COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE INTERCONNECTION AGREEMENT NEGOTIATIONS BETWEEN BLUESTAR NETWORKS, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC. PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996

CASE NO. 99-498

<u>order</u>

The Telecom Act of 1996 imposes strict deadlines upon this proceeding. Brevity, as well as clarity of expression and position, are of the essence. It is imperative that the Commission receive appropriate information in a timely manner. Accordingly, the following guidelines and procedural schedule shall apply to this proceeding. The purpose of this proceeding is to explore specific arbitration issues, not to engage in tangential or philosophical debate.

When the parties essentially have agreed as to a particular issue, but they have not been able to agree as to the precise language to express the agreement, the Commission will not hear argument on the issue in this proceeding. Reduction of the proposed agreement to writing is the responsibility of the parties. Each party may submit its proposed version of the contract term in its best and final offer, which shall be submitted no later than March 10, 2000.

Although the Commission is not bound by the technical rules of legal evidence, KRS 278.310, the parties hereto are hereby put on notice that cumulative, repetitive, and irrelevant evidence will not be heard in the formal hearing in this matter. Unless

special leave is granted, opening and closing statements will not be permitted. In addition, unless special leave is granted, all direct testimony shall be prefiled. All testimony at the formal hearing shall be offered pursuant to cross-examination or redirect examination provided, however, that in light of the time constraint, rebuttal testimony will be permitted.

The Commission, being sufficiently advised, HEREBY ORDERS that:

1. A formal hearing in this matter is scheduled for March 15, 2000, at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky.

2. Relevant cost studies, including workpapers, and any other documents and information necessary to resolve outstanding issues shall be filed by March 1, 2000.

3. Prefiled testimony shall be filed by March 8, 2000 and hearing testimony is limited to cross-examination or redirect examination and rebuttal testimony.

4. Any party filing testimony shall file an original and 12 copies. The original and at least 3 copies of the testimony shall be filed as follows:

a. Together with cover letter listing each person presenting testimony.

b. Bound in 3-ring binders or with any other fastener which readily opens and closes to facilitate easy copying.

c. Each witness's testimony should be tabbed.

d. Every exhibit to each witness's testimony should be appropriately marked.

5. Any agreed-upon portions of the parties' contract which have not already been filed shall be filed by March 8, 2000.

6. Each party shall submit, in contract form, its best and final offer on each disputed issue no later than March 8, 2000.

Done at Frankfort, Kentucky, this 24th day of February, 2000.

By the Commission

ATTEST:

Executive Director