

CERTIFICATE OF SERVICE
Docket No. 992018-TP (Atlantic Arbitration)

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via
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STATEMENT OF THE CASE

On December 23, 1999, BellSouth Telecommunications, Inc. ("BellSouth") filed a Petition for Arbitration of Resale Agreement with Atlantic Telecommunications Systems, Inc. ("Atlantic"). The parties had been negotiating a new resale agreement, but one issue remained in dispute. Atlantic failed to appear for the Prehearing Conference in this matter on April 7, 2000, or for the Hearing on April 19, 2000. In view of its failure to appear at the Prehearing Conference, Atlantic waived all positions and issues raised in its prehearing statement. At the hearing, the prefiled testimony of BellSouth witness Beth Shiroishi was admitted into the record without objection. It represents the only evidence before the Commission in this matter.

STATEMENT OF BASIC POSITION

The issue in this docket represents a specific dispute between BellSouth and Atlantic as to what should be included in the Resale Agreement between the parties. The issue involves a matter not properly within the scope of the Telecommunications Act of 1996 (the "Act") and should not, therefore, be part of an arbitrated Resale Agreement. In the event that the Commission determines that the issue is within the scope of the Act, BellSouth believes that its position should be sustained because it is more consistent with the Act, and Atlantic has waived its position on the issue in this arbitration.

STATEMENT OF POSITION ON THE ISSUES

Issue 1: Under the Telecommunications Act of 1996, can Atlantic require BellSouth to include a provision in the Resale Agreement whereby BellSouth is precluded from offering service to consumers covered by an exclusive service arrangement with Atlantic?

****Position:** No. This issue is clearly not appropriate for arbitration under §252 of the Act. Moreover, such an agreement would limit customer choice and would be inconsistent with the goals of the Act and Chapter 364, Florida Statutes.

Neither the Act nor Florida law addresses the issue of exclusive service arrangements. Thus, this issue is clearly not appropriate for arbitration under §252 of the Act. As a matter of policy, however, the Florida Public Service Commission should not allow any type of arrangement wherein a consumer's choice is limited. The practical effect of exclusive service arrangements is that a consumer, once committed, can be "held hostage" by the service provider, even in the face of poor service or non-competitive pricing. Clearly, exclusive service arrangements do not promote the goal of increased competition envisioned by the Act or Chapter 364, Florida Statutes.

In addition, by its failure to appear at the prehearing conference or the hearing in this matter, Atlantic has forfeited its position on the issue in this proceeding. Accordingly, there is no evidence in the record that would support a finding in Atlantic's favor.

CONCLUSION

For the foregoing reasons, the Commission should determine that BellSouth cannot be required, under the Act to include a provision in its Resale Agreement with Atlantic under which BellSouth is precluded from offering service to consumers covered by an exclusive service arrangement with Atlantic.

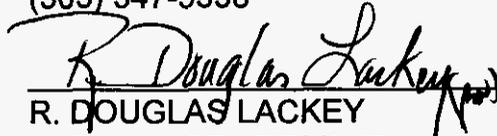
Respectfully submitted this 10th day of May, 2000.

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