Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
BellSouth Petition for Pricing Flexibility for Special Access and Dedicated Transport Services	)	CC Docket No. 01-22
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MEMORANDUM OPINION AND ORDER

Adopted: September 28, 2001 **Released:** October 3, 2001

By the Commission:

I. INTRODUCTION

1. In this order, we deny applications for review filed by AT&T Corporation (AT&T) and WorldCom, Inc. (WorldCom).[1] AT&T and WorldCom request that the Commission review the December 15, 2000, order by the Common Carrier Bureau (Bureau) granting BellSouth Telecommunications, Inc.'s (BellSouth's) Petition for Pricing Flexibility for Special Access and Dedicated Transport Services.[2] In this order, we deny their requests.

II. BACKGROUND

2. To recover the costs of providing interstate access services, incumbent local exchange carriers (LECs) charge interexchange carriers (IXCs) and end users for access services in accordance with our Part 69 access charge rules.[3] The Commission has long recognized that it

[1] *See Pleading Cycle Established – Applications for Review*, CC Docket No. 01-22, Public Notice, 16 FCC Rcd 2334 (2001). BellSouth, SBC Communications, Inc. (SBC), the United States Telecom Association (USTA), and Verizon filed oppositions in response to the applications for review. The Association of Communications Enterprise (ASCENT) filed comments in support of the applications for review. AT&T and OnFiber Communications, Inc. (OnFiber) filed replies supporting the applications in response to the comments and oppositions.

[2] *See BellSouth Petition for Pricing Flexibility for Special Access and Dedicated Transport Services*, CCB/CPD File No. 00-20, Memorandum Opinion and Order, 15 FCC Rcd 24588 (Com. Car. Bur. 2000) (*Bureau Order*).

[3] 47 C.F.R. Part 69. Part 69 establishes two basic categories of access services: special access services and switched access services. *See Access Charge Reform*, CC Docket No. 96-262, Fifth Report and Order and Notice of Proposed Rulemaking, 14 FCC Rcd 14221, 14226, para. 8 (1999) (*Pricing Flexibility Order*). Special access

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should allow incumbent LECs progressively greater flexibility in the pricing of access services as they face increasing competition for the provision of these services.[4] In the *Access Charge Reform Order*, the Commission adopted a market-based approach to access charge reform, pursuant to which it would relax restrictions on incumbent LEC pricing as competition emerged.[5] At that time, the Commission deferred resolution of the specific timing and degree of pricing flexibility to a future order.[6] Subsequently, in the *Pricing Flexibility Order*, the Commission provided detailed rules for implementing the market-based approach.[7]

3. In that order, the Commission established a framework for granting price cap LECs[8] greater flexibility in the pricing of interstate access services once they make a competitive showing, or satisfy "triggers," to demonstrate that market conditions in a particular area warrant the relief at issue. Pricing flexibility for special access and dedicated transport services[9] is available in two phases based on an analysis of competitive conditions in individual Metropolitan Statistical Areas (MSAs).[10]

4. <u>Phase I Pricing Flexibility</u>. A price cap LEC that obtains Phase I relief is allowed to offer, on one day's notice, contract tariffs[11] and volume and term discounts for those services

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services employ dedicated facilities that run directly between the end user and an IXC point of presence (POP) — the physical plant where an IXC connects its network with the LEC network. Charges for special access services generally are divided into channel termination charges and channel mileage charges. Channel termination charges recover the costs of facilities between the customer's premises and the LEC end office and the costs of facilities between the IXC POP and the LEC serving wire center. *See* 47 C.F.R. § 69.703(a), (c), (d). Channel mileage charges recover the costs of facilities between the LEC serving wire center and the LEC end office serving the end user. *See Pricing Flexibility Order*, 14 FCC Rcd at 14226-27, paras. 8, 10.

[4] *See Price Cap Performance Review for Local Exchange Carriers*, CC Docket No. 94-1, Second Further Notice of Proposed Rulemaking, 11 FCC Rcd 858 (1995) (*Price Cap Second FNPRM*); *see also Access Charge Reform*, CC Docket No. 96-262, Notice of Proposed Rulemaking, 11 FCC Rcd 21354, 21426-48, paras. 161-217 (1996) (*Access Charge Reform NPRM*) (refining and seeking comments on the Commission's pricing flexibility proposals).

[5] *Access Charge Reform*, CC Docket No. 96-262, First Report and Order, 12 FCC Rcd 15982 (1997) (*Access Charge Reform Order*).

[6] *Access Charge Reform Order*, 12 FCC Rcd at 15989, para.14.

[7] *Pricing Flexibility Order*, 14 FCC Rcd at 14224-25, para. 2 (citing *Access Charge Reform Order*, 12 FCC Rcd at 15989, 16106, paras. 14, 287).

[8] The Commission instituted price cap regulation for the Regional Bell Operating Companies (RBOCs) and GTE in 1991, and permitted other LECs to adopt price cap regulation voluntarily, subject to certain conditions. *Policy and Rules Concerning Rates for Dominant Carriers*, CC Docket No. 87-313, Second Report and Order, 5 FCC Rcd 6786, 6818-21, paras. 257-84 (1990) (*LEC Price Cap Order*). Price cap LECs are those LECs that are subject to price cap regulation.

[9] For purposes of pricing flexibility proceedings, "dedicated transport services" refer to entrance facilities, direct-trunked transport, and the dedicated component of tandem-switched transport. *Pricing Flexibility Order*, 14 FCC Rcd at 14234, para. 24 n.54.

[10] *See* 47 C.F.R. § 22.909(a) of the Commission's rules for the definition of an MSA.

[11] A contract tariff is a tariff based on an individually negotiated service contract. *See* 47 C.F.R. § 61.3(o). *See*
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for which it makes a specific competitive showing, so long as the services provided pursuant to contract are removed from price caps.[12] To protect those customers that may lack competitive alternatives, a price cap LEC receiving Phase I flexibility must maintain its generally available price cap-constrained tariffed rates for these services.[13] To obtain Phase I relief, a price cap LEC must meet triggers designed to demonstrate that competitors have made irreversible, sunk investments in the facilities needed to provide the services at issue. In particular, to receive pricing flexibility for dedicated transport and special access services (other than channel terminations to end users), a price cap LEC must demonstrate that unaffiliated competitors have collocated in at least 15 percent of the LEC's wire centers within an MSA or collocated in wire centers accounting for 30 percent of the LEC's revenues from these services within an MSA.[14] In both cases, the price cap LEC also must show, with respect to each wire center, that at least one collocator is relying on transport facilities provided by an entity other than the incumbent LEC.[15]

5. Higher thresholds apply for obtaining Phase I pricing flexibility for channel terminations between a LEC end office and an end user customer. A competitor collocating in a LEC end office continues to rely on the LEC's facilities for the channel termination between the end office and the customer premises, at least initially, and thus is more susceptible to exclusionary pricing behavior by the LEC.[16] In that case, a price cap LEC must demonstrate that unaffiliated competitors have collocated in at least 50 percent of the LEC's wire centers within an MSA or collocated in wire centers accounting for 65 percent of the LEC's revenues from these services within an MSA.[17] Again, the LEC must demonstrate, with respect to each wire center, that at least one collocator is relying on transport facilities provided by an entity other than the incumbent LEC.[18]

6. <u>Phase II Pricing Flexibility</u>. A price cap LEC that receives Phase II relief is allowed to offer dedicated transport and special access services free from the Commission's Part 69 rate structure and Part 61 price cap rules. The LEC, however, is required to file, on one day's notice, generally available tariffs for those services for which they receive Phase II relief.[19] To obtain Phase II relief, a price cap LEC must meet triggers designed to demonstrate that

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also 47 C.F.R. § 61.55 (describing the required composition of the contract-based tariffs).

[12] *Pricing Flexibility Order*, 14 FCC Rcd at 14287-88, para. 122.

[13] *Pricing Flexibility Order*, 14 FCC Rcd at 14235, para. 24.

[14] *Pricing Flexibility Order*, 14 FCC Rcd at 14273, para. 93; 47 C.F.R.§ 69.709(b)(1).

[15] *Pricing Flexibility Order*, 14 FCC Rcd at 14262, para. 77; 47 C.F.R. § 69.709(b).

[16] *Pricing Flexibility Order*, 14 FCC Rcd at 14279, para. 103.

[17] *Pricing Flexibility Order*, 14 FCC Rcd at 14280-81, paras. 105-06; 47 C.F.R.§ 69.711(b)(1) and (2).

[18] *Pricing Flexibility Order*, 14 FCC Rcd at 14280-81, paras. 105-06; 47 C.F.R.§ 69.711(b)(1) and (2).

[19] *Pricing Flexibility Order*, 14 FCC Rcd at 14301, para. 153; 47 C.F.R. § 69.727(b)(3).

competition for the services at issue within the MSA is sufficient to preclude the incumbent from exploiting any individual market power over a sustained period.[20] To obtain Phase II relief for dedicated transport and special access services (other than channel terminations to end users), a price cap LEC must demonstrate that unaffiliated competitors have collocated in at least 50 percent of the LEC's wire centers within an MSA or collocated in wire centers accounting for 65 percent of the LEC's revenues from these services within an MSA.[21] Higher thresholds apply for obtaining Phase II pricing flexibility relief for channel terminations between a LEC end office and an end user customer. To obtain such relief, a price cap LEC must demonstrate that unaffiliated competitors have collocated in at least 65 percent of the LEC's wire centers within an MSA or collocated in wire centers accounting for 85 percent of the LEC's revenues from these services within an MSA.[22] Once again, the LEC also must demonstrate, with respect to each wire center, that at least one collocator is relying on transport facilities provided by an entity other than the incumbent LEC.[23]

7. In its order, the Bureau granted BellSouth pricing flexibility for certain special access and dedicated transport services listed in its petition and set forth in Appendix A of this order.[24] In particular, for special access and dedicated transport services, including end user channel terminations, the Bureau granted Phase I relief in 37 MSAs and Phase II relief in 26 MSAs as set forth in Appendix B of this order. The Bureau also granted, for special access and dedicated transport services other than end user channel terminations, Phase I relief in 39 MSAs and Phase II relief in 38 MSAs as set forth in Appendix B of this order.

8. In support of their applications for review, AT&T and WorldCom raise the following objections. First, both AT&T and WorldCom argue that BellSouth did not show that it had satisfied the applicable triggers because it did not provide revenue data disaggregated to the wire center level.[25] Second, AT&T argues that the mechanical application of the triggers is inappropriate because the evidence demonstrates that BellSouth faces no competitive pressure on its special access and dedicated transport rates.[26] Third, WorldCom argues that the Bureau did not have the authority to grant pricing flexibility for packet-switched services because these services are excluded from price cap regulation and are therefore not included in the trunking

[20] *Pricing Flexibility Order*, 14 FCC Rcd at 14301, para. 153.

[21] *Pricing Flexibility Order*, 14 FCC Rcd at 14299, paras. 148-49; 47 C.F.R. § 69.709(c).

[22] *Pricing Flexibility Order*, 14 FCC Rcd at 14299-300, para. 150; 47 C.F.R. § 69.711(c).

[23] 47 C.F.R. § 69.711(c)(1) and (2).

[24] *See also Bureau Order*, 15 FCC Rcd at 24591, para. 8 n.24; *Common Carrier Bureau Issues List of BellSouth Services and MSAs Approved for Pricing Flexibility in December 15, 2000 Pricing Flexibility Order*, CCB/CPD File No. 00-20, Public Notice, 16 FCC Rcd 86, 87-89, App. A (2000); *and BellSouth Petition for Pricing Flexibility for Special Access and Dedicated Transport Services,* CCB/CPD No. 00-20, Errata to DA 00-2793 Memorandum Opinion and Order and DA 00-2910 Public Notice (Comp. Pric. Div. rel. Jan. 3, 2001).

[25] AT&T Application at 12-14; WorldCom Application at 2; AT&T Reply at 4-5. *See also* ASCENT Comments at 3-5.

[26] AT&T Application at 9-12; AT&T Reply at 2-3. *See also* OnFiber Reply at 5-9.

basket.[27]

III. DISCUSSION

9. AT&T and WorldCom argue that BellSouth did not meet its burden of proof because it did not report its revenue data at the wire center level. AT&T argues that the Commission's pricing flexibility rules require, by necessary implication, that BellSouth provide the data that would permit the Commission to satisfy itself that BellSouth has carried its burden of proof.[28] As in its comments to the BellSouth petition, WorldCom argues that, absent revenue data at the wire center level, neither the Bureau nor interested parties had the ability to verify that BellSouth had accurately categorized its revenue into service types and then accurately allocated the revenue among wire centers.[29] In response, BellSouth disputes the claim that its failure to provide data at the wire center level made it impossible for parties to verify that BellSouth had satisfied the pricing flexibility triggers.[30] Verizon argues that the applicants' request for revenue data by wire center is an effort to change the rules for obtaining pricing flexibility after petitions for flexibility have been filed -- the *Pricing Flexibility Order* did not require revenue information to be provided at the wire center level.[31]

10. We note at the outset that the *Bureau Order* explained in detail BellSouth's data submission, and we agree that BellSouth, consistent with our rules, adequately met its burden of proof.[32] As we explained in the *Bureau Order*, the pricing flexibility rules do not require an incumbent LEC to provide revenue data at the wire center level.[33] Section 69.725 of the Commission's rules, cited by ASCENT in support of this argument, is irrelevant because it does not govern the production of revenue data. Rather, it instructs the incumbent LEC how to make its internal revenue allocations.[34] We find that BellSouth was not required to provide additional data at the wire center level as AT&T and WorldCom claim, therefore we reject their arguments.

11. As noted in the *Bureau Order*, although the Commission's rules do not require

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[27] WorldCom Application at 4-6.

[28] AT&T Application at 13.

[29] WorldCom Application at 2. WorldCom also contends that the Bureau effectively placed the burden on the commenters by suggesting that it was the parties' responsibility to provide evidence from their purchasing records that would call BellSouth's data into question. WorldCom Application at 2-3. This is a mischaracterization of the burden of proof. BellSouth was required by the Commission's rules to demonstrate that it had met the applicable triggers. BellSouth made its *prima facie* showing that it had met the pricing flexibility triggers and no party successfully rebutted that showing.

[30] BellSouth Opposition at 4.

[31] Verizon Opposition at 1, 3-4. In addition, Verizon asserts that there is no justification for such a change and any change would have to be prospective and could not be applied to carriers with petitions pending. Verizon Opposition at 4.

[32] *Bureau Order*, 15 FCC Rcd at 24596-97, paras. 18-21; *see also* 47 C.F.R. § 1.774.

[33] *See Bureau Order*, 15 FCC Rcd at 24597, para. 19.

[34] 47 C.F.R. § 69.725.

that incumbent LECs report revenue data at the wire center level, failure to do so could result in rejection of a pricing flexibility petition if the Commission were to determine that one of the wire centers did not meet the collocation requirements, and the applicant did not provide revenue information that excluded that wire center.[35] Because none of the wire centers upon which BellSouth relied was rejected by the Bureau, however, the lack of revenue data at the wire center level is not a concern here.[36]

12. AT&T argues that the Bureau had an obligation not only to determine whether the triggers were mechanically satisfied, but to ensure that the level of competition is sufficient to limit future monopolistic behavior by the incumbent LEC.[37] AT&T contends that the application of the pricing flexibility rules is inappropriate here because evidence demonstrates that BellSouth faces no competitive pressure on its special access and dedicated transport rates.[38] The Commission's rules are clear that such an inquiry into the level of competition is not required. Adoption of a collocation-based trigger for the grant of pricing flexibility relief was meant to provide "an administratively simple and readily verifiable mechanism for determining whether competitive conditions warrant the grant of pricing flexibility."[39] AT&T's argument would undermine the intent and purpose of that mechanism. After the applications for review were filed, the United States Court of Appeals for the District of Columbia Circuit explicitly upheld the use of the Commission's triggers as an appropriate proxy to determine whether competition exists in a market place for purposes of allowing pricing flexibility.[40] In its decision, the court stated, "So long as the FCC's proxy is reasonable, as it is here, we have no basis upon which to require the FCC to engage in a more searching analysis of competition before granting pricing flexibility."[41] Accordingly, despite AT&T's arguments to the contrary, BellSouth's satisfaction of the triggers was sufficient for the Bureau to grant it pricing flexibility. AT&T and WorldCom also argue that the scope of pricing flexibility relief sought by BellSouth exceeds that sought by any other price cap LEC.[42] The Commission's rules, however, do not limit the number of MSAs for which a price cap LEC may seek pricing flexibility relief.

13. AT&T argues that a flaw in the Commission's rules allowed BellSouth to overstate the amount of revenues that are subject to competitive supply.[43] Specifically, AT&T

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[35] *See Bureau Order*, 15 FCC Rcd at 24597, para. 19.

[36] The confidentiality of any revenue data at the wire center level, *see* Verizon Opposition at 1-2, can be preserved through protective orders. *See BellSouth Telecommunications, Inc.'s Petition for Pricing Flexibility for Special Access and Dedicated Transport Services*, CCB/CPD File No. 00-20, Protective Order, 15 FCC Rcd 19024, 19029, para. 18 (Comp. Pric. Div. 2000).

[37] AT&T Reply at 3.

[38] AT&T Reply at 2-3.

[39] *Pricing Flexibility Order*, 15 FCC Rcd at 14267, para. 84.

[40] *WorldCom v. FCC*, 238 F.3d 449 (D.C. Cir. 2001).

[41] *WorldCom v. FCC*, 238 F.3d at 459.

[42] AT&T Application at 14-15; WorldCom Application at 3-4.

[43] AT&T Application at 15.

takes issue with section 69.725(c) of the Commission's rules, which states:

> For any dedicated service routed through multiple wire centers, the petitioner shall attribute 50 percent of the revenue to the wire center at each end of the transmission path, unless the petitioner can make a convincing case in its petition that some other allocation would be more representative of the extent of competitive entry in the MSA or the non-MSA parts of the study area at issue.[44]

AT&T's argument takes issue with the scope of the rule generally, rather than its application to BellSouth. As such, AT&T should have raised its concerns in a petition for reconsideration of the rule when the rule was adopted. In any event, the rule provides carriers with a general direction on the method for allocating revenue from dedicated services routed through multiple offices, while also allowing alternative methods that might more accurately represent the extent of competitive entry in particular MSAs. The Commission adopted this rule as a reasonable method for allocating this type of revenue, and AT&T provides no persuasive reason to depart from or abandon this rule at this point.[45]

14. WorldCom argues that the Bureau does not have the authority to grant pricing flexibility for packet-switched services because these services are excluded from price cap regulation and are therefore not included in the trunking basket.[46] BellSouth and USTA argue that, when the Commission adopted price cap regulation for LECs, it excluded the *existing* packet-switched access services from price cap regulation because such services had not been subject to scrutiny as part of the Commission's investigation of LEC productivity.[47] BellSouth and USTA assert that the price cap rules require that every new service be included in the affected basket at the first annual tariff filing following the base period in which it is introduced, unless the Commission designates by order that a service be excluded from price cap regulation.[48] BellSouth contends that the services at issue were subject to the scrutiny of the Commission at the time tariffs for these services were filed, bringing them into the trunking basket price cap index; in no instance did the Commission issue an order excluding these services from price cap regulation.[49] SBC argues that, whether or not a particular service is under price caps, any service that falls within the relevant definitions of part 69 of the

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[44] 47 C.F.R. § 69.725(c).

[45] *Pricing Flexibility Order*, 14 FCC Rcd at 14277, para. 99.

[46] WorldCom Application at 5.

[47] BellSouth Opposition at 6 (emphasis added); USTA Opposition at 2 (emphasis added); *LEC Price Cap Order*, 5 FCC Rcd at 6810, para. 195.

[48] BellSouth Opposition at 6 (citing 47 C.F.R. § 61.42(g)); USTA Opposition at 2-3 (citing 47 C.F.R. §§ 61.42(f) and (g)).

[49] BellSouth Opposition at 6.

Commission's rules is eligible for pricing flexibility.[50]

15. The packet-switched services for which BellSouth sought pricing flexibility have been included in BellSouth's trunking price cap basket since July 1996, pursuant to section 61.42(g) of the Commission's rules.[51] These services were subject to the scrutiny of the Commission at the time of BellSouth's 1996 annual access tariff filing. Therefore, these services properly have been regulated under price caps and are eligible for pricing flexibility under the Commission's rules.[52] Because we find that the packet-switched services at issue in this proceeding were included under price caps, we do not address SBC's argument in this order.

IV. CONCLUSION AND ORDERING CLAUSES

16. For the reasons stated above, we affirm the Common Carrier Bureau's order granting BellSouth's Petition for Pricing Flexibility for Special Access and Dedicated Transport Services and deny the applications for review filed by AT&T Corporation and WorldCom, Inc.

17. ACCORDINGLY, IT IS ORDERED, pursuant to section 1.115 of the Commission's rules, that the Applications for Review filed by AT&T Corporation and WorldCom, Inc. ARE DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Magalie Roman Salas
Secretary

[50] SBC Opposition at 3-4 (citing *Pricing Flexibility Order*, 14 FCC Rcd at 14278, para. 100 n.280).

[51] BellSouth Opposition at 6; 47 C.F.R. § 61.42(g).

[52] BellSouth further notes that, even if the packet-switched services had been removed from price cap regulation, they only account for approximately $8 million in revenue in all of the MSAs. This would not have changed the number of MSAs in which BellSouth satisfied the pricing flexibility triggers. BellSouth Opposition at 6-7 n.15.

Appendix A

BellSouth Access Services Qualifying For Pricing Flexibility

Special Access Services Basket

BellSouth SPA Metallic
BellSouth SPA Telegraph
BellSouth SPA VG
BellSouth SPA WATS Lines
BellSouth SPA Program Audio
BellSouth SPA Broadcast Quality Video
BellSouth SPA Commercial Quality Video
BellSouth SPA DS3 Digital Video
BellSouth SPA 70 MHz Transport
BellSouth SPA Uncompressed Switched Video
BellSouth SPA Wideband Analog
BellSouth SPA Wideband Data
BellSouth SPA Derived Data Channel
BellSouth SPA DSO Digital Data
BellSouth SPA High Capacity
BellSouth SPA DS1
BellSouth SPA Point to Point
BellSouth SPA Managed Shared Ring
BellSouth SPA DS1 & DS3 Shared Ring
BellSouth SPA Dedicated Ring
BellSouth SPA Customer Reconfiguration
BellSouth SPA Modular Video Transport Service
Dry Fiber
BellSouth ADSL Service
BellSouth SPA Managed Shared Network Service

Trunking Services Basket

BellSouth SWA VG
BellSouth SWA DS0
BellSouth SWA DS1
BellSouth SWA DS3
BellSouth SWA Dedicated Ring
BellSouth Managed Shared Ring Service
CCS7 Signaling Connection and CCS7 Signaling Termination
Dedicated Network Access Lines
BellSouth Exchange Access Frame Relay Service
BellSouth Exchange Access Connectionless Data Service
BellSouth Exchange Access Asynchronous Transfer Mode Service
BellSouth SPA Managed Shared Frame Relay Service
BellSouth SPA Managed Shared ATM Service

Appendix B

Pricing Flexibility Relief For BellSouth Direct Transport and Special Access Services

MSA	Satisfy Phase I Requirements	Satisfy Phase II Requirements
BIRMINGHAM, AL	YES	YES
HUNTSVILLE, AL	YES	YES
MOBILE, AL	YES	YES
MONTGOMERY, AL	YES	YES
DAYTONA BEACH, FL	YES	YES
GAINESVILLE, FL	YES	YES
JACKSONVILLE, FL	YES	YES
MELBOURNE, FL	YES	YES
MIAMI-FT. LAUDERDALE, FL	YES	YES
ORLANDO, FL	YES	YES
PANAMA CITY, FL	YES	YES
PENSACOLA, FL	YES	YES
WEST PALM BEACH, FL	YES	YES
AUGUSTA, GA	YES	YES
ATLANTA, GA	YES	YES
COLUMBUS, GA	YES	YES
SAVANNAH, GA	YES	YES
LOUISVILLE, KY	YES	YES
BATON ROUGE, LA	YES	YES
LAFEYETTE, LA	YES	YES
LAKE CHARLES, LA	YES	YES
MONROE, LA	YES	YES
NEW ORLEANS, LA	YES	YES
SHREVEPORT, LA	YES	YES
BILOXI, MS	YES	YES
JACKSON, MS	YES	YES
OUTSIDE MSA, MS	YES	NO
ASHEVILLE, NC	YES	YES
CHARLOTTE, NC	YES	YES
GREENSBORO, NC	YES	YES
RALEIGH, NC	YES	YES
WILMINGTON, NC	YES	YES
CHARLESTON, SC	YES	YES
COLUMBIA, SC	YES	YES
GREENVILLE, SC	YES	YES
CHATTANOGA, TN	YES	YES
KNOXVILLE, TN	YES	YES
MEMPHIS, TN	YES	YES
NASHVILLE, TN	YES	YES
MSAs Satisfying Trigger	39	38

Pricing Flexibility Relief For BellSouth Channel Terminations To End Users

MSA	Satisfy Phase I Requirements	Satisfy Phase II Requirements
BIRMINGHAM, AL	YES	NO
HUNTSVILLE, AL	YES	NO
MOBILE, AL	YES	NO
MONTGOMERY, AL	YES	YES
DAYTONA BEACH, FL	YES	YES
GAINESVILLE, FL	YES	YES
JACKSONVILLE, FL	YES	YES
MELBOURNE, FL	YES	YES
MIAMI-FT. LAUDERDALE, FL	YES	YES
ORLANDO, FL	YES	YES
PANAMA CITY, FL	YES	NO
PENSACOLA, FL	YES	YES
WEST PALM BEACH, FL	YES	YES
AUGUSTA, GA	YES	NO
ATLANTA, GA	YES	YES
COLUMBUS, GA	YES	NO
SAVANNAH, GA	YES	YES
LOUISVILLE, KY	YES	YES
BATON ROUGE, LA	YES	YES
LAFEYETTE, LA	YES	NO
LAKE CHARLES, LA	YES	YES
MONROE, LA	YES	YES
NEW ORLEANS, LA	YES	NO
SHREVEPORT, LA	YES	YES
BILOXI, MS	YES	YES
JACKSON, MS	YES	YES
OUTSIDE MSA, MS	NO	NO
ASHEVILLE, NC	YES	NO
CHARLOTTE, NC	YES	YES
GREENSBORO, NC	YES	YES
RALEIGH, NC	YES	YES
WILMINGTON, NC	YES	YES
CHARLESTON, SC	NO	NO
COLUMBIA, SC	YES	NO
GREENVILLE,SC	YES	NO
CHATTANOGA, TN	YES	YES
KNOXVILLE, TN	YES	YES
MEMPHIS, TN	YES	YES
NASHVILLE, TN	YES	YES
MSAs Satisfying Trigger	37	26