

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

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| In the Matter of: |) | |
| |) | |
| BellSouth Tariff FCC No. 1 |) | Transmittal No. 657 |
| |) | |

**WORLDCOM PETITION TO REJECT OR,
IN THE ALTERNATIVE, SUSPEND AND INVESTIGATE**

I. Introduction and Summary

WorldCom, Inc. (WorldCom), pursuant to Section 1.773 of the Commission's Rules, hereby petitions the Commission to reject or, in the alternative, suspend and investigate the above-captioned transmittal filed by BellSouth Telecommunications, Inc. (BellSouth) on July 19, 2002.¹

¹ Rejection of a proposed tariff or proposed changes to an existing tariff is warranted when the proposal is prima facie unlawful in that it can be demonstrated that it conflicts with the Communications Act or a Commission, rule, regulation or order. See, e.g., American Broadcasting Companies, Inc. v. FCC, 633 F.2d 133, 138 (D.C.Cir. 1980); Associated Press v. FCC, 448 F.2d 1095, 1103 (D.C.Cir. 1971); MCI v. AT&T, 94 FCC 2d 332, 340-41 (1983); AT&T, 67 FCC 2d 1134, 1158 (1978), recon. denied, 70 FCC 2d 2031 (1979).

Suspension and investigation of a proposed tariff or tariff modification is warranted when significant questions of unlawfulness arise in connection with the tariff. See AT&T Transmittal No. 148, Memorandum Opinion and Order, FCC 84-421 (released Sept. 19, 1984); ITT, 73 FCC 2d 709, 719 (1979); AT&T, 46 FCC 2d 81,86 (1974); see also Arrow Transportation Company v. Southern Railway Company, 372 U.S. 658 (1963).

In Transmittal No. 657, BellSouth proposes to substantially revise Section 2.4.1(A) of its interstate access tariff. Whereas the existing tariff language permits BellSouth to demand a security deposit only from those existing customers that have a proven history of late payments, the new tariff language would permit BellSouth to demand a security deposit “[b]ased on its review of the Customer’s credit worthiness”²

The Commission should reject or, in the alternative, suspend and investigate BellSouth Transmittal No. 657 because (1) Transmittal No. 657 violates a Commission prescription; (2) the proposed tariff language is unreasonably vague and ambiguous in violation of Sections 61.2 and 61.54(j) of the Commission’s rules; (3) the proposed tariff language is unjust and unreasonable in violation of Section 201(b) of the Act; and (4) BellSouth has failed to make the showing required by the Commission’s “substantial cause” test.

I. Transmittal No. 657 Violates a Commission Prescription

The existing security deposit language in Section 2.4.1(A) of BellSouth’s interstate access tariff was prescribed by the Commission in its investigation of the post-divestiture access tariffs in 1984. In the Phase I Order, the Commission rejected the security deposit language proposed by the LECs and concluded that “Section 2.4.1(A) must be amended to allow the telco to require deposits only from an ‘IC which has a proven history of late payments to the Telephone Company or does not have established credit except for an IC

² Transmittal No. 657, 6th revised page 2-21.

which is a successor of a company which has established credit and has no history of late payments to the Telephone Company”³ Reflecting its prescription by the Commission, that language has been found in BellSouth’s interstate access tariff since 1984.

There can be no doubt that BellSouth’s current tariff language was prescribed by the Commission in the Phase I Order. The Commission not only provided precise tariff language, but (1) the Commission stated that the relevant section of the LECs’ tariffs “must” be amended to reflect that language;⁴ and (2) the Commission made no provision for the LECs to propose or try to justify alternate tariff language.

Nor can there be any doubt that the tariff language proposed by BellSouth in Transmittal No. 657 would violate the Commission’s prescription. The tariff language prescribed by the Commission in the Phase I Order states that LECs may request a deposit “only” from customers that have a history of late payment or do not have established credit.⁵ Consequently, the Phase I Order’s prescription prohibits BellSouth from requesting deposits from customers other than those with a history of late payment or without established credit. In particular, BellSouth may not request deposits from existing customers whose “credit worthiness” is found wanting by BellSouth.

Given that the tariff language proposed in Transmittal No. 657 would violate a

³ Investigation of Access and Divestiture-Related Tariffs, Memorandum Opinion and Order, CC Docket No. 83-1145 Phase I, 97 FCC 2d 1082 (1984) (Phase I Order), Appendix D, discussion of Section 2.4.1(A) (emphasis added).

⁴ Phase I Order, Appendix D, discussion of Section 2.4.1(A).

⁵ Id.

Commission prescription, the Commission cannot permit that language to take effect unless the Commission first waives that prescription or adopts an order modifying, suspending, or setting aside the prescription.⁶ Because BellSouth has not even sought such a waiver or order, the Commission should reject Transmittal No. 657 for violating a Commission prescription. It is well-established that the Commission can reject a tariff transmittal that violates a Commission prescription as patently unlawful, and the Commission has done so on several occasions.⁷

III. The Tariff Language Proposed by BellSouth is Unreasonably Vague and Ambiguous in Violation of the Commission's Rules

Section 61.2 of the Commission's rules requires that "[i]n order to remove all doubt as to their proper application, all tariff publications must contain clear and explicit explanatory statements regarding the rates and regulations."⁸ In the recent Second Global

⁶ See, e.g., Pacific Northwest Bell Telephone Company, Revisions To Tariff FCC No. 9, Transmittal No. 159, Memorandum Opinion and Order, released October 11, 1985, at ¶ 7. In that order the Commission indicated that it had the discretion to consider certain elements of a tariff filing as a request for modification of a prescription, but declined to do so in that instance. However, the Commission noted that it had previously found that the issues raised by PNB were best addressed in a proceeding that would afford all interested parties the opportunity to present their views and provide the Commission with an adequate record upon which to base its decision. Similarly, because any change to the prescribed security deposit tariff language would affect all LECs and all customers, potential changes to that language should not be addressed in a tariff proceeding.

⁷ Pacific Northwest Bell Telephone Company Transmittal No. 159, Memorandum Opinion and Order, released June 10, 1985; Beehive Telephone Company, Inc. Transmittal No. 14, Order, 14 FCC Rcd 1984 (1998); Beehive Telephone Company Transmittal No. 11, Order, 13 FCC Rcd 12647 (1998).

⁸ 47 C.F.R. § 61.2.

NAPs Order, the Commission emphasized that Section 61.2 requires that “tariff must be clear and explicit on its face as to when it applies” and must “provide fair notice to carriers or other customers about the terms under which they might be taking service.”⁹

Transmittal No. 657 provides that BellSouth shall “utilize a commercially acceptable scoring tool applied in a commercially reasonable manner to determine a Customer’s credit worthiness,” and that, using such tools, “BellSouth will determine in a commercially reasonable manner whether a deposit is required to secure the Customer’s account.”¹⁰ The Commission should reject or, in the alternative, suspend and investigate BellSouth Transmittal No. 657 as contrary to Section 61.2 of the Commission’s rules because the proposed tariff language is not “clear and explicit on its face” as to when a BellSouth could demand a security deposit, and thus does not provide the requisite “fair notice” to customers about the terms under which they might be taking service.

First, several of the factors that BellSouth may examine in assessing “credit worthiness” are undefined and ambiguous, including “management history,” “liens, suits, and judgments,” and “publicly-available information.” “Publicly-available information,” for example, includes any information about a customer, including information that is speculative or has nothing to do with the firm’s credit worthiness. Second, the tariff does not specify the scale on which the listed factors will be measured. For example, the tariff does not specify the circumstances under which BellSouth will find a company’s “liens,

⁹ Bell Atlantic-Delaware et al. v. Global NAPs, Memorandum Opinion and Order, 15 FCC Rcd 20665 ¶ 23 (2000) (Second Global NAPs Order).

¹⁰ Transmittal No. 657, proposed 6th revised page 2-21.

suits, and judgments” to constitute a “negative” indicator; it is not clear if BellSouth is concerned about particular types of suits, the number of such suits, the dollar amount at stake, or some other factor. Third, the tariff does not specify how the listed factors will be weighted to develop an overall “credit worthiness” score. Indeed, by stating only that the credit scoring tool “may consider” the listed factors, the tariff would apparently permit BellSouth to include or exclude particular factors on a case-by-case basis, to base its decision on only one of the listed factors, or to consider none of the listed factors.

Similarly, the proposed tariff’s statement that BellSouth “will consider financial data evidencing the degree of financial stability” is vague and ambiguous.¹¹ The tariff lists an array of factors potentially relevant to a determination of financial stability, but does not specify the scale that BellSouth would use to evaluate those factors or how BellSouth would weight those factors to arrive at its assessment of financial stability.

Furthermore, the tariff does not specify how “credit worthiness” and the “degree of financial stability” – both developed using factors that are poorly-defined, evaluated with respect to an unspecified scale, and weighted in an unspecified manner – would then be used to determine whether BellSouth would demand a security deposit. The tariff states only that, using the listed “data, tools, and analysis,” BellSouth “will determine in a commercially reasonable manner whether a deposit is required to secure the Customer’s account.”¹² The tariff does specify the threshold level of “credit worthiness” or “financial stability” that might be sufficient to trigger a deposit request.

¹¹ Transmittal No. 657, proposed 6th revised page 2-21.

¹² Transmittal No. 657, proposed 6th revised page 2-21.

The many references to “commercially reasonable” and “commercially acceptable” are not sufficient to satisfy the requirements of Sections 61.2 and 61.54(j) of the Commission’s rules. Those terms are not defined in BellSouth’s tariff and are not terms of art in the telecommunications industry.¹³ In particular, there is no well-established industry standard for (1) selecting factors from the list that BellSouth “may consider” in determining credit worthiness; (2) selecting the scale against which those factors will be measured; (3) weighting the factors considered; (4) measuring “financial stability” using the listed factors; or (5) determining, based on the factors and tools described in BellSouth’s tariff, whether a deposit is “required” to secure a Customer’s account. As a result, the use of the term “commercially reasonable” does not provide customers with the requisite “fair notice” as to terms under which they might be taking service.

Finally, the dispute resolution provisions in the proposed tariff do not excuse BellSouth from the requirements of Sections 61.2 and 61.54(j). Section 61.2 requires tariff language to be sufficiently clear so as to “remove all doubt” as to its application; it would be fundamentally inconsistent with Section 61.2 to expect customers to seek arbitration of vague terms such as “commercially reasonable” before discovering the terms under which they are obtaining service. For that reason, the only arbitration provision in current ILEC tariffs is limited to narrow, predominantly factual, issues arising out of

¹³ To the extent that the term “commercially reasonable” has been used at all in dominant carrier tariffs, it has been used only in very narrow circumstances, generally to limit the efforts that the carrier is obligated to expend in meeting customer requests. See, e.g., Verizon Tariff FCC No. 1, Original page 19-20.

Percent Interstate Usage (PIU) audits.¹⁴ The PIU arbitrator is not called upon to decide fundamental questions concerning PIU definition, which is well-specified in the tariff.¹⁵

IV. The Proposed Tariff Language is Not Just and Reasonable

In assessing whether LEC tariff terms and conditions are just and reasonable, the Commission has consistently emphasized that the interests of the LEC must be balanced against the interests of its customers. The Commission has recognized the legitimate interests of the LEC, but has at the same time required that any regulations designed to protect the LEC's interests not place undue burdens on customers. In particular, the Commission has required that any regulations designed to protect the LEC's interests be limited in scope, commensurate with the risk faced by the LEC, and narrowly targeted to address the source of the risk.

For example, in considering security deposit provisions, the Commission has “recogniz[ed] that it is prudent for the telephone company to seek to avoid non-recoverable costs imposed by bad credit risks.”¹⁶ At the same time, however, the Commission has rejected “vague charges [that] could become unreasonably burdensome,” provisions that “allow[ed] the telco unnecessarily broad discretion” and provisions that

¹⁴ BellSouth Tariff FCC No. 1, Section 2.3.10(E).

¹⁵ BellSouth Tariff FCC No. 1, Section 2.3.10(E)(2) (“The arbitrator shall determine the customer’s PIU based on (A) preceding.”)

¹⁶ Investigation of Access and Divestiture-Related Tariffs, Memorandum Opinion and Order, CC Docket No. 83-1145 Phase I, 97 FCC 2d 1082 (1984) (Phase I Order), Appendix D, discussion of Section 2.4.1(A) (emphasis added).

had “potential anticompetitive effects.”¹⁷

Similarly, when considering 1987 BellSouth tariff revisions that were intended to mitigate the impact of potential customer bankruptcy, the Commission “recognize[d] that the proposed tariff revisions could reduce BellSouth’s liability under the circumstances that it has described.”¹⁸ At the same time, however, the Commission “believe[d] . . . that the revisions may place undue burdens on customers Provisions that more directly applied only to those customers that might default and that are supported with adequate documentation would be more reasonable.”¹⁹

The tariff language proposed in Transmittal No. 657 is not just and reasonable because it does not provide the requisite balancing of carrier and customer interests.

A. The Proposed Tariff Language Allows Unnecessarily Broad Discretion

While the Commission has recognized the ILECs’ interest in protecting themselves against “bad credit risks,” the proposed tariff language does not limit BellSouth to demanding security deposits from only those customers that present a substantial risk of nonpayment. The proposed tariff language is sufficiently broad that BellSouth would no doubt claim that it may demand security deposits from the much larger number of customers that present only a limited or moderate risk of nonpayment. While such a policy would benefit BellSouth, it would impose a disproportionate burden on BellSouth’s

¹⁷ Id.

¹⁸ Annual 1987 Access Tariff Filings, Memorandum Opinion and Order, 2 FCC Rcd 280, 304-305 (1986) (1987 Access Tariff Order).

¹⁹ Id.

customers. It would not be just and reasonable to demand burdensome security deposits from large numbers of moderate-risk customers in order to guard against the possibility that a small percentage of such customers may be unable to pay their bills.

The unfettered discretion provided by Transmittal No. 657 is particularly dangerous because it gives BellSouth the power to use security deposit demands in an anticompetitive manner. Virtually all of BellSouth's access customers are also its competitors: not only has BellSouth just received interLATA authority, but many CLECs compete with BellSouth in the local market using special access circuits purchased from BellSouth's interstate access tariff. By allowing BellSouth to request a deposit, in the amount of two months billing, from virtually any of BellSouth's competitors, Transmittal No. 657 would permit BellSouth to encumber financial resources that competitors would otherwise use to build out their networks or develop services to compete against BellSouth.

B. The Listed Factors are Poor Predictors of the Risk of Nonpayment

The proposed tariff is not just and reasonable because many of the factors that BellSouth proposes to consider in assessing "credit worthiness" are only tangentially related to the risk of nonpayment. It would not be just and reasonable to base security deposit demands on factors that are not reliable predictors of the risk of nonpayment. For example, "management history," "liens, suits, and judgments," and "publicly-available information" are not only poorly-defined but are, at best, only secondary indicators of a customer's ability to pay its bills. Similarly, it is unreasonable for BellSouth to attach any significant weight to the customer's "payment history with third parties." To the extent

that such information is available, e.g., in the form of a Dun and Bradstreet “Paydex” score, it does not distinguish between disputed and undisputed amounts on telecommunications bills, or recognize telecommunications industry-specific factors such as payments that are “late” only because the LEC’s bills were late, incomplete, or inaccurate. BellSouth itself has an extremely poor Paydex score -- as of July 1, 2002, BellSouth’s Paydex score was only 44 (a score that the credit scoring methodology that BellSouth has described in meetings with CLECs considers to be indicator of poor credit worthiness).²⁰

Not only does BellSouth propose to rely on unreliable secondary indicia in assessing “credit worthiness,” but financial information such as cash flow -- which generally provides more direct evidence of a customer’s ability to pay its bills -- plays no role in BellSouth’s assessment of “credit worthiness.” Under the proposed tariff language, such financial indicia play only an undefined, and apparently secondary, role in BellSouth’s determination of “whether a deposit is required to secure the Customer’s account.”

C. The Arbitration Provisions are Not Just and Reasonable

The dispute resolution section of Transmittal No. 657 is internally inconsistent. On the one hand, the tariff appears to give BellSouth the right to terminate service “[w]hen an arbitration request has been filed . . . , in the event that a new or existing

²⁰ BellSouth has informed CLECs that it “likes to see” a Paydex score of 70. Based on other information that BellSouth has provided to CLECs, a Paydex score of 44 would be worth zero out of a possible 10 points BellSouth assigns to that factor.

customer fails to remit to BellSouth any deposit requested.”²¹ On the other hand, the proposed tariff language later states that “[t]he disputed deposit amount will not be due while the dispute is pending.”²²

Second, the requirement that the “losing party shall pay for any and all costs associated with the arbitration”²³ is unreasonable. As an initial matter, the proposed “any and all costs” language is sufficiently ambiguous that it could be read to require the losing party to pay the prevailing party’s costs of mounting its case, not just the costs of the arbitration itself. A requirement that the losing party pay the prevailing party’s costs of mounting its case is inconsistent with American Arbitration Association (AAA) procedures, which require each side to bear its own costs.²⁴ A requirement that the losing party pay any and all costs, including the prevailing party’s costs of mounting its case, would increase the risks associated with arbitration and act as a disincentive for customers to seek arbitration, thus increasing BellSouth’s leverage in any negotiations concerning deposit amounts.

Even if the “losing party pays” provision were applied only to arbitrators’ fees and other costs of the arbitration itself, BellSouth’s proposal would still be unreasonable. In some cases, it may be impossible to determine which is the “losing party”; for example, the

²¹ Transmittal No. 657, proposed original page 2-21.2.

²² Id.

²³ Id.

²⁴ American Arbitration Association, Commercial Dispute Resolution Procedures, Section R-52.

arbitrator may select a deposit amount midway between each side's proposal.

Furthermore, the "losing party pays" formula is inconsistent with AAA procedures, which specify that the costs of the arbitration (other than each side's own costs) will be borne equally by the parties, unless they agree otherwise or unless the arbitrator in the award assesses such expenses against any specified party or parties.²⁵

Finally, it is not just and reasonable to require parties to use expedited procedures. Under AAA procedures, unless the parties or AAA determine otherwise, expedited procedures shall apply only in those cases "in which no claim or counterclaim exceeds \$75,000, exclusive of interest and arbitration fees and costs."²⁶ Given that most deposit issues that are likely to involve substantially larger amounts, expedited procedures should be used only if the parties agree, as provided for in the AAA procedures.

V. Transmittal No. 657 Fails to Meet the "Substantial Cause for Change" Test

The Commission should reject or, in the alternative, suspend and investigate Transmittal No. 657 because BellSouth's proposal to revise the security deposit regulations applicable to existing term plan and contract tariff customers in mid-term fails to meet the Commission's "substantial cause for change" test. As the Commission recognized in the RCA Americom Decisions,²⁷ customers have "legitimate expectations . .

²⁵ Id.

²⁶ Id., Section E-1.

²⁷ RCA American Communications, Inc., Memorandum Opinion and Order, 86 FCC 2d 1197 (1981) (RCA Americom 1981 Order); RCA American Communications, Inc., Memorandum Opinion and Order, 94 FCC 2d 1338 (RCA Americom 1983 Order); RCA

. for stability in term arrangements.”²⁸

A. The Substantial Cause Test is Applicable to Transmittal No. 657

The substantial cause for change test is applicable not only to individually-negotiated contract tariffs, but to any long-term service arrangement in dominant carrier tariffs.²⁹ Indeed, the RCA Americom Decisions involved generic long-term service arrangements, not individually-negotiated contract tariffs.

Transmittal No. 657 is subject to the requirements of the “substantial cause test” because it would modify the security deposit provisions applicable to existing customers of the Area Commitment Plan (ACP), Transport Payment Plan (TPP), Transport Savings Plan (TSP) and other plans listed in Section 2.4.8 of BellSouth’s tariff.³⁰ These plans constitute long-term service arrangements similar to the arrangements discussed in the RCA Americom Decisions and in other Commission “substantial cause” decisions;³¹ as in those cases, customers to the BellSouth term arrangements obtain reduced rates by making a long-term commitment to BellSouth, subject to termination liabilities if the

American Communications, Inc., Memorandum Opinion and Order, 2 FCC Rcd 2363 (1987) (RCA Americom Final Order).

²⁸ RCA Americom 1981 Order, 86 FCC 2d at 1201.

²⁹ Hi-Tech Furnace Systems, Inc. and Robert Kornfeld v. Sprint Communications Company, Memorandum Opinion and Order, 14 FCC Rcd 8040, ¶ 13 (1999) (Hi-Tech Order).

³⁰ BellSouth Tariff FCC No. 1, Sections 2.4.8(B); 2.4.8(D); 2.4.8(E).

³¹ See, e.g., AT&T Communications Transmittal Nos. 2404 and 2535, Order, 5 FCC Rcd 6777, ¶ 2 (1990).

commitment is not met. For example, the Area Commitment Plan provides “credits, in exchange for a commitment to maintain a level of service for a specified period of time” (of up to 72 months).³² Customers that fail to maintain the committed level of service are subject to “shortfall charges” or termination liabilities.³³

The tariff provisions at issue are clearly “material.” First, the tariff revisions proposed in Transmittal No. 657 would substantially increase the number of existing term plan customers that could be required to pay a security deposit.³⁴ Second, the amount of the security deposit that could be imposed on the additional customers targeted by Transmittal No. 657 is “material;” two months’ access billings would, in the case of many existing term plan customers, amount to millions or tens of millions of dollars.

B. BellSouth Has Not Met the Requirements of the Substantial Cause Test

Pursuant to the RCA Americom Decisions, extensive revisions of a dominant carrier’s long-term service tariff will be considered reasonable only if the carrier can demonstrate “substantial cause” for the revisions.³⁵ The Commission found that, in order to “balance[] the carrier’s right to adjust its tariff . . . against the legitimate expectations of customers for stability in term arrangements,” the reasonableness of a proposal to revise

³² BellSouth Tariff FCC No. 1, Section 2.4.8(B), 10th revised page 2-49.

³³ BellSouth Tariff FCC No. 1, Section 2.4.8(B), 4th revised page 2-49.0.1; 4th revised page 2-49.0.2.

³⁴ D&J at 2.

³⁵ RCA Americom 1981 Order, 86 FCC 2d at 1201-1202

material provisions in the middle of a term “must hinge to a great extent on the carrier’s explanation of the factors necessitating the desired changes at that particular time.”³⁶

BellSouth has not, and could not, demonstrate compliance with the substantial cause test. In weighing customers’ legitimate expectation of stability against carriers’ business needs, the Commission has found carriers to meet the requirements of the substantial cause for change test only when they could demonstrate unforeseeable increases in cost or in traffic volume.³⁷ BellSouth has not shown that it has experienced any material changes in business circumstances, much less experienced changes in circumstances that would “constitute an injury to [BellSouth] that outweigh[s] the existing customers’ legitimate expectation of stability.”³⁸

BellSouth suggests in the D&J that the proposed tariff changes are warranted because its uncollectibles due to bad debt increased in 2001.³⁹ But the mere fact that BellSouth experienced an increase in uncollectibles in 2001 does not demonstrate “substantial cause” for a change in the security deposit provisions. Any increase in uncollectibles between 2000 and 2001 simply reflects the normal effects of the business cycle: all carriers, not just BellSouth, have seen their uncollectibles increase as the telecommunications industry downturn has deepened.

³⁶ Id.

³⁷ RCA Americom Final Order, 2 FCC Rcd at 2367-2368; Hi-Tech Furnace Systems, Inc. and Robert Kornfeld v. Sprint Communications Company, Memorandum Opinion and Order, 14 FCC Rcd 8040, 8046-8047 (1999) (Hi-Tech Order).

³⁸ 5 FCC Rcd at 6779 ¶ 21.

³⁹ D&J at 2.

Significantly, ARMIS data show that, despite the increase in uncollectibles in 2001, BellSouth's absolute level of uncollectibles is still extremely low. In 2001, BellSouth recorded interstate uncollectible revenues of only \$68 million out of total interstate revenues of \$4.7 billion – or about 1.4 percent of interstate revenues.⁴⁰ And the modest increase in interstate uncollectible revenue in 2001 had only a negligible impact on BellSouth's financial performance: BellSouth's interstate rate of return in 2001 was a still-excessive 21.22 percent, far above BellSouth's cost of capital and the Commission's most recently-prescribed rate of return of 11.25 percent.

⁴⁰ BellSouth ARMIS 43-01, col.h, lines 1060, 1090.

VI. Conclusion

For the reasons stated herein, the Commission should reject or, in the alternative, suspend and investigate BellSouth Transmittal No. 657.

Respectfully submitted,
WORLDCOM, INC.

/s/ Alan Buzacott

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July 26, 2002

STATEMENT OF VERIFICATION

I have read the foregoing and, to the best of my knowledge, information, and belief, there is good ground to support it, and it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on July 26, 2002.

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CERTIFICATE OF SERVICE

I, Alan Buzacott, do hereby certify that copies of the foregoing Petition to Reject or, in the Alternative, Suspend and Investigate, were sent via first class mail, postage paid, and by facsimile*, to the following on this 26th day of July, 2002.

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