

**BELLSOUTH TELECOMMUNICATIONS, INC.**

**DESCRIPTION AND JUSTIFICATION**

**BELLSOUTH FAST PACKET SAVINGS PLAN**

**TRANSMITTAL NO. 880**

**1.0 INTRODUCTION**

With this filing, BellSouth Telecommunications, Inc. (hereinafter "BellSouth") is revising Section 2 of Tariff F.C.C. No. 1 to make a miscellaneous terms and conditions change to the BellSouth Fast Packet Savings Plan (FSP) and introduce a promotion for the BellSouth FSP.

Transmittal No. 880 is scheduled to become effective on April 1, 2005.

**2.0 TERMS AND CONDITIONS CHANGES TO FSP**

The existing BellSouth Fast Packet Savings Plan (FSP) in Section 2.4.8(F) allows customers to receive credits applied to their bill in exchange for making a commitment to maintain a minimum level of total Fast Packet Services monthly recurring billing for a specified period of time. The minimum level of monthly recurring billing upon which the commitment level is established is based upon specific services listed in the FSP tariff. A portion of the customers' recurring billing for certain BellSouth Transport Services is allowed to count as qualifying revenue towards this monthly revenue commitment; with this filing additional BellSouth Transport Services are being added to the list of qualifying services whose revenues may be counted towards the customer's commitment.

**3.0 FSP PROMOTION**

The BellSouth FSP contains Minimum Monthly Revenue Commitment (MMRC) levels of \$750,000, \$2,000,000, \$5,000,000 and \$10,000,000. There are currently no signed FSP Agreements with MMRC levels of \$5,000,000 or above. With this filing BellSouth is proposing a promotion of the \$5,000,000 MMRC with a 60 to 83 Month term plan to test the market for higher commitment FSP Agreements by providing incentive for customers to enter into such new agreements with less risk. For a promotional period from April 1, 2005 to April 30, 2005, new BellSouth FSP Agreements signed with a \$5,000,000 MMRC with a 60 to 83 month term plan shall be provided with special terms and conditions. These promotional FSP Agreements will allow the customer to terminate the FSP Agreement after the 36th month without any termination charges, or retain or renegotiate the FSP Agreement subject to the standard FSP tariff terms and conditions.

The anticipated demand for the promotion is expected to be incremental demand only and will not impact existing demand. For this reason, this promotion does not create any price cap headroom or effect price cap indices in any manner as shown in Appendix A Workpaper SUM-A.



**Fast Packet Savings Plan Promotion**

APPENDIX A  
WORKPAPER SUM-A

DESCRIPTION	SOURCE	R(t-1)		R(t)	LAST PCI INDEX AMOUNT (D)	(t-1)	(t)	UPPER LIMIT (G)	OUT
		LAST PCI RATExDEMAND (A)	EXISTING RATExDEMAND (B)	PROPOSED RATExDEMAND (C)		EXISTING INDEX AMOUNT (E)	PROPOSED INDEX AMOUNT (F)		OF LIMITS INDICATOR (H)
A. INTERCONNECTION CHARGE	Workpaper TR-1	0	0	0	0.0000	0.0000	0.0000	0.0000	OK
B. TANDEM SWITCHED TRANSPORT									
a. DENSITY ZONE 1	Workpaper TR-1	20,219,438	20,219,438	20,219,438	77.7950	77.7950	77.7950	89.4643	OK
b. DENSITY ZONE 2	Workpaper TR-1	7,865,828	7,865,828	7,865,828	70.9707	70.9707	70.9707	81.6163	OK
c. DENSITY ZONE 3	Workpaper TR-1	19,230,482	19,230,482	19,230,482	58.7280	58.7280	58.7280	67.5372	OK
d. NON ZONE	Workpaper TR-1	10,584,664	10,584,664	10,584,664	NA	NA	NA	NA	NA
e. TOTAL TANDEM SWITCHED TPT	Workpaper TR-1	57,900,411	57,900,411	57,900,411	103.7122	103.7122	103.7122	105.7877	OK
C. VOICE GRADE, WATS, METALLIC & TELEGRAPH	Workpaper TR-1	119,728	119,728	119,728	89.8204	89.8204	89.8204	94.3114	OK
D. DIGITAL DATA, & HICAP	Workpaper TR-1	88,398,516	88,398,516	88,398,516	62.7150	62.7150	62.7150	65.9066	OK
(1.) DS1									
a. DENSITY ZONE 1	Workpaper TR-1	5,896,162	5,896,162	5,896,162	61.2046	61.2046	61.2046	70.3853	OK
b. DENSITY ZONE 2	Workpaper TR-1	4,552,794	4,552,794	4,552,794	71.5431	71.5431	71.5431	82.2746	OK
c. DENSITY ZONE 3	Workpaper TR-1	42,387,624	42,387,624	42,387,624	75.5588	75.5588	75.5588	86.8926	OK
d. NON ZONE	Workpaper TR-1	1,018,151	1,018,151	1,018,151	NA	NA	NA	NA	NA
e. TOTAL DS1	Workpaper TR-1	53,854,731	53,854,731	53,854,731	68.4357	68.4357	68.4357	71.8575	OK
(2.) DS3									
a. DENSITY ZONE 1	Workpaper TR-1	1,640,884	1,640,884	1,640,884	59.7753	59.7753	59.7753	68.7416	OK
b. DENSITY ZONE 2	Workpaper TR-1	1,541,239	1,541,239	1,541,239	60.7919	60.7919	60.7919	69.9107	OK
c. DENSITY ZONE 3	Workpaper TR-1	7,341,123	7,341,123	7,341,123	64.1131	64.1131	64.1131	73.7301	OK
d. NON ZONE	Workpaper TR-1	1,031,471	1,031,471	1,031,471	NA	NA	NA	NA	NA
e. TOTAL DS3	Workpaper TR-1	11,554,717	11,554,717	11,554,717	61.9728	61.9728	61.9728	65.0714	OK
(3.) SIGNALLING INTERCONNECTION	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>SPECIAL ACCESS BASKET</b>									
1. PRICE CAP INDEX (PCI)	Workpaper PCI-1	NA	NA	NA	50.4148	50.4148	50.4148	NA	NA
2. ACTUAL PRICE INDEX (API)	Workpaper SP-1	458,751,315	458,751,315	458,751,315	49.2807	49.2807	49.2807	50.4148	OK
3. SERVICE BAND INDEX (SBI)									
A. VOICE GRADE, WATS, METALLIC & TELEGRAPH	Workpaper SP-1	7,554,494	7,554,494	7,554,494	98.5472	98.5472	98.5472	103.5839	OK

**Fast Packet Savings Plan Promotion**APPENDIX A  
WORKPAPER SUM-A

DESCRIPTION	SOURCE	R(t-1)		R(t)	LAST PCI INDEX AMOUNT (D)	(t-1)	(t)	APPENDIX A WORKPAPER SUM-A	
		LAST PCI RATExDEMAND (A)	EXISTING RATExDEMAND (B)	PROPOSED RATExDEMAND (C)		EXISTING INDEX AMOUNT (E)	PROPOSED INDEX AMOUNT (F)	UPPER LIMIT (G)	OUT OF LIMITS INDICATOR (H)
B. AUDIO PROGRAM, & VIDEO	Workpaper SP-1	1,736,263	1,736,263	<b>1,736,263</b>	79.5204	79.5204	<b>79.5204</b>	83.5830	OK
C. WIDEBAND ANALOG, & DIGITAL	NA	NA	NA	NA	NA	NA	NA	NA	NA
D. DIGITAL DATA, & HICAP	Workpaper SP-1	449,460,558	449,460,558	<b>449,460,558</b>	66.8987	66.8987	<b>66.8987</b>	71.8919	OK
(1.) DS1									
a. DENSITY ZONE 1	Workpaper SP-1	16,397,715	16,397,715	<b>16,397,715</b>	58.5386	58.5386	<b>58.5386</b>	67.3883	OK
b. DENSITY ZONE 2	Workpaper SP-1	25,419,427	25,419,427	<b>25,419,427</b>	72.0115	72.0115	<b>72.0115</b>	82.8981	OK
c. DENSITY ZONE 3	Workpaper SP-1	150,496,640	150,496,640	<b>150,496,640</b>	76.8386	76.8386	<b>76.8386</b>	88.4549	OK
d. NON ZONE	Workpaper SP-1	30,038,853	30,038,853	<b>30,038,853</b>	NA	NA	NA	NA	NA
e. TOTAL DS1	Workpaper SP-1	222,352,635	222,352,635	<b>222,352,635</b>	70.6449	70.6449	<b>70.6449</b>	74.2532	OK
(2.) DS3									
a. DENSITY ZONE 1	Workpaper SP-1	12,854,371	12,854,371	<b>12,854,371</b>	60.5288	60.5288	<b>60.5288</b>	69.6794	OK
b. DENSITY ZONE 2	Workpaper SP-1	18,252,822	18,252,822	<b>18,252,822</b>	63.6591	63.6591	<b>63.6591</b>	73.2830	OK
c. DENSITY ZONE 3	Workpaper SP-1	42,404,365	42,404,365	<b>42,404,365</b>	64.8125	64.8125	<b>64.8125</b>	74.6107	OK
d. NON ZONE	Workpaper SP-1	23,199,778	23,199,778	<b>23,199,778</b>	NA	NA	NA	NA	NA
e. TOTAL DS3	Workpaper SP-1	96,711,337	96,711,337	<b>96,711,337</b>	65.1722	65.1722	<b>65.1722</b>	68.5010	OK
<b>INTEREXCHANGE BASKET</b>									
1. PRICE CAP INDEX (PCI)	Workpaper PCI-1	NA	NA	NA	78.1501	78.1501	<b>78.1501</b>	NA	NA
2. ACTUAL PRICE INDEX (API)	Workpaper IX-1	1,292,612	1,292,612	<b>1,292,612</b>	78.1471	78.1471	<b>78.1471</b>	78.1501	OK
<b>ALL BASKETS</b>									
1. TOTAL REVENUE		2,582,891,485	2,582,891,485	<b>2,582,891,485</b>	NA	NA	NA	NA	NA