



**Joyce Beasley**  
General Attorney

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June 3, 1996

**Connie E. Nicholas**  
Attorney  
GTE Telephone Operations  
600 Hidden Ridge  
HQE03H44  
P.O. Box 152092  
Irving, TX 75015-2092

Dear Connie:

I want to follow up with you on a few items that were broadly identified by Pat Walsh at the close of last Thursday's meeting, and to clarify certain legal aspects of the ongoing negotiations between our clients.

First, in regard to our long-pending request for access to GTE's Inter-Company agreements, I would offer the following proposal. GTE would by June 10, 1996 assemble and make available for review by AT&T representatives for a period of 30 days the requested interconnection agreements. In return, AT&T would withdraw as to GTE its state commission filings seeking the interconnection agreements for each state for which the agreements have been made available.

Second, with regard to AT&T's requests for cost studies, it appears that a modification of the protective orders in various state proceedings may be required. It is my understanding that the cost study Meade referenced in the May 15 meeting was filed in California subject to restrictions that limit its use to the California proceedings. I am attaching a formal data request for clarity with regard to the cost information AT&T is requesting. I would appreciate your review of the protective order matter. I believe the Confidentiality Agreement which we have should provide the needed protection. If you require something in addition, please let me know as soon as possible. Our SME, Brenda Kahn, has been waiting for data since the May 10 meeting with your representatives.

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Third, it is important that there be no misunderstanding that our business negotiations are without prejudice to corporate, public policy and legal positions advanced by our respective clients, in formal proceedings and other public fora. Thus, for example, our efforts to negotiate a resolution of the inter-company agreements do not prejudice or otherwise affect the pending Illinois docket on that issue, unless and until we formally agree otherwise.

Similarly, and to the extent that our clients have been negotiating provisioning aspects of 1+ intraLATA access, those negotiations have no bearing on pending complaints or other proceedings that may be pending in state, federal or other fora on that issue. I understand that GTE representatives in discussions regarding formal complaints filed by AT&T have suggested that the 1+ matters involved in State Commission proceedings are subject to national negotiation. That is incorrect to the extent it suggests that our negotiation of aspects of 1+ provisioning has any bearing on such complaint proceedings. It does not and, again, our negotiations are entirely without prejudice to those proceedings.

Finally, it appears we are nearing completion of the billing discussions and will be able to begin drafting. I'll be in touch regarding our suggestions for moving forward on that project.

Very truly yours,



Joyce Beasley

Attachment

bcc: P. Walsh  
R. Harrison  
R. Shurter  
B. Kahn  
R. Damji  
B. Watson ✓

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Cost Study Data Request

1. Provide GTE's avoided cost model presented in the OANAP California proceeding. This is the information we believe Meade referenced in the Executive Meeting on May 15. The GTE cost team on May 10 agreed to provide this information.
2. Provide data for the former Contel regions. In particular, please provide the information which is furnished in the ARMIS 4303, 4304, and 4308 reports which GTE provides annually to the FCC for its other regions. The GTE cost team on May 10 agreed to provide this information.

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