

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

July 11, 1997

In The Matter of the Interconnection)	
Agreement Negotiations Between AT&T)	
Communications of the South Central States,)	Docket No.
Inc. and BellSouth Telecommunications, Inc.)	96-01152
Pursuant to 47 U.S.C. Section 252)	
)	
AND)	
)	
In the Matter of the Petition of MCI)	
Telecommunications Corporation for)	
Arbltration of Certain Terms and Conditions)	
of a Proposed Agreement with BellSouth)	Docket No.
Telecommunications, Inc. Concerning)	96-01271
Interconnection and Resale Under the)	
Telecommunications Act of 1996)	

**FINAL ORDER ON INDEPENDENT COMPANIES' AND COOPERATIVES'
MOTION FOR CLARIFICATION OF ARBITRATION ORDER AND PETITION
FOR DECLARATORY JUDGMENT**

This matter comes before the Tennessee Regulatory Authority ("Authority") upon the Motion and Petition of Independent Telephone Companies' and Cooperatives' ("Rural Telcos") for Clarification of the Second and Final Arbitration Order and in the Alternative for Declaratory Judgment. The Directors of the Authority convened a Special Authority Conference on Tuesday, June 24, 1997, in Nashville, Tennessee for the purpose of considering the above referenced motion.

ATTORNEYS FOR THE PARTIES:

Guy M. Hicks, Esquire and Stephen M. Klimacek, Esquire, Attorneys for BellSouth Telecommunications, Inc., 333 Commerce Street, Suite 2101, Nashville, TN 37201-3300.

Val Sanford, Esquire, Attorney for AT&T Communications of the South Central States, Inc., GULLETT, SANFORD, ROBINSON & MARTIN, PLLC, 230 4th Avenue North, 3rd Floor, P.O. Box 198888, Nashville, TN 37219-8888.

James P. Lamoureux, Esquire, Attorney for AT&T Communications of the South Central States, Inc., Room 4068, 1200 Peachtree Street, NE, Atlanta, GA 30309.

John R. Monroe, Esquire, Attorney for TDS Telecom, with TDS acting as a representative for Independent Telephone Companies and Cooperatives, TDS Telecom, 725 Pellissippi Parkway, Knoxville, TN 37932.

At the Conference, and after careful review of the pleadings, the Order and the record, the Directors having served as arbitrators were motivated by the Motion of the Rural Telcos to issue the following clarification of the Second and Final Order of Arbitration Awards in Docket No. 96-01152 ("Arbitration Order") (January 23, 1997).

That the majority of the Arbitrators who voted to require the filing of all interconnection agreements by June 30, 1997, only intended that the interconnection agreements negotiated between Class A carriers prior to and subsequent to February 8, 1996, be filed with the Authority for approval by June 30, 1997. Further, the interconnection agreements negotiated between BellSouth and other incumbent local exchange carriers ("Class B carriers") were not required to be filed with the Authority for approval by June 30, 1997, pursuant to the Arbitration Order. Finally, in acting to clarify and interpret the Arbitration Order, the Authority has further determined that the petition of the Rural Telcos for declaratory judgment has been rendered moot.

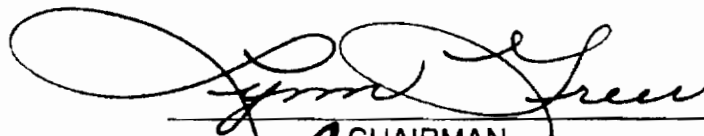

IT IS THEREFORE ORDERED:

- 1) That BellSouth Telecommunications is not required to file those interconnection agreements negotiated between itself and other incumbent local

exchange carriers ("Class B carriers") pursuant to the Second and Final Order of Arbitration Awards in Docket No. 96-01152 (January 23, 1997);

2) That any party aggrieved with the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from the date of this Order; and

3) That any party aggrieved with the Authority's decision in this matter may file a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from the date of this Order.


CHAIRMAN

DIRECTOR

DIRECTOR

ATTEST:


EXECUTIVE SECRETARY