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REGULATORY AUTH.

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March 7, 2001

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EXECUTIVE SECRETARY
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VIA HAND DELIVERY

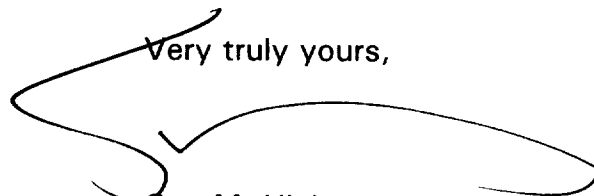
David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Universal Service Fund*
Docket No. 97-00888

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of the non-proprietary portions of BellSouth's responses to the Directors' requests issued during the February 21, 2001 Agenda Conference. Proprietary portions of the responses are being provided under separate cover. Copies of the enclosed are being provided to counsel of record for all parties.

Very truly yours,



Guy M. Hicks

GMH:ch
Enclosure

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee**

In Re: *Universal Service Fund*

Docket No. 97-00888

**RESPONSE OF BELL SOUTH TELECOMMUNICATIONS, INC.
TO REQUESTS FOR INFORMATION FROM DIRECTORS
AT FEBRUARY 21, 2001 AGENDA CONFERENCE**

At the February 21, 2001 Agenda Conference, the Directors requested that BellSouth provide certain information in connection with the provision of Universal Service in Tennessee. In response to those requests, BellSouth provides the following:

Attachment 1 - Computation of Intrastate Universal Service Support for High Cost Loops

Shows a list of wirecenters where the per line residential revenue benchmark (10-24-00 BST submission) is less than the residential line cost (09-30-00 AT&T submission). Shows 12-31-00 end of period count of primary residential lines. Line count is multiplied by 12, and then multiplied by the difference between the cost and the revenue to compute the annual intrastate USF support for each wirecenter. The line count data by wirecenter is considered confidential and is submitted subject to the protective order entered in this proceeding.

Attachment 2A - Computation of Intrastate Lifeline Credit

Shows the count of Lifeline credits from September of 1999 through August of 2000. Multiplies the count of credits each month times \$3.50 to compute the amount of intrastate Lifeline support. Also shows the credits from January 2000 through December 2000 for information purposes.

Attachment 2B - Computation of Intrastate Education Discounts

Shows computation of cost of educational discount programs from September of 1999 through August of 2000. Compares the tariff rate of educational services to the business rate for the same service. The difference between the business rate and the educational service rate is then multiplied by quantities in service to compute the educational discount amount. Also shows the computed credits from January 2000 through December 2000 for information purposes.

Attachment 3 - Interstate CALLS Plan for 2000 and 2001

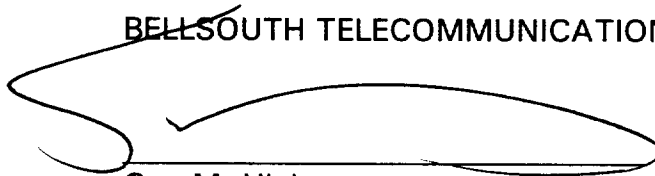
Show the support received from the CALLS Plan, starting in July 2000 through December 2000. Also show the anticipated support for January 2001 through December 2001.

Attachment 4 - Computation of Intrastate Universal Service Support for High Cost Loops – CALLS Impact

The list of wirecenters shown in Attachment 1 is modified to include additional CALLS per line revenue. The annual intrastate USF support is computed for each wirecenter. Wirecenters no longer requiring support based on the Authority's requested calculation have been dropped from the list. The line count data by wirecenter is considered confidential and is submitted subject to the terms of the protective order entered in this proceeding.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.



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Intrastate Lifeline Program

	EOP Lifeline Credits	Lifeline Intrastate Amt @ \$3.50 / Ln	
		Sep-99 thru Aug-00	Jan-00 thru Dec-00
Sep-99	22,665	\$ 79,327.50	
Oct-99	22,849	\$ 79,971.50	
Nov-99	23,136	\$ 80,976.00	
Dec-99	23,627	\$ 82,694.50	
Jan-00	24,055	\$ 84,192.50	\$ 84,192.50
Feb-00	25,023	\$ 87,580.50	\$ 87,580.50
Mar-00	26,644	\$ 93,254.00	\$ 93,254.00
Apr-00	27,364	\$ 95,774.00	\$ 95,774.00
May-00	27,761	\$ 97,163.50	\$ 97,163.50
Jun-00	28,008	\$ 98,028.00	\$ 98,028.00
Jul-00	28,437	\$ 99,529.50	\$ 99,529.50
Aug-00	29,209	\$ 102,231.50	\$ 102,231.50
Sep-00	29,729		\$ 104,051.50
Oct-00	30,334		\$ 106,169.00
Nov-00	30,829		\$ 107,901.50
Dec-00	31,045		\$ 108,657.50
		\$ 1,080,723.00	\$ 1,184,533.00

Intrastate Education Credits

Tariff Rate		In-Classroom Computer Access Service	Avg Revenue	Flat Rate Business	
1EC2X	\$ 17.00	Access Line - Outgoing only	36.05	Flat Rate Main Station Line Service	
1ECOX	\$ 17.00	Access Line - Both Way	36.05	Flat Rate Main Station Line Service	
Tariff Rate		Distance Learning Video Transport	Tariff Rate	MegaLink [®] Service	
1L7AV	\$ 11.50	Interoffice Channel - Each mile or fraction thereof	44.50	Interoffice Channel - Each mile or fraction thereof	
1L7FV	\$ 53.00	Interoffice Channel - Fixed monthly rate	\$	Interoffice Channel - Fixed monthly rate	
1LDTV	\$ 70.00	Digital Local Channel - Each	\$ 106.00	Digital Local Channel - Each	

Quantity in Service		Effective Revenue Credit per Month		Total	
1EC2X	1ECOX	1L7AV	1L7FV	1LDTV	
Sep-99	1,747	107	1,093	48	138
Oct-99	1,737	107	1,107	50	140
Nov-99	1,724	107	1,108	51	141
Dec-99	1,714	107	1,154	52	145
Jan-00	1,723	99	1,131	52	143
Feb-00	1,723	98	1,125	52	141
Mar-00	1,625	97	1,154	54	144
Apr-00	1,630	97	1,254	55	146
May-00	1,621	96	1,254	55	146
Jun-00	1,597	96	1,254	55	146
Jul-00	1,599	96	1,254	55	150
Aug-00	1,600	96	1,238	53	147
Total	20,040	1,203	14,126	632	1,727

Effective Revenue Credit per Month		Total	
1EC2X	1ECOX	1L7AV	1LDTV
\$ 33,280	\$ 2,038	\$ 36,069	\$ 4,968
\$ 33,090	\$ 2,038	\$ 36,531	\$ 5,040
\$ 32,842	\$ 2,038	\$ 36,564	\$ 5,076
\$ 32,652	\$ 2,038	\$ 38,082	\$ 5,220
\$ 32,823	\$ 1,886	\$ 37,323	\$ 5,148
\$ 32,823	\$ 1,867	\$ 37,125	\$ 5,144
\$ 30,956	\$ 1,848	\$ 38,082	\$ 5,188
\$ 31,052	\$ 1,848	\$ 41,382	\$ 5,256
\$ 30,880	\$ 1,829	\$ 41,382	\$ 5,256
\$ 30,423	\$ 1,829	\$ 41,382	\$ 5,256
\$ 30,461	\$ 1,829	\$ 41,382	\$ 5,400
\$ 30,480	\$ 1,829	\$ 40,854	\$ 5,292
\$ 411,835	\$ 24,753	\$ 478,774	\$ 71,832
			\$ 1,003,642

Quantity in Service		Effective Revenue Credit per Month		Total	
1EC2X	1ECOX	1L7AV	1L7FV	1LDTV	
Jan-00	1,723	99	1,131	52	143
Feb-00	1,723	98	1,125	52	141
Mar-00	1,625	97	1,154	54	144
Apr-00	1,630	97	1,254	55	146
May-00	1,621	96	1,254	55	146
Jun-00	1,597	96	1,254	55	146
Jul-00	1,599	96	1,254	55	150
Aug-00	1,600	96	1,238	53	147
Sep-00	1,595	96	1,238	53	147
Oct-00	1,565	96	1,202	48	141
Nov-00	1,561	96	1,202	48	140
Dec-00	1,561	97	1,190	47	138
Total	19,400	1,160	14,496	627	1,729

Effective Revenue Credit per Month		Total	
1EC2X	1ECOX	1L7AV	1LDTV
\$ 32,823	\$ 1,886	\$ 37,323	\$ 5,148
\$ 32,823	\$ 1,867	\$ 37,125	\$ 5,144
\$ 30,956	\$ 1,848	\$ 38,082	\$ 5,188
\$ 31,052	\$ 1,848	\$ 41,382	\$ 5,256
\$ 30,880	\$ 1,829	\$ 41,382	\$ 5,256
\$ 30,423	\$ 1,829	\$ 41,382	\$ 5,400
\$ 30,461	\$ 1,829	\$ 41,382	\$ 5,292
\$ 30,480	\$ 1,829	\$ 40,854	\$ 5,292
\$ 30,385	\$ 1,829	\$ 40,854	\$ 5,292
\$ 29,813	\$ 1,829	\$ 39,666	\$ 5,076
\$ 29,737	\$ 1,829	\$ 39,666	\$ 5,040
\$ 29,737	\$ 1,848	\$ 39,270	\$ 5,034
\$ 369,570	\$ 22,098	\$ 478,368	\$ 71,832
			\$ 946,074

Federal Access USF (CALLS)

**USAC Receipts per Month
BellSouth**

Sourcing (A)		Zone 1		Zone 2		Zone 3		Zone 4		Total (J)
		Residence & Single Line Business (B)	Multi-line Business (C)	Residence & Single Line Business (D)	Multi-line Business (E)	Residence & Single Line Business (F)	Multi-line Business (G)	Residence & Single Line Business (H)	Multi-line Business (I)	
Tennessee - Jul 2000 thru Sep 2000										
100	Access USF Support per Line		\$ -	\$ -	\$ 0.2306	\$ -	\$ 1.3671	\$ -	\$ -	
110	Percentage of ILEC Lines by Zone		18.87%	15.09%	24.31%	9.06%	26.36%	6.30%	0.00%	100.00%
120	Total Access Lines		1,534,414	521,506	105,251	31,774	407,730	96,530		2,697,205
130	Explicit USF Receipts		\$ -	\$ -	\$ -	\$ -	\$ 557,408	\$ -	\$ -	\$ 581,679
140	Explicit Per Line Subsidy from USAC (at t)		(J):Ln 130J / Ln 120J							\$ 0.22
Tennessee - Oct 2000 thru Dec 2000										
100	Access USF Support per Line		\$ -	\$ -	\$ 0.2306	\$ -	\$ 1.3671	\$ -	\$ -	
110	Percentage of ILEC Lines by Zone		48.27%	20.12%	15.40%	4.51%	9.41%	2.28%	0.00%	100.00%
120	Total Access Lines		1,529,367	516,619	105,228	31,922	407,478	97,278		2,687,892
130	Explicit USF Receipts		\$ -	\$ -	\$ 24,266	\$ -	\$ 557,063	\$ -	\$ -	\$ 581,329
140	Explicit Per Line Subsidy from USAC (at t)		(J):Ln 130J / Ln 120J							\$ 0.22
Tennessee - Jan 2001 thru Dec 2001										
100	Access USF Support per Line		\$ -	\$ -	\$ 0.2347	\$ -	\$ 1.4186	\$ -	\$ -	
110	Percentage of ILEC Lines by Zone		56.91%	19.10%	3.94%	1.19%	15.21%	3.65%	0.00%	100.00%
120	Total Access Lines		1,525,417	511,995	105,578	31,844	407,615	97,749		2,680,198
130	Explicit USF Receipts		\$ -	\$ -	\$ 24,779	\$ -	\$ 578,243	\$ -	\$ -	\$ 603,022
140	Explicit Per Line Subsidy from USAC (at t)		(J):Ln 130J / Ln 120J							\$ 0.22

CERTIFICATE OF SERVICE

I hereby certify that on March 7, 2001, a copy of the foregoing document was served on the parties of record, via hand delivery, fax, or U. S. Mail, postage pre-paid, addressed as follows:

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