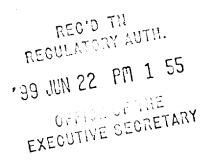


June 21, 1999



Mr. K. David Waddell Executive Secretary Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37219-0412

RE:

Docket Number 99-00299, BTI Telecommunications IntraLATA Toll

Dialing Parity Implementation Plan

Dear Mr. Waddell:

Enclosed please find the original and 13 copies of Business Telecom, Inc.'s (BTI) Revised IntraLATA Toll Dialing Parity Plan. BTI will comply with all rules of the Federal Communications Commission and the Tennessee Regulatory Authority in implementing its plan.

I am enclosing one additional copy of the cover letter, to be file-stamped and returned. If you have any questions regarding this filing please contact me at 800-849-9100, extension 7325.

Sincerely,

Jean Houck

Regulatory Affairs

Enclosure

INTRALATA TOLL DIALING PARITY PLAN

BUSINESS TELECOM, INC. 4300 Six Forks Road Raleigh, NC 27609

REVISED JUNE 21, 1999

Business Telecom, Inc.

Revised IntraLATA Toll Dialing Parity Plan

I. Purpose

In compliance with the FCC's Order 99-54, Business Telecom, Inc. ("BTI") files its plan for implementing intraLATA toll dialing parity in the areas of Tennessee in which it is certified to provide local exchange service.

The intent of this Plan is to provide customers the ability to pre-select the telecommunications carrier of their choice for completing 1+ intraLATA toll calls without the use of access codes.

II. Implementation Schedule

BTI will offer intraLATA toll dialing parity to its customers in Tennessee by July 22, 1999. At that time, BTI's retail customers may choose any participating interexchange carrier. Currently, BTI is reselling BellSouth Telecommunications service in the following exchanges: Chattanooga, Cleveland, Dayton, Jasper, Bulls Gap, Clinton, Concord, Dandridge, Gatlinburg, Kingston, Knoxville, La Follette, lake City, Lenoir City, Loudon, Maryville, Morristown, Newport, Oak Ridge, Oliver Springs, Sevierville, Sweetwater, Jackson, Memphis, Union City, Ashland City, Centerville, Clarksville, Columbia, Franklin, Gallatin, Goodlettsville, Greenbrier, Hendersonville, Lawrenceburg, Lewisburg, Lyles, Manchester, Mount Pleasant, Murfreesboro, Nashville, Pleasant View, Pulaski, Shelbyville, Smyrna, Springfield, Tullahoma, White House, and Winchester. Exhibit A is a listing of all BellSouth exchanges in which BTI may offer intraLATA toll dialing parity.

III. Carrier Selection Procedures

BTI will implement the full 2-PIC carrier selection methodology. With the full 2-PIC methodology, customers will be able to presubscribe to one telecommunications carrier for interLATA toll calls and presubscribe to the same or a different participating telecommunications carrier for intraLATA toll calls.

Processes will be established to provide new customers with an opportunity to choose their intraLATA toll carrier. Company employees who communicate with the public, accept orders and serve in customer service capacities will be trained to explain the availability of 2-PIC intraLATA toll dialing parity, and to assist customers in making an initial

PIC choice or in changing a PIC choice for intraLATA and interLATA toll calls.

Existing Customers

On July 22, 1999, BTI's retail customers may presubscribe to any IXC that is a participating carrier. An existing customer who does not make a choice for an intraLATA PIC will remain with their existing intraLATA carrier until such time a choice is made for their intraLATA 1+ and 0+ toll calls. Customers may communicate their choice of carriers directly to BTI or indirectly through their selected carriers.

New Customers

Customers who contact BTI requesting new telephone exchange service will be informed of the opportunity to choose both an intraLATA carrier and an interLATA carrier for their toll calls. If requested by the customer, BTI will provide a list of telecommunications carriers that are available to provide intraLATA toll service in their exchange. The list of intraLATA toll carriers will be presented to customers in a competitively neutral manner. New customers who do not select an intraLATA carrier will be assigned a "no-PIC" status and will be unable to make 1+ or 0+ calls unless 1010+ is dialed to access a long distance network.

Customers will be able to choose a "no-PIC" selection, but will be unable to make intraLATA toll calls on a 1+ or 0+ dialed basis

IV. Access to Operator Services and Directory Assistance

Access to Operator Services and Directory Assistance will continue to be available through the customer's local exchange carrier or interLATA carrier. For Operator Services, customers dial "0" to reach their local exchange operator and "00" to reach their interLATA operator. For Directory Assistance, customers dial "1-411" for accessing the local exchange Directory Assistance and customers dial "1-NPA-555-1212" for accessing interLATA Directory Assistance.

V. PIC Change Charge

Any intraLATA or interLATA PIC change made by a new or existing customer after the initial selection (period of 90 days from implementation) will be subject to a \$5.00 nonrecurring charge for each change made.

A charge will be established for "slamming" or unauthorized PIC changes submitted by carriers or BTI for end-user customers. BTI will be subject to

the rules related to slamming as indicated in Tennessee Regulatory Authority Rule 1220-4-2-.56, Sections (2)-(6).

VI. CUSTOMER NOTIFICATION

Customers will be notified of the availability of intraLATA toll dialing parity via direct mail no later than June 22, 1999. A copy of BTI's customer notification is attached as Exhibit B.

VII. CARRIER NOTIFICATION

Interexchange carriers will be notified of intraLATA equal access implementation by letter prior to the proposed implementation date. Carriers should provide a list of exchanges in which they plan to offer intraLATA toll service in advance of BTI's implementation date. Interexchange carriers who enter the market after implementation will be added to the list of participating carriers within 30 days of notifying BTI.

VIII. COST RECOVERY

Due to the size of its customer base in Tennessee, BTI has chosen not to recover the incremental costs associated with implementing intraLATA toll dialing parity.