

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
(as Arbitrators)**

October 21, 1996

Nashville, Tennessee

**IN THE MATTER OF THE INTERCONNECTION AGREEMENT
NEGOTIATIONS BETWEEN AT&T COMMUNICATIONS OF THE SOUTH
CENTRAL STATES, INC. AND BELL SOUTH TELECOMMUNICATIONS, INC.
PURSUANT TO 47 U.S.C. SECTION 252**

DOCKET NO. 96-01152

**ORDERS FROM PRE-ARBITRATION CONFERENCE HELD ON OCTOBER
14, 1996**

A Pre-Arbitration Conference was held in the above-captioned matter on Monday, October 14, 1996, in the hearing room of the Tennessee Regulatory Authority (the "Authority"), 460 James Robertson Parkway, Nashville, Tennessee beginning at approximately 1:00 p.m. before Chairman Lynn Greer, Director Melvin Malone, and Director Sara Kyle.

The following appearances were entered at the Pre-Arbitration Conference:

Val Sanford, Esquire, Gullett, Sanford, Robinson & Martin, 230 Fourth Avenue, N., 3rd Floor, P.O. Box 198888, Nashville, Tennessee 37219-8888 and James Lamoureux, Esquire, 1200 Peachtree Street, Atlanta, Georgia 30309, appearing on behalf of AT&T Communications of the South Central States, Inc. ("AT&T").

Guy M. Hicks, Esquire, General Counsel-Tennessee, 333 Commerce Street, Suite 2101, Nashville, Tennessee 37201-3300, and Nancy White, Esquire, General Attorney, 675 Peachtree Street, N.E., Suite 4300 BellSouth Center, Atlanta, Georgia 30375, appearing on behalf of BellSouth Telecommunications, Inc. ("BellSouth").

Jon E. Hastings, Esquire, Boulton, Conners & Berry, PLC, 414 Union Street, Suite 1600, Nashville, Tennessee 37219, appearing on behalf of MCI Telecommunications Corporation ("MCI").

Henry Walker, Esquire, Boulton, Conners & Berry, PLC, 414 Union Street, Suite 1600, Nashville, Tennessee 37219, appearing on behalf of American Communications Services, Inc. ("ACSI").

During the Pre-Arbitration Conference, the parties were asked to make their best efforts to agree, voluntarily and jointly, to make a representative from the manufacturers Lucent Technologies, Northern Telecom and Siemens available so that the Arbitrators could question them with regard to technical feasibility and to agree, voluntarily and jointly, to make a representative of the Network Reliability Council or the Alliance for Telecommunications Industry Solutions available so that the Arbitrators could question him or her with regard to the issue of allowing access to the Advanced Intelligence Network.

Certain additional matters were properly brought before the Arbitrators and the arguments and comments of the parties were heard on the matters handled herein, as well as on other matters described in three (3) Agreed Orders of the Arbitrators of even date herewith. After due consideration of the arguments and comments heard, documents filed with regard to the matters considered, and the agreements reached among the parties, **the Arbitrators hereby order the following:**

1. That "BellSouth Telecommunications, Inc.'s Motion to Strike or, in the alternative, To Limit this Arbitration Proceeding to the 30 Issues Set Forth in the Issues List", filed with the Arbitrators on October 10, 1996, be, and hereby is, denied.

2. That procedures to be followed in reaching complete interconnection agreements between AT&T and BellSouth, MCI and BellSouth, and ACSI and BellSouth shall include-

a) that the Arbitrators shall make their best effort to reach and announce an arbitration award with regard to the remaining issues of the thirty (30) issues set forth in the issues list by Friday, November 15, 1996,

b) that the parties shall make their best efforts to negotiate a settlement of any remaining unresolved issues between the date the arbitration award is rendered and that date which shall be five (5) business days thereafter,

c) that by 12:00 noon CST of the day which is five (5) business days after the date on which the arbitration award is rendered, each party shall submit its final best offer to the arbitrators. In other words, AT&T and BellSouth shall submit their final best offers on any issues which remain unresolved between them. MCI and BellSouth shall submit their final best offers on any issues which remain unresolved between them. ACSI has not indicated that they desire that this procedure apply to the completion of the interconnection agreement between ACSI and BellSouth,

and

d) that, on or before December 4, 1996, the Arbitrators shall determine which final best offer shall be included in the complete interconnection agreement. The determination discussed in subsection d) hereof shall be binding upon the parties.

3. That each party, to the extent that an issue relates to that party, may present oral testimony on all remaining issues (to wit: issues 1-8, 10-14, 16, 17, 19, 21, 24-29, and 30). Further, that such oral testimony shall be presented in the following order and groupings:

FIRST: Issues 6, 7, 14, and 19 on technical feasibility,

SECOND: Issues 24, 25, 26, 27, 28, and 29 on pricing,

THIRD: Issues 1, 2, 3, 10, 11, 12, and 15 on service,

and

FOURTH: Remaining Issues 4, 5, 8, 13, 16, 17, 21, and 30.

Further, that the parties shall make their best efforts to provide the Arbitrators with an estimate of the time required to present each grouping of issues and the name of each witness and the order in which they are expected to appear.

4. That the question "whether MCI can raise certain issues within the context of the consolidated proceedings in the AT&T/BellSouth Arbitration or have those issues been removed from consideration by virtue of a contract negotiated between MCI and BellSouth and approved by the Tennessee Regulatory Authority [or its predecessor]" shall be decided within the context of Docket No. 96-01152. Further, that BellSouth and MCI shall submit briefs on the question no later than Wednesday, October 16, 1996 at 12:00 noon CST.

5. That any party aggrieved with the Arbitrators' decision in this matter may file a Petition for Reconsideration with the Arbitrators within ten (10) days from and after the date of this Order.

ATTEST:

EXECUTIVE SECRETARY

CHAIRMAN

DIRECTOR

DIRECTOR