COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION BY AT&T COMMUNICATIONS OF)THE SOUTH CENTRAL STATES, LLC AND)CASE NO.TCG OHIO, INC. FOR ARBITRATION OF)2004-00234CERTAIN TERMS AND CONDITIONS OF A))PROPOSED INTERCONNECTION)AGREEMENT WITH BELLSOUTH)TELECOMMUNICATIONS, INC. PURSUANT TO)47 U.S.C. SECTION 252)

<u>order</u>

AT&T Communications of the South Central States, LLC has petitioned for arbitration seeking resolution of certain issues between itself and BellSouth Telecommunications, Inc. The parties are participating in arbitrations in numerous states and have filed procedural requests that will result in this proceeding going beyond the statutory deadline. The parties have waived any right to issuance of a later decision. Pursuant to the parties' agreement regarding commencement of negotiations filed June 29, 2004, the Commission must make a decision in this case by no later than February 28, 2005.

The Telecom Act of 1996 imposes deadlines upon this proceeding. Brevity, as well as clarity of expression and position, is of the essence. It is imperative that the Commission receive appropriate information. Accordingly, the following guidelines and procedural schedule shall apply to this proceeding.

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 September 13, 2004.

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 rebuttal testimony will be permitted.

The Commission, being sufficiently advised, HEREBY ORDERS that:

1. A formal hearing in this matter is scheduled for October 26, 2004, at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky. A court reporter shall transcribe the evidence.

2. Parties shall submit an updated Joint Issues Matrix by no later than July 30, 2004.

3. Relevant cost studies regarding each item in dispute, including workpapers and any other documents and information necessary to resolve outstanding issues, shall be filed by August 20, 2004.

4. Prefiled direct testimony shall be filed by August 20, 2004.

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5. Prefiled rebuttal testimony shall be filed by September 7, 2004.

6. Hearing testimony shall be limited to cross-examination or redirect examination and rebuttal testimony.

7. Any party filing testimony shall file an original and 6 copies.

8. Any agreed-upon portions of the parties' contract that have not already been filed shall be filed by September 13, 2004.

9. Each party shall submit, in contract form, its best and final offer on each disputed issue no later than September 13, 2004.

10. An informal conference is scheduled to be conducted on August 3, 2004, at 10:00 a.m., Eastern Daylight Time, in Conference Room 1 of the Commission's offices at the address listed above.

Done at Frankfort, Kentucky, this 2nd day of July, 2004.

By the Commission

ATTEST:

Executive Director