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March 24, 2000

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BY FEDERAL EXPRESS

Blanca S. Bayo
Director, Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

**RE: Petition by BellSouth Telecommunications, Inc. for Arbitration of Resale
Agreement with Atlantic Telecommunication Systems, Inc.; Docket No. 992018-TP**

Dear Ms. Bayo:

Enclosed please find an original and fifteen (15) copies of the Rebuttal Testimony of Jerold Stabler, President of Atlantic Telecommunication Systems, Inc. ("Atlantic"), as well as an original and fifteen (15) copies Atlantic's Prehearing Statement for filing in the above-referenced docket.

Kindly date-stamp and return the enclosed receipt copy of this filing and return it in the self-addressed envelope provided for your convenience. **RECEIVED & FILED**

Done 3/29/00

[Signature]
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Blanca S. Bayo
March 23, 2000
Page 2

Please contact the undersigned if you have any questions regarding the enclosed documents.

Sincerely,



John C. Dodge
Erik J. Cecil

Counsel to Atlantic Telecommunication Systems, Inc.

cc: Attached Service List
Jerold Stabler
Jed Stabler

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Mailing list

1 ATLANTIC TELECOMMUNICATIONS SYSTEMS, INC.
2 PREHEARING STATEMENT
3 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
4 DOCKET NO. 992018-TP

ORIGINAL

5 March 24, 2000
6

7 Atlantic Telecommunications Systems, Inc.'s ("Atlantic's") prehearing statement is as
8 follows:

9 (1) Atlantic intends to call Jerome Stabler, President and CEO of Atlantic to testify on all
10 issues related to Issue 1 as presented to the Florida Public Service Commission by Bell
11 South in Docket No. 992018-TP on February 16, 2000.

12 (2) Atlantic intends to introduce the following exhibits:

13 (a) Agreement Between BellSouth Telecommunications, Inc. and Atlantic
14 Telecommunications Systems, Inc. Regarding the Sale of BST's Telecommunications
15 Services to Atlantic Telecommunications Systems, Inc. for the Purposes of Resale;

16 (b) BellSouth Telecommunications, Inc.'s Proposed Issues List, Docket No. 992018-TP
17 (February 16, 2000);

18 (c) Petition for Arbitration Section 252(b) of a Resale Agreement Between BellSouth
19 Telecommunications, Inc. and Atlantic Telecommunications Systems, Inc. filed
20 December 23, 1999;

21 (d) BellSouth Telecommunications, Inc. Direct Testimony of Beth Shiroshi Before the
22 Florida Public Service Commission, Docket No. 992018-TP (March 3, 2000).

1 (3) Atlantic simply seeks to preserve a provision in its resale agreement with BellSouth,
2 which provision was previously approved by the Commission, protecting it from
3 BellSouth interference with exclusive customer arrangements.

4 (4) The question of fact at issue is: Under the Telecommunications Act of 1996, can Atlantic
5 require BellSouth to include a provision in the Resale Agreement whereby BellSouth is
6 precluded from offering service to consumers covered by an exclusive arrangement with
7 Atlantic?

8 (a) Atlantic's position is that it can.

9 (b) Jerold Stabler, President of Atlantic will testify on Atlantic's behalf.

10 (5) The question of law is whether under the Telecommunications Act of 1996, can Atlantic
11 require BellSouth to include a provision in the Resale Agreement whereby BellSouth is
12 precluded from offering service to consumers covered by an exclusive arrangement with
13 Atlantic.

14 (6) The question of policy is whether BellSouth's attempt to remove previously approved
15 provisions from a resale agreement where those provisions provided for the mutual
16 respect of exclusive customer arrangements promotes competition consistent with Florida
17 and federal law. Atlantic's position is that BellSouth should have no objections to
18 agreeing to a provisions that restates the company's commitment to comply with existing
19 law regarding tortious interference with contract. Exclusive customer contracts are
20 common across competitive industries including telecommunications. In addition to
21 exclusive customer arrangements, carriers often tariff exclusive term contracts. In this
22 situation, Atlantic, a new entrant competitor sought and obtained BellSouth's consent to
23 including mutually protective language which essentially provides a small company like

1 Atlantic with additional assurance that it will not have to fight tortious interference of
2 contract claims with BellSouth, an eventuality that could stall and ultimately derail the
3 implementation business plan.

4 (7) The parties have reached agreement as to Issue 2: In the event of an unauthorized change
5 in local service (i.e. slamming) by Atlantic, is BellSouth allowed to recover from Atlantic
6 the costs BellSouth incurs in returning the slammed customer to the appropriate local
7 service provider? If so, should the obligations be reciprocal?

8 (8) To Atlantic's knowledge there are currently no pending motions

9 (9) Atlantic has no outstanding requests for confidential treatment.

10 (10) Atlantic believes it can comply with the requirements set forth in the Commission's
11 Order No. PSC-00-0391-PCO-TP, Docket No. 992018 dated February 23, 2000.

12 For:

13 ATLANTIC TELECOMMUNICATIONS SYSTEMS, INC.

14 
15 _____
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23 Its Counsel.

CERTIFICATE OF SERVICE

I, Erik J. Cecil, hereby certify that on this 24th day of March 2000, I caused a copy of the foregoing Prefiled Testimony, Exhibits and Prehearing Statement of Atlantic Telecommunication Systems, Inc. to be sent via Federal Express to the parties listed below.

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