

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 11, 2002

IN RE:

COMPLAINT OF UNIVERSAL TELECOM, INC.
AGAINST BELL SOUTH TELECOMMUNICATIONS,
INC.

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DOCKET NO.
01-00613

HEARING OFFICER'S ORDER ACCEPTING SETTLEMENT AGREEMENT AND
DISMISSING COMPLAINT

This matter came before the Hearing Officer of the Tennessee Regulatory Authority (the "Authority") for approval of the Settlement Agreement filed on February 21, 2002 relative to the *Formal Complaint* (the "*Complaint*") filed on July 12, 2001 by Universal Telecom, Inc. ("Universal") against BellSouth Telecommunications, Inc. ("BellSouth").

Background

Universal filed its *Complaint* against BellSouth on July 12, 2001. In its *Complaint*, Universal states that it is a competitive local exchange carrier authorized to provide local exchange services in Tennessee and other states. According to the *Complaint*, Universal provides service in Tennessee through the resale of BellSouth wholesale products pursuant to an Interconnection Agreement with BellSouth. Universal alleges that BellSouth violated Sections 251 and 252 of the 1996 Federal Telecommunications Act (47 U.S.C. §§ 251-252) and Tenn. Code Ann. §§ 65-4-123, 65-5-201, and 65-5-204 by refusing to provide Universal with a discount rate reflecting the fact that BellSouth does not provide operator service/directory assistance ("OS/DA") services to Universal. Universal requests in its *Complaint* that the

Authority convene a contested case against BellSouth, issue a declaratory ruling that BellSouth avoids costs for OS/DA services when Universal does not allow its customers to access OS/DA services, and issue an order compelling BellSouth to provide Universal with a discount rate of 21.56% on both a retroactive and a prospective basis for the period during which Universal has not allowed its customers to access OS/DA services.

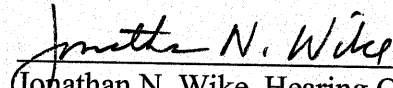
A majority of the Authority's Directors voted during the July 24, 2001 Authority Conference to require BellSouth to file a response to United's *Complaint* by August 7, 2001 and to appoint the General Counsel or his designee to act as Hearing Officer in this matter to make findings of fact and conclusions of law, as necessary, and to render an initial decision on the merits of the *Complaint*.

On July 31, 2001, Universal submitted the Agreement which forms the basis of its *Complaint* to the Authority. On August 7, 2001, BellSouth filed the *Answer of BellSouth Telecommunications, Inc. to Formal Complaint*. On October 3, 2001, Universal filed a *Motion for Judgment on the Pleadings* and a *Memorandum in Support of Universal Telecom's Motion for Judgment on the Pleadings*. On October 16, 2001, BellSouth filed *BellSouth's Motion to Defer Consideration of Universal Telecom, Inc.'s Motion for Judgment on the Pleadings*, and on October 19, 2001, Universal filed a *Response to BellSouth's Motion to Defer Consideration of Universal Telecom Inc.'s Motion for Judgment on the Pleadings*. On October 30, 2001, BellSouth filed the *Response of BellSouth Telecommunications, Inc. to Universal Telecom, Inc.'s Motion for Judgment on the Pleadings*.


The Settlement Agreement and Release

On February 21, 2002, BellSouth filed on behalf of both parties an executed Settlement Agreement and Release, which states that the parties have settled Universal's *Complaint* and requests that the *Complaint* be dismissed.

Accordingly, the Hearing Officer accepts the Settlement Agreement and Release, and Universal's *Formal Complaint* is hereby dismissed, with prejudice.


Jonathan N. Wike, Hearing Officer

ATTEST:


K. David Waddell, Executive Secretary