STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY December 12, 2000

CASE NO: TO-98-115

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Enclosed find certified copy of ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of AT&T Communications of the)
Southwest, Inc.'s Petition for Second Compulsory)
Arbitration Pursuant to Section 252(b) of the)
Telecommunications Act of 1996 to Establish an)
Interconnection Agreement with Southwestern Bell)
Telephone Company.

Case No. TO-98-115

ORDER DIRECTING FILING

This arbitration proceeding was initiated by the September 10, 1997, filing of the Application of AT&T Communications of the Southwest, Inc. (AT&T), for Second Compulsory Arbitration to Establish Terms and Conditions of Interconnection Agreement between AT&T and Southwestern Bell Telephone Company (SWBT). SWBT and AT&T met during November 1997 with the Arbitration Advisory Staff Dana K. Joyce, a Special Master appointed by the Commission to oversee negotiations on the parties' disputed issues. The parties filed their Joint Settlement Document on November 21, 1997, which identified the issues which had either been withdrawn or resolved by agreement between SWBT and AT&T during mediation. Also on November 21, 1997, the parties and the Special Master filed their Joint Statement of Remaining Issues (Statement), which was amended by interlineations on November 24 and 25, 1997. This Statement was replaced by an Amended Joint Statement of Remaining Issues (Amended Statement) November 26, 1997.

On December 23, 1997, the Commission issued its Report and Order, which specified language to be used by SWBT and AT&T to resolve the remaining interconnection issues, ordered SWBT and AT&T to submit an interconnection agreement implementing this language and the language which they had previously agreed to by February 1, 1998, and set interim rates for certain services to be provided to AT&T by SWBT. The Report and Order set a procedure for the establishment of permanent rates, and required the Commission's Arbitration Advisory Staff (AAS) to file a report containing the AAS's recommendations as the appropriate permanent rates for the services and elements for which interim rates were being established. A hearing was held on September 4, 1998, in order to allow questions by the Commissioners.

Since the issuance of the Commission's December 23, 1997, Report and Order, the parties have been using interim rates set by that order. During this period, the parties and the Commission have been involved in an ongoing appeal of the first arbitration between AT&T and SWBT, AT&T Communications of the Southwest, Inc., vs. Southwestern Bell Telephone Company, et al., 86 F. Supp.2d 932 (W.D. Mo. 1999). Initially, it was believed that a resolution of that appeal would be of assistance in this case. The Commission also delayed resolution of this case pending the appeal of AT&T v. Iowa Utilities Board, et al., 525 U.S. 366, 119 S.Ct. 721, 142 L.Ed.2d 835 (1999). However, it is now apparent that further delay is not warranted. In addition, the Commission notes that resolution of Case No. To-99-227, the Application of Southwestern Bell Telephone Company to Provide Notice of Intent to File an Application for Authorization

to Provide In-Region InterLATA Services Originating in Missouri Pursuant to Section 271 of the Telecommunications Act of 1996, would be somewhat simplified if the interim rates in TO-98-115 were replaced with permanent rates. For these reasons, the Commission will move expeditiously to establish permanent rates in the present case.

In light of the time which has passed, the Commission would be aided in its review of this case if AT&T, SWBT, and the Staff of the Missouri Public Service Commission (Staff), would jointly submit a list of issues, and individually submit proposed Findings of Fact and proposed Conclusions of Law.

IT IS THEREFORE ORDERED:

- 1. That AT&T Communications of the Southwest, Inc., Southwestern Bell Telephone Company, and the Staff of the Missouri Public Service Commission are directed to jointly file a list of issues no later than December 29, 2000.
- 2. That AT&T Communications of the Southwest, Inc., Southwestern Bell Telephone Company, and the Staff of the Missouri Public Service Commission are directed to individually file proposed Findings of Fact and proposed Conclusions of Law no later than January 22, 2000.

3. That this order shall become effective on December 12, 2000.

BY THE COMMISSION

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Vicky Ruth, Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 12th day of December, 2000.

STATE OF MISSOURI OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 12th day of December 2000.

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge