



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: MARCH 1, 2000

TO: CHAIRMAN JOE GARCIA

FROM: COMMISSIONER E. LEON JACOBS, JR.

RE: DOCKET NO. 991838-TP - PETITION BY BLUESTAR NETWORKS, INC. FOR ARBITRATION OF CERTAIN UNRESOLVED ISSUES IN INTERCONNECTION NEGOTIATIONS WITH BELL SOUTH TELECOMMUNICATIONS, INC.

On December 7, 1999, BlueStar Networks, Inc. (BlueStar) filed a Petition for arbitration of certain unresolved issues in its interconnection negotiations with BellSouth Telecommunications, Inc. (BellSouth). On January 3, 2000, BellSouth filed its Response. This matter is currently scheduled for hearing on March 2-3, 2000. A prehearing conference was held on February 21, 2000, and a prehearing order was issued on March 1, 2000.

On February 29, 2000, BlueStar filed a signed stipulation resolving all of the remaining issues in the arbitration with the exception of Issues 5, 10(c) and (d), and 16. During an informal conference call on March 1, 2000, the parties represented that they had signed stipulations for the resolution of all of the remaining issues in the case. Additionally, BlueStar stated that it would withdraw, prior to the scheduled time of the hearing, its Petition for Arbitration and its outstanding motions.

Staff has received copies of the two separate stipulations resolving all of the remaining issues in the arbitration. Based upon these signed stipulations and BlueStar's representation that it will withdraw its Petition for Arbitration and its outstanding motions, I believe that it is appropriate to cancel the hearing currently scheduled.

Accordingly, it is requested that the Chairman cancel the Hearing scheduled on March 2-3, 2000.

Thank you.

DMC

cc: Division of Communications (Watts, Favors)
Division of Records and Reporting
Jackie Edwards

AFA _____
APP _____
CAF _____
CMU _____
CTR _____
EAG _____
LEG _____
MAS _____
OPC _____
RRR _____
SEC _____
WAW _____
OTH _____

DOCUMENT NUMBER-DATE

02800 MAR-28

FPSC-RECORDS/REPORTING



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: MARCH 1, 2000

TO: COMMISSIONER E. LEON JACOBS, JR.

FROM: DIVISION OF LEGAL SERVICES (CLEMONS) *DMC*

RE: DOCKET NO. 991838-TP - PETITION BY BLUESTAR NETWORKS, INC. FOR ARBITRATION OF CERTAIN UNRESOLVED ISSUES IN INTERCONNECTION NEGOTIATIONS WITH BELL SOUTH TELECOMMUNICATIONS, INC.

On December 7, 1999, BlueStar Networks, Inc. (BlueStar) filed a Petition for arbitration of certain unresolved issues in its interconnection negotiations with BellSouth Telecommunications, Inc. (BellSouth). On January 3, 2000, BellSouth filed its Response. This matter is currently scheduled for hearing on March 2-3, 2000. A prehearing conference was held on February 21, 2000, and a prehearing order was issued on March 1, 2000.

On February 29, 2000, BlueStar filed a signed stipulation resolving all of the remaining issues in the arbitration with the exception of Issues 5, 10(c) and (d), and 16. During an informal conference call on March 1, 2000, the parties represented that they had signed stipulations for the resolution of all of the remaining issues in the case. Additionally, BlueStar stated that it would withdraw, prior to the scheduled time of the hearing, its Petition for Arbitration and its outstanding motions.

Staff has received copies of the two separate stipulations, attached hereto, resolving all of the remaining issues in the arbitration. Based upon these signed stipulations and BlueStar's representation that it will withdraw its Petition for Arbitration and its outstanding motions, staff believes that it is appropriate to cancel the hearing currently scheduled.

Accordingly, staff recommends that the Hearing scheduled on March 2-3, 2000 be canceled.

Therefore, staff has prepared the attached memorandum to the Chairman for your review and signature. Please feel to contact Donna Clemons at extension 3-6216 with any questions.

DMC

cc: Division of Records and Reporting
Jackie Edwards

STIPULATION
(Florida)

THIS STIPULATION between BellSouth Telecommunications, Inc. ("BellSouth") and BlueStar Networks, Inc. ("BlueStar") is entered into and effective this 1st day of March, 2000. BellSouth and BlueStar are collectively referred to herein as the "Parties."

WHEREAS, BlueStar filed a Petition for Arbitration with BellSouth pursuant to the Telecommunications Act of 1996 ("Petition") on December 7, 1999 with the Florida Public Service Commission (the "Commission");

WHEREAS, Issues 1, 2, 3, 4, 6a-c, 7, 8, 9, 10a-b, 11, 12, 13, and 15 had previously been resolved by the Parties;

WHEREAS, Issue 14 was removed from the Florida arbitration by an order of the Florida Public Service Commission's staff dated January 25, 2000, which is the subject of a Motion for Reconsideration filed February 4, 2000;

WHEREAS, the Parties have continued to negotiate to resolve the issues contained in the Petition; and

WHEREAS, the Parties have reached a resolution of Issues 5 and Issue 16 in Florida only.


NOW, THEREFORE, the Parties hereby agree as follows:

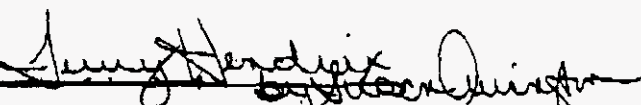
1. The Parties have agreed to remove Issue 5 from this proceeding.
2. To resolve Issue 16 in Florida only, the Parties have agreed that BlueStar will gain access to the riser cable by allowing BlueStar to install its own cross-connect to a pre-wired access terminal as described in the Commission's recent Media One arbitration decision. The Parties further agree that BlueStar will have the right to sublease space in that access terminal to other carriers. The Parties will enter into an amendment to their Interconnection Agreement to reflect this agreement.
3. Either or both of the Parties shall submit this Stipulation to the Commission.

IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed by their respective duly authorized representatives on the date indicated below.

BlueStar Networks, Inc.

BellSouth Telecommunications, Inc.

By: 
Name: Norton Cutler
Title: General Counsel
Date: 3/1/00

By: 
Name: Terry Hendrix
Title: Senior Director
Date: 3/1/00

STIPULATION (Florida)

THIS STIPULATION between BellSouth Telecommunications, Inc. ("BellSouth") and BlueStar Networks, Inc. ("BlueStar") is entered into and effective this 1st day of March, 2000. BellSouth and BlueStar are collectively referred to herein as the "Parties."

WHEREAS, BlueStar filed a Petition for Arbitration with BellSouth pursuant to the Telecommunications Act of 1996 ("Petition") on December 7, 1999 with the Florida Public Service Commission (the "Commission");

WHEREAS, Issues 1, 2, 3, 4, 5, 6a-e, 7, 8, 9, 10a-b, 11, 12, 13, 15 and 16 had previously been resolved by the Parties;

WHEREAS, Issue 14 was removed from the Florida arbitration by an order of the Florida Public Service Commission's staff dated January 25, 2000, which is the subject of a Motion for Reconsideration filed February 4, 2000;

WHEREAS, the Parties have continued to negotiate to resolve the issues contained in the Petition; and

WHEREAS, the Parties have reached a resolution of Issues 10c and 10d in Florida only.

NOW, THEREFORE, the Parties hereby agree as follows:

1. The Parties have resolved Issues 10c and 10d in Florida only pursuant to the Amendment of March 1, 2000, a copy of which is attached hereto.
2. Either or both of the Parties shall submit this Stipulation to the Commission.

IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed by their respective duly authorized representatives on the date indicated below.

BlueStar Networks, Inc.

By: Norton Cutler

Name: Norton Cutler

Title: General Counsel

Date: 3/1/00

BellSouth Telecommunications, Inc.

By: Jerry Hendrix

Name: Jerry Hendrix

Title: Senior Director

Date: 3/1/00

MAR. 1.2000 11:53AM

**AMENDMENT TO THE
AGREEMENT BETWEEN
BLUESTAR NETWORKS, INC.
AND BELL SOUTH TELECOMMUNICATIONS, INC.
DATED DECEMBER 28, 1999
(Florida)**

Pursuant to this Amendment, BlueStar Networks, Inc. ("BlueStar") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to individually as a "Party" or collectively as the "Parties," hereby amend that certain Interconnection Agreement between the Parties dated December 28, 1999 (the "Interconnection Agreement").

WHEREAS, the Parties entered into an Interconnection Agreement on December 28, 1999; and

WHEREAS, the Parties desire to amend that Interconnection Agreement.

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. The Unbundled Copper Loop (UCL) rates and Loop Conditioning rates for Florida in the January 27, 2000 Amendment are hereby revised as follows:

2.1.2.8.1 The following rates for Florida are interim rates subject to true-up.

2.1.2.8.1 In exchange for the following interim NRC UCL rate in Florida, BlueStar agrees to the Loop Conditioning rates set forth below. Any CLBC adopting this amendment must agree to both the NRC UCL and Loop Conditioning rates set forth in this amendment for the state of Florida.

2-Wire Unbundled Copper Loop (18 kft. or less)	Florida
Reserving	\$18.00
Non-Reserving, 1"	\$119.85
Non-Reserving, Add'l	\$89.61
Manual Svc. Order - 1"	\$47.00
Manual Svc. Order - Add'l	\$21.00
Order Coordination	\$16.00

The UCL Rates listed above may be used for UCLs longer than 18kft. until a cost study is done for long UCLs (greater than 18kft).

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BELL SOUTH INTERCONNECTION SERV -> 916152552102

NO. 982

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NO. 022

P. 3/3

Loop Conditioning	Florida
Remove Equipment <18ft	
First Install	\$485.00
Add'l Install	\$35.00
Remove Equipment > 18ft	
First Install	\$775.00
Add'l Install	\$25.00
First Disconnect	\$775.00
Add'l Disconnect	\$25.00
Remove Bridge Tap all	
First Install	\$485.00
Add'l Install	\$25.00

The Loop Conditioning charges apply in addition to the UCL NRCs.

All rates listed above are subject to true-up once final costs are determined.

The Parties agree that the prices reflected herein shall be "true-up" (up or down) based on final prices either determined by further agreement or by final order, including any appeals, in a proceeding involving BellSouth before the regulatory authority for the state in which the services are being performed or any other body having jurisdiction over this agreement, including the FCC. Under the "true-up" process, the price for each service shall be multiplied by the volume of that service purchased to arrive at the total interim amount paid for that service ("Total Interim Price"). The final price for that service shall be multiplied by the volume purchased to arrive at the total final amount due ("Total Final Price"). The Total Interim Price shall be compared with the Total Final Price. If the Total Final Price is more than the Total Interim Price, BlueStar shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to BlueStar. Each party shall keep its own records upon which a "true-up" can be based and any final payment from one party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records or the Parties regarding the amount of such "true-up," the Parties agree that such differences shall be resolved through arbitration.

2. This Amendment shall have an effective date of March 1, 2000.
3. All other provisions of the Interconnection Agreement dated December 28, 1999 shall remain in full force and effect.
4. Either or both of the Parties shall submit this Amendment to the appropriate Commission for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to the Interconnection Agreement be executed by their respective duly authorized representatives on the date indicated below.

BlueStar Networks, Inc.

By: Norton CutlerName: Norton CutlerTitle: General CounselDate: 3/1/00

BellSouth Telecommunications, Inc.

By: Gregory D. HendryName: Gregory D. HendryTitle: Sr. DirectorDate: 3/1/00