

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**JUNE 29, 2000**

**IN RE:**

**BELLSOUTH TELECOMMUNICATIONS, INC. TARIFF TO  
INCREASE VARIOUS CUSTOM CALLING AND TOUCHSTAR  
FEATURE RATES AND DISCONTINUE MULTI-FEATURE  
DISCOUNT PLAN**

)  
)  
) **DOCKET NO.**  
) **99-00539**  
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**ORDER APPROVING TARIFF**

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This matter came before the Tennessee Regulatory Authority (the "Authority") at the regularly scheduled Authority Conference held on August 24, 1999 on the tariff filing of BellSouth Telecommunications, Inc. ("BellSouth") to increase various optional custom calling and TouchStar feature rates for business and residential subscribers. This Tariff also discontinues the Multi-Feature Discount Plan ("MFDP") which currently provides subscribers with volume discounts for purchasing two or more custom calling and/or TouchStar features. The Tariff was originally filed with the Authority on July 29, 1999, with a proposed effective date of August 28, 1999.

BellSouth's proposed rate increases are for vertical optional features classified as non-basic services under Tenn. Code Ann. § 65-5-208(2).<sup>1</sup> These rate increases and the elimination of the MFDP will generate additional revenues for BellSouth. After reviewing BellSouth's supporting documentation, the Authority concluded that the revenue increase is offset in full by previous rate reductions made to non-basic services earlier this year and is allowed under the

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<sup>1</sup> Tenn. Code Ann. § 65-5-208(2) defines "Non-basic services" as telecommunications services which are not defined as basic local exchange services and are not exempted under subsection (b).

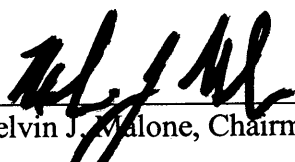
price regulation statute, Tenn. Code Ann. § 65-5-209. Under Tenn. Code Ann. § 65-5-209(h), an incumbent local exchange company may price non-basic services as it deems appropriate, upon prior notice to affected customers. BellSouth began notifying its subscribers of the rate changes in the tariff through notices on the subscribers' monthly bills on July 28, 1999.

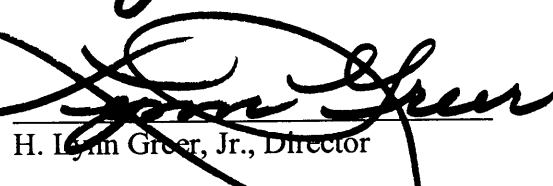
BellSouth represents that market research has been conducted to identify market prices for products in this tariff. Further, BellSouth maintains that the proposed rate increases and the discontinuation of MFDP allow BellSouth to remain competitive. No party intervened in this matter.

After consideration of this matter, the Directors determined that the rate increases to non-basic services have been offset by previous reductions and that appropriate notification regarding the proposed rate changes has been made pursuant to Tenn. Code Ann. § 65-5-209. The Directors voted unanimously to approve the Tariff.

**IT IS THEREFORE ORDERED THAT:**

Tariff No. 99-00539 filed by BellSouth Telecommunications, Inc. is approved.

  
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Melvin J. Malone, Chairman

  
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H. Lynn Greer, Jr., Director

  
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Sara Kyle, Director

ATTEST:

  
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K. David Waddell, Executive Secretary