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Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE
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FCC AND BELLSOUTH ENTER INTO A \$750,000 CONSENT DECREE IMPROVING COMPLIANCE WITH LOCAL COMPETITION RULES

Washington, D.C. — Today the Federal Communications Commission announced that in settlement of issues uncovered during an investigation by Commission staff, BellSouth Corporation (“BellSouth”) has agreed to make a voluntary payment of \$750,000 to the United States Treasury and to take important steps to improve its compliance with FCC rules relating to the negotiation of interconnection agreements between competing carriers. The investigation disclosed that, for more than six months in 1999, BellSouth failed to provide a competitor with cost data to support BellSouth’s proposed prices for unbundled copper loops, despite the competitor’s written request for such data. Rather, BellSouth took the position that the data was confidential and declined to provide it unless the competitor executed a non-disclosure agreement that, on its face, prevented disclosure to the FCC or a state commission of matters occurring during the negotiation process.

The Telecommunications Act of 1996 requires local exchange carriers (such as BellSouth) to negotiate in good faith the terms and conditions of interconnection agreements with their competitors. In implementing the 1996 Act, the FCC adopted a non-exclusive list of actions or practices that, if proven, would violate the requirement to negotiate in good faith. These practices include the refusal by an incumbent LEC to provide information necessary to reach agreement, such as cost data. An incumbent LEC also violates the good faith requirement by demanding that its competitor sign a non-disclosure agreement that would prevent the competitor from providing information requested by the FCC, or a state commission, or in support of a request for arbitration.

In addition to the \$750,000 voluntary payment, the Consent Decree obligates BellSouth to adopt procedures for expedited access to confidential information (including issuance of a standard non-disclosure agreement that complies with the relevant FCC rules) and to adopt procedures for competitors to elevate disputes regarding disclosure of confidential information to higher levels within BellSouth. In addition, BellSouth will provide training to its negotiators concerning the relevant statutory and regulatory requirements, as well as BellSouth’s revised procedures.

(Over)

Action by the Commission: October 27, 2000, by Order (FCC 00-389). Chairman Kennard, Commissioners Ness,. Powell, Tristani, Commissioner Furchtgott-Roth dissenting and issuing separate statement.

-FCC-

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