

BELLSOUTH TELECOMMUNICATIONS, INC.

DESCRIPTION AND JUSTIFICATION

INCENTIVE PLAN FOR OPTICAL TRANSPORT SERVICES

TRANSMITTAL NO. 1047

BellSouth Telecommunications, Inc. (hereinafter "BellSouth"), with this filing, is revising Section 25 of its Access Services Tariff, F.C.C. No. 1, to introduce an Incentive Plan for Optical Transport Services . This Transmittal is being filed on January 12, 2007, and is scheduled to become effective January 13, 2007.

The Incentive Plan will be offered for the period beginning January 15, 2007, and ending November 15, 2007. Under the Incentive Plan, customers subscribing to SMARTRing Service (a.k.a. BellSouth SPA Dedicated Ring) or Optical LightGate Service (a.k.a. BellSouth SPA Point to Point Network) under a Transport Payment Plan (TPP) will qualify for a credit on TPP monthly recurring rates, subject to the terms and conditions specified in the Incentive Plan. The Incentive Plan will expire on November 15, 2007.