fully justify their rates for payphone access services in the manner that I have described because doing so will permit the objectives of the Act – increased competition for payphones and the widespread deployment of payphones – to be met in Tennessee, while the typical ILEC proposal will not do so. Payphones are an important means of communication for a large number of people, and the public interest will be served by ensuring that those phones continue to be available. The *Wisconsin Order* simply verifies that, when faced with the same task faced by the Authority in this proceeding, the FCC would apply its own standard in a certain way.

Q. PLEASE DESCRIBE THE REQUIREMENTS SET FORTH IN THE *WISCONSIN ORDER*.

A. The order makes a number of statements that clarify the FCC's intent.[20] First, the CCB reiterates the FCC's four part test: "The Commission required that all incumbent LEC payphone tariffs filed at the state level be cost-based, nondiscriminatory, and consistent with both section 276 and the Commission's Computer III tariffing guidelines" (para. 2) and makes it clear that the ILECs must "provide cost support for each rate element in

[20] The applicability of the detailed requirements of the *Wisconsin Order* to similar investigations in other states (such as this one) is also supported by conversations with the FCC's Common Carrier Bureau Staff. I have met with these staff members on a number of occasions regarding this issue over the past two years. They have expressed a clear belief that the *Wisconsin Order* would provide

accordance with the cost support requirements described below...For each rate element, the incumbent LEC must submit complete cost studies will full documentation" (para. 7).

The order then goes on to describe in detail how compliance with the FCC standards can be achieved: "In order to avoid unnecessary confusion and delay in the implementation of Payphone Order-compliant tariff filings, we set forth briefly below some of the methodological principles applied under Computer III and other relevant FCC proceedings addressing the application of the new services test and cost-based ratemaking principles to services and facilities offered by incumbent LECs to providers of services that compete with incumbent LEC services" (para. 8).

The methodological principles set forth in the order are as follows:

1. "Costs must be determined by the use of an appropriate forward-looking, economic cost methodology that is consistent with the principles the Commission set forth in the Local Competition First report and Order" (para. 9).

2. "With respect to the calculation of direct costs, our longstanding new services test policy is to require the use of consistent methodologies in computing direct costs for related services. Cost study inputs and assumptions used to justify payphone line rates should, therefore, be consistent with the cost inputs used in computing rates for other services offered to competitors" (para. 10).

3. "In determining a just and reasonable portion of overhead costs to be attributed to services offered to competitors, the LECs must justify the methodology used to determine such overhead costs" (para. 11).

4. Absent justification, LECs may not recover a greater share of overheads in rates for

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the clarification necessary to assist with the resolution of this issue in pending state proceedings.

the service under review than they recover from comparable services...For the purpose of justifying overhead allocations, UNEs appear to be 'comparable services' to payphone line services, because both provide critical network functions to an incumbent LEC's competitors and both are subject to a 'cost based' pricing requirement. Thus, we expect incumbent LECs to explain any overhead allocations for their payphone line services that represent a significant departure from overhead allocations approved for UNE services" (para. 11).

5. "Given that the new services test is a cost-based test, overhead allocations must be based on cost, and therefore may not be set artificially high in order to subsidize or contribute to other LEC services" (para. 11).

6. In order to avoid double recovery of costs, therefore, the LEC must demonstrate that in setting its payphone rates it has taken into account other sources of revenue (e.g., SLC/EUCL, PICC, and CCL charges) that are used to recover the costs of the facilities involved" (para. 12).

Q. WHEN SHOULD ANY NEW RATES DEVELOPED BY THE AUTHORITY BE PUT INTO EFFECT?

A. They should be made effective retroactively to April 15, 1997, with refunds ordered for the difference between the rates actually paid and the rate that the Authority determines to be compliant with the FCC's requirements. The *Payphone Orders* required the Tier 1 LECs to have rates filed in compliance with the four part test set out therein by April 15, 1997. *Second Bureau Waiver Order*, at ¶¶ 1-2, 25. While the existing rates continued to be in effect on that date because of the waiver, there was no finding that those rates complied with the FCC requirements.

Q. HAVE ANY OTHER STATE REGULATORS REQUIRED THAT RATES BE ADJUSTED EFFECTIVE BACK TO APRIL 15, 1997?

A. Yes. The *South Carolina Order* so provides (*South Carolina Order*, at p. 29). The Kentucky Public Service Commission also ruled that because the "cost based rates are lower than existing tariffed rates... therefore, BellSouth, CBT, and GTE shall provide credits or refunds back to April 15, 1997."[21] The South Carolina Commission later clarified that refunds, not credits, should be given.

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. Section 276 of the Act gives the FCC the responsibility to ensure that appropriate rates are established for both the intrastate and interstate elements of payphone access service. In response to this legislative mandate, the FCC has developed a four part test to be applied by state regulators when evaluating proposed rates. In order to comply with this test, intrastate payphone access rates must be cost based, in compliance with the requirements of Section 276 of the Act, nondiscriminatory, and in compliance with the requirements of the FCC's new services test.

[21] In the Matter of Deregulation of Local Exchange Companies' Payphone Service, Administrative Case No. 361, Order, January 5, 1999, at pp. 7-8.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.

Exhibit DJW-1

Vita of Don J. Wood
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CURRENT EMPLOYMENT

Don J. Wood is a principal in the firm of Wood & Wood. He provides economic and regulatory analysis services in telecommunications and related "convergence" industries, specializing in economic policy related to the development of competitive markets and cost of service issues. In addition, Mr. Wood advises industry associations on regulatory and economic policy, and assists investors in their evaluation of investment opportunities in the telecommunications industry. The scope of his work has included both landline and wireless voice communications, data services, and emerging technologies.

As a consultant, Mr. Wood has assisted his clients in responding to the challenges and business opportunities of the industry both before and subsequent to the Telecommunications Act of 1996. Prior to his work as a consultant, Mr. Wood was employed in a management capacity at a major Local Exchange Company and an Interexchange Carrier. In each capacity he has been directly involved in both the development and implementation of regulatory policy and business strategy.

As a part of his regulatory practice, Mr. Wood has presented testimony before the administrative regulatory bodies of twenty-eight states, the District of Columbia, and Puerto Rico, and has prepared comments for filing with the Federal Communications Commission. The subject matter of his testimony has ranged from broad policy issues to detailed cost analysis.

Mr. Wood has also presented testimony in state, federal, and overseas courts regarding business plans and strategies, competition policy, and cost of service issues, and has presented studies of the damages incurred by plaintiffs in a number of these proceedings. Mr. Wood has also testified in American Arbitration Association alternative dispute resolution proceedings.

PREVIOUS INDUSTRY EMPLOYMENT

Klick, Kent & Allen/FTI Consulting, Inc.
Regional Director.

GDS Associates, Inc.
Senior Project Manager.

MCI Telecommunications Corporation
Manager of Regulatory Analysis, Southeast Division.
Manager, Corporate Economic Analysis and Regulatory Affairs.

BellSouth Services, Inc.
Staff Manager.

EDUCATION

Emory University, Atlanta, Ga.
BBA in Finance, with Distinction.

College of William and Mary, Williamsburg, Va.
MBA, with concentrations in Finance and Microeconomics.

TESTIMONY - STATE REGULATORY COMMISSIONS:

Alabama Public Service Commission

Docket No. 19356, Phase III: Alabama Public Service Commission vs. All Telephone Companies Operating in Alabama, and Docket 21455: AT&T Communications of the South Central States, Inc., Applicant, Application for a Certificate of Public Convenience and Necessity to Provide Limited IntraLATA Telecommunications Service in the State of Alabama.

Docket No. 20895: In Re: Petition for Approval to Introduce Business Line Termination for MCI's 800 Service.

Docket No. 21071: In Re: Petition by South Central Bell for Introduction of Bidirectional Measured Service.

Docket No. 21067: In Re: Petition by South Central Bell to Offer Dial Back-Up Service and 2400 BPS Central Office Data Set for Use with PulseLink Public Packet Switching Network Service.

Docket No. 21378: In Re: Petition by South Central Bell for Approval of Tariff Revisions to Restructure ESSX and Digital ESSX Service.

Docket No. 21865: In Re: Petition by South Central Bell for Approval of Tariff Revisions to Introduce Network Services to be Offered as a Part of Open Network Architecture.

Docket No. 25703: In Re: In the Matter of the Interconnection Agreement Between AT&T Communications of the South Central States, Inc. and BellSouth Telecommunications, Inc., Pursuant to 47 U.S.C. § 252.

Docket No. 25704: In Re: Petition by AT&T Communications of the South Central States, Inc. for Arbitration of Certain Terms and Conditions of a Proposed Agreement with GTE South Incorporated and CONTEL of the South, Inc. Concerning Interconnection and Resale under the Telecommunications Act of 1996.

Docket No. 25835: In Re: Petition for Approval of a Statement of Generally Available Terms and Conditions Pursuant to §252(f) of the Telecommunications Act of 1996 and Notification of Intention to File a §271 Petition for In-Region InterLATA Authority with the Federal Communications Commission Pursuant to the Telecommunications Act of 1996.

Docket No. 26029: In Re: Generic Proceeding - Consideration of TELRIC Studies.

Docket No. 25980: Implementation of the Universal Support Requirements of Section 254 of the Telecommunications Act of 1996.

Docket No. 27091: Petition for Arbitration by ITC^DeltaCom Communications, Inc. with BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996.

Arkansas Public Service Commission

Docket No. 92-337-R: In the Matter of the Application for a Rule Limiting Collocation for Special Access to Virtual or Physical Collocation at the Option of the Local Exchange Carrier.

Public Utilities Commission of the State of California

Rulemaking 00-02-005: Order Instituting Rulemaking on the Commission's Own Motion into Reciprocal Compensation for Telephone Traffic Transmitted to Internet Service Provider Modems.

Public Utilities Commission of the State of Colorado

Docket No. 96A-345T: In the Matter of the Interconnection Contract Negotiations Between AT&T Communications of the Mountain States, Inc., and US West Communications, Inc., Pursuant to 47 U.S.C. Section 252. Docket No. 96A-366T: In the Matter of the Petition of MCIMetro Access Transmission Services, Inc., for Arbitration Pursuant to 47 U.S.C. § 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with US West Communications, Inc. (consolidated).

Docket No. 96S-257T: In Re: The Investigation and Suspension of Tariff Sheets Filed by US West Communications, Inc., with Advice Letter No. 2608 Regarding Proposed Rate Changes.

Docket No. 98F-146T: Colorado Payphone Association, Complainant, v. US West Communications, Inc., Respondent.

State of Connecticut, Department of Utility Control

Docket 91-12-19: DPUC Review of Intrastate Telecommunications Services Open to Competition (Comments).

Docket No. 94-07-02: Development of the Assumptions, Tests, Analysis, and Review to Govern Telecommunications Service Reclassifications in Light of the Eight Criteria Set Forth in Section 6 of Public Act 94-83 (Comments).

Delaware Public Service Commission

Docket No. 93-31T: In the Matter of the Application of The Diamond State Telephone Company for Establishment of Rules and Rates for the Provision of IntelliLinQ-PRI and IntelliLinQ-BRI.

Docket No. 41: In the Matter of the Development of Regulations for the Implementation of the Telecommunications Technology Investment Act.

Florida Public Service Commission

Docket No. 881257-TL: In Re: Proposed Tariff by Southern Bell to Introduce New Features for Digital ESSX Service, and to Provide Structural Changes for both ESSX Service and Digital ESSX Service.

Docket No. 880812-TP: In Re: Investigation into Equal Access Exchange Areas (EAEAs), Toll Monopoly Areas (TMAs), 1+ Restriction to the Local Exchange Companies (LECs), and Elimination of the Access Discount.

Docket No. 890183-TL: In Re: Generic Investigation into the Operations of Alternate Access Vendors.

Docket No. 870347-TI: In Re: Petition of AT&T Communications of the Southern States for Commission Forbearance from Earnings Regulation and Waiver of Rule 25-4.495(1) and 25-24.480 (1) (b), F.A.C., for a trial period.

Docket No. 900708-TL: In Re: Investigation of Methodology to Account for Access Charges in Local Exchange Company (LEC) Toll Pricing.

Docket No. 900633-TL: In Re: Development of Local Exchange Company Cost of Service Study Methodology.

Docket No. 910757-TP: In Re: Investigation into the Regulatory Safeguards Required to Prevent Cross-Subsidization by Telephone Companies.

Docket No. 920260-TL: In Re: Petition of Southern Bell Telephone and Telegraph Company for Rate Stabilization, Implementation Orders, and Other Relief.

Docket No. 950985-TP: In Re: Resolution of Petitions to establish 1995 rates, terms, and conditions for interconnection involving local exchange companies and alternative local exchange companies pursuant to Section 364.162, Florida Statutes.

Docket No. 960846-TP: In Re: Petition by MCI Telecommunications Corporation and MCI Metro Access Transmission Services, Inc. for Arbitration of Certain Terms and Conditions of a proposed agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996 and Docket No. 960833-TP: In Re: Petition by AT&T Communications of the Southern States, Inc. for Arbitration of Certain Terms and Conditions of a Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996 (consolidated).

Docket No. 960847-TP and 960980-TP: In Re: Petition by AT&T Communications of the Southern States, Inc., MCI Telecommunications Corporation, MCI Metro Access Transmission Service, Inc., for Arbitration of Certain Terms and Conditions of a Proposed Agreement with GTE Florida Incorporated Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996 (consolidated).

Docket No. 961230-TP: In Re: Petition by MCI Telecommunications Corporation for Arbitration with United Telephone Company of Florida and Central Telephone Company of Florida Concerning Interconnection Rates, Terms, and Conditions, Pursuant to the Federal Telecommunications Act of 1996.

Docket No. 960786-TL: In Re: Consideration of BellSouth Telecommunications, Inc.'s Entry Into InterLATA Services Pursuant to Section 271 of the Federal Telecommunications Act of 1996.

Docket Nos. 960833-TP, 960846-TP, 960757-TP, and 971140-TP: Investigation to develop permanent rates for certain unbundled network elements.

Docket No. 980696-TP: In Re: Determination of the cost of basic local telecommunications service, pursuant to Section 364.025 Florida Statutes.

Docket No. 990750-TP: Petition by ITC^DeltaCom Communications, Inc., d/b/a/ ITC^DeltaCom, for arbitration of certain unresolved issues in interconnection negotiations between ITC^DeltaCom and BellSouth Telecommunications, Inc.

Docket No. 991605-TP: Petition of BellSouth Telecommunications, Inc. for Arbitration of the Interconnection Agreement Between Time Warner Telecom of Florida, L.P., pursuant to Section 252 (b) of the Telecommunications Act of 1996.

Georgia Public Service Commission

Docket No. 3882-U: In Re: Investigation into Incentive Telephone Regulation in Georgia.

Docket No. 3883-U: In Re: Investigation into the Level and Structure of Intrastate Access Charges.

Docket No. 3921-U: In Re: Compliance and Implementation of Senate Bill 524.
Docket No. 3905-U: In Re: Southern Bell Rule Nisi.

Docket No. 3995-U: In Re: IntraLATA Toll Competition.

Docket No. 4018-U: In Re: Review of Open Network Architecture (ONA) (Comments).

Docket No. 5258-U: In Re: Petition of BellSouth Telecommunications for Consideration and Approval of its "Georgians FIRST" (Price Caps) Proposal.

Docket No. 5825-U: In Re: The Creation of a Universal Access Fund as Required by the Telecommunications Competition and Development Act of 1995.

Docket No. 6801-U: In Re: Interconnection Negotiations Between BellSouth Telecommunications, Inc. and AT&T Communications of the Southern States, Inc., Pursuant to Sections 251-252 and 271 of the Telecommunications Act of 1996.

Docket No. 6865-U: In Re: Petition by MCI for Arbitration of Certain Terms and Conditions of Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996.

Docket No. 7253-U: In Re: BellSouth Telecommunications, Inc.'s Statement of Generally Available Terms and Conditions Under Section 252 (f) of the Telecommunications Act of 1996.

Docket No. 7061-U: In Re: Review of Cost Studies and Methodologies for Interconnection and Unbundling of BellSouth Telecommunications Services.

Docket No. 10692-U: In Re: Generic Proceeding to Establish Long-Term Pricing Policies for Unbundled Network Elements.

Docket No. 10854-U: In Re: Petition for Arbitration of ITC^DeltaCom Communications, Inc. with BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996

Iowa Utilities Board

Docket No. RPU-95-10.

Docket No. RPU-95-11.

State Corporation Commission of the State of Kansas

Docket No. 00-GIMT-1054-GIT: In the Matter of a General Investigation to Determine Whether Reciprocal Compensation Should Be Paid for Traffic to an Internet Service Provider.

Kentucky Public Service Commission

Administrative Case No. 10321: In the Matter of the Tariff Filing of South Central Bell Telephone Company to Establish and Offer Pulselink Service.

Administrative Case No. 323: In the Matter of An Inquiry into IntraLATA Toll Competition, An Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality.

- Phase IA: Determination of whether intraLATA toll competition is in the public interest.
- Phase IB: Determination of a method of implementing intraLATA competition.
- Rehearing on issue of Imputation.

Administrative Case No. 90-256, Phase II: In the Matter of A Review of the Rates and Charges and Incentive Regulation Plan of South Central Bell Telephone Company.

Administrative Case No. 336: In the Matter of an Investigation into the Elimination of Switched Access Service Discounts and Adoption of Time of Day Switch Access Service Rates.

Administrative Case No. 91-250: In the Matter of South Central Bell Telephone Company's Proposed Area Calling Service Tariff.

Administrative Case No. 96-431: In Re: Petition by MCI for Arbitration of Certain Terms and Conditions of a Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996.

Administrative Case No. 96-478: In Re: The Petition by AT&T Communications of the South Central States, Inc. for Arbitration of Certain Terms and Conditions of a Proposed Agreement with GTE South Incorporated Concerning Interconnection and Resale Under the Telecommunications Act of 1996.

Administrative Case No. 96-482: In Re: The Interconnection Agreement Negotiations Between AT&T Communications of the South Central States, Inc. and BellSouth Telecommunications, Inc., Pursuant to 47 U.S.C. § 252.

Administrative Case No. 360: In the Matter of: An Inquiry Into Universal Service and Funding Issues.

Administrative Case No. 96-608: In the Matter of: Investigation Concerning the Provision of InterLATA Services by BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996.

Louisiana Public Service Commission

Docket No. 17970: In Re: Investigation of the Revenue Requirements, Rate Structures, Charges, Services, Rate of Return, and Construction Program of AT&T Communications of the South Central States, Inc., in its Louisiana Operations.

Docket No. U-17949: In the Matter of an Investigation of the Revenue Requirements, Rate Structures, Charges, Services, Rate of Return, and Construction Program of South Central Bell Telephone Company, Its Louisiana Intrastate Operations, The Appropriate Level of Access Charges, and All Matters Relevant to the Rates and Service Rendered by the Company.

- Subdocket A (SCB Earnings Phase)
- Subdocket B (Generic Competition Phase)

Docket No. 18913-U: In Re: South Central Bell's Request for Approval of Tariff Revisions to Restructure ESSX and Digital ESSX Service.

Docket No. U-18851: In Re: Petition for Elimination of Disparity in Access Tariff Rates.
Docket No. U-22022: In Re: Review and Consideration of BellSouth Telecommunications, Inc.'s TSLRIC and LRIC Cost Studies Submitted Pursuant to Sections 901(C) and 1001(E) of the Regulations for Competition in the Local Telecommunications Market as Adopted by General Order Dated March 15, 1996 in Order to Determine the Cost of Interconnection Services and Unbundled Network Components to Establish Reasonable, Non-Discriminatory, Cost Based Tariffed Rates and Docket No. U-22093: In Re: Review and Consideration of BellSouth Telecommunications, Inc.'s Tariff Filing of April 1, 1996, Filed Pursuant to Section 901 and 1001 of the Regulations for Competition in the Local Telecommunications Market Which Tariff Introduces Interconnection and Unbundled Services and Establishes the Rates, Terms and Conditions for Such Service Offerings (consolidated).

Docket No. U-22145: In the Matter of Interconnection Agreement Negotiations Between AT&T Communications of the South Central States, Inc. and BellSouth Telecommunications, Inc., Pursuant to 47 U.S.C. § 252.

Docket No. U-22252: In Re: Consideration and Review of BST's Preapplication Compliance with Section 271 of the Telecommunications Act of 1996, including but not limited to the fourteen requirements set forth in Section 271 (c) (2) (b) in order to verify compliance with section 271 and provide a recommendation to the FCC regarding BST's application to provide interLATA services originating in-region.

Docket No. U-20883 Subdocket A: In Re: Submission of the Louisiana Public Service Commission's Forward Looking Cost Study to the FCC for Purposes of Calculating Federal Universal Service Support.

Docket No. U-24206: In Re: Petition for Arbitration of ITC^DeltaCom Communications, Inc. with BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996.

Public Service Commission of Maryland

Case 8584, Phase II: In the Matter of the Application of MFS Intelenet of Maryland, Inc. for Authority to Provide and Resell Local Exchange and Intrastate Telecommunications Services in Areas Served by C&P Telephone Company of Maryland.

Case 8715: In the Matter of the Inquiry into Alternative Forms of Regulating Telephone Companies.

Case 8731: In the Matter of the Petitions for Approval of Agreements and Arbitration of Unresolved Issues Arising Under Section 252 of the Telecommunications Act of 1996.

Massachusetts Department of Telecommunications and Energy

D.P.U./D.T.E. 97088/97-18 (Phase II): Investigation by the Department of Telecommunications & Energy on its own motion regarding (1) implementation of section 276 of the Telecommunications Act of 1996 relative to public interest payphones, (2) Entry and Exit Barriers for the Payphone Marketplace, (3) New England Telephone and Telegraph Compnay d/b/a NYNEX's Public Access Smart-Pay Service, and (4) the rate policy for operator service providers.

Mississippi Public Service Commission

Docket No. U-5086: In Re: MCI Telecommunications Corporation's Metered Use Service Option D (Prism I) and Option E (Prism II).

Docket No. U-5112: In Re: MCI Telecommunications Corporation's Metered Use Option H (800 Service).

Docket No. U-5318: In Re: Petition of MCI for Approval of MCI's Provision of Service to a Specific Commercial Banking Customers for Intrastate Interexchange Telecommunications Service.

Docket 89-UN-5453: In Re: Notice and Application of South Central Bell Telephone Company for Adoption and Implementation of a Rate Stabilization Plan for its Mississippi Operations.

Docket No. 90-UA-0280: In Re: Order of the Mississippi Public Service Commission Initiating Hearings Concerning (1) IntraLATA Competition in the Telecommunications Industry and (2) Payment of Compensation by Interexchange Carriers and Resellers to Local Exchange Companies in Addition to Access Charges.

Docket No. 92-UA-0227: In Re: Order Implementing IntraLATA Competition.

Docket No. 96-AD-0559: In Re: In the Matter of the Interconnection Agreement Negotiations Between AT&T Communications of the South Central States, Inc. and BellSouth Telecommunications, Inc., Pursuant to 47 U.S.C. § 252.

Docket No. 98-AD-035: Universal Service.

Docket No. 97-AD-544: In Re: Generic Proceeding to Establish Permanent Prices for BellSouth Interconnection and Unbundled Network Elements.

Nebraska Public Service Commission

Docket No. C-1385: In the Matter of a Petition for Arbitration of an Interconnection Agreement Between AT&T Communications of the Midwest, Inc., and US West Communications, Inc.

New York Public Service Commission

Case No. 28425: Proceeding on Motion of the Commission as to the Impact of the Modification of Final Judgement and the Federal Communications Commission's Docket 78-72 on the Provision of Toll Service in New York State.

North Carolina Public Utilities Commission

Docket No. P-100, Sub 72: In the Matter of the Petition of AT&T to Amend Commission Rules Governing Regulation of Interexchange Carriers (Comments).

Docket No. P-141, Sub 19: In the Matter of the Application of MCI Telecommunications Corporation to Provide InterLATA Facilities-Based Telecommunications Services (Comments).

Docket No. P-55, Sub 1013: In the Matter of Application of BellSouth Telecommunications, Inc. for, and Election of, Price Regulation.

Docket Nos. P-7, Sub 825 and P-10, Sub 479: In the Matter of Petition of Carolina Telephone and Telegraph and Central Telephone Company for Approval of a Price Regulation Plan Pursuant to G.S. 62-133.5.

Docket No. P-19, Sub 277: In the Matter of Application of GTE South Incorporated for and Election of, Price Regulation.

Docket No. P-141, Sub 29: In the Matter of: Petition of MCI Telecommunications Corporation for Arbitration of Interconnection with BellSouth Telecommunications, Inc., Petition of AT&T Communications of the Southern States, Inc. for Arbitration of Interconnection with BellSouth Telecommunications, Inc. (consolidated).

Docket No. P-141, Sub 30: In the Matter of: Petition of MCI Telecommunications Corporation for Arbitration of Interconnection with General Telephone Company of North Carolina, Inc., Petition of AT&T Communications of the Southern States, Inc. for Arbitration of Interconnection with General Telephone Company of North Carolina, Inc. (consolidated).

Docket No. P-100, Sub 133b: Re: In the Matter of Establishment of Universal Support Mechanisms Pursuant to Section 254 of the Telecommunications Act of 1996.

Docket No. P-100, Sub 133d: Re: Proceeding to Determine Permanent Pricing for Unbundled Network Elements.

Docket No. P-100, Sub 84b: Re: In the Matter of Petition of North Carolina Payphone Association for Review of Local Exchange Company Tariffs for Basic Payphone Services (Comments).

Docket No. P-561, Sub 10: BellSouth Telecommunications, Inc., Complainant, v. US LEC of North Carolina, LLC, and Metacomm, LLC, Respondents.

Docket No. P-472, Sub 15: In the Matter of the Interconnection Agreement Between BellSouth Telecommunications, Inc. and Time Warner Telecom of North Carolina, L.P. Pursuant to Section 252(b) of the Telecommunications Act of 1996.

Public Utilities Commission of Ohio

Case No. 93-487-TP-ALT: In the Matter of the Application of The Ohio Bell Telephone Company for Approval of an Alternative Form of Regulation.

Oklahoma Corporation Commission

Cause No. PUD 01448: In the Matter of the Application for an Order Limiting Collocation for Special Access to Virtual or Physical Collocation at the Option of the Local Exchange Carrier.

Public Utility Commission of Oregon

Docket No. UT 119: In the Matter of an Investigation into Tariffs Filed by US West Communications, Inc., United Telephone of the Northwest, Pacific Telecom, Inc., and GTE Northwest, Inc. in Accordance with ORS 759.185(4).

Docket No. ARB 3: In the Matter of the Petition of AT&T Communications of the Pacific Northwest, Inc., for Arbitration of Interconnection Rates, Terms, and Conditions Pursuant to 47 U.S.C. § 252(b) of the Telecommunications Act of 1996. Docket No. ARB 6: In the Matter of the Petition of MCIMetro Access

Transmission Services, Inc. for Arbitration of Interconnection Rates, Terms, and Conditions Pursuant to 47 U.S.C. § 252(b) of the Telecommunications Act of 1996 (consolidated).

Docket No. ARB 9: In the Matter of the Petition of an Interconnection Agreement Between MCIMetro Access Transportation Services, Inc. and GTE Northwest Incorporated, Pursuant to 47 U.S.C. Section 252

Pennsylvania Public Utilities Commission

Docket No. I-00910010: In Re: Generic Investigation into the Current Provision of InterLATA Toll Service.

Docket No. P-00930715: In Re: The Bell Telephone Company of Pennsylvania's Petition and Plan for Alternative Form of Regulation under Chapter 30.

Docket No. R-00943008: In Re: Pennsylvania Public Utility Commission v. Bell Atlantic-Pennsylvania, Inc. (Investigation of Proposed Promotional Offerings Tariff).

Docket No. M-00940587: In Re: Investigation pursuant to Section 3005 of the Public Utility Code, 66 Pa. C. S. §3005, and the Commission's Opinion and Order at Docket No. P-930715, to establish standards and safeguards for competitive services, with particular emphasis in the areas of cost allocations, cost studies, unbundling, and imputation, and to consider generic issues for future rulemaking.

South Carolina Public Service Commission

Docket No. 90-626-C: In Re: Generic Proceeding to Consider Intrastate Incentive Regulation.

Docket No. 90-321-C: In Re: Petition of Southern Bell Telephone and Telegraph Company for Revisions to its Access Service Tariff Nos. E2 and E16.

Docket No. 88-472-C: In Re: Petition of AT&T of the Southern States, Inc., Requesting the Commission to Initiate an Investigation Concerning the Level and Structure of Intrastate Carrier Common Line (CCL) Access Charges.

Docket No. 92-163-C: In Re: Position of Certain Participating South Carolina Local Exchange Companies for Approval of an Expanded Area Calling (EAC) Plan.

Docket No. 92-182-C: In Re: Application of MCI Telecommunications Corporation, AT&T Communications of the Southern States, Inc., and Sprint Communications Company, L.P., to Provide IntraLATA Telecommunications Services.

Docket No. 95-720-C: In Re: Application of BellSouth Telecommunications, Inc. d/b/a Southern Bell Telephone and Telegraph Company for Approval of an Alternative Regulation Plan.

Docket No. 96-358-C: In Re: Interconnection Agreement Negotiations Between AT&T Communications of the Southern States, Inc. and BellSouth Telecommunications, Inc., Pursuant to 47 U.S.C. § 252.

Docket No. 96-375-C: In Re: Interconnection Agreement Negotiations Between AT&T Communications of the Southern States, Inc. and GTE South Incorporated Pursuant to 47 U.S.C. § 252.

Docket No. 97-101-C: In Re: Entry of BellSouth Telecommunications, Inc. into the InterLATA Toll Market.

Docket No. 97-374-C: In Re: Proceeding to Review BellSouth Telecommunications, Inc. Cost for Unbundled Network Elements.

Docket No. 97-239-C: Intrastate Universal Service Fund.

Docket No. 97-124-C: BellSouth Telecommunications, Inc. Revisions to its General Subscriber Services Tariff and Access Service Tariff to Comply with the FCC's Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996.

Docket No. 1999-268-C: Petition of Myrtle Beach Telephone, LLC, for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement with Horry Telephone Cooperative, Inc.

Docket No. 1999-259-C: Petition for Arbitration of ITC^DeltaCom Communications, Inc. with BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996.

Tennessee Public Service Commission

Docket No. 90-05953: In Re: Earnings Investigation of South Central Bell Telephone Company.

Docket Nos. 89-11065, 89-11735, 89-12677: AT&T Communications of the South Central States, MCI Telecommunications Corporation, US Sprint Communications Company -- Application for Limited IntraLATA Telecommunications Certificate of Public Convenience and Necessity.

Docket No. 91-07501: South Central Bell Telephone Company's Application to Reflect Changes in its Switched Access Service Tariff to Limit Use of the 700 Access Code.

Tennessee Regulatory Authority

Docket No. 96-01152: In Re: Petition by AT&T Communications of the South Central States, Inc. for Arbitration under the Telecommunications Act of 1996 and Docket No. 96-01271: In Re: Petition by MCI Telecommunications Corporation for Arbitration of Certain Terms and Conditions of a Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996 (consolidated).

Docket No. 96-01262: In Re: Interconnection Agreement Negotiations Between AT&T of the South Central States, Inc. and BellSouth Telecommunications, Inc. Pursuant to 47 U.S.C. § 252.

Docket No. 97-01262: Proceeding to Establish Permanent Prices for Interconnection and Unbundled Network Elements.

Docket No. 97-00888: Universal Service Generic Contested Case.

Docket No. 99-00430: Petition for Arbitration of ITC^DeltaCom Communications, Inc. with BellSouth Telecommunications, Inc. pursuant to the Telecommunications Act of 1996.

Public Utility Commission of Texas

Docket No. 12879: Application of Southwestern Bell Telephone Company for Expanded Interconnection for Special Access Services and Switched Transport Services and Unbundling of Special Access DS1 and DS3 Services Pursuant to P. U. C. Subst. R. 23.26.

Docket No. 18082: Complaint of Time Warner Communications against Southwestern Bell Telephone Company.

Docket No. 21982: Proceeding to Examine Reciprocal Compensation Pursuant to Section 252 of the Federal Telecommunications Act of 1996.

Virginia State Corporation Commission

Case No. PUC920043: Application of Virginia Metrotel, Inc. for a Certificate of Public Convenience and Necessity to Provide InterLATA Interexchange Telecommunications Services.

Case No. PUC920029: Ex Parte: In the Matter of Evaluating the Experimental Plan for Alternative Regulation of Virginia Telephone Companies.

Case No. PUC930035: Application of Contel of Virginia, Inc. d/b/a GTE Virginia to implement community calling plans in various GTE Virginia exchanges within the Richmond and Lynchburg LATAs.

Case No. PUC930036: Ex Parte: In the Matter of Investigating Telephone Regulatory Methods Pursuant to Virginia Code § 56-235.5, & Etc.

Washington Utilities and Transportation Commission

Docket Nos. UT-941464, UT-941465, UT-950146, and UT-950265 (Consolidated): Washington Utilities and Transportation Commission, Complainant, vs. US West Communications, Inc., Respondent; TCG Seattle and Digital Direct of Seattle, Inc., Complainant, vs. US West Communications, Inc., Respondent; TCG Seattle, Complainant, vs. GTE Northwest Inc., Respondent; Electric Lightwave, Inc., vs. GTE Northwest, Inc., Respondent.

Docket No. UT-950200: In the Matter of the Request of US West Communications, Inc. for an Increase in its Rates and Charges.

Public Service Commission of Wyoming

Docket No. 70000-TR-95-238: In the Matter of the General Rate/Price Case Application of US West Communications, Inc. (Phase I).

Docket No. PSC-96-32: In the Matter of Proposed Rule Regarding Total Service Long Run Incremental Cost (TSLRIC) Studies.

Docket No. 70000-TR-98-420: In the Matter of the Application of US West Communications, Inc. for authority to implement price ceilings in conjunction with its proposed Wyoming Price Regulation Plan for essential and noncompetitive telecommunications services (Phase III).

Docket No. 70000-TR-99-480: In the Matter of the Application of US West Communications, Inc. for authority to implement price ceilings in conjunction with its proposed Wyoming Price Regulation Plan for essential and noncompetitive telecommunications services (Phase IV).

Public Service Commission of the District of Columbia

Formal Case No. 814, Phase IV: In the Matter of the Investigation into the Impact of the AT&T Divestiture and Decisions of the Federal Communications Commission on Bell Atlantic - Washington, D. C. Inc.'s Jurisdictional Rates.

Puerto Rico Telecommunications Regulatory Board

Case No. 98-Q-0001: In Re: Payphone Tariffs.

COMMENTS/DECLARATIONS - FEDERAL COMMUNICATIONS COMMISSION

CC Docket No. 92-91: In the Matter of Open Network Architecture Tariffs of Bell Operating Companies.

CC Docket No. 93-162: Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection for Special Access.

CC Docket No. 91-141: Common Carrier Bureau Inquiry into Local Exchange Company Term and Volume Discount Plans for Special Access.

CC Docket No. 94-97: Review of Virtual Expanded Interconnection Service Tariffs.

CC Docket No. 94-128: Open Network Architecture Tariffs of US West Communications, Inc.

CC Docket No. 94-97, Phase II: Investigation of Cost Issues, Virtual Expanded Interconnection Service Tariffs.

CC Docket No. 96-98: In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996

CC Docket No. 97-231: Application by BellSouth to Provide In-Region InterLATA Services

CC Docket No. 98-121: Application by BellSouth to Provide In-Region InterLATA Services

CCB/CPD No. 99-27: In the Matter of Petition of North Carolina Payphone Association for Expedited Review of, and/or Declaratory Ruling Concerning, Local Exchange Company Tariffs for Basic Payphone Services.

CC Docket No. 96-128: In the Matter of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CCB/CPD No. 99-31: Oklahoma Independent Telephone Companies Petition for Declaratory Ruling (consolidated).

CCB/CPD No. 00-1: In the Matter of the Wisconsin Public Service Commission Order Directing Filings.

CC Docket No. 99-68: In the Matter of Inter-Carrier Compensation for ISP-Bound Traffic

REPRESENTATIVE TESTIMONY – STATE, FEDERAL, AND OVERSEAS COURTS

Court of Common Pleas, Philadelphia County, Pennsylvania

Shared Communications Services of 1800-80 JFK Boulevard, Inc., Plaintiff, v. Bell Atlantic Properties, Inc., Defendant.

United States District Court for the District of South Carolina, Columbia Division

Brian Wesley Jeffcoat, on behalf of himself and others similarly situated, Plaintiffs, v. Time Warner Entertainment - Advance/Newhouse Partnership, Defendant.

High Court of the Hong Kong Special Administrative Region, Court of First Instance

Commercial List No. 229 of 1999: Cable and Wireless HKT International Limited, Plaintiff v. New World Telephone Limited, Defendant.

REPRESENTATIVE TESTIMONY – AMERICAN ARBITRATION ASSOCIATION

Southwestern Bell Telephone Company, Claimant vs. Time Warner Telecom, Respondent.

CERTIFICATE OF SERVICE

I hereby certify that on September 15, 2000, a copy of the foregoing document was served on the parties of record, via U.S. Mail, addressed as follows:

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