NATIONAL

for some cable users

Companies are providing money to keep Internet services operating for three more months.

By Brian Bergstein ASSOCIATED PRESS WRITER

SAN JOSE, Calif. — AT&T Corp. has dropped its \$307 million bid for the assets of bankrupt ExciteAtHome, though the high-speed Internet provider is getting more money from its biggest remaining cable customers in order to keep service for three more months.

The latest developments came after ExciteAtHome cut its cable Internet service to more than 850,000 AT&T Broadband accounts over the weekend because the companies could not agree on new contract terms. A federal bankruptcy judge had authorized the move.

The service remained on, however, for other cable companies that continued to negotiate with ExciteAtHome. ExciteAtHome serves about 3.7 million subscribers in North America

Cox Communications Inc. and Comcast Corp. agreed Monday to each pay Excite \$160 million for three months of service, enough time for the cable companies to finish work on their own networks for cable Internet service.

Another large ExciteAtHome cable partner, Toronto-based Rogers Communications, struck a similar deal, though the price was not disclosed.

Insight Communications also said it also had agreed to pay ExciteAtHome to stay on, though it will eventually shift customers to alternate Internet service providers.

Rogers CEO John Tory said all the cable companies' deals require ExciteAtHome to forward e-mails sent to former "AtHome" accounts to addresses at the cable companies' new networks.

The payments, which must be judge, would be in lieu of the monthly lion in AT&T's offer.

subscriber fees that cable companies pay to ExciteAtHome for its service.

Until ExciteAtHome filed for bankruptcy protection, the cable companies had been paying a monthly fee of \$12 per subscriber.

AT&T said yesterday it had withdrawn its bid for ExciteAtHome's assets because the Redwood Citybased company violated their agreement.

An ExciteAtHome spokeswoman would not comment.

AT&T owns 23 percent of ExciteAtHome, which uses a fiber-optic network leased from AT&T. AT&T surrendered its majority representation on the company's board in October, hoping to avoid criticism it had engineered the company's bankruptcy so it could buy the cable access network at a steep discount.

AT&T said yesterday it had moved about 500,000 of its affected subscribers, mainly in Oregon, Washington, Texas and San Francisco, to its own network and restored their Internet access.

Next in line were Internet customers in Illinois, Denver, and Salt Lake City.

The process was far from smooth for Brian Smith, 55, of Kent, Wash. His cable modem was restored Sunday on AT&T's new network but conked out Monday.

He estimated yesterday morning that he had spent more than 10 hours on the phone, waiting on hold and talking to several AT&T technicians, but still had no service.

"I'm not a multimillion-dollar customer and they're just blowing me off one way or another," Smith said.

ExciteAtHome bondholders had hoped to prove the network is worth approved by a federal bankruptcy substantially more than the \$307 mil-

Access will continue | Bush: Arafat must limit terror

The president said the Palestinian leader needs to control Islamic militants.

By The Associated Press

ORLANDO, Fla. - President Bush said yesterday it is time for Palestinian leader Yasser Arafat to crack down on Islamic militants and demonstrate whether he supports peace with Israel.

"It is incumbent upon Mr. Arafat now to respond forcefully, to rout out those who kill," Bush said. "We cannot let a few prevent the many from achieving a dream, which is lasting peace in the Middle East."

In a move that could put pressure on Bush as well as Arafat, two senior House members introduced a resolution that calls for suspension of all U.S. relations with Arafat and the Palestinian Authority if they fail to destroy the structure of Palestinian terrorist groups.

The non-binding resolution con-demns the murder of 26 Israeli civilians by Palestinian suicide bombers last weekend and "expresses outrage at the ongoing Palestinian terrorist campaign."

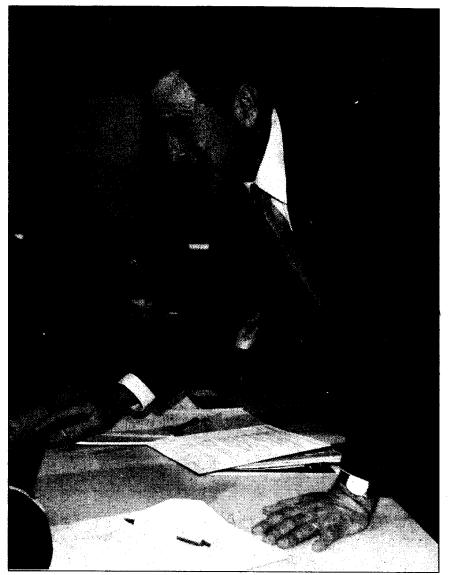
Rep. Henry Hyde, R-Ill., chairman of the House International Relations Committee, and Rep. Tom Lantos of California, the senior Democrat on the committee, sponsored the resolution.

The president spoke at a town hall meeting after weekend bombings and shooting attacks on Israelis that killed 26 people and wounded nearly 200. "Israel's got no better friend that the United States, as far as I'm concerned." Bush said. The administration has declined to criticize Israel's reprisals for the attacks.

Bush met with Israeli Prime Minister Ariel Sharon on Sunday. Bush also spoke about Israel earlier in the day in an interview with ABC News' 20/20.

"I support Israel's right to exist as a free nation, and I made that very clear to the prime minister of Israel," Bush said when asked if he supported Israel's retaliation.

"I think there are some Palestinians who don't want peace," Bush said, citing the terrorist organization Hamas. "There is no way that Israel can negoti-



President Bush visits displaced workers from Orlando, Fla., on a visit to Operation Paycheck Career Center. Bush visited Orlando to encourage tourism in a state that has felt a significant decline in tourism dollars since the Sept. 11 attacks.

try is being terrorized."

Asked if Arafat is interested in peace, Bush said: "That's what we're about to to prove whether or not he is for peace. to step up and lead."

ate a peace process so long as its coun- And the way he can do that is to aggressively rout out those who would derail the peace process by murdering innocent Israelis. Innocent women, innofind out. ... It's now time for Mr. Arafat cent children. Now is the time for him

