OFFICIAL RECOGNITION LIST

Docket No. 991267-TP, Complaint and/or petition for arbitration by Global NAPs. Inc. for enforcement of Section VI(b) of its interconnection agreement with BellSouth Telecommunications Inc. and request for relief

FCC Orders and Rules

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Inter-Carrier Compensation for ISP-Bound Traffic, Declaratory Ruling in CC Docket No. 96-98 and Notice of Proposed Rulemaking in CC Docket No. 96-98. FCC 99-38 (Released February 26, 1999)

Petition for Emergency Relief and Declaratory Ruling (filed by BellSouth Corporation), 7 FCC Rcd 1619 (1992)

Teleconnect Co. v. Bell Telephone Co. Of Penn., E88-83, 10 FCC Rcd 1626 (1995)

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, First Report and Order in CC Docket Nos. 96-98, 95-185, FCC Order 96-325, 11 FCC Rcd 15499, 16013 (1996)

MTS and WATS Market Structure, Memorandum Opinion and Order, CC Docket No. 78-72, 97 FCC 2d 682(1983)

MTS and WATS Market Structure. Amendment of Part 36 of the Commission's Rules and Establishment of a Joint Board, 4 FCC Rcd 5660 (1989).

Amendment of Part 69 of the Commission Rules Relating to Enhanced Service Providers, Order CC Docket No. 87-215, 2 FCC Rcd 2631 (1988)

Access Charge Reform Order in CC Docket No. 96-262 (Access Charge Reform, CC Docket No. 96-262, First Report and Order, 12 FCC Rcd 15982 (1997), aff'd sub nom. Southwestern Bell Tel. Co. V. FCC, 153 F.3d 523 (8th Cir. 1998))

Access Charge Reform, Notice of Proposed Rulemaking, Third Report and Order and Notice of Inquiry, 11 FCC Rcd 21354 (1996)

CC Docket 78-72 Memorandum Opinion and Order, 97 FCC 2d at 711-712.

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Notice of Proposed Rulemaking in CC Docket No. 87-215 (1987)

Order in CC Docket No. 87-215 (1988)

Local Interconnection Order (CC Docket No. 96-98, August 1996)

FCC Rules 47 C.F.R. Part 69

Court Decisions

United States v. AT&T, 57 F. Supp. 451, 454 (S.D.N.Y.).

AT&T Corp. V. Iowa Util. Bd., 525 U.S. 366 (1999).

Illinois Bell Telephone Co. d/b/a Ameritech Illinois, v. WorldCom Tech. Inc., MFS Intelenet of Illinois Inc., Teleport Communications Group, Inc. MCI Telecommunications Corp., MCI Metro Access Trans. Services, AT&T Communications of Illinois, Inc., and Focal Communications Corp., and Illinois Commerce Commission, 1999 U.S. App. Lexis 20828; 16 Comm. Reg. 232 (7th Cir. 1999).

Federal Act

The Telecommunications Act of 1996

Florida Commission Orders

Order No. PSC-98-1216-FOF-TP, issued in Dockets Nos. 971478-TP, 980184-TP, 980495-TP, and 980499-TP, on September 15, 1998.

Order No. PSC-99-0658-FOF-TP, issued in Docket No. 981008-TP, on April 5, 1999.

Order No. PSC-99-1477-FOF-TP, issued in Docket No. 980986-TP, on July 30, 1999.

INTERCONNECTION AGREEMENT BETWEEN DELTACOM, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC.

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INTERCONNECTION AGREEMENT BETWEEN DELTACOM AND BELLSOUTH TELECOMMUNICATIONS

Pursuant to this Interconnection Agreement (Agreement), DeltaCom, Inc. (collectively "DeltaCom"), and BellSouth Telecommunications, Inc. (collectively, "BellSouth") (collectively, "the Parties") agree to extend certain interconnection arrangements to one another within each LATA in which they both operate. This Agreement is an integrated package that reflects a balancing of interests critical to the Parties and is not inconsistent with Sections 251, 252 and 271 of the Telecommunications Act of 1996. The Agreement represents a negotiated compromise and is entered without prejudice to any positions which either party has taken, or may take in the future, before any legislative, regulatory, judicial or other governmental body.

I. RECITALS AND PRINCIPLES

WHEREAS, BellSouth is an incumbent local exchange telecommunications company (ILEC) authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee; and

WHEREAS, DeltaCom is a competitive local exchange telecommunications company (CLEC) which is authorized or plans to become authorized to provide local telecommunications services in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee; and

WHEREAS, the interconnection and interoperability of the Parties' respective local networks is required to facilitate the introduction of local exchange service competition and fulfill the objectives of the Telecommunications Act of 1996 (Telecommunications Act); and

WHEREAS, universal connectivity and interoperability between competing telecommunications carriers is necessary for the termination of traffic on each carrier's network; and

WHEREAS, the Parties intend that BellSouth should unbundle certain basic network elements and make them available for purchase by DeltaCom; and

WHEREAS, the Parties agree that this Agreement shall be filed with the appropriate state commissions in compliance with Section 252 of the Telecommunications Act;

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, DeltaCom and BellSouth hereby covenant and agree as follows:

II. SCOPE OF THE AGREEMENT

This Agreement will govern the interconnection arrangements between the Parties to facilitate the interconnection of their facilities and the connection of local and interexchange traffic initially in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. This agreement will further govern the unbundling of BellSouth network elements in the same states.

III. DEFINITIONS

The definitions contained in Attachment B are intended to define and govern how the technical terms included therein are used in this Agreement. However, except as provided herein, the inclusion or exclusion of any particular definition is not intended by either party to limit, or to define technical interface, reliability, performance or throughput parameters for the network elements that both Parties expect to interconnect and interoperate.

The minimum performance, reliability, throughput and operational characteristic of elements identified herein, as well as physical and logical interface standards utilized, unless otherwise specifically provided herein, are according to generally accepted industry standards as defined by the ITU (ISO/CCITT), ANSI, or the Network Management Forum, whichever is more specific. Where standards are not yet fully defined, the Parties agree to take reasonable steps to insure that interface designs are modularized and retrofittable to any pending standard at the least cost to the interconnecting Parties.

IV. ACCESS TO UNBUNDLED NETWORK ELEMENTS

BellSouth shall unbundle Network Elements used in the provision of a telecommunications service and offer them for resale to DeltaCom as provided hereafter. DeltaCom shall be entitled to request, and BellSouth shall provide, access to any such unbundled Network Element(s). BellSouth shall unbundle and separately price and offer those elements such that DeltaCom will be able to lease and interconnect to whichever of these unbundled Network Elements DeltaCom requires, and combine the BellSouth-provided Network Elements with any facilities and services that DeltaCom may itself provide or obtain from other telecommunications

carriers, in order to offer telecommunications services to other telecommunications carriers and end users. Such Network Elements shall be offered as provided hereafter.

A. General Requirements

- A.1 The Parties hereto mutually understand and agree that the array of Network Elements is steadily evolving and expanding. The initial set of Network Elements and attendant services to be made available by BellSouth hereunder is included as Attachment C hereto. Network Elements will be provided subject to the rules, terms and conditions expressed in this Article and in Attachment C. It is understood, however, that either Party may add Network elements to the listing contained in Attachment C as the BellSouth network changes or additional Network Elements are identified. It is especially acknowledged, without limitation, that the list of Network Elements may be expanded by either Party to include Network Elements identified in relevant FCC or state commission regulations or orders, or made available by BellSouth to other telecommunications carriers pursuant to other interconnection agreements. The addition or inclusion of additional Network Elements shall be made in accordance with subsection IV.I hereof.
- A.2 Without limitation, BellSouth agrees to provide DeltaCom access to all Network Elements identified in Attachment C hereto. Wherever technically feasible, interconnection shall be offered at both the line and trunk side of each discrete Network Element. It is agreed that interconnection will be made available by BellSouth to DeltaCom at any technically feasible point. BellSouth must implement physical and logical interconnection points consistent with generally accepted industry standards.
- A.3 The initial pricing of the initial unbundled Network Elements shall be as set forth in Attachment C, except that initial pricing of unbundled loops, switch ports and other network elements will be established through state commission arbitration as provided in Article XXV hereof and Attachment C hereto. The initial pricing may be revised by mutual agreement or at DeltaCom's election pursuant to Article XXII hereof.
- A.4 It is agreed that DeltaCom may combine network elements purchased hereunder as required to provide any local, toll or access service. If DeltaCom recombines network elements to mirror existing retail service, as defined by the applicable state commission, the resale rate shall apply.

B. <u>Interconnection with Network Elements</u>

- B.1 Interconnection shall be achieved via collocation arrangements DeltaCom shall maintain at a BellSouth wire center or other BellSouth network point.
- B.2 At DeltaCom's discretion, each unbundled loop or port element shall be delivered to the DeltaCom collocation arrangement over an individual 2-wire hand-off, in multiples of 24 over a digital DS-1 hand-off in any combination or order DeltaCom may specify, in multiples of 672 over a digital DS-3 hand-off in any combination or order DeltaCom may specify, or through other technically feasible and economically comparable hand-off arrangements requested by DeltaCom (e.g., SONET STS-1 hand-off). Economically comparable as used in this section refers to an economically comparable effect upon DeltaCom and is not meant to ensure an equivalent revenue stream or contribution level to BellSouth.
- B.3 BellSouth will permit DeltaCom to collocate DLC systems in conjunction with collocation arrangements DeltaCom maintains at a BellSouth wire center, for the purpose of interconnecting to unbundled loop elements. DeltaCom will have the option of purchasing BellSouth unbundled transport (at any transmission level) between placed equipment and the DeltaCom network.
- B.4 DeltaCom shall access BellSouth's unbundled loops via collocation at the BellSouth wire center where those elements exist. Each loop or port shall be delivered to DeltaCom's collocation by means of a cross connection.
- BellSouth shall provide DeltaCom access to its unbundled loops at each of BellSouth's Wire Centers. In addition, if DeltaCom requests one or more loops serviced by Integrated Digital Loop Carrier or Remote Switching technology deployed as a loop concentrator, BellSouth shall, where available, move the requested loop(s) to a spare, existing physical loop at no charge to DeltaCom. If, however, no spare physical loop is available, BellSouth shall within seventy-two (72) hours of DeltaCom's request notify DeltaCom of the lack of available facilities. DeltaCom may then, at its discretion, make a network element request for BellSouth to provide the unbundled loop through the demultiplexing of the integrated digitized

loop(s). Special constructions may apply in this situation. DeltaCom may also make a network element request for access to unbundled loops at the loop concentration site point. Attachment D hereto shall not apply to unbundled loops provided pursuant to this subsection.

- B.6 Where BellSouth utilizes digital loop carrier (DLC) technology to provision the loop element of an unbundled exchange service to an end user customer who subsequently determines to assign the loop element to DeltaCom and receive Exchange Service from DeltaCom via such loop, BellSouth shall deliver such loop to DeltaCom on an unintegrated basis, pursuant to DeltaCom's chosen hand-off architecture, without a degradation of end user service or feature availability as supported by DeltaCom's chosen hand-off architecture.
- B.7 Except as otherwise specified herein, all dedicated transport-based features, functions, service attributes, grades-of-service, install, maintenance, and repair intervals which apply to BellSouth's bundled local exchange service shall apply to unbundled loops.
- B.8 Except as otherwise specified herein, all switch-based features, functions, service attributes, grades-of-service, and install, maintenance, and repair intervals which apply to BellSouth's bundled local exchange service shall apply to unbundled ports.
- BellSouth will permit any customer to convert its bundled local service to an unbundled element or service and assign such unbundled element or service to DeltaCom with no penalties, rollover, termination or conversion charges to DeltaCom or the customer, except as specifically provided in Attachment C-2 hereto or pursuant to the terms of a specific customer service agreement, if BellSouth waives like charges and penalties for any other telecommunications carrier (unless superceded by government action).
- B.10 BellSouth will permit DeltaCom to collocate remote switching modules and associated equipment in conjunction with collocation arrangements DeltaCom maintains at a BellSouth wire center, for the purpose of interconnecting to unbundled loop or link elements.
- B.11 When available to any other telecommunications carrier or other customer,
 BellSouth shall provide DeltaCom with an appropriate on-line electronic file
 transfer arrangement by which DeltaCom may place, verify, and receive

confirmation on orders for unbundled elements, and issue and track troubleticket and repair requests associated with unbundled elements. In the interim, batch file arrangements specified in BellSouth's current Facilities Based Carrier Operating Guide (FBOG) shall apply. EXACT electronic interface is the preferred method by which to order unbundled elements. BellSouth shall provide DeltaCom with the ability to order any defined network element using OBF or other mutually agreed upon ordering/provisioning codes.

- B.12 It is expressly agreed that interconnection will be afforded equally regardless of the transmission medium selected by the interconnector, *i.e.*, digital or analog loops, conditioned circuits, ISDN, SONET, *etc.*, so that networks and applications can evolve unencumbered by the available degree of interconnectivity when such elements are available.
- B.13 Wherever technically possible, it is expressly agreed and understood that BellSouth will provide interconnection on both the line side and trunk side of each unbundled Network Element. Where interconnection is ordered to the line side of a Network Element, interconnection shall be on a hard-wired (not software driven) basis.
- B.14 The Parties shall attempt in good faith to mutually devise and implement a means to extend the unbundled loop sufficient to enable DeltaCom to use a collocation arrangement at one BellSouth location per LATA (e.g., tandem switch) to obtain access to the unbundled loop(s) at another such BellSouth location over BellSouth facilities.
- B.15. BellSouth shall develop a process to identify the carrier for each unbundled loop and establish automated intercompany referral and/or call hand-off processes for an additional charge. In addition, BellSouth will not in any way hinder DeltaCom from deploying modern DLC equipment (TR303) throughout DeltaCom's portion of the unbundled loop/transport network.

C. Order Processing

- C.1 DeltaCom shall place orders for unbundled loops (and other network elements) through completion and submission of a service request specified in the FBOG.
- C.2 Order processing for unbundled loops will be fully mechanized.

- C.3 Particular combinations of elements, hereafter referred to as combinations, identified and described by DeltaCom can be ordered and provisioned as combinations, and not require the enumeration of each element within that combination in each provisioning order, consistent with OBF or other mutually agreed upon procedures.
- C.4 Appropriate ordering/provisioning codes will be established for each identified combination, consistent with OBF or other mutually agreed upon procedures.
- C.5 When combinations are ordered where the elements are currently interconnected and functional, those elements will remain interconnected and functional (except for the integrated SLC).
- C.6 When available, BellSouth will provide DeltaCom with the ability to have the BellSouth end office AIN triggers initiated via a service order from DeltaCom.
- C.7 DeltaCom and BellSouth will negotiate in good faith to create a mutually acceptable standard service order/disconnect order format, consistent with OBF or other mutually agreed upon procedures.
- C.8 BellSouth shall exercise best efforts to provide DeltaCom with the "real time" ability to schedule installation appointments with the customer on-line and access to BellSouth's schedule availability beginning in the second calendar quarter of 1997. In the interim, BellSouth will make best effort to install unbundled loops and other network elements by the Customer Desired Due Date (CDDD) where facilities permit. Service requests wiith shorter intervals than normal interals or those that require out-of-hours provisioning may be subject to additional charges.

- C.9 When available to any other telecommunications carrier or other customer, BellSouth shall provide "real time" response for firm order confirmation, due date availability/scheduling, dispatch required or not, identify line option availability by Local Service Office (LSO) (such as digital copper, copper analog, ISDN), completion with all service order and time and cost related fees, rejections/errors on service order data element(s), jeopardies against the due date, missed appointments, additional order charges (construction charges), order status, validate street address detail, and electronic notification of the local line options that were provisioned. This applies to all types of service orders and all network elements.
- C.10 BellSouth will provide to DeltaCom escalation procedures for ordering and provisioning. If an expedite is requested by DeltaCom on the customer's behalf, normal expedite charges shall apply.

D. Conversion of Exchange Service to Network Elements

D.1 Installation intervals for service established via Unbundled loops will be handled in the same timeframe as BellSouth provides services to its own customers, as measured from date of customer order to date of customer delivery. BellSouth will make best effort to install unbundled loops and other network elements by the Customer Desired Due Date (CDDD) where facilities permit. Service requests with a shorter than standard interval or those that require out-of-hours provisioning may be subject to additional charges.

D.2 On each unbundled network element order in a wire center, DeltaCom and BellSouth will agree on a cutover time at least 48 hours before that cutover time. The cutover time will be defined as a 56 minute window within which both the DeltaCom and BellSouth personnel will make telephone contact to complete the cutover.

D.3 Within the appointed minute cutover time, the DeltaCom contact will call the BellSouth contact designated to perform cross-connection work and when the BellSouth contact is reached in that interval, such work will be promptly performed.

- D.4 If the DeltaCom contact fails to call or is not ready within the appointed interval and if DeltaCom has not called to reschedule the work at least eight (8) hours prior to the start of the interval, BellSouth and DeltaCom will reschedule the work order.
- D.5 If the BellSouth contact is not available or not ready at any time during the 60 minute interval, DeltaCom and BellSouth will reschedule
- D.6 The standard time expected from disconnection of a live Exchange Service to the connection of the unbundled element to the DeltaCom collocation arrangement is 15 minutes
- D.7 If unusual or unexpected circumstances prolong or extend the time required to accomplish the coordinated cut-over, the Party responsible for such circumstances is responsible for the reasonable labor charges of the other Party. Delays caused by the customer are the responsibility of DeltaCom.
- D.8 If DeltaCom has ordered Service Provider Number Portability (SPNP) as part of an unbundled loop installation, BellSouth will coordinate implementation of SPNP with the loop installation.
- D.9 If BellSouth provides in practice shorter scheduling lead times and/or cutover windows than those specified in this section for the same services for other carrier, it will do the same for DeltaCom.

E. Service Ouality

- E.1 At a minimum, the service quality of leased network elements should match that of BellSouth's own elements and conform to all Bellcore and ANSI requirements applicable to the type of service being provided. In addition, BellSouth will provide maintenance services on network elements purchased by DeltaCom which are timely, consistent and at parity with that provided when such elements are used for its own purposes.
- E.2 Maintenance support shall be available 7 days a week, 24 hours a day.

 Provisioning support shall be available at the same times at which BellSouth installs its own bundled local exchange services.
- E.3 Installation and service intervals shall be the same as when BellSouth provisions such network elements for use by itself, its affiliates or its own retail customers.

- E.4 In facility and power outage situations, BellSouth agrees to provide network elements leased by DeltaCom the same priority for maintenance and restoral as similar elements used by BellSouth for itself or its affiliates.
- E.5 The Parties agree that all interconnection arrangements and services will at a minimum be subject to technical standards which are equal to those that BellSouth affords to itself, any other LEC or other telecommunications carrier. This must, at a minimum, include parity in:
 - Port features
 - Treatment during overflow/congestion conditions
 - ✓ Equipment/interface protection
 - ✓ Power redundancy
 - Sufficient spare facilities to ensure provisioning, repair, performance and availability
 - Mediation functions
 - Standard interfaces

F. Network Information Exchange

- F.1 BellSouth shall provide DeltaCom with information sufficient to determine an end user's existing service and feature configurations.
- F.2 BellSouth shall provide information to DeltaCom on a continuing basis required to keep DeltaCom apprised of engineering changes associated with BellSouth's network elements and its deployment of new technologies.
- F.3 BellSouth shall provide DeltaCom with a detailed description of the criteria and procedures used for handling facility and power outages.
- F.4 Where permitted by law, BellSouth will provide DeltaCom with electronic (magnetic tape and/or diskette) and hard copies of its Master Street Address Guide (MSAG), and any regular updates thereof.
- F.5 BellSouth will provide DeltaCom with access to a listing and description of all services and features available down to street address detail, including:

 Type of Class 5 switch by CLLI, line features availability by LSO, and

service availability by LSO, as well as the data elements required by BellSouth to provision all such services and features.

G. Maintenance and Trouble Resolution

- G.1 Where available to other telecommunication service providers, Automated interfaces shall be provided into a centralized operations support systems database for real time network monitoring to proactively identify potential service degradation. Such systems must monitor and report on the integrity of the BellSouth network, isolate troubles and initiate repair operations, test individual unbundled loops and generate maintenance and repair notices that impact any end user's ability to complete calls. Ongoing maintenance practices on unbundled loops shall equal the practices employed by BellSouth for facilities used to provide retail services. BellSouth will use its best efforts to ensure that the mean time to repair unbundled loops shall be equivalent to the mean time to repair reported by BellSouth for its retail customers.
- G.2 Service centers shall be established by both Parties to handle service issues, escalations, resolution of billing issues and other administrative problems.
- G.3 The Parties agree to establish a real time automated industry standard electronic interface (EBI) to perform the following functions:

 - ✓ Obtain Trouble Report Status
 - Obtain Estimated Time To Repair (ETTR) and ILEC Ticket Number
 - ✓ Trouble Escalation
- G.4 The Parties agree to adopt a process for the efficient management of misdirected service calls.
- G.5 BellSouth will provide DeltaCom with numbers for the appropriate repair center until such time as a center is established to act as DeltaCom's single point of contact for all maintenance functions which will operate on a 24 hour a day, 7 days a week basis.
- G.6 BellSouth will be responsible for all reported trouble and will performrequired test and/or maintenance until such trouble report is turned back to DeltaCom.

- G.7 BellSouth's established maintenance escalation policy shall apply in resolving maintenace trouble.
- G.8 BellSouth shall perform Mechanized Loop Tests (Quick Test) at the request of DeltaCom while DeltaCom is on line.
- G.9 BellSouth shall provide progress status reports sufficient to enable DeltaCom to provide end user customers with detailed information and an estimated time to repair (ETTR).
- G.10 BellSouth will close all trouble reports with DeltaCom. DeltaCom will close all trouble reports with the end user.
- G.11 BellSouth will not undertake any work at an end user's request for which DeltaCom would be charged without obtaining the prior approval of DeltaCom. This includes authorizations by DeltaCom if a dispatch is required to the customer premises as well as verification of actual work completed. DeltaCom will coordinate dispatches to the customer premises. This includes dispatches for customer not-at-home.
- G.12 All Auto/Subscriber Line Tests (ALIT/SLIT) tests performed on DeltaCom customers that result in a failure will be reported to DeltaCom.
- G.13 BellSouth will ensure that all applicable alarm systems that support DeltaCom customers are operational and the supporting databases are accurate so that equipment that is in alarm will be properly identified. BellSouth will respond to DeltaCom customer alarms consistent with how and when they respond to alarms for their own customers.
- G.14 Nondiscriminatory emergency restoration and disaster recovery plans will be developed consistent with TSR essential line procedures. The plans should outline methods for the restoration of each central office in the local network provider territory as well as contain site specific restoration alternatives which can be implemented based on the magnitude of the disaster. Each plan should incorporate at a minimum the following elements:
 - a. A BellSouth single point of contact which shall be:
 - Responsible for notification of the DeltaCom work center
 - Responsible for the initiation of BellSouth's restoration plan
 - Responsible for status and problem resolution during the entire restoration process

- b. A restoration equipment dispatch plan which will establish a:
 - Documented procedure on how equipment will be dispatched to the restoration site
 - Estimated maximum time for the restoration equipment to arrive on site
- c. Prior notification of any scheduled maintenance activity performed by the local supplier that may be service affecting to DeltaCom local customers (i.e., cable throws, power tests, etc.).

H. Billing for Network Elements

- H.1 BellSouth will bill all unbundled elements and associated services purchased by DeltaCom (either directly or by previous assignment by a customer) on no more than two (2) consolidated statements per Point of Interconnection (POI) with sufficient billing detail to enable DeltaCom to reasonably audit such charges.
- H.2 Invoices must be presented monthly in a Carrier Access Billing Systems (CABS) and/or Customer Record Information System (CRIS) format in order to facilitate standard industry auditing practices. DeltaCom and BellSouth will agree on the flow and format of CARE records for correct provisioning and billing to IXCs.

I. Addition of Network Elements

DeltaCom may request that BellSouth allow purchase and interconnection of additional Network Elements at any time by making a demand in writing including a proposed revised Attachment C. BellSouth will respond in writing within thirty (30) days of receipt of such a request, and either accept or reject the service request. BellSouth may not refuse to make the requested Network Element available if its availability is required by FCC or state commission requirements, the Network Element is provided to any other telecommunications carrier, or interconnection is technically feasible and failure to obtain access to such Network Element might impair the ability of DeltaCom to provide telecommunications services. Pricing of such additional elements shall be provided within forty-five (45) days of receipt of the request for service, and shall be in accordance with the requirements of 47 U.S.C. § 252(d)(1). Actual interconnection and provision of service shall be provided within ninety (90) days of receipt of the service request.

V. LOCAL TRAFFIC INTERCONNECTION ARRANGEMENTS

A. Types of Local Traffic to Be Exchanged

The Parties agree to provide the necessary facilities and equipment to allow for the exchange of the following types of traffic between BellSouth and DeltaCom:

- A.1 Local Exchange: Local traffic to be terminated on each party's local network so that customers of either party have the ability to reach customers of the other party without the use of access codes.
- A.2 Exchange Access: The offering of access to telephone exchange services or facilities-based origination and termination of intraLATA or interLATA toll services.
- A.3 IXC Transit: BellSouth shall provide intermediary network access service between DeltaCom and any IXC for the purpose of completing interLATA or intraLATA toll traffic.
- A.4 Other Transit Functions: BellSouth shall provide intermediary tandem switching and transport services for DeltaCom's connection of its end user to a local end user of other CLECs, other ILECs, and wireless telecommunications providers.
- A.5 Intelligent Network and Network Surveillance: BellSouth shall provide open logical interconnection points to AIN/IN interface in their network based on the agreements reached at the IILC Issue 026. BellSouth must also provide access to monitoring, surveillance and other fraud control functions in its network.
- A.6 Other Services: BellSouth shall provide connection and call routing for 911, directory assistance, and operator assistance services.

B. Designated Points of Interconnection

The Parties shall designate Points of Interconnection (POIs) on each other's networks. DeltaCom shall at a minimum designate a POI at each BellSouth access tandem serving the local calling area of the exchanges being served by DeltaCom. DeltaCom may designate additional POIs within a BellSouth local calling area and BellSouth will not unreasonably refuse to interconnect at each such designated POI.

BellSouth may designate a POI at one or more of DeltaCom's local switching centers within each LATA in which DeltaCom is providing local service. If no DeltaCom local switching center is located within such LATA, the Parties will arrange a POI at a mutually agreed point within such LATA. DeltaCom will not unreasonably refuse to interconnect at a POI designated by BellSouth.

- B.1 Interconnection will be available at any technically feasible point that is used in the transmission of voice, data or other types of traffic.
- **B.2** Reciprocal connectivity shall be established at each and every BellSouth access tandem within the local calling area DeltaCom desires to serve for interconnection to those end offices that subtend the access tandem. At its discretion, DeltaCom may elect to interconnect directly at any BellSouth end offices for interconnection to end users served by that end office. Such interconnecting facilities shall conform, at a minimum, to the telecommunications industry standard of DS-1 pursuant to Bellcore Standard No. TR-NWT-00499. Signal transfer point, Signaling System 7 (SS7) connectivity is required at each interconnection point where available. BellSouth will provide out-of-band signaling using Common Channel Signaling Access Capability where technically and economically feasible, in accordance with the technical specifications set forth in the BellSouth Guidelines to Technical Publication, TR-TSV-000905. The Parties agree that their facilities shall provide the necessary on-hook, off-hook answer and disconnect supervision, and shall hand off calling party number ID where technically feasible.
- B.3 In accordance with Section V.C hereafter, collocation arrangements will be established which are suitable for use in DeltaCom/BellSouth local interconnection and DeltaCom access to unbundled BellSouth network components. Allowable collocation equipment includes transmission and concentrating equipment.
- B.4 In accordance with Section V.D hereafter, the Parties agree to establish trunk groups such that each Party provides a reciprocal of each trunk group established by the other Party. The Parties agree to install efficient and sufficient facilities to carry traffic (1) to route calls originating on its network and terminating on the other carrier's network to its POI, and (2) to route calls originating on the other local exchange carrier's network, but terminating on its network from that carrier's POI, and will work cooperatively to ensure such. Notwithstanding the foregoing, each Party

- may construct its network, including the interconnecting facilities, to achieve optimum cost effectiveness and network efficiency.
- B.5 Each Party shall be responsible for routing calls to the POI for termination via the other's facilities. Each Party shall bear its own costs related to installation at the POI. DeltaCom may establish POIs on the BellSouth network via a negotiated expanded interconnection arrangement or via leased transport between the DeltaCom network and the BellSouth access tandem. BellSouth may establish POIs on the DeltaCom network via an expanded interconnection arrangement at the DeltaCom local switching center or via leased transport between an DeltaCom expanded interconnect arrangement and an DeltaCom local switching center.
- B.6 Either Party may use the POI for the interconnection of other types of services, such as toll services, subject to the applicable rates for such interconnection.
- B.7 BellSouth may not impose any restrictions on traffic types delivered to or from the POI(s). Notwithstanding the foregoing, the Parties hereto agree that no interexchange access services traffic will be exchanged as local traffic hereunder.
- B.8 Once traffic is delivered to the POI, it is the terminating carrier's responsibility to terminate the traffic to its end users. Calls should be terminated using the same network, ensuring the same quality of service, as the carrier provides its own customers.
- B.9 Except as specifically provided for in Attachment C-1 hereto neither Party will charge the other reconfiguration charges for new installations at existing POIs.
- B.10 BellSouth will absorb any applicable nonrecurring charges incurred by DeltaCom as a result of network redesigns/reconfigurations initiated by BellSouth to its own network.

C. Facilities for Local Interconnection

C.1 The parties agree there are four appropriate methods of interconnecting facilities: (1) virtual collocation where physical collocation is not practical for technical reasons, because of space limitations or at the option of the Party requesting interconnection; (2) physical collocation;

- (3) interconnection via purchase of facilities from either party by the other party; and (4) mid fiber meet. Rates and charges for collocation are set forth in Attachment C-1 hereto and applicable provisions of BellSouth's access service tariffs.
- C.2 Each Party hereto at its election shall have the sole right and discretion to specify any one of the following methods for interconnection at the POI:
 - a. a mid-fiber meet in a manhole or other appropriate junction point inside, near to, or just outside the wire center designated as the POI, in which case the Party requesting interconnection shall additionally have the sole right and discretion to effect such meet by leasing from a third party, fiber facilities into the POI mid-fiber meet junction point (i.e., virtual collocation);
 - b. a collocation facility which it maintains at the other Party's POI wire center (i.e., physical collocation);
 - a collocation facility maintained at the POI wire center by a third party with whom the Party requesting interconnection has contracted for such purpose;
 or
 - d. a digital transport facility(ies) leased from the other Party hereto under the most favorable contract or tariff terms offered, where such facility(ies) extends to the POI from some second point designated by the Party requesting interconnection.

The Party requesting interconnection may, upon 60 days' advance written notice to the other Party, change from one of the interconnection methods specified above to another of the networks specified above. A mutually acceptable third party contractor can be employed by the Party making the change to implement such changes, in which case no conversion or rollover charges will be assessed by the other party.

- C.3 Existing DeltaCom special access collocation arrangements with BellSouth shall be available for use by DeltaCom in the provision of switched services hereunder at no additional charge to DeltaCom.
- C.4 DeltaCom may at its option replace current virtual collocation arrangements at any location with physical collocation arrangements. The Parties agree that no termination penalties or liabilities will apply to the termination of existing virtual collocation arrangements. A mutually acceptable third party

contractor can be employed by the Party making the change to implement such a replacement, in which case no conversion, installation or nonrecurring charges will be assessed by the other Party.

D. Trunking and Signaling

- D.1a. The Party receiving traffic for termination can elect to receive the traffic in one of two ways: (a) over separate trunks for local and non-local; or (b) on combined trunks; provided that separate trunk groups shall be utilized where the delivering party is unable to furnish an auditable percent local usage (PLU) factor to the party receiving the traffic on a quarterly basis.
 - b. If direct end office trunking with combined trunks is used, the Parties will work cooperatively to develop a procedure for accurately determining the amount of interLATA access traffic for proper application of switched access charges.
- D.2 Trunking shall be available to any switching center designated by either carrier: including end offices, access tandems, 911 routing switches, directory assistance/operator services switches, or any other feasible point in the network. The Parties shall have the option for either one-way or two-way trunking. Directionality in this case refers to the traffic flowing between two networks, not to the logical or physical configuration of the trunk. All trunks should be configured two way for testing purposes.
- D.3 Trunking can be established to tandems or end offices or a combination as mutually agreed. Normally, trunking will be at the DS-1 level. On a trunk group specific basis, the Parties may agree to establish trunking at higher (e.g., DS-3) levels. Initial trunking will be established between the DeltaCom local switching centers and the BellSouth access tandems. The Parties will utilize direct end office trunking under the following conditions:
 - a. BellSouth tandem exhaust If a BellSouth access tandem to which DeltaCom is interconnected is unable to, or is forecasted to be unable to, support additional traffic loads for any period of time, the Parties will mutually agree on an end office trunking plan that will alleviate the tandem capacity shortage and ensure completion of traffic between DeltaCom and BellSouth subscribers.

- b. Traffic volumes The Parties shall install and retain direct end office trunking sufficient to handle actual or reasonably forecast traffic volumes, whichever is greater, between an DeltaCom local switching center and a BellSouth and office where traffic between such points exceeds or is forecast to exceed 125,000 minutes of local traffic per month. The Parties will install additional capacity between such points when overflow traffic between the DeltaCom switching center and BellSouth access tandem exceeds or is forecast to exceed 125,000 minutes of local traffic per month.
- c. Mutual agreement The Parties may install direct end office trunking upon mutual agreement in the absence of conditions (a) or (b) above and agreement will not unreasonably be withheld.
- D.4 The Parties will provide Common Channel Signaling (CCS) information to one another, where and as available, at no charge, in conjunction with all POI trunk groups. The Parties will cooperate in the exchange of Transaction Capabilities Application Part (TCAP) messages to facilitate full interoperability of CCS-based features between their respective networks, including all CLASS features and functions, to the extent each carrier offers such features and functions to its own end users. All CCS signaling parameters will be provided including calling party number (CPN), originating line information (OLI) calling party category, charge number, etc. All privacy indicators will be honored. Where available, network signaling information such as Carrier Identification Parameter (CCS platform), at the standard tariff rates, and CIC/OZZ information (non-CCS environment) will be provided wherever such information is needed for call routing or billing. The Parties will follow all Ordering and Billing Forum (OBF) adopted standards pertaining to CIC/OZZ codes. Where CCS is not available, in-band multi-frequency (MF) wink start E&M channel associated signaling will be provided. Such MF arrangements will require a separate trunk group between DeltaCom's switch and one specified BellSouth switch.
- D.5 DeltaCom shall establish CCS interconnection with BellSouth signal transfer points (STPs) in each LATA, either directly or via an intermediary STP provider. Where the interconnection is via B-link connections, charges for the SS7 interconnection elements are as follows: 1) Port Charge-BellSouth will not bill an STP port charge nor will BellSouth agree to pay a port charge; 2) SS7 Network Usage-BellSouth will bill SS7 Network Usage and will agree to pay usage billed by DeltaCom (to the extent that a flat rate surrogate charge is billed by DeltaCom, it will not exceed BellSouth's

charge); 3) SS7 Link- BellSouth will bill for only two links of each quad ordered. Application of these charges in this manner reflects the reciprocal use of the two parties signaling networks.

Where the interconnection is via A-link connections, charges for the SS7 interconnection elements are as follows: 1) Port Charge-BellSouth will bill an STP port charge and does not agree to pay a termination charge at DeltaCom's end office; 2) SS7 Network Usage-BellSouth will bill for usage on its SS7 network and will not agree to pay for any usage billed by DeltaCom; 3) Link-BellSouth will bill full charges for each link in the A-link pair and will not agree to pay DeltaCom for any portion of those links.

- D.6 DeltaCom may opt at any time to terminate to BellSouth some or all local exchange traffic and intraLATA toll traffic originating on its network, together with switched access traffic, via Feature Group A, B, C or D Switched Access services which DeltaCom may otherwise purchase from BellSouth, subject to the rates, terms and conditions specified in BellSouth's applicable switched access tariffs. At no time shall DeltaCom be required to route outbound traffic via facilities for which a full retail or end user toll charge would be assessed when parallel FG-A, FG-B, FG-C, or FG-D routing, or routing via a different carrier exists which is capable of carrying and completing said traffic at more favorable rates.
- D.7 The Parties will cooperate to jointly plan for the deployment of intercompany 64 Kbps per second clear channel capability.
- D.8 Service arrangements hereunder shall be engineered to an objective, consistent P.01 or better grade of service at the peak busy hour.
- D.9 The Parties shall periodically exchange technical descriptions and trunk/traffic forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.
- D.10 BellSouth shall deliver intraLATA traffic originating from its subscribers and terminating to DeltaCom's subscribers via a combined two-way trunk group using facilities leased from DeltaCom on mutually agreeable terms.
- D.11 BellSouth will provide interconnection to and from intelligent network, signaling, monitoring, surveillance and fraud control points.

- D.12 BellSouth shall provide and implement all industry standard SS7 parameters as well as procedures that are defined in the ANSI standards, even if today's services do not specifically require these features. These functions shall include:
 - a. All functions of the ISUP, TCAP, SCCP, and MTP as specified in relevant BellCore specifications.
 - b. All functions of the OMAP, including MTP Routing Verification Test (MRVT) and SCCP Routing Verification Test (SRVT).
- D.13 The Parties shall meet or exceed SS7 performance objectives as described in Bellcore TR-905 section 7, and MTP and SCCP performance as specified by ANSI.
- D.14 Either Party shall have the option for Multi-Frequency (MF) signaling, but only when either party does not have the technical capability to provide SS7 facilities.
- D.15 Other Signaling Requirements:
 - a. CIP shall be provided (CIC within the SS7 call set-up signaling protocol) at tariffed charges.
 - b. All mandatory SS7 signaling parameters must be provided including Calling Party Number (CPN). All privacy indicators must be honored.

E. Network Management

- E.1 The Parties agree to work cooperatively to install and maintain reliable interconnected telecommunications networks, including but not limited to, the exchange of appropriate information concerning network changes that affect services to the other Party, maintenance contact numbers and escalation procedures.
- E.2 The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria.

- E.3 The Parties will work cooperatively to apply sound network management principles by invoking appropriate network management controls (e.g., call gapping) to alleviate or prevent network congestion.
- E.4 The Parties will cooperate to determine the performance of their respective networks and will implement joint management controls to further overall service integrity.
- E.5 The Parties will jointly develop and agree on a Joint Interconnection Grooming Plan prescribing standards to ensure that traffic exchanged over the POI trunk groups experiences a consistent P.01 or better grade of service peak busy hour, and other appropriate, relevant industry-accepted quality, reliability and availability standards. Such plan shall also include mutually agreed upon standards for the configuration of segregated POI trunk groups. In addition, the plan shall also include standards and procedures for notification of trunk disconnections and discoveries of trunk disconnections. Neither Party shall be expected to maintain active status for a trunk disconnected by the other Party for an extended or indefinite period of time. The Parties will use their best collective good faith efforts to complete and agree on a Joint Interconnection Grooming Plan within 90 days following execution of this agreement.
- E.6 BellSouth will establish and adhere to competitive intervals for the delivery of FOCs, DLRs and facilities. Such intervals need to ensure that facilities are provisioned in time frames and according to standards that meet or exceed those that BellSouth provides to itself for its own network and end users. Intervals should not exceed the Customer Designated Date (CDD).
- E.7 Upon request, BellSouth will provide DeltaCom with read and write access to the BellSouth maintenance and trouble report systems including the following systems and/or functionality:
 - ✓ Trouble reporting/dispatch capability access must be real time
 - Repair status/confirmation; maintenance/trouble report systems
 - Planned/Unplanned outage reports
- E.8 Each Party has the duty to alert the other to any network events that can result or has resulted in service interruption, blocked calls, or changes in network performance, on a real time basis.

- E.9 BellSouth will adopt any multi-ILEC trouble management procedures and escalation processes developed by the NOF.
- E.10 The Parties will work cooperatively to plan and implement coordinated repair procedures for the local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner.
- E.11 The Parties will provide each other with a trouble reporting number that is readily accessible and available 24 hours a day, 7 days a week. In addition, the Parties will provide each other test-line numbers and access to test lines.
- E.12 The quality of interconnection services should be no less than that provided by BellSouth for its own services.
- E.13 Installation and restoration of interconnection circuits by BellSouth for DeltaCom will be given equal priority as is given by BellSouth to similar services performed by BellSouth for any other telecommunications carrier.
- E.14 The time interval for installation of POIs by BellSouth will be negotiated on an ICB basis, subject to an agreement that installation of such POI's will be completed within a target of sixty (60) calendar days.
- E.15 Completion confirmation shall be provided to ensure that all necessary translation work is completed on newly installed facilities.
- E.16 The Parties shall periodically exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.
- E.17 BellSouth will provide and update an electronic copy of their Switch Network ID Database with a complete list of features and functions by switch, NPA/NXXs, business/residence counts and identification, rate centers, etc.

F. Local Number Assignment

DeltaCom will assign telephone numbers to its customers using at least one NXX per BellSouth tariffed local exchange metropolitan area; provided, that sufficient quantities of numbering resources are made available to DeltaCom.

G. Cross-Connection to Other Collocators

Where one Party collocates in the wire center of the other Party, the Party operating the wire center shall allow the Party collocated at the wire center to directly interconnect to any other entity which maintains a collocation facility at that same wire center. The Party operating the wire center shall enable such interconnection by effecting a cross-connection between those collocation facilities, as jointly directed by the Party collocated at the wire center and the other collocated entity. For each such cross-connection, the Party operating the wire center shall charge one-half the otherwise applicable standard tariff or contract special access cross-connect rate to the collocated Party, and the identical rate to the other collocated entity. No other charges shall apply for such cross-connection.

VI. LOCAL TRAFFIC EXCHANGE

A. Exchange of Traffic

The Parties agree for the purpose of this Agreement only that local interconnection is defined as the delivery of local traffic to be terminated on each party's local network so that customers of either party have the ability to reach customers of the other party, without the use of any access code or delay in the processing of the call. Local traffic for these purposes shall include any telephone call that originates and terminates in the same LATA and is billed by the originating exchange outside of BellSouth's service area with respect to which BellSouth has a local interconnection arrangement with an independent LEC, with which DeltaCom is not directly connected. The Parties further agree that the exchange of traffic on BellSouth's Extended Area Service (EAS) shall be considered local traffic and compensation for the termination of such traffic shall be pursuant to the terms of this section. EAS routes are those exchanges within an exchange's Basic Local Calling Area, as defined in Section A3 of BellSouth's General Subscriber Services Tariff.

B. Compensation

With the exception of the local traffic specifically identified in subsection (C) hereafter, each party agrees to terminate local traffic originated and routed to it by the other party. The Parties agree that BellSouth will track the usage for both companies for the period of the Agreement. BellSouth will provide copies of such usage reports to DeltaCom on a monthly basis. For purposes of this Agreement, the Parties agree that there will be no cash compensation exchanged by the parties

during the term of this Agreement unless the difference in minutes of use for terminating local traffic exceeds 2 million minutes per state on a monthly basis. In such an event, the Parties will thereafter negotiate the specifics of a traffic exchange agreement which will apply on a going-forward basis.

C. Transitted Traffic

If either party provides intermediary tandem switching and transport services for the other party's connection of its end user to a local end user of: (1) a CLEC other than DeltaCom; (2) an ILEC other than BellSouth; or (3) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a \$0.002 per minute charge. However, BellSouth agrees that DeltaCom may cross-connect directly to such third Parties at the POI. In such an event, tariffed cross-connection non-recurring charges will apply, and no transitting charge will apply.

VII. MEET-POINT BILLING ARRANGEMENTS

Both Parties hereto provide interexchange access transport services to IXCs and other access service customers. Pursuant to the terms of this Agreement, and to the extent DeltaCom requires meet-point arrangements, DeltaCom will interconnect at selected BellSouth switches of its choosing for the purposes of providing certain Switched Access Services. On such occasions, a portion of the access transport service will be provided by each of the Parties hereto. This section establishes arrangements intended to enable each of the Parties hereto to serve and bill their mutual Switched Access Service customers, on an accurate and timely basis. The arrangements discussed in this section apply to the provision of both interLATA and intraLATA Switched Access Services. It is understood and agreed that DeltaCom is not obligated to provide any of its Switched Access Service(s) through any specific access tandem switch or access tandem provider, and may at its sole discretion, with due notice to those affected, modify its serving arrangements on its own initiative.

A. Applicability of OBF Guidelines

Meet-point billing (MPB) arrangements shall be established between the Parties to enable DeltaCom to provide, at its option, Switched Access Services to third Parties via specified LEC switches, in accordance with the Meet-Point Billing guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents, except as modified herein. These arrangements are intended to be used to provide Switched Access Service that originates and/or terminates on an DeltaCom-provided Exchange Service, where the transport component of the Switched Access Service is routed through specified BellSouth switches.

B. Meet-Point Interconnection

- B.1 The Parties shall establish MPB arrangements in each LATA or locality where switched services are provided by DeltaCom, between the correspondingly identified Rating Point/Switch pairs. BellSouth shall provide homing/subtending access tandem arrangements through the same (or a closely proximate) switching entity used for access services to BellSouth's end users. This does not foreclose the possibility that other mutually agreeable arrangements may be utilized by mutual agreement of the Parties where appropriate.
- B.2 At DeltaCom's discretion, interconnection for the MPB arrangement shall be established at the POI as described hereafter, at a collocation facility maintained by DeltaCom or an affiliate of DeltaCom at specified BellSouth switches, or at any point mutually agreed to by the Parties, consistent with the terms and conditions herein.
- B.3 Two-way meet point trunks which are separate from the local interconnection trunk groups will be established to enable DeltaCom and BellSouth to provide Exchange Access Services to IXCs via a BellSouth Central Office. No Party shall charge the other any amount for any meet point facilities unless one Party is ordering trunks from the other.
- B.4 Common Channel Signaling (CCS) shall be utilized in conjunction with meet-point billing arrangements to the extent such signaling is technically compatible with and economically reasonable to provide through the BellSouth switch, except that MF signaling shall be used on a separate trunk group for originating FGD access to Exchange Access Customers that uses the MF FGD signaling protocol. The Parties may establish CCIS interconnection either directly or through a third party.

- B.5 DeltaCom may establish CCS interconnections either directly or through a third-party. The Parties will exchange TCAP messages to facilitate full interoperability of CCIS-based features between their respective networks, including all CLASS features and functions to its own end users. The Parties will provide all CCIS signaling, Billing Number, originating line information (OLI) and any other such similar service. For terminating FGD, BellSouth will pass CPN if it receives CPN from FGD carriers. All privacy indicators will be honored. Where available, network signaling information, such as Transit Network Selection (TNS) parameter (CCIS platform) and OZZ/CIC information (non-CCIS environment) will be provided whenever such information is needed for call routing or billing. The Parties will follow all OBF adopted standards pertaining to TNS and OZZ/CIC codes.
- B.6 All originating Toll Free Service calls for which BellSouth performs the Service Switching Point (SSP) function (e.g., performs the database query) shall be delivered by DeltaCom using GR-394 format over a trunk group designated for Toll Free Service. Carrier Code "0110" and Circuit Code of "08" shall be used for all such calls. In the event DeltaCom becomes a toll free service provider, BellSouth shall deliver traffic using the GR-394 format over a trunk group designated for Toll Free Service.
- B.7 All originating Toll Free Service calls for which DeltaCom performs the SSP function, if delivered to BellSouth, shall be delivered by DeltaCom using GR-394 format over the meet point trunk group for calls destined to IXCs, or shall be delivered by DeltaCom using GR-317 format over the Local Interconnection Trunk Group for calls destined to end offices that directly subtend BellSouth access tandems.
- B.8 Originating Feature Group B calls shall be delivered to BellSouth's tandem using the interLATA trunk groups.

C. Tariffs

DeltaCom and BellSouth will use their best reasonable efforts, individually and collectively, to maintain provisions in their respective federal and state access tariffs sufficient to reflect this MPB arrangement, including appropriate MPB percentages consistent with applicable industry standard practice and in accordance with Section VII.F hereafter.

D. Billing and Data Exchange

- D.1 Each Party shall implement the "Multiple Bill/Multiple Tariff" option in order to bill an IXC for the portion of the jointly provided telecommunications service provided by that Party. For all traffic carried over the MPB arrangement, each Party shall only bill the rate elements identified for it in this Agreement. For transport elements subject to billing percentages, each Party shall utilize the billing percentages discussed in Section III.C preceding and Section VII.F hereafter. The actual rate values for each element shall be the rates contained in that Party's own effective federal and state access tariffs. The Parties shall utilize complementary monthly billing periods for meet-point billing.
- D.2 BellSouth may charge the IXC for use of the entrance facility, the tandem switching and the mutually agreed portion of non-interconnection transport charges. BellSouth will not include an element for the Residual Interconnection Charge (RIC) and DeltaCom will be entitled to bill and collect the appropriate RIC and/or any other applicable rate elements.
- D.3 Each party will provide to the other access records sufficient to enable billing to the IXCs. Records shall be provided in the Exchange Message Record format, Bellcore Standard BR 010-200-010, as amended.
- D.4 BellSouth shall provide to DeltaCom the billing name, billing address, and CIC of the IXCs and copies of relevant IXC Access Service Requests (ASRs), in order to comply with the MPB notification process as outlined in the MECAB document, on an electronic medium basis using the EMR format.
- D.5 BellSouth shall provide DeltaCom, on a daily basis, switched access detail usage data (EMR Category 1101XX records) on magnetic tape or via electronic file transfer using EMR format, for calls from IXCs that have transitted BellSouth's tandems and terminated to DeltaCom's switching center(s).
- D.6 DeltaCom shall provide BellSouth, on a monthly basis, switched access summary usage data (EMR Category 1150XX records) on magnetic tape or via electronic file transfer using EMR format, for calls to IXCs which originate at DeltaCom's switching center(s).

- D.7 The Parties will exchange test files to support the initial implementation of the meet point billing processes provided for in this Agreement. Exchange of test data will commence one week after AMA certification begins. These data shall be actual recorded usage records.
- D.8 Each Party shall coordinate and exchange the billing account reference (BAR) and billing account cross reference (BACR) numbers for the MPB Service. Each Party shall notify the other if the level of billing or other BAR/BACR elements change, resulting in a new BAR/BACR number.
- D.9 If access usage data is not processed and delivered by either Party and sent to the other in a timely manner and in turn such other Party is unable to bill the IXC, the delivering Party will be held liable for the amount of lost billing.
- D.10 Errors may be discovered by DeltaCom, the IXC or BellSouth. Both BellSouth and DeltaCom agree to provide the other Party with notification of any discovered errors within seven (7) business days of the discovery. In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data and if such reconstruction is not possible, shall accept a reasonable estimate of the lost data based upon three (3) to twelve (12) months of prior usage data.
- D.11 The Parties shall not charge one another for the services rendered or information provided pursuant to this Section VII of this Agreement.

E. Toll Free IXC Traffic

MPB will apply for all traffic bearing the 800, 888, or any other non-geographic NPA which may be likewise designated for such traffic in the future, where the responsible party is an IXC. In those situations where the responsible party for such traffic is a LEC, full switched access rates will apply.

F. MPB Billing Percentages .

The MPB billing percentage for each DeltaCom Rating Point shall be calculated according to the following formulas:

In any service jointly provided by BellSouth and DeltaCom for which meet point billing arrangements are adopted, the meet point billing percentages shall be based on the relative distances (i.e., airline mileage) between the meet point and the two rating points as follows:

BellSouth percentage
$$=$$
 b $=$ $(a+b)$ $(a+b)$

where "a" is the airline mileage between the relevant DeltaCom rating point (e.g., serving switch) and the meet point and "b" is the airline mileage between the BellSouth rating point and the meet point.

G. Special Arrangements

- G.1 In a few instances, the involvement of yet a third provider of switched access may be needed for particular traffic. For purposes of customer billing, when three or more LECs are involved in the transmission of a particular message, the intermediate carriers will have no rating point, and the relevant mileage measurement is between the two end points.
- G.2 In the case of IXC traffic terminating to DeltaCom ported numbers, the Parties will, unless IXC actual minutes of use can be measured, account for access revenue on a state-by-state basis by using verifiable BellSouth/DeltaCom interstate and intrastate minutes of use reported on the applicable ARMIS report at the total IXC access rates applicable to BellSouth less the BellSouth/DeltaCom meet point access minutes at the meet point billing access rates applicable to BellSouth, with no other subtractions.
- G.3 If either Party provides intermediary functions for network access service connection between an IXC and another Party, each Party will provide their own network access services to the IXC on a meet-point basis. The meet-point billing arrangement will be through the multiple bill. Each Party will bill its own network access services rates to the IXC with the exception of the residual interconnection charge. Each Party shall bill 50% of its residual interconnection charges in such case.

VIII. TOLL TRAFFIC INTERCONNECTION

A. The delivery of interexchange toll traffic by a Party to the other Party shall be reciprocal and compensation will be mutual. For terminating its toll traffic on the other Party's network, each Party will pay the other Party's tariffed terminating switched access rate, inclusive of the interconnection charge and the carrier common line rate elements of the switched access rate. The Parties agree that their terminating switched rate shall be the rate in effect when the traffic is terminated.

B. For originating and terminating interexchange toll traffic, each Party shall pay the other Party's tariffed switched network access service rate elements on a per minute of use basis. Said rate elements shall be as set out in the Parties' respective access services tariffs as those tariffs are amended from time to time during the term of this Agreement. The appropriate charges will be determined by the routing of the call. If DeltaCom is the BellSouth end user's presubscribed interexchange carrier or if the BellSouth end user uses DeltaCom as an interexchange carrier on a 10XXX basis, BellSouth will charge DeltaCom the appropriate tariff charges for originating network access services. If BellSouth is serving as the DeltaCom end user's presubscribed interexchange carrier or if the DeltaCom end user uses BellSouth as an interexchange carrier on a 10XXX basis, DeltaCom will charge BellSouth the appropriate BellSouth tariff charges for originating network access services.

IX. NUMBER RESOURCE ARRANGEMENTS

- A. Nothing in this Agreement shall be construed to in any manner limit or otherwise adversely impact either Party's right to request and be assigned any North American Numbering Plan (NANP) number resources including, but not limited to, central office (NXX) codes pursuant to the Central Office Code Assignment Guidelines (last published by the Industry Numbering Committee (INC) as INC 95-0407-008, Revision 4/7/95, formerly ICCF 93-0729-010), or to independently, and in a technically compatible manner, establish and publish in any and all switched telecommunications industry routing and rating databases, by tariff or otherwise, Rate Centers Rating Points, destination switching entity/office and routing/tandem information corresponding to such NXX codes.
- B. During any period under this Agreement in which it serves as the NANP administrator for its territory, BellSouth shall ensure that DeltaCom has nondiscriminatory access to telephone numbers for assignment to its telephone exchange service customers, and will assist DeltaCom in applying for NXX codes for its use in providing local exchange services. It is mutually agreed that BellSouth shall provide numbering resources pursuant to the Bellcore Guidelines Regarding Number Assignment and compliance with those guidelines shall constitute nondiscriminatory access to numbers. DeltaCom agrees that it will complete the NXX code application in accordance with Industry Carriers Compatibility Forum, Central Office Code Assignment Guidelines, ICCF 93-0729-010.
- C. If during the term of this Agreement BellSouth is no longer the NANP administrator, the Parties agree to comply with the guidelines, plan or rules adopted pursuant to 47 U.S.C. § 251(e).

- D. Each Party agrees to make available to the other, up-to-date listings of its own assigned NPA-NXX Codes, along with associated rating points and rate centers.
- E. It shall be the responsibility of each Party to program and update its switches and network systems pursuant to the local exchange routing guide (LERG) and other switched telecommunications industry guidelines to recognize and route traffic to the other Party's assigned NXX codes using that party's preferred routing at all times. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities, except as expressly defined in this Agreement.
- F. Each Party shall be responsible for notifying its customers of any changes in dialing arrangements due to NPA exhaustion. Neither party shall be obligated to adopt the specific end user dialing plan of the other.
- G. Administration and assignment of numbers will be moved to a neutral third party in the future. In the interim, while BellSouth is still administering numbering, the following will apply:
 - 1. BellSouth will assign NXXs to DeltaCom on a nondiscriminatory basis and on the same basis as to itself.
 - 2. No restriction is placed on the ability to assign NXXs per rate center.
 - 3. Testing and loading of DeltaCom's NXXs' should be the same as BellSouth's own.
 - 4. BellSouth cannot discriminate in the allocation of number and types of NXXs assigned to DeltaCom.
 - 5. BellSouth will assign NXXs to DeltaCom without the imposition of charges that are not imposed upon itself.
 - 6. BellSouth will load NXXs according to industry guidelines, including the terminating LATA in which the NXXs/rate center is located.
 - 7. Until such time that number administration is moved to an independent third party, BellSouth will provide routine reporting on NXX availability, fill rates, and new assignments.

- 8. In the event of NPA-NXX splits, it is agreed that DeltaCom may continue use of the pre-existing NPA-NXX for existing customers.
- 9. BellSouth will supply DeltaCom with copies of its Local Calling Area Boundary Guide, including all updates thereto.
- 10. All BellSouth services provided to DeltaCom pursuant to this Article will be at no charge to DeltaCom.

X. ACCESS TO POLES. DUCTS. CONDUITS, AND RIGHTS OF WAY

- A. BellSouth agrees to provide to DeltaCom, pursuant to 47 U.S.C. § 224, as amended by the Act, nondiscriminatory access to any pole, duct, conduit, and right-of-way owned or controlled by BellSouth. BellSouth agrees to provide access at rates, terms and conditions which are no less favorable than those provided to any other telecommunications service provider or cable television provider (CATV), including those provided to itself or its affiliates.
- B. BellSouth must provide access to its unbundled network interface device.
- C. When BellSouth has equipment on, over or under public or private property, it will permit the use of such equipment by DeltaCom on an equal and nondiscriminatory basis.
- D. Any authorizations to attach to poles, overlashing requirements, or modifications to the conduit system or other pathways to allow access to and egress from the system shall not be hindered, restricted or unreasonably withheld or delayed. Such access and use shall be on terms and conditions identical to those that BellSouth provides to itself and its affiliates for the provision of exchange, exchange access and interexchange services.
- E. BellSouth agrees to take no action to intervene against, or attempt to delay, the granting of permits to DeltaCom for use of public rights-of-way or access with property owners.
- F. Any costs for improvements to/expansions of poles, etc., should be prorated on a nondiscriminatory and neutral basis among and all users of the facility.
- G. No application fees will apply.

- H. Fees will be fixed for term of contract.
- I. BellSouth will provide routine notification of changes to poles, conduits, and rights-of-way.
- J. BellSouth will provide open access to current pole-line prints, and conduit prints, make available maps of conduit and manhole locations, and allow manhole/conduit break-outs, and audits to confirm usability.
- K. BellSouth will provide regular reports on the capacity status and planned increase in capacity of each of these access channels to facilitate construction planning.
- L. BellSouth will provide information on the location of, and the availability to access conduit, poles. etc., when DeltaCom requests such information, within ten (10) working days after the request.
- M. The Parties agree to enter a Standard License Agreement incorporating specific rates, terms and conditions consistent with the foregoing.

XI. ANCILLARY SERVICES AND PLATFORM ARRANGEMENTS

A. 800 Traffic

- A.1 BellSouth agrees to compensate DeltaCom, pursuant to DeltaCom's published originating switched access charges, including the database query charge, for the origination of 800 and 888 traffic (combined "800") terminated to BellSouth.
- A.2 DeltaCom will provide to BellSouth the appropriate records necessary for BellSouth to bill BellSouth's intraLATA 800 customers. The records provided by DeltaCom will be in a standard EMR format for a fee, paid by BellSouth to DeltaCom, of \$0.015 per record.
- A.3 If DeltaCom provides 800 services to its end users during the term of this Agreement, it agrees to compensate BellSouth, pursuant to BellSouth's originating switched access charges, including the database query charge, for the origination of 800 traffic terminated to DeltaCom. BellSouth agrees to provide DeltaCom the appropriate records for DeltaCom to bill its 800 customers. The records provided will be in a standard EMR format for a fee, paid by DeltaCom to BellSouth, of \$0.015 per record.

- A.4 If during the term of this Agreement, BellSouth is permitted to provide interLATA 800 services, BellSouth will compensate DeltaCom for the origination of such traffic in accordance with the above.
- A.5 If DeltaCom utilizes BellSouth's 800 database for query purposes only, the rates and charges shall be as set forth in the applicable BellSouth Access Services Tariff, as said tariff is amended from time to time during the term of this Agreement.
- A.6 Should DeltaCom require 800 access ten digit screening service from BellSouth, it shall have signaling transfer points connecting directly to BellSouth's local or regional signaling transfer point for service control point database query information. DeltaCom shall utilize SS7 Signaling links, ports and usage from BellSouth's interstate access services tariff. 800 access ten digit screening service is an originating service that is provided via 800 switched access service trunk groups from BellSouth's SSP equipped end office or access tandem providing an IXC identification function and delivery of call to the IXC based on the dialed ten digit number. The rates and charges for said services shall be as set forth in the applicable BellSouth access services tariff as said tariff is amended from time to time during the term of this Agreement.

B. 911/E-911

- B.1 The Parties agree to interconnect with each other to provide Basic 911 and E-911 emergency calling services consistent with the terms of Attachment C-9 hereto.
- B.2 For Basic 911 service, BellSouth will provide to DeltaCom a list consisting of each municipality in each state that subscribes to Basic 911 service. The list will also provide, if known, the E-911 conversion date for each county and, for network routing purposes, a ten-digit directory number representing the appropriate emergency answering position for each county subscribing to 911. DeltaCom will arrange to accept 911 calls from its end users in municipalities that subscribe to Basic 911 service and translate the 911 call to the appropriate 10-digit directory number as stated on the list provided by BellSouth. DeltaCom will route that call to BellSouth at the appropriate tandem or end office. When a county converts to E-911 service, DeltaCom shall discontinue the Basic 911 procedures and begin the E-911 procedures, set forth in subsection B.4 below.

- B.3 For E-911 service, DeltaCom shall install a minimum of two dedicated trunks originating form DeltaCom's serving wire center and terminating to the appropriate E-911 tandem. The dedicated trunks shall be, at minimum, DS0 level trunks configured either as a 2 wire analog interface or as part of a digital (1.544 Mb/s) interface. Either configuration shall use CAMA type signaling with MF pulsing that will deliver automatic number identification (ANI) with the voice portion of the call. If the user interface is digital, MF pulses, as well as other AC signals, shall be encoded per the U-255 Law convention. DeltaCom will provide BellSouth daily updates to the E-911 database.
- B.4 If a municipality has converted to E-911 service, DeltaCom will forward 911 calls to the appropriate E-911 tandem, along with ANI, based upon the current E-911 end office to tandem homing arrangement as provided by BellSouth. If the E-911 tandem trunks are not available, DeltaCom will alternatively route the call to a designated 7-digit local number residing in the appropriate PSAP. This call will be transported over BellSouth's interoffice network and will not carry the ANI of the calling party.
- BellSouth will provide DeltaCom with an electronic interface from which
 DeltaCom may input and update subscriber records in the E-911 database.
 BellSouth shall also provide DeltaCom with an automated interface to access its Automatic Location Identification (ALI) database.
- BellSouth and DeltaCom agree that the practices and procedures contained in the E-911 Local Exchange Carrier Guide For Facility-Based Providers (LEC Carrier Guide) shall determine the appropriate procedures and practices of the Parties as to the provision of 911/E-911 Access. The LEC Carrier Guide shall at a minimum include, or BellSouth shall separately provide, 911 database update procedures and 911 trunk restoration procedures.
- B.7 If DeltaCom requires transport to the BellSouth 911 tandem, DeltaCom may, at DeltaCom's option, purchase such transport from BellSouth at rates set forth in either BellSouth's intrastate switched access services tariff or intrastate special access services tariff.
- B.8 BellSouth and DeltaCom will cooperatively arrange meetings to answer any technical questions that municipal or county coordinators may have regarding the 9-1-1/E-911 portions of this Agreement.

- B.9 Where BellSouth is responsible for maintenance of the E-911 database and can be compensated for maintaining DeltaCom's information by the municipality, BellSouth shall seek such compensation. BellSouth may seek compensation for its costs from DeltaCom only if and to the extent BellSouth is unable to obtain such compensation from the municipality.
- B.10 Nothing herein shall be construed to prevent DeltaCom from opting to route Basic 911 and E-911 calls to an alternative emergency call service bureau, to provide such services itself, or to route such calls directly to a Public Safety Answering Point (PSAP).

C. Provision of Operator Services

- C.1 BellSouth will offer to DeltaCom Operator Call Processing Access Service BLV/BLVI Service and Directory Assistance Access Services. Rates, terms and conditions are set forth in section VI.F for BLV/BLVI Service, Attachment C-11 for Directory Assistance Access Services, and Attachment C-10 for Operator Call Processing Access Services. Each such attachment is incorporated herein by this reference.
- C.2 BellSouth also will offer to DeltaCom CMDS Hosting and the Non Sent Paid Report System pursuant to the terms and conditions set forth in Attachment C-12 and Attachment C-13, incorporated herein by this reference.

D. Transfer of Service Announcements

When an end user customer changes from BellSouth to DeltaCom, or from DeltaCom to BellSouth, and does not retain its original telephone number, the Party formerly providing service to the end user will provide a transfer of service announcement on the abandoned telephone number. Each Party will provide this referral service at no charge to the other Party. This announcement will provide details on the new number to be dialed to reach this customer.

E. Coordinated Repair Calls

DeltaCom and BellSouth will employ the following procedures for handling misdirected repair calls:

- E.1 DeltaCom and BellSouth will educate their respective customers as to the correct telephone numbers to call in order to access their respective repair bureaus.
- E.2 To the extent the correct provider can be determined, misdirected repair calls will be referred to the proper provider of local exchange service in a courteous manner, at no charge, and the end user will be provided the correct contact telephone number. In responding to repair calls, neither Party shall make disparaging remarks about each other, nor shall they use these repair calls as the basis for internal referrals or to solicit customers to market services. Either Party shall respond with accurate information in answering customer questions.
- E.3 DeltaCom and BellSouth shall provide their respective repair contact numbers to one another on a reciprocal basis.

F. Busy Line Verification and Interrupt

F.1 Description

- a. Each Party shall establish procedures whereby its operator bureau will coordinate with the operator bureau of the other Party in order to provide Busy Line Verification (BLV) and Busy Line Verification and Interrupt (BLVI) services on calls between their respective end users.
- b. DeltaCom will route BLV and BLVI traffic to the BellSouth access tandem. BellSouth wll route BLV and BLVI traffic to the DeltaCom access tandem.

F.2 Compensation

Each Party shall charge the other Party for BLV and BLVI at the effective rates contained in BellSouth's applicable Local Interconnection Services Tariff(s).

G. <u>Directory Assistance (DA)</u>

G.1 Description

At DeltaCom's request, BellSouth will:

- a. Provide to DeltaCom, over TOPs trunks, unbranded (or DeltaCombranded, where available) directory assistance service which is comparable in every way to the directory assistance service BellSouth makes available to interexchange carriers.
- b. In conjunction with subparagraph (a) above, provide caller optional directory assistance call completion service which is comparable in every way to the directory assistance call completion service BellSouth generally makes available to its end users, to the extent BellSouth generally offers such service to its end users.
- c. BellSouth will provide DeltaCom operators on-line access to BellSouth's DA database.

G.2 Compensation

Initial rates, terms and conditions for DA Services shall be as provided in Attachment C-11 hereto.

H. <u>Directory Listings and Directory Distribution</u>

H.1 Subject to the execution of an agreement between BellSouth's affiliate, BellSouth Advertising and Publishing Co. (BAPCO), and DeltaCom in a form substantially similar to that attached as Attachment C-8, (1) DeltaCom's customers' primary listings shall be included in the appropriate white page (resident and business) listings or alphabetical directories, as well as the directory assistance database, (2) DeltaCom's business subscribers' listings will be included in all appropriate yellow pages or classified

- directories, and (3) copies of directories shall be delivered to DeltaCom's customers; all without charge.
- H.2 BellSouth shall provide DeltaCom with a magnetic tape or computer disk containing the proper format to employ in submitting directory listings and daily updates. DeltaCom shall provide BellSouth with its directory listings and daily updates to those listings (including new, changed and deleted listings) in a mutually acceptable format. BellSouth shall include DeltaCom's customers in the directory assistance database associated with the areas in which DeltaCom provides exchange services within the same time frame as BellSouth includes its own customers in such databases.
- H.3 BellSouth and its Affiliates will afford DeltaCom's directory listings information the same level of confidentiality which BellSouth affords its own directory listing information, and BellSouth shall ensure that access to DeltaCom's customer proprietary confidential directory information will be limited solely to those employees who immediately supervise or are directly involved in the processing and publishing of listings and directory delivery. BellSouth will not use DeltaCom's directory listings for the marketing of BellSouth's telecommunications services.

I. Access to Signaling and Signaling Databases

- I.1 BellSouth will offer to DeltaCom use of its SS7 signaling network and signaling databases on an unbundled basis at the rates included in Attachment C-5 hereto. Signaling functionality will be available with both A-link and B-link connectivity.
- 1.2 BellSouth agrees to input NXX assigned to DeltaCom into the Local Exchange Routing Guide (LERG).
- I.3 BellSouth will enter DeltaCom line information into its Line Information Database (LIDB) pursuant to the terms and conditions contained in Attachment C-6 hereto, incorporated herein by this reference. Entry of line information into LIDB will enable DeltaCom's end users to participate or not participate in alternate billing arrangements such as collect or third number billed calls.
- I.4 BellSouth will provide DeltaCom with access to LIDB for call and card validation purposes pursuant to the rates, terms and conditions contained in Attachment C-7 hereto, as amended hereafter to include unbundled local loops.

I.5 If DeltaCom utilizes BellSouth's 800 database for query purposes only applicable BellSouth tariffed rates will apply.

XII. TELEPHONE NUMBER PORTABILITY ARRANGEMENTS

- A. The Parties agree to provide interim Service Provider Number Portability (SPNP) on a reciprocal basis between their networks to enable their end user customers to utilize telephone numbers associated with an Exchange Service provided by one Party, in conjunction with an Exchange Service provided by the other Party, upon the coordinated or simultaneous termination of the first Exchange Service and activation of the second Exchange Service. The Parties shall provide reciprocal SPNP immediately upon execution of this Agreement via remote call forwarding (RCF) or Direct Inward Dialing (DID). SPNP shall operate as follows:
 - A.1 An end user customer of Party A elects to become an end user customer of Party B. The end user customer elects to utilize the original telephone number(s) corresponding to the Exchange Service(s) it previously received from Party A, in conjunction with the Exchange Service(s) it will now receive from Party B. Upon receipt of a service order assigning the number to Party B, Party A will implement an arrangement whereby all calls to the original telephone number(s) will be forwarded to a new telephone number(s) designated by Party B within the same access where the original NXX code is used. Party A will route the forwarded traffic to Party B over the appropriate trunk groups, as if the call had originated on Party A's network.
 - A.2 Party B will become the customer of record for the original Party A telephone numbers subject to the SPNP arrangements. Party A will provide Party B a single consolidated master billing statement for all collect, calling card, and third-number billed calls associated with those numbers, with subaccount detail by retained number. Such billing statement shall be delivered via either electronic data transfer, daily magnetic tape, or monthly magnetic tape (for which option there shall be no charge). Party A shall provide to Party B the EMR detail records associated with the calls on the master billing statement.
 - A.3 Party A will cancel line-based calling cards and will, as directed by Party B, update its Line Information Database (LIDB) listings for retained numbers, subject to RCF, and restrict or cancel calling cards associated with those

forwarded numbers, as directed by Party B, subject to execution of an LIDB storage agreement in substantially the form attached hereto.

- A.4 Within two (2) business days of receiving notification from the end user customer, Party B shall notify Party A of the customer's termination of service with Party B, and shall further notify Party A as to that customer's instructions regarding its telephone number(s). Party A will reinstate service to that customer, cancel the SPNP arrangements for that customer's telephone number(s), or redirect the SPNP arrangement pursuant to the customer's instructions at that time.
- B. SPNP-RCF is a telecommunications service whereby a call dialed to an SPNP-RCF equipped telephone number, is automatically forwarded to an assigned seven or ten digit telephone number within the local calling area as defined in Section A3 of the BellSouth General Subscriber Service Tariff. The forwarded-to number is specified by DeltaCom or BellSouth, as appropriate. Where technologically feasible, the forwarding party will provide identification of the originating telephone number, via SS7 signaling, to the receiving party. Neither party guarantees, however, identification of the originating telephone number to the SPNP-RCF end user. SPNP-RCF provides a single call path for the forwarding of no more than one simultaneous call to the receiving party's specified forwarded-to number. Additional call paths for the forwarding of multiple simultaneous calls are available on a per path basis and are in addition to the rate for SPNP-RCF service.
- C. The Parties shall provide RCF arrangements to each other at identical monthly rates. Recurring charges shall not exceed the actual cost of providing the service. There shall be no non-recurring charges. Until otherwise verified by reliable cost studies, actual cost for recurring charges are as follows:
 - 1. Residential Services \$1.15 per line, including 6 call paths;
 - 2. Business Service \$2.25 per ine, including 10 call paths; and
 - 3. Each additional path \$0.50.

- SPNP-DID service provides trunk side access to end office switches for direct D. inward dialing to the other Party's premises equipment from the telecommunications network to lines associated with the other Party's switching equipment and must be provided on all trunks in a group arranged for inward service. A SPNP-DID trunk termination, provided with SS7 signaling only, applies for each trunk voice grade equivalent. In addition, direct facilities are required from the end office where a ported number resides to the end office serving the ported end user customer. Transport mileage will be calculated as the airline distance between the end office where the number is ported and the POI using the V&H coordinate method. SPNP-DID must be established with a minimum configuration of two channels and one unassigned telephone number per switch, per arrangement for control purposes. Transport facilities arranged for SPNP-DID may not be mixed with any other type of trunk group, with no outgoing calls placed over said facilities. SPNP-DID will be provided only where such facilities are available and where the switching equipment of the ordering party is properly equipped. Where SPNP-DID service is required from more than one wire center or from separate trunk groups within the same wire center, such service provided from each wire center or each trunk group within the same wire center shall be considered a separate service. Only customer dialed sent paid calls will be completed to the first number of a SPNP-DID number group, however, there are no restrictions on calls completed to other numbers of a SPNP-DID number group.
- E. The Parties hereby agree to negotiate in good faith to establish the recurring and non-recurring charges, if any, for SPNP through DID. For this purpose, BellSouth shall provide DeltaCom with its relevant cost studies, subject to applicable non-disclosure obligations. In the event that the Parties are unable to agree upon the applicable charges, the issue shall be resolved in accordance with the process set forth in Article XXV. In the interim period, the rates contained in Attachment E hereto will apply.
- F. Each Party is responsible for obtaining authorization from the end user for the handling of the disconnection of the end user's service, the provision of new local service and the provision of SPNP services. Each Party is responsible for coordinating the provision of service with the other to assure that its switch is capable of accepting SPNP ported traffic. Each Party is responsible for providing equipment and facilities that are compatible with the other's service parameters, interfaces, equipment and facilities and is required to provide sufficient terminating facilities and services at the terminating end of an SPNP call to adequately handle all traffic to that location and is solely responsible to ensure that its facilities, equipment and services do not interfere with or impair any facility, equipment, or service of the other Party or any of its end users.

- G. Each Party is responsible for providing an appropriate intercept announcement service for any telephone numbers subscribed to SPNP services for which it is not presently providing local exchange service or terminating to an end user. Where either Party chooses to disconnect or terminate any SPNP service, that Party is responsible for designating the preferred standard type of announcement to be provided.
- H. Each Party will be the other's Party's single point of contact for all repair calls on behalf of each Party's end user. Each Party reserves the right to contact the other Party's customers, if deemed necessary, for maintenance purposes.
- I. The Parties will migrate from RCF or DID to Permanent Number Portability (PNP) as soon as practically possible, without interruption of service (to the degree possible) to their respective customers.
- J. Under either an SPNP or PNP arrangement, DeltaCom and BellSouth will implement a process to coordinate Telephone Numbers Portability (TNP) cut-overs with Unbundled loop conversions (as described in Section IV of this Agreement).
- K. The quality of service of calls to ported numbers should be identical to the quality of service of the calls to non-ported numbers.
- L. If the Federal Communications Commission issues regulations pursuant to 47 U.S.C. § 251 to require number portability different than that provided pursuant to this subsection, the Parties agree to fully comply with those requirements.

XIII. DISCONNECTION OF CUSTOMERS

- BellSouth shall accept any requests from DeltaCom to disconnect the service of an existing BellSouth end user, except for BellSouth public and semipublic telephone service which service is subject to effective contracts with location providers. BellSouth will not require end user confirmation prior to disconnecting the end user's service. BellSouth will accept a request directly from an end user for conversion of the end user's service from DeltaCom to BellSouth or will accept a request from another CLEC for conversion of the SPNP service associated with an end user's service charge from DeltaCom to the CLEC. BellSouth will notify DeltaCom that such a request has been processed. This Article shall be subject to Section 258(a) and (b) of the Telecommunications Act which prohibits illegal changes of carrier selections and assesses liability for such changes, and any change of service verification procedures which may be promulgated by the FCC. DeltaCom and BellSouth shall each execute a blanket letter of authorization for each state substantially in the form attached as Attachment F hereto with respect to customer disconnections. The Parties shall each be entitled to adopt their own internal processes for verification of customer authorization of disconnection of service; provided, however, that such processes shall comply with applicable state and federal law and until superseded shall be deemed adequate for purposes of this Agreement if such processes comply with FCC guidelines applicable to Presubscribed Interexchange Carriers (PIC) changes.
- B. If either Party determines that an unauthorized change in local service provider has occurred, such Party shall reestablish service with the appropriate local service provider as requested by the end user and will assess the other Party an Unauthorized Change Charge of \$19.41 per line. The appropriate nonrecurring charges to reestablish the customer's service with the appropriate local service provider will also be assessed to the other Party because of the unauthorized change. These charges shall be adjusted if such Party provides satisfactory proof of authorization.
- C. If BellSouth accepts an order placed by itself or another CLEC (or local reseller) to disconnect the SPNP to an DeltaCom end user, BellSouth shall notify DeltaCom of the change within three (3) days thereof.

XIV. RESALE OF BELLSOUTH LOCAL EXCHANGE SERVICES

BellSouth hereby agrees that DeltaCom may at any time during the term of this Agreement elect to resell BellSouth's local exchange services under the terms and

conditions of any local services resale agreement reached between BellSouth and any other telecommunications carrier. DeltaCom may select any such resale agreement at any time prior to the expiration of this Agreement.

XV. RESPONSIBILITIES OF THE PARTIES

- A. BellSouth and DeltaCom agree to treat each other fairly, non-discriminatorily, and equally for all items included in this Agreement or related to the support of items included in this Agreement.
- B. DeltaCom and BellSouth will work cooperatively to minimize fraud associated with third-number billed calls, calling card calls, or any other services related to this Agreement. The Parties fraud minimization procedures are to be cost effective and implemented so as not to unduly burden or harm one Party as compared to the other.
- C. DeltaCom and BeilSouth agree to promptly exchange all necessary records for the proper billing of all traffic.
- D. DeltaCom and BellSouth will review engineering requirements on a quarterly basis and establish forecasts for trunk utilization, POI trunks, MPB arrangements, E-911, EISCC facility requirements, quantities of DNCF, loops and other services provided under this Agreement. New trunk groups will be implemented as dictated by engineering requirements for both BellSouth and DeltaCom. BellSouth and DeltaCom are required to provide each other the proper call information (e.g., originated call party number and destination call party number) to enable each company to bill in a complete and timely manner.
- E. The Parties will cooperate by exchanging technical information in order to identify and explore potential solutions to enable DeltaCom to establish unique rate centers, or to assign a single NXX code across multiple rate centers.
- F. DeltaCom and BellSouth will work jointly and cooperatively in developing and implementing common manual and/or electronic interfaces (including, for example, data elements, data format, and data transmission) from which to place service orders and trouble reports involving the provision of loops, DNCF, directory assistance, directory listings, E-911, and other services included in this Agreement. To the extent reasonable, DeltaCom and BellSouth will utilize the standards established by industry fora, such as OBF.

- G. BellSouth will support DeltaCom requests related to central office (NXX) code administration and assignments in an effective and timely manner. DeltaCom and BellSouth will comply with code administration requirements as prescribed by the FCC, the state commissions, and accepted industry guidelines.
- H. There will be no re-arrangement, reconfiguration, disconnect, or other non-recurring fees associated with the initial reconfiguration of each carrier's traffic exchange arrangements upon execution of this agreement.
- I. BellSouth shall not impose a cross-connect fee on DeltaCom where DeltaCom accesses 911 or E-911, reciprocal traffic exchange trunks, and network platform services, through a collocation arrangement at the BellSouth Wire Center.
- J. Notwithstanding any other provision of this Agreement, it is mutually understood and agreed that both Parties hereto reserve the right to establish each of the following, consistent with generally accepted industry standards.
 - 1. Rate centers (location and area within)
 - 2. Points of interchange (including meet points)
 - 3. Switching entity designation and supporting data (including inbound route choice)
 - a. end office
 - b. homing/homed to tandem
 - 4. Association of routing point(s) with end offices, POIs, etc.
 - 5. Published rate center and locality designations.

XVI. <u>NETWORK DESIGN AND MANAGEMENT</u>

A. The Parties agree to work cooperatively to install and maintain reliable interconnected telecommunications networks, including but not limited to, maintenance contact numbers and escalation procedures. BellSouth agrees to provide public notice of changes in the information necessary for the transmission and routing of services using its local exchange facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks.

- B. The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria.
- C. The Parties will work cooperatively to apply sound network management principles by invoking appropriate network management controls to alleviate or prevent network congestion.
- D. For network expansion, the Parties agree to review engineering requirements on a quarterly basis and establish forecasts for trunk utilization. New trunk groups will be added as reasonably warranted.
- E. DeltaCom and BellSouth will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government) to achieve desired reliability. In addition, DeltaCom and BellSouth will cooperatively plan and implement coordinated repair procedures to ensure customer trouble reports are resolved in a timely and appropriate manner.

XVII. TERM

- A. The term of this Agreement shall be two years, beginning July 1, 1997.
- B. The Parties agree that by no later than July 1, 1998, they shall commence negotiations with regard to the terms, conditions and prices of local interconnection to be effective beginning July 1, 1999.
- C. If, within 90 days of commencing the negotiation referred to in Section XVII.B above, the Parties are unable to satisfactorily negotiate new local interconnection terms, conditions and prices, either Party may petition the state commission to establish appropriate local interconnection arrangements pursuant to 47 U.S.C. 252. The Parties agree that, in such event, they shall encourage the Commission to issue its order regarding the appropriate local interconnection arrangements no later than January 1, 1999. The Parties further agree that in the event the Commission does not issue its order prior to January 1, 1999 or if the Parties continue beyond July 1, 1999 to negotiate the local interconnection arrangements without Commission intervention, the terms, conditions and prices ultimately ordered by the Commission, or negotiated by the Parties, will be effective retroactive to July 1, 1999. Until the revised local interconnection

arrangements become effective, the Parties shall continue to exchange traffic pursuant to the terms and conditions of this Agreement.

- D. The Parties agree that (1) if the FCC or a state commission or other state or local body having jurisdiction over the subject matter of this Agreement finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations promulgated, or (2) if the FCC or a state commission preempts the effect of this Agreement, then in the event of the occurrence of (1) or (2), which occurrence is final and no longer subject to administrative or judicial review, the Parties shall immediately commence good faith negotiations to conform this Agreement with any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or state commission's action giving rise to such negotiations. The Parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date.
- E. In the event that BellSouth provides interconnection and/or temporary number portability arrangements via tariff or has or enters into an interconnection and/or temporary number portability agreement with another entity, BellSouth will permit DeltaCom an opportunity to inspect such tariff or agreement and, upon DeltaCom's request, BellSouth will immediately offer DeltaCom an agreement on the same material terms with effect from the date BellSouth first made such tariff effective or entered into such arrangement and for the remainder of the term of this Agreement. The other items covered by this Agreement and not covered by such tariff or agreement shall remain unaffected and as to such items this Agreement shall remain in effect.
- F. In the event that BellSouth is required by an FCC or a state commission decision or order to provide any one or more terms of interconnection or other matters covered by this Agreement that individually differ from any one or more corresponding terms of this Agreement, DeltaCom may elect to amend this Agreement to reflect all of such differing terms (but not less than all) contained in such decision or order, with effect from the date DeltaCom makes such election. The other items covered by this Agreement and not covered by such decision or order shall remain unaffected and as to such items this Agreement shall remain in effect.

XVIII. IMPLEMENTATION OF AGREEMENT

The Parties agree that within 30 days of the execution of this Agreement they will adopt a schedule for the implementation of this Agreement. The schedule shall state with specificity, ordering, testing, and full operational time frames. The implementation shall be attached to this Agreement as an addendum and specifically incorporated herein by this reference. All rates within this Agreement will become effective upon execution of the Agreement.

XIX. <u>UNIVERSAL SERVICE</u>

The Parties acknowledge that BellSouth will guarantee the provision of universal service as the carrier-of-last-resort throughout its territory in Florida until January 1, 1998 without contribution from DeltaCom.

XX. FORCE MAIEURE

Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement including, without limitation: fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation, strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event the Party affected shall, upon giving prompt notice to the other Party, be excused from such performance on a day-today basis to the extent of such interference (and the other Party shall likewise be excused from performance of its obligations on a day-for-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause of nonperformance and both Parties shall proceed to perform with dispatch once the causes are removed or cease.

XXI. LIABILITY AND INDEMNIFICATION

A. Liability Cap.

- 1. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by DeltaCom, any DeltaCom customer or by any other person or entity, for damages associated with any of the services provided by BellSouth pursuant to or in connection with this Agreement, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article, BellSouth's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by DeltaCom, any DeltaCom customer or any other person or entity resulting from the gross negligence or willful misconduct of BellSouth and claims for damages by DeltaCom resulting from the failure of BellSouth to honor in one or more material respects any one or more of the material provisions of this Agreement shall not be subject to such limitation of liability.
- 2. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by BellSouth, any BellSouth customer or by any other person or entity, for damages associated with any of the services provided by DeltaCom pursuant to or in connection with this Agreement, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article, DeltaCom's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by BellSouth, any BellSouth customer or any other person or entity resulting from the gross negligence or willful misconduct of DeltaCom and claims for damages by BellSouth resulting from the failure of DeltaCom to honor in one or more material respects any one or more of the material provisions of this Agreement shall not be subject to such limitation of liability.
- B. Neither Party shall be liable for any act or omission of any other telecommunications company to the extent such other telecommunications company provides a portion of a service.
- C. Neither Party shall be liable for damages to the other Party's terminal location, POI or the other Party's customers' premises resulting form the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, except to the extent the damage is caused by such Party's gross negligence or willful misconduct.

- Notwithstanding subsection A, the Party providing services under this Agreement, D. its affiliates and its parent company shall be indemnified, defended and held harmless by the Party receiving such services against any claim, loss or damage arising from the receiving Party's use of the services provided under this Agreement, involving: (1) claims for libel, slander, invasion of privacy or copyright infringement arising from the content of the receiving Party's own communications; (2) any claim, loss or damage claimed by the receiving Party's customer(s) arising from such customer's use of any service, including 911/E-911, that the customer has obtained from the receiving Party and that the receiving Party has obtained form the supplying Party under this Agreement; or (3) all other claims arising out of an act or omission of the receiving Party in the course of using services provided pursuant to this Agreement. Notwithstanding the foregoing, to the extent that a claim, loss or damage is caused by the gross negligence or willful misconduct of a supplying Party, the receiving Party shall have no obligation to indemnify, defined and hold harmless the supplying Party hereunder.
- E. Neither Party guarantees or makes any warranty with respect to its services when used in an explosive atmosphere. Notwithstanding subsection A, each Party shall be indemnified, defended and held harmless by the other Party or the other Party's customer from any and all claims by any person relating to the other Party or the other Party's customer's use of services so provided.
- F. No license under patents (other than the limited license to use in the course of using a service provided pursuant to this Agreement) is granted by one Party to the other or shall be implied or arise by estoppel, with respect to any service offered pursuant to this Agreement. Notwithstanding subsection A, the Party providing a service pursuant to this Agreement will defend the Party receiving such service against claims of patent infringement arising solely from the use by the receiving Party of such service and will indemnify the receiving Party for any damages awarded based solely on such claims. Such indemnification shall not, however, extend to claims for patent infringement to the extent the alleged infringement results from:
 - 1. Modification of the service by someone other than the providing Party and/or its subcontractors, where there would be no such infringement or violation in the absence of such modification; or
 - 2. The combination, operation or use of the service with any product, data or apparatus not provided by the providing Party and/or its subcontractors, where there would be no such infringement or violation in the absence of such combination, operation or use.

G. Promptly after receipt of notice of any claim or the commencement of any action for which a Party may seek indemnification pursuant to this Article XXI, such Party (the "Indemnified Party") shall promptly give written notice to the other Party (the "Indemnifying Party") of such claim or action, but the failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability it may have to the Indemnified Party except to the extent the Indemnifying Party has actually been prejudiced thereby. The Indemnifying Party shall be obligated to assume the defense of such claim, at its own expense. The Indemnified Party shall cooperate with the Indemnifying Party's reasonable requests for assistance or Information relating to such claim, at the Indemnifying Party's expense. The Indemnified Party shall have the right to participate in the investigation and defense of such claim or action, with separate counsel chosen and paid for by the Indemnified Party.

XXII. MOST FAVORABLE PROVISIONS

- A. The parties agree that if ---
 - 1. the Federal Communications Commission ("FCC") or the Commission finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations, or
 - 2. the FCC or the Commission preempts the effect of this Agreement, then, in either case, upon such occurrence becoming final and no longer subject to administrative or judicial review, the parties shall immediately commence good faith negotiations to conform this Agreement to the requirements of any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or Commission action giving rise to such negotiations. The parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date except to the extent that such retroactive effect is expressly required by such FCC or Commission decision, rule, regulation or preemption.
- B. In the event that BellSouth, either before or after the effective date of this Agreement, enters into an agreement with any other telecommunications carrier (an "Other Interconnection Agreement") which provides for the provision within a particular state covered under this Agreement of any of the arrangements covered by this Agreement to be provided in a particular state upon rates, terms or

conditions that differ in any material respect from the rates, terms and conditions for such arrangements set forth in this Agreement ("Other Terms"), then except as provided in Section XXII.F, BellSouth shall be deemed thereby to have offered such arrangements to DeltaCom for that state upon such Other Terms, which Deltacom may accept as provided in Section XXII.E. In the event that DeltaCom accepts such offer within sixty (60) days after the Commission approves such Other Interconnection Agreement pursuant to 47 U.S.C. § 252, or within thirty (30) days after DeltaCom acquires actual knowledge of an Other Interconnection Agreement not requiring the approval of the Commission pursuant to 47 U.S.C. § 252, as the case may be, such Other Terms for such arrangement for the particular state shall be effective between BellSouth and DeltaCom as of the effective date of such Other Interconnection Agreement. In the event that DeltaCom accepts such offer more than sixty (60) days after the Commission approves such Other Interconnection Agreement pursuant to 47 U.S.C. § 252, or more than thirty (30) days after acquiring actual knowledge of an Other Interconnection Agreement not requiring the approval of the Commission pursuant to 47 U.S.C. § 252, as the case may be, such Other Terms shall be effective between BellSouth and DeltaCom as of the date on which DeltaCom accepts such offer.

- C. In the event that after the effective date of this Agreement the FCC or the Commission enters an order (an "Interconnection Order") requiring BellSouth to provide within a particular state covered under this Agreement any of the arrangements covered by this Agreement to be provided in a particular state upon Other Terms, then upon such Interconnection Order becoming final and not subject to further administrative or judicial review, except as provided in Section XXII.F. BellSouth shall be deemed to have offered such arrangements in that state to DeltaCom upon such Other Terms, which DeltaCom may accept as provided in Section XXII.E. In the event that DeltaCom accepts such offer within sixty (60) days after the date on which such Interconnection Order becomes final and not subject to further administrative or judicial review, such Other Terms for such arrangement for the particular state shall be effective between BellSouth and DeltaCom as of the effective date of such Interconnection Order. In the event that DeltaCom accepts such offer more than sixty (60) days after the date on which such Interconnection Order becomes final and not subject to further administrative or judicial review, such Other Terms shall be effective between BellSouth and DeltaCom as of the date on which DeltaCom accepts such offer.
- D. In the event that after the effective date of this Agreement BellSouth files and subsequently receives approval for one or more intrastate or interstate tariffs (each, an "Interconnection Tariff") offering to provide in a particular state covered under this Agreement any of the arrangements covered by this Agreement to be provided

in a particular state upon Other Terms, then upon such Interconnection Tariff becoming effective, except as provided in Section XXII.F, BellSouth shall be deemed thereby to have offered such arrangements in that state to DeltaCom upon such Other Terms, which DeltaCom may accept as provided in Section XXII.E. In the event that DeltaCom accepts such offer within sixty (60) days after the date on which such Interconnection Tariff becomes effective, such Other Terms for such arrangements for the particular state shall be effective between BellSouth and DeltaCom as of the effective date of such Interconnection Tariff. In the event that DeltaCom accepts such offer more than sixty (60) days after the date on which such Interconnection Tariff becomes effective, such Other Terms shall be effective between BellSouth and DelaCom as of the date on which DeltaCom accepts such offer.

- E. In the event that BellSouth is deemed to have offered DeltaCom the arrangements covered by this Agreement upon Other Terms, DeltaCom in its sole discretion may accept such offer either --
 - 1. by accepting such Other Terms in their entirety; or
 - 2. by accepting the Other Terms that directly relate to any of the following arrangements as a whole:
 - a. local interconnection,
 - b. interLATA and IntraLATA toll traffic interconnection.
 - c. unbundled access to network elements, which include: local loops, network interface devices, switching capability, interoffice transmission facilities, signaling networks and call-related databases, operations support systems functions, operator services and directory assistance, and any elements that result from subsequent bone fide requests,
 - d. access to poles, ducts, conduits and rights-of-way,
 - e. access to 911/E911 emergency network,
 - f. collocation, or
 - g. access to telephone numbers.

The terms of this Agreement, other than those affected by the Other Terms accepted by DeltaCom, shall remain in full force and effect.

- F. Corrective Payment. In the event that --
- 1. BellSouth and DeltaCom revise this Agreement pursuant to Section XXII.A, or
- 2. DeltaCom accepts a deemed offer of Other Terms pursuant to Section XXII.E, then BellSouth or DeltaCom, as applicable, shall make a corrective payment to the other party to correct for the difference between the rates set forth herein and the rates in such revised agreement or Other Terms for substantially similar services for the period from the effective date of such revised agreement or Other Terms until the date that the parties execute such revised agreement or DeltaCom accepts such Other Terms, plus simple interest at a rate equal to the thirty (30) day commercial paper rate for high-grade, unsecured notes sold through dealers by major corporations in multiples of \$1,000.00 as regularly published in *The Wall Street Journal*.

XXIII. DEFAULT

If either Party defaults in the payment of any amount due hereunder, or if either Party violates any other provision of this Agreement, and such default or violation shall continue for thirty (30) days after written notice thereof, the other Party may terminate this Agreement forthwith by written instrument. The failure of either Party to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment of its part of any such provision, but the same shall, nevertheless, be and remain in full force and effect.

XXIV. NONDISCLOSURE

- A. All information, including but not limited to specifications, microfilm, photocopies, magnetic disks, magnetic tapes, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data, (i) furnished by one Party to the other Party dealing with customer specific, facility specific, or usage specific information, other than customer information communicated for the purpose of publication or directory database inclusion, or (ii) in written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary," or (iii) communicated orally and declared to the receiving Party at the time of delivery, or by written notice given to the receiving Party within ten (10) days after delivery, to be "Confidential" or "Proprietary" (collectively referred to as "Proprietary Information"), shall remain the property of the disclosing Party.
- B. Upon request by the disclosing Party, the receiving Party shall return all tangible copies of Proprietary Information, whether written, graphic or otherwise, except that the receiving Party may retain one copy for archival purposes.
- C. Each Party shall keep all of the other Party's Proprietary Information confidential and shall use the other Party's Proprietary Information only for performing the covenants contained in the Agreement. Neither Party shall use the other Party's Proprietary Information for any other purpose except upon such terms and conditions as may be agreed upon between the Parties in writing.
- D. Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information as:
 - 1. was at the time of receipt already known to the receiving Party free of any obligation to keep it confidential evidenced by written-records prepared prior to delivery by the disclosing Party; or
 - 2. is or becomes publicly known through no wrongful act of the receiving Party; or
 - 3. is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to the disclosing Party with respect to such information; or
 - 4. is independently developed by an employee, agent, or contractor of the receiving Party which individual is not involved in any manner with the provision of

- services pursuant to the Agreement and does not have any direct or indirect access to the Proprietary Information; or
- 5. is disclosed to a third person by the disclosing Party without similar restrictions on such third person's rights; or
- 6. is approved for release by written authorization of the disclosing Party; or
- 7. is required to be made public by the receiving Party pursuant to applicable law or regulation provided that the receiving Party shall give sufficient notice of the requirement to the disclosing Party to enable the disclosing Party to seek protective orders.
- E. Effective Date. Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement. The obligation to that information as confidential shall survive the termination of this Agreement.

XXV. <u>ARBITRATION</u>

- A. Any controversy or claim arising out of, or relating to, this Contract or the breach thereof shall be settled by arbitration, in accordance with the rules then obtaining, of the American Arbitration Association, and judgment upon the award rendered may by entered in any court having jurisdiction of the controversy or claim. As an express condition precedent to any legal or equitable action or proceeding in the event of disputes or controversies as to the amount of loss or damage arising out of this Contract, such disputes or controversies shall first be submitted to the arbitration of two persons, one chosen by each Party, who shall jointly select a third person. Provided, however, that nothing contained herein shall preclude either Party from filing any complaint or other request for action or relief with the FCC or the appropriate state commission, including any appeals thereof. The Party which does not prevail shall pay all reasonable costs of the arbitration or other formal complaint proceeding, including reasonable attorney's fees and other legal expenses of the prevailing Party.
- B. Nothing herein shall preclude DeltaCom from seeking state commission arbitration, pursuant to sections 251-53 of the Telecommunications Act, of issues upon which the Parties hereto were unable to reach agreement during the negotiations hereof. The Parties acknowledge, for example, that they were unable to reach agreement on

the availability, rates and terms of local sub-loop unbundling, local loop multiplexing, switch port charges, access to databases, etc., and that such issues will be submitted for resolution by the state commissions through arbitration. BellSouth hereby waives any right to contest DeltaCom's ability to seek state commission and/or FCC review of such unresolved issues.

XXVI. WAIVERS

Any failure by either Party to insist upon the strict performance by the other Party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

XXVII. GOVERNING LAW

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia.

XXVIII. ARM'S LENGTH NEGOTIATIONS

This Agreement was executed after arm's length negotiations between the undersigned Parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all Parties.

XXIX. NOTICES

Any notices required by or concerning this Agreement shall be sent to the Parties at the addresses shown below:

GENERAL COUNSEL
DELTACOM, INC.
SKITE 101
700 BOKLEVARD SOUTH
HUNTSVILLE, AL 35802

Account Manager
BellSouth Telecommunications, Inc.
South E4E1
3535 Colonnade Parkway
Birmingham, Alabama 35243

Each Party shall inform the other of any changes in the above addresses.

XXX. ENTIRE AGREEMENT

This Agreement and its Attachments, incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

DELTACOM, INC.

BELLSOUTH

TELECOMMUNICATIONS, INC.

By: Tom MULLIS

Title: SR. V. P.

Date: 3//2/97

Address: 54 ITE 101

By: Jerry Hendrix Title: Director

Date: 3/12/97

Address: 675 W. Peachtree Street, N.E.

Atlanta, Georgia 30375

700 BOULEVARD SOUTH HUNTSVILLE, AL 35802

ATTACHMENT A RESERVED FOR FUTURE USE

EXHIBIT A
Page 1 of 3

Schedule of Rates and Charges

Rate Element Description		Type of Charge	Charge
Application Fee		NRC (per Arrangement, per C.O.)	\$3,850.00
Subsequent Application Fee (Note 1)		NRC (per Arrangement, per C.O.)	\$1,600.00
Space Preparation Fee (Note 2) Space Enclosure Construction Fee (Note 2) Space Preparation and Construction Reimbursement for ATHNGAMA Additional Engineering Fee (Note 4) Cable Installation		NRC (per Arrangement, per C.O.) NRC (per 100 square feet)	ICB \$4,500.00
		NRC (see Note 3)	\$26,000.00
		NRC	ICB
		NRC (per entrance cable)	\$2,750.00
Floor Space	Zone A	RC (per square foot)	\$7.50
	Zone B	RC (per square foot)	\$6.75
Power		RC (per amp)	\$5.00
Cable Support structure		RC (per entrance cable)	\$13.35
Cross-Connects	2-wire	RC (per cross-connect)	\$0.30
	4-wire	RC (per cross-connect)	\$0.50
	DS1	RC (per cross-connect)	\$8.00
	DS3	RC (per cross-connect)	\$72.00
	2-wire	NRC (first cross-connect)	\$19.20
	4-wire	NRC (first cross-connect)	\$19.20
	DS1	NRC (first cross-connect)	\$155.00
•	DS3	NRC (first cross-connect)	\$155.00
	2-wire	NRC (each additional cross-connect)	\$19.20
	4-wire	NRC (each additional cross-connect)	\$19.20
	DS1	NRC (each additional cross-connect)	\$27,00
	DS3	.NRC (each additional cross-connect)	\$27.00
POT Bay	2-wire	RC (per cross-connect)	\$0.40
•	4-wire	RC (per cross-connect)	\$1.20
	DS1	RC (per cross-connect)	\$1.20
	DS3	RC (per cross-connect)	\$8.00
Additional Security Access Cards		NRC-ICB (each)	\$10.00

EXHIBIT A
Page 2 of 3

Schedule of Rates and Charges (cont.)

Rate Element Description	Type of Charge	Charge
Direct Connection (Note 5)		
(1) Fiber Arrangement -with Initial Application -Subsequent to Application	RC (per cable, per linear foot) NRC (per Arrangement) NRC (per Arrangement)	\$0.06 n/a \$246.00
(2) Copper or Coaxial Arrangement -with Initial Application -Subsequent to Application	RC (per cable, per linear foot) NRC (per Arrangement) NRC (per Arrangement)	\$0.03 n/a \$246.00
Security Escort		
Basic - first half hour	NRC-ICB	\$41.00
Overtime - first half hour	NRC-ICB	\$48.00
Premium - first half hour	NRC-ICB	\$55.00
Basic - additional half hour	NRC-ICB	\$25.00
Overtime - additional half hour	NRC-ICB	\$30.00
Premium - additional half hour	NRC-ICB	\$35.00

Notes

NRC: Non-recurring Charge - one-time charge RC: Recurring Charge - charged monthly ICB: Individual Case Basis - one-time charge

- (1) <u>Subsequent Application Fee.</u> BellSouth requires the submission of an Application Fee for modifications to an existing arrangement. However, when the modifications do not require BellSouth to expend capital (e.g., additional space or power requirements, BST termination/cross-connect equipment, etc.), BellSouth will assess the Subsequent Application Fee in lieu of the Application Fee.
- Space Preparation Fee. The Space Preparation Fee is a one-time fee, assessed per arrangement, per location. It recovers costs associated with the shared physical collocation area within a central office, which include survey, engineering, design and building modification costs. BellSouth will pro rate the total shared space preparation costs among the collocators at each location based on the amount of square footage occupied by each collocator. This charge may vary depending on the location and the type of arrangement requested.

<u>Space Enclosure Construction Fee</u>. The Space Enclosure Construction Fee is a one-time fee, assessed per enclosure, per location. It recovers costs associated with providing an optional equipment arrangement enclosure, which include architectural and engineering fees, materials, and

EXHIBIT A
Page 3 of 3

Schedule of Rates and Charges (cont.)

Notes (cont.)

- installation costs. This fee is assessed in 50 square-foot increments, with a minimum space enclosure size of 100 square feet. Interconnector may, at its option, arrange with a BellSouth certified contractor to construct the space enclosure in accordance with BellSouth's guidelines and specifications. In this event, the contractor shall directly bill Interconnector for the space enclosure, and this fee shall not be applicable.
- (3) A one-time fee of twenty-six thousand dollars (\$26,000) shall be charged for the one hundred (100) square-foot fire-walled enclosure currently occupied by Interconnector in the ATHNGAMA Central Office when Interconnector elects to convert such arrangement in place from Virtual Collocation to Physical Collocation. Should additional construction work be required to either "make-ready" the space per Interconnector's request or to enclose additional square footage, BellSouth shall assess construction charges on an individual case basis. Such construction charges will be provided by BellSouth in the Application Response.
- (4) Additional Engineering Fee. BellSouth's engineering and other labor costs associated with establishing the Physical Collocation Arrangement shall be recovered as Additional Engineering charges, under provisions in BellSouth's F.C.C. Number 1 Tariff, Sections 13.1 and 13.2. An estimate of the Additional Engineering charges shall be provided by BellSouth in the Application Response.
- (5) <u>Direct Connection</u>. As stated in Article I.B of the Collocation Agreement, Interconnector may connect to other interconnectors within the designated Central Office in addition to, and not in lieu of, interconnection to BellSouth services and facilities. Interconnector must use its Certified Vendor to place the direct connection. The Direct Connection NRC is assessed when direct connection is the only work requested by Interconnector. If any other work in addition to the direct connection is being requested, whether for an initial installation of a Collocation Space or for an augmentation to an existing Collocation Space, an Application Fee or a Subsequent Application Fee will be assessed in lieu of the Direct Connection NRC. Construction charges may also apply; BellSouth shall provide an estimate of these charges in the Application Response.

EXHIBIT B

Bona Fide Physical Collocation Arrangements

Central Office Name:				
Central Office CLLI Code:				
City:				
State:				
Date of Bona Fide Firm Order:		-		
Central Office Name:				
Central Office CLLI Code:				
City:				
State:				
Date of Bona Fide Firm Order:				
Central Office Name:				
Central Office CLLI Code:				
City:				
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Date of Bona Fide Firm Order:				
Central Office Name:	•			
Central Office CLLI Code:				
City:			٠٠,	•
State:	•			
Date of Bona Fide Firm Order:				
•				
Central Office Name:				
Central Office CLLI Code:				
City:				
State:		,		
Date of Bona Fide Firm Order:				

Central Office Name: Central Office CLLI Code:

Date of Bona Fide Firm Order:

City: State:

AMENDMENT

TO

INTERCONNECTION AGREEMENT BETWEEN DELTACOM, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC.

Pursuant to this Agreement (the "Amendment"), DeltaCom and BellSouth Telecommunications, Inc. ("BellSouth") hereinafter referred to collectively as the "Parties" hereby agree to amend that certain Interconnection Agreement between the Parties dated Mark 12, 1997 ("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, DeltaCom and BellSouth hereby covenant and agree as follows:

- 1. The Parties agree that BellSouth will, upon request, provide and DeltaCom will accept and pay for (1) loops, (2) loop cross-connections and (3) loop channelization in accordance with the schedule of prices set forth in Attachment C-2 to this Amendment which is incorporated herein by reference, in and for the states reflected on Attachment C-2.
- 2. The Parties agree that the prices reflected herein shall be "trued-up" (up or down) based on final prices either determined by further agreement or by final order (including any appeals) of the relevant public service commission or other body having jurisdiction over the subject matter of this Amendment, which final order meets the criteria contained in paragraph 4 hereof. The "true-up" will consist of comparing the actual volumes and demand for each item, together with the price associated with such item by this Amendment, with the final prices determined for each item. 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 the body having jurisdiction over the matter for the affected states shall be called upon to resolve such differences or that they will submit the matter to communication high contains.
- 3. The Parties agree that they may continue to negotiate as appropriate in an effort to obtain final prices for each of these items, but in the event that no such agreement is reached within six (6) months of this Amendment (which time can be extended by mutual agreement of the Parties) either party may petition the public service commission or other regulatory body to resolve such disputes and to determine final rates for each of the items covered by this Amendment. Alternatively, upon their mutual agreement, the parties may submit the matter to commercial arbitration in accordance with the terms contained in Article XIV of the Interconnection Agreement.

- 4. Any final order that forms the basis of a "true-up" under this Amendment shall meet the following criteria:
- (a) It shall be in a proceeding to which DeltaCom and BellSouth are entitled to be full parties to the proceeding.
- (b) It shall apply the provisions of the Telecommunications Act of 1996, including, but not limited to, Section 252(d)(1) and all effective implementing rules and regulations; provided that said Act and such regulations are in effect at the time of the final order.
- (c) It shall include as an issue the geographic deaveraging of unbundled element rates, which deaveraged rates, if any are required by said final order, shall form the basis of any "true-up."
- 5. The Parties further agree that the rates for number portability identified in Attachment D to the Interconnection Agreement will be retroactively "trued-up" to the effective date of the Interconnection Agreement in the event that different rates for number portability are established by mutual agreement of the parties, regulatory action, judicial order, or by selection of a lower rate for number portability pursuant to the "most favorable provisions" contained in Section XXII of the Interconnection Agreement.
- 6. The Parties agree that all of the other provisions of the Interconnection Agreement, dated M_{GC} 12, 1997, shall remain in full force and effect. Nothing in this Amendment shall in any way limit DeltaCom's ability to select substitute rates for local loops, loop cross connects, or loop channelization pursuant to the terms of Section XXII of the Interconnection Agreement relating to "most favorable" treatment.
- 7. The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate state public service commission or other regulatory body having jurisdiction over the subject matter of this Amendment, 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 be executed by their respective duly authorized representatives on the date indicated below.

DELTACOM, INC.

BELLSOUTH TELECOMMUNICATIONS,

INC.

Ву:	TOM MULL'S	Ву:
Title:	E. YP	Title: Director
DATE:	3/12/97	DATE: 3/12/97

States:	Alabama		Florida		Georgia		Kentucky	
Rate Elements	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*
Unbundled Exchange								
Access Loop**		,			Ì		1	
2-Wire Analog	\$18.00	\$55.20	\$17.00	\$44.80	\$17.00	\$25.80	\$17.00	\$58.40
4-Wire Analog	\$28.80	\$55.20	\$27.20		\$27.20	1		
2-Wire ADSL/HDSL	\$18.00	\$55.20	\$17.00		\$17.00	1	\$17.00	•
4-Wire HDSL	\$28.80	\$55.20	\$27.20	\$44.80			\$27.20	1
2-Wire ISDN Digital	\$28.80	\$55.20	\$27.20	\$44.80	\$27.20	\$25.00	\$27.20	\$58.40
Cross-Connects								
2-Wire Analog	\$0.30	\$18.40	\$0.30	\$15.20	\$0.30	\$12.60	\$0.30	\$16.00
4-Wire Analog	\$0.50	\$18.40	\$0.50	\$15.20			1	\$16.00
Loop Channelization								
Equipment	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00
Per Line	\$1.15	\$8.00	\$1.15	\$8.00	\$1.15	\$8.00	\$1.15	\$8.00

^{*} These rates reflect 80% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 80% of the revised rate.

^{**} In the event that an unbundled loop ordered by DeltaCom is part of an Integrated Digital Loop Carrier (IDLC) system, the loop will by unbundled from the IDLC and provided to DeltaCom in accordance with the corresponding rates specified above.

States:	Louisiana		Mississippi N		North Carolina		South Carolina	
Rate Elements	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*
Unbundled Exchange					ļ.			
Access Loop**	-	•	i					
2-Wire Analog	\$17.00	\$68.00	\$22.00	\$53.36	\$17.00	\$33.00	\$18.00	\$51.20
4-Wire Analog	\$27.20	\$68.00	\$35.20	\$53.36	\$27.20	\$33.00	1	\$51.20
2-Wire ADSL/HDSL	\$17.00	\$68.00	\$22.00	\$53.36	\$17.00	\$33.00	7	\$51.20
4-Wire HDSL	\$27.20	\$68.00	\$35.20	\$53.36	\$27.20	\$33.00		\$51.20
2-Wire ISDN Digital	\$27.20	\$68.00	\$35.20	\$53,36	\$27.20	\$33.00	1	\$51.20
Cross-Connects]		
2-Wire Analog	\$0.30	\$20.80	\$0.30	\$13.00	\$0.30	\$11.60	\$0.30	\$8.00
4-Wire Analog	\$0.50	\$20.80	\$0.50	\$13.00	\$0.50	\$11.60	4	\$8.00
Loop Channelization								
Equipment	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00
Per Line	\$1.15	\$8.00	\$1.15	\$8.00	\$1.15	\$8.00	\$1.15	\$8.00

^{*} These rates reflect 50% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 50% of the revised rate.

^{**} in the event that an unbundled loop ordered by DeltaCom is part of an Integrated Digital Loop Carrier (IDLC) system, the loop will by unbundled from the IDLC and provided to DeltaCom in accordance with the corresponding rates specified above.

States:

Tennessee

Rate Elements	Monthly	Nonrecurring*
Unbundled Exchange		l ,
Access Loop**		
2-Wire Analog	\$18,00	\$46.80
4-Wire Analog	\$28.80	\$46.80
2-Wire ADSL/HDSL	\$18.00	\$46.80
4-Wire HDSL	\$28.80	\$46.80
2-Wire ISDN Digital	\$28.80	\$46.80
Cross-Connects		
2-Wire Analog	\$0.30	\$19.20
4-Wire Analog	\$0.50	\$19.20
Loop Channelization	•	
Equipment	\$400.00	\$525.00
Per Line	\$1.15	\$8.00

[•] These rates reflect 80% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 80% of the revised rate.

^{**} In the event that an unbundled loop ordered by DeltaCom is part of an Integrated Digital Loop Carrier (IDLC) system, the loop will by unbundled from the IDLC and provided to DeltaCom in accordance with the corresponding rates specified above.

ATTACHMENT B

DEFINITIONS

- 1. "Access Service Request" or "ASR" means an industry standard form used by the Parties to add, establish, change or disconnect trunks for the purposes of interconnection.
- 2. "Advanced Intelligent Network" or "AIN" means a network switching and architecture concept that centralizes intelligence in databases and application processors internal to the network rather than in central office switching systems. AIN enables the network to complete interactions (or actions) regarding routing, signaling and information quickly and accurately. The AIN concept permits intelligent database systems and application processors to be either centralized or distributed throughout one network.
- 3. "Advanced Intelligent Network Features" or "AIN/IN Features" refers to the replacement or enhancement of electronic switching and electronic network hardware and software functions via the use of distributed network based processors and Common Channel Interoffice Signaling (CCIS/SS7). For example, SCPs and STCs are part of the advanced intelligent network. AIN also features a "service creation environment" which permits the end user or reseller to create, and modify, in near real time, their own network routing instructions for calls to their facilities, creating, in effect a user customizable virtual network.
- 4. "Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or equivalent thereof) or more than 10 percent.
- 5. "American National Standards Institute" or "ANSI" is a private, non-profit organization representing more than 1,300 corporations, 30 government agencies, 20 institutions and 250 trade, labor, consumer, technical and professional organizations which sets voluntary standards for the United States (U.S.). ANSI has established an Information Infrastructure Standards Panel. ANSI is appointed by the U.S. State Department as a representative of the U.S. to the ITU's International Standards Organization.
- 6. "Automated Report Management Information System" or "ARMIS" means the most current ARMIS 4308 report issued by the FCC.
- 7. "Automatic Number Identification" or "ANI" is a telecommunications carrier signaling parameter that identifies, through industry standard network interfaces and formats (either

SS7/CCIS (preferred), or in band signalling (predecessor technology), the billing number of the calling party. This functionality is also known and referred to as "Calling Party Number" or "CPN." This term is not to be limited by "Called Party Identification" service, another product that is frequently required by call centers.

- 8. "Bell Communications Research" or "BellCore" means an organization owned jointly by the RBOC that conducts research and development projects for them.
- 9. "Busy Line Verification/BLVI Traffic" or "BLV/BLVI Call" refers to an operator call in which the end user inquires as to the busy status of, or requests an interruption of, a call on an Exchange Service.
- 10. "Calling Party Number" or "CPN" means a common channel signalling parameter which refers to the number transmitted through the network identifying the calling party.
- 11. "Carrier Identification Code" or "CIC" means a three or four digit number assigned to an IXC that identifies that carrier's traffic.
- 12. "Central Office Switch," "Central Office" or "CO" refers to either a means a Switching entity or the physical location (site) which houses a traditional central office switch and its peripherals within the public switched telecommunications network, including but not limited to:
- a. "End Office Switches" which are Class 5 switches from which End User Telecommunications Services are directly connected and offered.
- b. "Tandem Office Switches" which are Class 4 switches which are used to connect and switch trunk circuits between and among Central Office Switches.
- c. "Remote Switching Module" or "RSM" refers to a Central Office architecture element that permits the Central Office switch the ability to extend either line or trunk side interfaces, with all typical service features and functions to a cabinet which is physically remote from the home CO site, and where stand alone capability may or may not be implemented. RSMs are sometimes also referred to as "switches" in the BellSouth infrastructure inventory discussions and to that extent may be used as interchangeable terms.
- d. "Central Office Switches" may be employed as combination End Office and Tandem Office Switches (combination Class 5/Class 4).
- 13. "Central Office Equipment" refers to the traditional Central Office Switch itself and all of the peripheral electronics (network elements) that supply network-based processing functions

other than "transport." Network elements which provide "Transport" are generally referred to as "Outside Plant" equipment or electronics.

- 14. "Centralized Message Distribution System" or "CMDS" means the billing record and clearing house transport systems that incumbent LECs use to exchange out-collects, in-collects and Carrier Access Billing System ("CABS") records.
- 15. "CLASS Features" refers to features and functions (products) which become available on the "line side" of the Central Office through the use of common channel signalling system seven (CCIS/SS7.) CLASS features include, but are not necessarily limited to: Automatic Call Back, Call Trace, Caller ID and Related Blocking Features, Distinctive Ringing/Call Waiting, Selective Call Forward, and Selective Call Rejection. See also: "Software-based network elements and services."
- 16. "Commission" means the appropriate regulatory agency in each of BellSouth's nine state regions, Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.
- 17. "Common Channel (Interoffice) Signaling" or "CCIS" means a method of digitally transmitting call set-up and network control data over separate physical or virtual connections from those which normally carry the actual call user connections. This technology supersedes "in-band" signalling. The current industry standard for common carrier network signaling is called Signaling System 7.
- 18. "Cross Connect" refers to the equipment physical or logical "meet point" between network elements.
- a. For example, within a wire center, it is a connection between line termination blocks on the two sides of a distribution frame or between individual line terminations on the same side of the frame. Cross connections are made to route traffic from one group of lines to another specific group of lines on the distribution frame, or to route traffic from one individual line to another specific line on the distribution frame.
- b. A piece of manual, electronic chanical or electronic apparatus designed to make and rearrange the cross connections among the lines that terminate on a distribution frame. Cross-connect devices are employed where rearrangement of transmission circuits occur infrequently.
- 19. "Customer Local Area Signalling Services" or "CLASS" means features available to end users based on availability of CCIS, including, without limitation, Automatic Callback, Call Trace, Caller ID and related blocking, Distinctive Ringing, Call Waiting, Selective Call Forward and Selective Call Rejection.

- 20. "DID" or "Direct Inward Dialing" is a feature which allows callers on the public switched network to directly dial a specific PBX or Centrex extension telephone.
- 21. "Directory Number Call Forwarding" or "DNCF" is one form of Interim Number Portability ("ISPNP") which is provided through call routing and call forwarding capabilities. DNCF will forward calls dialed to an original telephone number to a new telephone number on a multi-path basis. DNCF is not limited to listed directory numbers.
- 22. "Digital Loop Carrier" or "DLC" is as defined in BellCore TR-TSY-000008, "Digital Interface Between the SLC-96 Digital Loop Carrier System and Local Digital Switch" and TR-TSY-00303, "Integrated Digital Loop Carrier (IDLC) Requirements, Objectives and Interface."
 - 23. "Digital Service Level 0" or "DS-0" means a signal rate of 64 kilobits per second.
- 24. "Digital Service Level 1" or "DS-1" is an industry standard telecommunications transport channel which can support a digital signaling rate of 1.544 Mbps (Mega Bits Per Second) at industry standard performance levels. Unless identified and priced as "fractional," this channel is assumed to be fully available.
- 25. "Digital Service Level 3" or "DS-3" is an industry standard telecommunications transport channel which can support a digital signal rate of 44.736 Mbps (Mega Bits Per Second) at industry standard performance levels. Unless identified and priced as "fractional," this channel is assumed to be fully available.
- 26. "DSX" or "Digital and Access Cross-connect System ("DACS") is a cross-connection product (including a mounting bay/panel) used for termination of equipment and facilities operating at digital rates.
- 27. "Electronic Data Interchange," "Electronic File Transfer" or "EFT" is a process which utilizes an electronic format and protocol to send/receive digital data business documents between different companies' computers over phone lines. There are several generally accepted industry standards for EFT, pending acceptance of a single common standard.
- 28. "Exchange Access" means the offering of access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services.
- 29. "Exchange Message Record" or "EMR" is a term used to refer to the current standard used for exchange of telecommunications message information among Local Exchange Carriers for billable, non-billable, sample, settlement and study data. EMR format is currently contained in

BR-010-200-010 CRIS Exchange Message Record, a Bellcore document which has traditionally defined Bell standards for exchange message records.

- 30. "Exchange Service" is a traditional marketing term used to refer to a service offered to end users which provides the end user with a telephonic connection to, and a unique local telephone number address on, the public switched telecommunications network, and which enables such end user to generally place calls to, or receive calls from, other stations on the public switch telecommunications network. Exchange Services include, but are not limited to, basic residence and business line service, PBX trunk line service, pay telephone stations, pay phone line service, Centrex and Centrex-like line services, AIN, and ISDN line/trunk services. Exchange Service does not traditionally include Private Line, Toll, Switched and Special Access (digital channel) services, which have traditionally been separately billed and regulated, although today these services are frequently formed from and bundled within common transport and network elements.
- 31. "Feature Group A" or "FGA" means FGA interexchange access as defined in BellSouth's FCC Tariff No. 1.
- 32. "Feature Group B" or "FGB" means FGB interexchange access as defined in BellSouth's FCC Tariff No. 1.
- 33. "Feature Group D" or "FGD" means FGD interexchange access as defined in BellSouth's FCC Tariff No. 1.
- 34. "Interconnection" means the connection between network elements that enable the formation of network systems. The objective of interconnection is to provide transport and transparent interoperation among separate pieces of equipment, transmission facilities, etc., within, between or among networks. The architecture of interconnection may include several industry standard, or regulatory structured methods including, but not limited to, collocation arrangements ("physical" and "virtual" collocation) arrangements via industry standard interface arrangements.
- 35. "Interconnection Point," "Point of Interconnection" or "POI" includes all points where DeltaCom is entitled to interconnect with BellSouth under the terms of this Agreement, including, without limitation, points on the line side and trunk side of each Network Element.

- 36. "Interface" refers to the physical and logical point or points on a given network element where transmission, operations, administration, maintenance, provisioning and management connections are made. Specifically, the Interface includes (1) a common boundary between two or more items of equipment, (2) a physical point of demarcation between two devices where all the signals which pass are defined; the definition includes the type, quality and function of the interconnection circuits, as well as the type and form of signals interchanges by those circuits, and (3) the procedure, codes and protocols enabling dissimilar devices to communicate. The original equipment manufacturer of the network element generally incorporates one or more standard (or in some cases, proprietary) interfaces to each network element that allows the element to "plug into" and become part of the overall integrated telecommunications system. The same interfaces are used by both the incumbent and the competitive LECs. The technical specifications of the element's interface(s) are specified by manufacturer prior to sale. Compliance to industry standards organizations interface specifications, and the modular ability to retrofit subsequent industry standard specifications is required by the buyer of any given network element.
- 37. "Interexchange Carrier" or "IXC" traditionally means a provider of stand-alone interexchange telecommunications services. Under the new Act, the term IXC may be interpreted to embrace any competitive intermediary telecommunications carrier providing switched (and/or private line) services between switching entities operated by local exchange service providers (BOC-LEC, Independent-LEC, Competitive-LEC, Wireless-LEC). IXC connectivity is typically an access services arrangement. The use of this term does not preclude the provider from also offering bundled telecommunications services.
- 38. "Integrated Services Digital Network" or "ISDN" refers to a switched network service that provides end-to-end digital connectivity for the simultaneous transmission of voice, data, video or multimedia services. Basic Rate Interface-ISDN (BRI-ISDN) provides for digital transmission of two 64 Kbps bearer channels and one 16 Kbps data channel (2B + D). Primary Rate Interface-ISDN (PRI-ISDN) provides for digital transmission of twenty-three (23) 64 Kbps bearer channels and one (1) 16 Kbps data channel (23B + D). Unless identified and priced as "fractional" both BRI and PRI ISDN circuits are assumed to be fully available.
- 39. "Interim Number Portability" or "INP" refers to the temporary means by which BellSouth allows customers to retain their existing telephone numbers when changing from one local exchange carrier to another. This service provides transparent delivery of Telephone Number Portability ("TNP") capabilities, from a customer standpoint in terms of call completion, and from a carrier standpoint in terms of compensation, through the use of call routing, forwarding, and addressing capabilities. The interim nature of these arrangements result from the fact that their performance and cost cannot meet or sustain end-user customer or co-carrier expectations. Standards for permanent number portability will be set by regulatory stricture, and both Parties agree to implementation of permanent number portability at the earliest possible point in time.

- 40. "InterLATA Service" means telecommunications between a point located in one LATA and a point located outside such area.
- 41. "Intermediary function" means the delivery of local traffic from a local exchange carrier other than BellSouth; an ALEC other than DeltaCom; another telecommunications company such as a wireless telecommunications provider through the network of BellSouth or DeltaCom to an end user of BellSouth or DeltaCom.
- 42. "IntraLATA Service" means telecommunications between a point located in one LATA and a point located in the same LATA.
- 43. "International Telecommunications Union" or "ITU" is a United Nations organization which comprises the organization previously known as the CCITT. Open Standards Interconnection (OSI) standards are established by the ITU. Telecommunications Management Network (TMN) standards are a subset of the OSI model. The American National Standards Institute (ANSI) is appointed by the State Department as a U.S. representative to the ITU's ISO.
- 44. "Line Side" refers to local loop interface ports of an end office switch that are programmed to treat the circuit as a local line connected to an ordinary telephone station set.
- 45. "Link" or "Loop" are synonyms for a communications channel or circuit on the line side or the trunk side of the common carrier switching element. This term has been used as a marketing term to refer to an element of "Exchange Service" whereby BellSouth provides transport between the Minimum Point of Entry (MPOE) at an end user premise and the BellSouth wire center from which the transport is extended. The communications channel, circuit or group of channels or circuits which are segmented from a transmission medium that extends from BellSouth's Central office or wire center's Main Distribution Frame, DSX-panel, or functionally comparable piece of equipment, to a demarcation point or connector block in/at a customer's premises. "Links" are communications channels or circuits, which may be provided as 2-wire or 4-wire copper pairs, as radio frequencies or as a channel on a high-capacity feeder/distribution facility so long as all industry standard interface, performance, price, privacy, reliability and other operational characteristics are functionally transparent and are equal to or better than that of dedicated copper pairs. Examples of communications channels or circuits that are "links" or "loops" include, but are not limited to:
- 46. "Basic Voice Grade Line/Link/Circuit" is a basic voice grade line which is a two wire circuit or equivalent voice frequency channel for the transmission of analog signals with an approximate bandwidth of 300 to 3000 Hz (3 Khz analog or 56 Kbps digital (POIS grade, capable of transmitting voice or analog data transmissions up to 28.8 BPS with current generation modems). In addition, Basic Links must meet all RELRA and USF requirements for "basic telephone service" imposed by State and Federal regulatory authorities. Digital signaling,

transmission performance and reliability characteristics for basic "link" circuits are a matter of industry standard, having an expected measured loss or gain of approximately +/-6dB, and a signal to noise ratio that does not exceed (fill-in) and capable of supporting fully functional connections for up to 2 miles from the nearest electronic network element. Within the 300 to 3000 Hz range, "Basic Links" will support all standard signalling arrangements including repeat loop start, loop reverse battery, or ground start seizure and disconnect in one direction (toward the end office switch), and repeat ringing in the other direction (toward the end user).

- a. "ISDN link/loop/circuit" is an ISDN link which provides a 2-wire ISDN digital circuit connection that will support digital transmission of two 64 Kbps clear channels and one 16 Kbps data channel (2B+D), suitable for provision of BRI-ISDN service. ISDN links shall be provisioned by least cost planning methodologies sufficient to insure industry standard interface, performance, price, reliability and operational characteristics are functionally transparent and are equal to or better than dedicated copper pairs. All things being equal, "Broadband ISDN" is preferred to CO-based ISDN circuits. Unless specifically identified and priced as "fractional" these circuits are assumed to be fully available.
- b. "4-Wire DS-1 Digital Grade Links" will support full duplex transmission of isochronous serial data at 1.544 Mbps, and provide the equivalent of 24 voice grade channels. Unless specifically identified and priced as "fractional" these circuits are assumed to be fully available.
- 47. "Local Exchange Carrier" or "LEC" means any carrier that provides local common carrier telecommunications services to business and/or residential subscribers within a given LATA and interconnects to other carriers for the provision of alternative telecommunications products or services, including, but not limited to toll, special access, and private line services. This includes the Parties to this Agreement. The term "Incumbent-LEC" or "I-LEC" is sometimes used to refer to the dominant LEC for a particular locality (such as BellSouth). Such Incumbent-LECs include both Bell Operating Companies ("BOCs") and non-BOC LECs, which are often referred to as "Independent-LECs." By contrast, new entrants into the local exchange market are sometimes referred to as "Competitive LECs" or "CLECs," or sometimes as "Alternative LECs" or "ALECs."
- 48. "Local Exchange Routing Guide" or "LERG" means a BellCore Reference customarily used to identify NPA-NXX routing and homing information, as well as network element and equipment designations.
- 49. "Local Traffic" means any telephone call that originates in one exchange or LATA and terminates in either the same exchange or LATA, or a corresponding Extended Area Service ("EAS") exchange. The terms Exchange, and EAS exchanges are defined and specified in Section A3. of BellSouth's General Subscriber Service Tariff.

- 50. "Local Interconnection" means (1) the delivery of local traffic to be terminated on each Party's local network so that end users of either Party have the ability to reach end users of the other Party without the use of any access code or substantial delay in the processing of the call; (2) the LEC unbundled network features, functions, and capabilities set forth in this Agreement; and 3) Service Provider Number Portability sometimes referred to as temporary telephone number portability to be implemented pursuant to the terms of this Agreement.
- 51. "Local Interconnection Trunks/Trunk Groups" means equipment and facilities that provide for the termination of Local Traffic and intraLATA traffic.
- 52. "Local Access and Transport Area" or "LATA" means one of 161 contiguous geographic areas established pursuant to the AT&T Content Decree to define the permitted operating regions of the RBOCs prior to the enactment of the Telecommunications Act of 1996.
- 53. "Long Run Incremental Cost" or "LRIC" refers to the costs a company would incur (or save) if it increases (or decreases) the level of production of an existing service or group of services. These costs consist of the costs associated with adjusting future production capacity and reflect forward-looking technology and operations methods.
- 54. "MECAB" refers to the Multiple Exchange Carrier Access Billing (MECAB) document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions (ATIS). The MECAB document published by Bellcore as Special Report SR-BDS-000983, contains the recommended guidelines for the billing of an access service provided by two or more LECS (including a LEC and a C-LEC), or by one LEC in two or more states within a single LATA.
- 55. "MECOD" refers to the Multiple Exchange Carriers Ordering and Design (MECOD) Guidelines for Access Services Industry Support Interface, a document developed by the Ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions (ATIS). The MECOD document, published by Bellcore as Special Report, SR STS-002643, establishes methods for processing orders for access service which is to be provided by two or more LECs.
- 56. "Meet-Point Billing" or "MPB" refers to a mutual compensation arrangement whereby two LECs provide the transport element of a switched access service to one of the LEC's end office switches, with each LEC receiving an appropriate share of the transport element revenues as defined by law, regulatory requirements, this agreement or, where permissible, effective access

tariffs. MPB concepts are also incorporated in some LEC-toll (intraLATA) mutual compensation arrangements.

- 57. "Multiple Bill/Multiple Tariff method" means the meet-point billing method where each LEC (or C-LEC) prepares and renders its own meet point bill to the IXC in accordance with its own tariff for that portion of the jointly provided switched Access Service which the LEC (or C-LEC) provides. Bellcore's MECAB document refers to this method as "Multiple Bill/Single Tariff."
- 58. "Mutual Traffic Exchange" means that the sole compensation to a Party for termination of specified categories of traffic shall be the reciprocal services provided by the other Party. Each Party shall bill its own customers for such categories of traffic and retain all revenues resulting therefrom.
- 59. "North American Numbering Plan" or "NANP" is the system of telephone numbering employed in the United States, Canada, and certain Caribbean countries.
- 60. "Network Element" means any facility or equipment used by BellSouth in the provision of Exchange Services, and all features, functions and capabilities that are provided by means of such facility or equipment, including numbering systems, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing or other provision of a telecommunications service.
- 61. "Network Management Forum" is a consortium of 160 U.S. and international carriers and global alliances, including SITA, Unisource and others. Their objective is to determine specific interoperability needs, so that manufacturers of network management equipment will have the detailed technical specification needed to develop interoperable standards. For the purposes of this Agreement, both Parties agree to accept the NMF standards and solutions for OAM&P interconnections.
- 62. "Numbering Plan Area" or "NPA" is also sometimes referred to as an area code. This is the three digit indicator which is defined by the "A," "B," and "C" digits of each "digit" telephone number within the North American Numbering Plan ("NANP"). Each NPA contains 800 Possible NXX Codes. At present, there are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAS." A "Geographic NPA" is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that Geographic area. In some locations, and ultimately with number portability, more than one area code will be associated with many geographic areas. A "Non-Geographic NPA," also known as a "Service Access Code" (SAC Code) is typically associated with a specialized telecommunications service which may be provided across multiple geographic NPA areas; 500, 800, 900, 700, and 888 are examples of Non-Geographic NPAS.

- 63. "NXX," "NXX Code," "Central Office Code" or "CO Code" is defined by the "D," "E," and "F" digits of a 10-digit telephone number within the North American Numbering Plan. Each NXX Code contains 10,000 station numbers. Historically, entire NXX code blocks have been assigned to specific individual local exchange end office switches, because, in general, this approach did not conflict with geographic numbering except as the CO approached number exhaustion. Where there are multiple COs in the same geographic area, this assignment method must change. With the advent of end-user telephone number portability, the usual one-on-one association on an NXX with an end office switching entity will be severed.
- 64. "OAM&P" or "Operations, Administration, Maintenance and Provisioning Functions" are those automated and manual functions which insure quality of service and least cost planning, management and operations for telecommunications service providers. These functions, have traditionally been addressed through the user of operations support, decision support and administrative support systems, and are now generally in the process of being integrated under client-server and mainframe network management platforms such as HP's OpenView, IBM's NetView and SUN's various network management product sets.
 - 65. "OZZ Codes" define FGD call paths through a LEC's access Tandem Office Switch.
- 66. "Percent of Interstate Usage" or "PIU" means a factor to be applied to terminating access services minutes of use to obtain those minutes that should be rated as interstate access services minutes of use. The numerator includes all interstate "nonintermediary" minutes of use, including interstate minutes of use that are forwarded due to service provider number portability less any interstate minutes of use for Terminating Party Pays services, such as 800 Services. The denominator includes all "nonintermediary", local, interstate, intrastate, toll and access minutes of use adjusted for service provider number portability less all minutes attributable to terminating party pays services.
- 67. "Percent Local Usage" or "PLU" means a factor to be applied to intrastate terminating minutes of use. The numerator shall include all "nonintermediary" local minutes of use adjusted for those minutes of use that only apply local due to Service Provider Number Portability. The denominator is the total intrastate minutes of use including local, intrastate toll, and access, adjusted for Service Provider Number Portability less intrastate terminating party pays minutes of use.
- 68. "Permanent Number Portability" means the use of a database solution to provide fully transparent TNP for all customers and all providers without limitation.
- 69. "Port" and "Slot" are terms used to describe physical interfaces and traffic carriage capacity of some network elements. One "port" is needed for each connection capable of carrying

one message into or out of the network element to other network elements. One "slot" is needed within each network element for each message to be handled simultaneously with other messages. Port categories include, but are not limited to:

- a. "2-wire analog line port" is a line side switch connection employed to provide basic residential and business type analog telephone services.
- b. "2-wire ISDN digital line port" is a set of Basic Rate Interface (BRI) line side switch connections which actually consists of multiple paths or interfaces to the switching network (2B+D). It is employed to provide residential and business type digital telephone services. The port connections may or may not be the same Central Office switch (network element) that provides analog services. When ISDN is provisioned as "broadband" ISDN through current generation digital switches the cost causation is totally different than when the digital service is provisioned as a set of CO port attachments.
- c. "2-wire analog DID trunk port" is a direct inward dialing (DID) trunk side switch connection employed to provide incoming trunk-side services. Each port provisioned permits one simultaneous connection to the customer premises equipment.
- d. "4-wire DS-1 digital DID trunk port" is a direct inward dialing (DID) trunk side switch connection which is time division multiplexed to provide the equivalent of 24 analog incoming trunk type DID trunk ports.
- e. "4-wire DS-1 digital CBWT trunk port" is a trunk side switch connection which is time division multiplexed to provide the equivalent of 24 analog incoming trunk ports which may be programmed as DID, CBWT, TIE, or dedicated private trunk circuits.
- f. "4-wire ISDN digital DS-1 trunk port" is a Primary Rate Interface (PRI) trunk side switch connection which is time division multiplexed to provide the equivalent of 23 digital one or two-way trunk ports and one signalling trunk port (23 B+D), where the B channels can be programmed as digital DID, CBWT, TIE, Private Line or Special Access trunk circuits. The port connections may or may not be the same Central Office switch (network element) that provides analog services.
- 70. "Rate Center" currently refers to a specific geographic point, designated by latitude and longitude, a corresponding V and H coordinate pair, and an associated geographic area which has heretofore been defined by the incumbent LEC industry to be associated with switched message telecommunications services (MTS). Rate centers, sometimes also known as exchange areas, often determine the regions within which particular classes, features, and pricing for exchange services are uniformly administered. Each NPA-NXX code combination is associated with a single rate center, although any one such code may only service a fraction of the rate center area when the rate

center areas circumscribes multiple serving wire centers. Where retail MTS services contain a distance sensitive rate element, the valuation of that element utilizes the calculated distance between the V and H coordinate pairs of the originating and terminating rate centers.

- 71. "Rating Point" means the vertical and horizontal coordinates associated with a particular telephone number for rating purposes.
- 72. "Routing Point" traditionally refers to a location which a LEC or CLEC has designated on its own network as the homing (routing) point for traffic inbound to Telecommunications Services provided by the LEC or CLEC which bear a certain NPA-NXX designation. The Routing Point is employed to calculate mileage measurements for the distance-sensitive transport element charges of Switched Access Services. At present, Bellcore Practice BR 795-100-100, places the Routing Point at either an "End Office" location, or a "LEC Consortium Point of Interconnection." According to that same Bellcore Practice, examples of the latter shall be designated by a common language location identifier (CLLI) code with (x)KD in positions 9, 10, 11, where (x) may be any alphanumeric A-Z or 0-9. Nothing in this Agreement shall be construed to preclude either Party hereto from establishing its own Routing Points.
- 73. "Service Control Point" or "SCP" is network element of the common channel signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real-time processor with a database system that, based on a query from a Service Switching Point ("SSP"), performs software-based common carrier, subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.
- 74. "Signal Transfer Point" or "STP" is a network element (presently a packet switch) that routes signaling messages among Service Switching Points (SSPs), Service Control Points (SCPs), Signaling Points (SPs) and other network elements in order to set up calls and to query databases for digital telecommunications services using CCIS/SS7 and software-based common carrier telecommunications services.
- 75. "Software-based Network Elements and Services" refers to those features, functions and services which are inherent capabilities of the current Central Office Equipment (e.g., the #5ESS 5E8 or 529 software program, or an end-office or CO-based peripheral processor), and can be activated with relatively minor cost such as local programming or right to use fees. Examples of such services include CENTREX, electronic station equipment functions.
- 76. "Subscriber Traffic" or "Subscriber Call(s)" refers to calls between two or more telecommunications service users, where both telecommunications services users bear NPA-NXX designations associated with the same LATA or other authorized area (e.g., Extended Area Service

Zones in adjacent LATAs). The traditional definition of Subscriber Traffic includes the traffic types have included as "local calling," "extended area service (EAS)," and "intraLATA toll."

- 77. "Switched Access Detail Usage Data" shall mean a category 1101XX record as defined in the EMR Bellcore Practice BR 010-200-010.
- 78. "Switched Access Summary Usage Data" shall mean a category 1150XX record as defined in the EMR Bellcore Practice BR 010-200-010.
- 79. "Switched Access Service" means the offering of facilities for the purpose of the origination or termination of traffic to or from telecommunications services offered in a given area. Switched Access Services include: Feature Group A, Feature Group B, Feature Group D, 800 access, and 900 access.
- 80. "Synchronous Optical Network" or "SONET" is a set of optical interface standards that allow optical transmission at rates from 51.4 Mbps to 13.22 Gbps. Synchronous optical network standard is an ultra-high-speed, fiber-optic transmission standard developed by Bellcore for largescale, fiber-based digital transmission networks that use equipment form many different manufacturers. It is the first telecom industry agreement on standardized interfaces between fiber optic transmission systems and is well on the way to becoming an international standard. Because all SONET-compatible devices speak a common language, network administrators will gain network-wide use of advanced operation and maintenance systems, regardless of who made individual network components. The SONET standard is built around a 51.84 Mbps basic communications channel that is multiplexed upward. SONET line-rate standards now include network bandwidths up to 2.488 Gbps, a rate equivalent to 48 basic SONET communications channels. SONET network standards incorporate present-day 1.544 Mbps DS-1 service and 44.6 Mbps DS-3 service as subsets of the 51.84 Mbps SONET basic channel. SONET will eventually become the primary avenue for transporting broadband ISDN services. Major network equipment manufacturers are introducing network products claiming conformity to the SONET standard.
- 81. "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent or received.
- 82. "Telecommunications Act of 1996" or "Act" means Public Law 104-104 of the United States Congress effective February 8, 1996. The Act amended the Communications Act of 1934 (47, U.S.C. Section 1 et seq.).
 - 83. "Telecommunications Carrier" means any provider of telecommunications services.

- 84. "Telecommunications Service" means the offering of telecommunications for a fee directly to the public, to such classes of users as to be effectively available to the public, or to telecommunications carriers, regardless of the facilities used.
- 85. "Telephone Number Portability" or "TNP" is the means by which BellSouth allows customers to retain their existing telephone numbers when changing from one local exchange carrier to another. This service provides transparent delivery of telephone number capabilities, from a customer standpoint in terms of call completion, and from a carrier standpoint in terms of compensation, through the use of call routing, forwarding, and addressing capabilities. Permanent number portability standards will be set by regulatory action, and both Parties agree to implementation of permanent number portability at the earliest possible point in time. The performance and cost of permanent number portability meets end-user customer or co-carrier expectations on a sustainable basis. (See also Interim Number Portability and Permanent Number Portability.)
- 86. "Total Service Long Run Incremental Cost" or "TSLRIC" is the total additional cost incurred by a telecommunications services provider to produce the entire quantity of a service, group of services, or basic network functions, given that the telecommunications services provider already provides all its other services. TSLRIC is based on the least cost, most efficient technology that is capable of being implemented at the time the decision to provide the service is made.
- 87. "Toll Free Service" means service provided with any dialing sequence that invokes toll-free (i.e., 800-like) service processing. Toll Free Service includes calls to the Toll Free Service 800/888 NPA SAC codes.
- 88. "Transit Calls" or "Intermediary Function" means intraLATA calls (local and toll) sent between the Parties originating from or terminating to an end user of a third-party LEC, CLEC, wireless provider, or other carrier or calls sent between the Parties destined for or originating from an IXC.
- 89. "Trunk Side" refers to a central office switch connection that is capable of, and has been programmed to treat the circuit as connecting to another switching entity. Trunk side connections offer those transmission and signaling features appropriate for the connection of switching elements, and cannot be used for the direct connection of ordinary telephone station sets. Incoming telecommunications services from the trunk to the line-side and for trunk-side-to-trunk side connections within any switching element should experience no less than a P.001 blocking probability in the average peak busy hour of the year, and should meet or exceed this level at all other times. This is a means to ensure that end-to-end blocking, which is cumulative, does not exceed a consistent P.02 for all call types in a multi-carrier network.

- 90. "Wire Center" denotes a building or space within a building which serves as an aggregation point on a given carrier's network, where transmission facilities and circuits are connected or switched. Wire Center can also denote a building in which one or more central offices, used for the provision of telecommunications services are located. The Parties hereby agree that interconnection will be available at any wire center which meets any or all legislative, judicial and regulatory eligibility standards for interconnection. Interconnection services and access to these interconnections shall not unreasonably by withheld by either Party on any grounds.
- 91. "Undefined Terms." The Parties acknowledge that terms may appear in this Agreement which are not defined and agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the effective date of this Agreement.

Unbundled Products and Services and New Services

Service:

Virtual Collocation

Description:

Virtual Expanded Interconnection Service (VEIS) provides for location interconnection in collocator-provided/BellSouth leased fiber optic facilities to BellSouth's switched and special access services, and local interconnection

facilities.

State(s):

All

Rates, Terms and

Conditions:

In all states, the rates, terms and conditions will be applied as set forth in Section 20 of BellSouth Telecommunication's Inc.'s Interstate Access Service

Tariff, F.C.C. No. 1.

Service:

Physical Collocation

Description:

Per FCC ⊕ (10/19/92 FCC Order, para 39)

Physical Collocation is whereby "the interconnection party pays for LEC central office space in which to locate the equipment necessary to terminate its transmission links, and has physical access to the LEC central office to

install, maintain, and repair this equipment."

State(s):

All

Rates, Terms and

Conditions:

In all states, the rates and availability will be as provided in the "rates for

Physical Interconnection" tables which follow.

RATES FOR PHYSICAL INTERCONNECTION

Rate Element	Application/Description	Type of Charge	Rate
Application Fee	Applies per arrangement per location	Nonrecurring	Tariff Rates (same as virtual)
Space Preparation Fee	Applies for survey and design of space, covers shared building modification costs	Nonrecurring	ICB - See Note 1 Will not be less than \$1800 - not to exceed \$8500 unless HVAC or power plant update. If so, rates to be ICB.
Space Construction Fee	Covers materials and construction of optional cage in 100 square foot increments	Nonrecurring	\$29,744.00 See Note 2
Cable Installation Fee	Applies per entrance cable	Nonrecurring	Tariff Rates (same as virtual)
Floor Space	Per square foot, for Zone A and Zone B offices, respectively	Monthly Recurring	\$7.50/\$6.75 See Note 3
Power	Per ampere based on manufacturer's specifications	Monthly Recurring	\$5.14 per ampere
Cable Support Structure	Applies per entrance cable	Monthly Recurring	\$13.35 per cable
POT Bay	Optional Point of Termination bay; rate is per DS1/DS3 cross- connect, respectively	Monthly Recurring	\$1.20/\$5.00 See Note 4
Cross-Connects	Per DS1/DS3, respectively	Monthly Recurring	\$8.00/\$72.48
Security Escort	First and additional half hour increments, per tariff rate in Basic time (B), Overtime (O), and Premium time (P)	As Required	\$41.00/25.00 B \$48.00/\$30.00 O \$55.00/\$35.00 P

Note 1: Will be determined at the time of the application based on building and space modification

requirements for shared space at the requested CO

Note 2: Applies only to collocators who wish to purchase a steel-gauge cage enclosure. Carriers may also pay \$330.00 per square foot for the first 100 square feet and \$242.00 for each additional 100 square feet in the same CO in lieu of space preparation and construction fees. This option does not apply where HVAC, power plant or both upgrade is required.

Note 3: See attached list for Zone A offices as of May 1996. This list will be amended monthly.

Note 4: Applies when collocator does not supply their own POT bay.

ATTACHMENT C-1 (cont'd)

BellSouth Zone A Offices - as of May 1996

EX = Exempt from Physical

STATE	CITY	OFPICE	CLLI/ STATUS	
AL	Birmingham	Main & Toll	BRHMALMA	EX
	Montgomery	Main & Toll	MTGMALMT	
	Mobile	Azalea	MOBLALAZ	
FL	Boca Raton	Boca Teeca	BCRTFLBT	
	Fort Lauderdale	Main Relief	FTLDFLMR	
		Cypress	FTLDFLCY	
		Plantation	FTLDFLPL	
	Jacksonville Beach	Main	JCBHFLMA	
	Jacksonville	Arlington	JCVLFLAR	-
		Beachwood	JCVLFLBW	_
		Clay Street	JCVLFLCL	
		Southpoint	JCVLFLJT	EX
		Normandy	JCVLFLNO	
		Riverside	JCVLFLRV	
		San Jose	JCVLFLSJ	EX
		San Marco	JCVLFLSM	
		Westconnett	JCVLFLWC	
		Mandarin Avenues	MNDRFLAV	EX
		Mandarin Loretto	MNDRFLLO	
	Lake Mary	Lake Mary	LKMRFLMA	EX
	Miami	Grande	MIAMFLGR	
		Palmetto	MIAMFLPL	
		Alhambra	MIAMFLAE	
		Bayshore	MIAMFLBA	
		Metro	MIAMFLME	-
	Melbourne	Main	MLBRFLMA	
	Orlando	Magnolia	ORLDFLMA	
		Azalea Park	ORLDFLAP	
		Sand Lake	ORLDFLSL	
		Pinecastle	ORLDFLPC	
		Pinehills	ORLDFLPH	
	West Palm Beach	Annex (Main Annex)	WPBHFLAN	

ATTACHMENT C-1 (cont'd)

GA	Athens	Athens	ATHNGAMA	
	Atlanta	Courtland St	ATLNGACS	
		Peachtree Pl	ATLNGAPP	
<u> </u>		Buckhead	ATLNGABU	
<u> </u>		East Point	ATLNGAEP	
		Toco Hills	ATLNGATH	
		Sandy Springs	ATLNGASS	
	Lilburn	Lilbura	LLBNGAMA	
	Smyrna	Power Ferry	SMYRGAPF	
		Smyrna Main	SMYRGAMA	
	Tucker	Tucker Main	TUKRGAMA	EX
-	Roswell	Roswell Main	RSWLGAMA	
	Norcross	Norcross Main	NRCRGAMA	
-	Marietta	Marietta Main	MRRTGAMA	
	Dunwoody	Dunwoody Main	DNWDGAMA	
-	Alpharetta	Alphareta Main	ALPRGAMA	
	Columbus	Columbus Main	CLMBGAMT	
KY	Louisville	Armory Place	LSVLKYAP	EX
		Westport Rd	LSVLKYWE	EX
		Beechmont	LSVLKYBE	
		Bardstown Road	LSVLKYBR	EX
		Fern Creek	LSVLKYFC	
		JTown	LSVLKYJT	
		Matthews	LSVLKYSM	
		Third Street	LSVLKYTS	
LA	New Orleans	Main	NWORLAMA	
	Baton Rouge	Main	BTRGLAMA	
MS	Hattiesburg	Hattiesburg Main	HTBGMSMA	·
	Jackson -	Cap Pearl	JCSNMSCP	
	Vicksburg	Vicksburg	VCBGMSMA	
NC	Cary	Central	NARYNCCE	
	Chapel Hill	Rosemay	CPHLNCRO	
	Charlotte	Caidwell	CHRLNCCA	
		South Boulevard	CHRLNCBO	

ATTACHMENT C-1 (cont'd)

-		Derita	CHRLNCDE	·
		Erwin	CHRLNCER	
		Lake Point	CHRLNCLP	
		Reid	CHRLNCRE	EX
		Sharon Amity	CHRLNCSH	
		University	CHRLNCUN	EX
	Greensboro	Eugene St	GNBONCEU	
	Raleigh	Morgan	RLGHNCMO	
		New Hope	RLGHNCHO	
	Salisbury	Main	SLBRNCMA	
	Winston Salem	Fifth Street	WNSLNCFI	
	Ashville	O'Heary	AHVLNCOH	
SC	Charleston	Dial & Toll	CHTNSCDT	
	Columbia	Senate St	CLMASCSN	EX
		At. Andrews	CLMASCSA	
	Greenville	D&T	GNVLSCDT	
		Woodruff Road	GNVLSCWR	EX
	Spartenburg	Main	SPBGSCMA	
TN	Knoxville	Main	KNVLTNMA	
	Memphis	Bartlett	MMPHTNBA	
		Chickasaw	MMPHTNCT	
		Eastland	MMPHTNEL	
	•	Germantown	MMPHTNGT	
		Main	MMPHTNMA	EX
		Oakville	MMPHTNOA	
		Southland	MMPHTNSL	
	Nashville	Main & Toll	NSVLTNMT	
		Airport	NSVLTNAP	
		Brentwood	NSVLTNBW	
		Crieve Hall	NSVLTNCH	
		Donelson	NSVLTNDO	
		Inglewood	NSVLTNIN	
		Sharondale	NSVLTNST	
		University	NSVLTNUN	

Unbundled Products and Services and New Services

Service:

Unbundled Exchange Access Loop

Description:

Provides the connection from the serving central office to a subscriber's premises and is rated on a distance sensitive basis. It is engineered to meet the same parameters as a residence or business exchange access line.

BellSouth shall allow DeltaCom to access the following Loop types (in addition to those Loops available under applicable tariffs) unbundled from local switching and local transport in accordance with the terms and conditions set forth herein:

"2-Wire Analog Voice Grade Loops" or "Analog 2W" which support analog transmission of 300-2000 Hz, repeat loop start, loop reverse battery, or ground start seizure and disconnect in one direction (toward the End Office Switch), and repeat ringing in the other direction (toward the Customer). Analog 2W include Loops sufficient for the provision of PBX trunks, pay telephone lines and electronic key system lines. Both "pure copper" and "Unintegrated Digital Loop Carrier" (ULDC) systems shall be made available.

"4-Wire Analog Voice Grade Loops" or "Analog 4W" which support transmission of voice grade signals using separate transmit and receive paths and terminate in a 4-wire electrical interface. Both "pure copper" and "Unintegrated Digital Loop Carrier" (ULDC) systems shall be made available.

"2-Wire ISDN Digital Grade Links" or "BRI ISDN" which support digital transmission of two 64 kbps bearer channels and one 16 kbps data channel. BRI IDSN is a 2B+D Basic Rate Interface-Integrated Services Digital Network (BRI-ISDN) Loop which will meet national ISDN standards.

"2-Wire ADSL-Compatible Loop" or "ADSL 2W" is a transmission path which facilitates the transmission of up to a 6 Mbps digital signal downstream (toward the Customer) and up to a 640 kpbs digital signal upstream (away form the Customer) while simultaneously carrying an analog voice signal. An ADSL-2W is provided over a 2-Wire non-loaded twisted copper pair provisioned using revised resistance design guidelines and

ATTACHMENT C-2 (cont'd)

meeting ANSI Standard T1.413-1995-007R2. An ADSL-2W terminates in a 2-wire electrical interface at the Customer premises and at the BellSouth Central Office frame.

"2-Wire HDSL-Compatible Loop" or "HDSL 2W" is a transmission path which facilitates the transmission of a 768 kbps digital signal over a 2-Wire non-loaded twisted copper pair meeting the specifications in ANSI T1E1 Committee Technical Report Number 28. HDSL compatible Loops are available only where existing copper facilities can meet T1E1 Technical Report Number 28 specifications.

"4-Wire HDSL-compatible Loop" or "HDSL 4W" is a transmission path which facilitates the transmission of a 1.544 Mbps digital signal over two 2-Wire non-loaded twisted copper pairs meeting the specifications in ANSI T1E1 Committee Technical Report Number 28. HDSL compatible Loops are available only where existing copper facilities can meet the specifications.

"Integrated Digital Loop Carrier" or "Integrated DLC" is defined in BellCore TR-TSY-00303, "Integrated Digital Loop Carrier (ILDC) Requirements, Objectives and Interface."

Rate(s):

The Parties hereby agree to submit the issue of rate structure and rate levels to state commission arbitration.

State(s): Alabama, Florida, Georgia, Kentucky, Lousiana, Mississippi, North Carolina, South Carolina, Tennessee

Rate Elements	Monthly	Nonrecurring Charges
Unbundled Exchange		
Access Loop	\$X.XX	\$x.xx
Unbundled Exchange Access IOC		•
- Fixed	\$X.XX	\$X.XX
- 1-8 Miles	\$X.XX	N/A
- 9-25 Miles	\$X.XX	N/A
- Over 25 Miles	\$X.XX	N/A

Unbundled Products and Services and New Services

Service:

Channelization System for Unbundled Exchange Access Loops

Description:

This new rate element provides the multiplexing function for Unbundled Exchange Access Loops. It can convert up to 96 voice grade loops to DS1 level for connection with the DeltaCom's point of interface. The multiplexing can be done on a concentrated basis (delivers at 2 DS1 level to customer premise) or on a non-concentrated basis (delivers at 4 DSI level to customer premise) at the option of the customer.

In addition to the following rates elements, 1.544 Mbps local channel and/or interoffice channel facilities may be required as set forth in E7 of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff for non-collocated DeltaComs.

Rates:

The Parties hereby agree to submit the issue of rate structure and rate levels to state commission arbitration.

State(s): Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee

	Monunly	Nonrecurring Charges		
Rate Elements		First	Add'l	
Unbundled Loop Channelization System (DS1 to VG), Per System	\$X.XX	\$X.XX	N/A	
Central Office Channel Interface (circuit specific plug-in equipment), 1 per circuit	\$x.xx	\$X.XX	\$X.XX	

Unbundled Products and Services and New Services

Service:

Unbundled Exchange Ports

Description:

An exchange port is the capability derived from the central office switch hardware and software required to permit end users to transmit or receive information over BellSouth's public switched network. It provides service enabling and network features and functionality such as translations, a telephone number, switching, announcements, supervision and touch-tone capability.

In addition, a BellSouth provided port with outgoing network access also provides access to other services such as operator services, long distance service, etc. It may also be combined with other services available in BellSouth's Intrastate Access Service Tariffs as technically feasible.

When an Unbundled Port is connected to BellSouth provided collocated loops, cross-connection rate elements are required as set forth in Section 20 of BellSouth Telecommunications, Inc.'s Interstate Access Tariff, FCC No. 1.

Rates:

The Parties hereby agree to submit the issue of rate structure and rate levels to state commission arbitration.

Alabama			Florida		Georgia	
Rate Elements	Rates	Per	Rate Elements	Rate	Rate Elements	Rate
Monthly			Monthly		Monthly	
Residence Port	\$X.XX		Residence Port	\$X.XX	Residence Port	SX.XX
Business Port	\$X.XX	ł	Business Port	\$X.XX	Business Port	SX.XX
PBX Trunk Port	SX.XX		PBX Trunk Port	SX.XX	PBX Trunk Port	SX.XX
Rotary Service	\$X.XX	}	Rotary Service	\$X.XX	Rotary Service	\$X.XX
Primary Rate ISDN NAS	\$X.XX	1	'			
Usage-Mileage Bands	1	i	ł		ł	ļ
A (0 miles)	sx.xx	init.min.	Usage-(STS)		Usage-(STS)	į
<u> </u>		init.min.	- init_min.	SX.XX		SX.XX
B (1-10 miles)	\$X.XX	init.min.	- add'l min.	SX.XX		1
	SX.XX	init.min.		1	fraction thereof	sx.xx
C (11-16 miles)		init.min.		1		
,	\$X.XX	init.min.			,	İ
D (17-22 miles and existing LCA	1	•	1	!	·	l
described in A3.6 greater than 22	SX.XX	init.min.	ł	1	}	1
mi.)	SX.XX	init.min.	ļ		ŧ	
	SX.XX	init.min.			i	
E (23-30 miles)	SX.XX	init.min.	1			
		init.min.	ł	1	Į.	1
F (31-40 miles)		init.min.				
		init.min.				
G (Special Band)	SX.XX	init.min.				

Kentucky

Louisiana

Rate Elements	Rates Per		Rate Dements	Rate	Per
Monthly			Monthly		
Residence Port	\$X.XX		Residence Port	\$X.XX	!
Business Port	\$X.XX		Business Port	\$X.XX	
PBX Trunk Port	\$X.XX	İ	PBX Trunk Port	SX.XX	
Rotary Service	\$X.XX		Rotary Service	SX.XX	
Usage-Mileage Bands	1		Usage-Mileage Bands		
A (0 miles)	\$X.XX	init.min.	0 (0 miles)	SX.XX	init.min.
(\$X.XX	addl.min.	,	SX.XX	addl.min.
B (1-10 miles)	\$X.XX	init.min.	A (1-10 miles)	SX.XX	
- (,	\$X.XX	addi.min.	·	SX.XX	
C (Greater than 10 miles Limited LCA)	\$X.XX	init.min.	B (11-16 miles)	SX.XX	
- (\$X.XX	eddl.min.		SX.XX	
D (1-10 miles beyond Limited LCA)	\$X.XX	init.min.	C (17-22 miles)	\$X.XX	
_ ,	\$X.XX	addl.min.		SX.XX	
E (11-16 miles beyond Limited LCA)	\$X.XX	init.min.	D (23-30 miles Basic LCA and Intra Parish		init.min.
•	\$X.XX	addl.min.	Expanded LCA)	SX.XX	addl.min.
F (17-22 miles beyond Limited LCA)	\$X.XX	init.min.			1
	SX.XX	eddi.min.	E (Greater than 30 miles Basic LCA and		init.min.
G (23-30 miles beyond Limited LCA)	\$X.XX	init.min.	Intra Parish Expanded LCA)	SX.XX	addl.min.
•	\$X.XX	addl.min.			ŀ
H (31-40 miles beyond Limited LCA)	\$X.XX	init.min.	F (23-30 miles Inter-Parish Expanded	SX.XX	
-	SX.XX	addl.min.	LCA)	SX.XX	
I (Greater than 40 miles beyond Limited	\$X.XX	init.min.		SX.XX	
LCA)	\$X.XX	addi.min.	G (31-40 miles Inter-Parish Expanded	SX.XX	
			LCA)	\$X.XX	
		1		\$X.XX	addl.min.
			H (Greater than 40 miles Inter-Parish)		

Mississippi N.Carolina S.Carolina

Rate Elements	Rates	Per	Rate Elements	Rate	Rate Elements	Rate
Monthly			Monthly		Monthly	
Residence Port	\$X.XX		Residence Port	\$X.XX	Residence Port	\$X.XX
Business Port	\$X.XX		Business Port	\$X.XX	Business Port	\$X.XX
PBX Trunk Port	SX.XX	<u> </u>	PBX Trunk Port	\$X.XX	PBX Trunk Port	\$X.XX
Rotary Service	\$X.XX	i	Rotary Service	\$X.XX	Rotary Service	SX.XX
Usage-Mileage Bands			Usage-(STS)		Usage-(STS)	
A (0 miles)	\$X.XX	init.min.	- init.min.	\$X.XX	- Basic Svc. area	SX.XX
	SX.XX	addl.min.	- add'l min.	\$X.XX	- Expanded Svc. area	\$X.XX
B (1-10 miles)	SX.XX	init.min.	1		•	j
,	\$X.XX	addl.min.				
C (11-18 miles, existing LCA						1
described in A3.6 greater than 16						1
miles and calls to county seat greater	\$X.XX	init.min.				Ļ
than 16 miles)	SX.XX	addl.min.				j
	\$X.XX	init.min.				
D (17-30 miles)	\$X.XX	addl.min.				
	SX.XX	init.min.				
E (31-55 miles Biloxi LATA)	\$X.XX	addl.min.				1
	SX.XX	init.min.				
F (31-55 miles Jackson LATA)	\$X.XX	addl.min.				
	\$X.XX	init.min.			, i	
G (56-85 miles Biloxi LATA)	\$X.XX	addl.min.				1

Tennessee

Rate Elements	Rates	Per
Monthly		
Residence Port	\$X.XX	
Business Port	\$X.XX	
PBX Trunk Port	\$X.XX	
Rotary Service	SX.XX	•
Usage-Mileage Bands	ľ	
A (0-16 miles)	\$0.02	
B (17-30 miles)	\$0.05	mou
C (>30 miles)	\$0.10	mou

Special Service Requirements:

- 1. Switching functionalities in the port element include dialtone, screening, recognition of service request, recognition of call-specific information, digit analysis, routing, testing, recordings, signal generation, call completion or handoff, SSP functionality and tables, PIC tables, trunk tables, class of service tables, billing record generation, and AIN tables.
- 2. DeltaCom's purchase of the port element for a specific switch avails to it all the features and functionality on that switch.
- 3. DeltaCom can interconnect loops from any source to the line port(s) that it purchases on the same terms/conditions/intervals as loops provided by BellSouth.
- 4. DeltaCom can use the port element to provide any local exchange service, including switched access services.
- 5. Optional functionality to support CLASS/Customer Calling features will be included with the port element. No additional charges will apply.
- 6. Functionality to craft Centrex offerings (call transfer, special dialing, etc.) will be available as part of the port element.

Unbundled Products and Services and New Services

Service:

Signaling

Description:

Provides for connection to and utilization of BellSouth's Signaling System 7

network for both call setup and non-call setup purposes.

State(s):

All

Rate(s):

Rate Elements	Monthly	Recurring	Non-	Applied
	Rate	Rate	Recurring	Per
CCS7 Signaling Connection CCS7 Signaling Termination CCS7 Signaling Usage* CCS7 Signaling Usage Surrogate*	\$155.00 \$3555.00 \$3555.00 \$395.00	\$0.000023 \$0.000050	\$51 0.00 88 88 88	56 Kpbs facility STP Port Call Set Up Msg. T-Cap Msg. 56 Kpbs facility

^{*}Where signaling usage measurement capability exists, CCS7 Signaling Usage will be billed on a per signaling message basis. Where measurement capability does not exist, CCS7 Signaling Usage will be billed on a per 56 Kpbs facility basis.

Unbundled Products and Services and New Services

Service:

Line Information Database (LIDB)-Storage Agreement

Description:

The LIDB Storage Agreement provides the terms and conditions for inclusion in BellSouth's LIDB of billing number information associated with BellSouth exchange lines used for Local Exchange Companies' resale of local exchange service or Service Provider Number Portability arrangements requested Local Exchange Companies' on behalf of the Local Exchange company's end user or for DeltaCom NXX's stored in BellSouth's LIDB. BellSouth will store in its database, the relevant billing number information and will provide responses to on-line, call-by-call queries to this information for purposes of Billed Number Screening, Calling Card Validation and Fraud Control.

Each time an DeltaCom's data is used BellSouth will compensate DeltaCom at a rate of 40% of BellSouth's LIDB Validation rate per query as displayed in Attachment C-13 following.

State(s):

All

Rate(s):

No Charge

LINE INFORMATION DATA BASE (LIDB) STORAGE AGREEMENT FOR RESOLD LOCAL EXCHANGE LINES, UNBUNDLED LOOPS AND SERVICE PROVIDER NUMBER PORTABILITY ARRANGEMENTS

This agreement, effective as of, Telecommunications, Inc. ("BST"), a Georgia corp Company").	1997, is entered into by and between looration, and ("Local	BellSouth Exchange
WHEREAS, in consideration of the mutual	covenants, agreements and obligations	set forth

I. SCOPE

This Agreement sets forth the terms and conditions for inclusion in BST's Line Information Data Base (LIDB) of billing number information associated with Local Exchange Company's provision (or resale) of local exchange service or Service Provider Number Portability (SPNP) arrangements requested by Local Exchange Company on behalf of Local Exchange Company's end user. BST will store in its data base the relevant billing number information, and BST will provide responses to on-line, call-by-call queries to this information for purposes specified below.

LIDB is accessed for:

below, the parties hereby agree as follows:

- Billed Number Screening
- Calling Card Validation for Calling Cards issued by BellSouth
- Fraud Control

II. DEFINITIONS

- 2.01. Billing number a number used by BST for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.
- 2.02. Line number a ten digit number assigned by BST that identifies a telephone line associated with a resold local exchange service, or with a SPNP management.
- 2.03. Special billing number a ten digit number that identifies a billing account established by BST in connection with a resold local exchange service or with a SPNP arrangement.
 - 2.04. Calling Card number a billing number plus PIN number assigned by BST.
- 2.05. PIN number a four digit security code assigned by BST which is added to a billing number to compose a fourteen digit calling card number.

- 2.06. Toll billing exception indicator associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by the Local Exchange Company.
- 2.07. Billed Number Screening refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.
- 2.08. Calling Card Validation refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.
- 2.09. Billing number information information about billing number or Calling Card number as assigned by BST and toll billing exception indicator provided to BST by the Local Exchange Company.

III. RESPONSIBILITIES OF PARTIES

- 3.01. BST include billing number information associated with resold exchange lines or SPNP arrangements in its LIDB. The Local Exchange Company will request any toll billing exceptions via the Local Service Request (LSR) form used to order resold exchange lines, or the SPNP service request form used to order SPNP arrangements.
- 3.02. Under normal operating conditions, BST shall include the billing number information in its LIDB upon completion of the service order establishing either the resold local exchange service or the SPNP arrangement, provided that BST shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances or conditions beyond BST's reasonable control. BST will store in its LIDB an unlimited volume of the working telephone numbers associated with either the resold local exchange lines or the SPNP arrangements. For resold local exchange lines or for SPNP arrangements, BST will issue line-based calling cards only in the name of Local Exchange Company. BST will not issue line-based calling cards in the name of Local Exchange Company's individual end users. In the event that Local Exchange Company wants to include calling card numbers assigned by the Local Exchange Company in the BST LIDB, a separate agreement is required.
- 3.03. BST will provide responses to on-line, call-by-call queries to the stored information for the specific purposes listed in the next paragraph.
- 3.04. BST is authorized to use the billing number information to perform the following functions for authorized users on an on-line basis:

- (a) Validate a 14 digit Calling Card number where the first 10 digits are a line number or special billing number assigned by BST, and where the last four digits (PIN) are a security code assigned by BST.
- (b) Determine whether the Local Exchange Company has identified the billing number as one which should not be billed for collect or third number calls, or both.
- 3.05. BST will provide seven days per week, 24 hours per day, fraud control and detection services. These services include, but are not limited to, such features as sorting Calling Card Fraud detection according to domestic or international calls in order to assist the pinpointing of possible theft or fraudulent use of Calling Card numbers; monitoring bill-to-third number and collect calls made to numbers in BST's LIDB, provided such information is included in the LIDB query, and establishing Account Specific Thresholds, at BST's sole discretion, when necessary. Local Exchange Company understands and agrees BST will administer all data stored in the LIDB, including the data provided by Local Exchange Company pursuant to this Agreement, in the same manner as BST's data for BST's end user customers. BST shall not be responsible to Local Exchange Company for any lost revenue which may result from BST's administration of the LIDB pursuant to its established practices and procedures as they exist and as they may be changed by BST in its sole discretion from time to time.
- 3.06. Local Exchange Company understands that BST currently has in effect numerous billing and collection cents with various interexchange carriers and billing clearing houses. Local Exchange Company further understands that these billing and collection customers of BST query BST's LIDB to determine whether to accept various billing options from end users. Additionally, Local Exchange Company understands that presently BST has no method to differentiate between BST's own billing and line data in the LIDB and such data which it includes in the LIDB on Local Exchange Company's behalf pursuant to this Agreement. Therefore, until such time as BST can and does implement in its LIDB and its supporting systems the means to differentiate Local Exchange Company's data from BST's data and the parties to this Agreement execute appropriate amendments hereto, the following terms and conditions shall apply:
- (a) The Local Exchange Company agrees that it will accept responsibility for telecommunications services billed by BST for its billing and collection customers for Local Exchange Customer's end user accounts which are resident in LIDB pursuant to this Agreement Local Exchange Company authorizes BST to place such charges on Local Exchange Company's bill from BST and agrees that it shall pay all such charges. Charges for which Local Exchange Company hereby takes responsibility include, but are not limited to, collect and third number calls.
- (b) Charges for such services shall appear on a separate BST bill page identified with the name of the entity for which BST is billing the charge.
- (c) Local Exchange Company shall have the responsibility to render a billing statement to its end users for these charges, but Local Exchange Company's obligation to pay BST for

the charges billed shall be independent of whether Local Exchange Company is able or not to collect from Local Exchange Company's end users.

(d) BST shall not become involved in any disputes between Local Exchange Company and the entities for which BST performs billing and collection. BellSouth will not issue adjustments for charges billed on behalf of an entity to Local Exchange Company. It shall be the responsibility of the Local Exchange Company and the other entity to negotiate and arrange for any appropriate adjustments.

IV. COMPLIANCE

Unless expressly authorized in writing by the Local Exchange Company, all billing number information provided pursuant to this Agreement shall be used for no purposes other than those set forth in this Agreement.

V. TERMS

This Agreement will be effective as of ______, 1997, and will continue in effect for one year, and thereafter may be continued until terminated by either Party upon thirty (30) days' written notice to the other Party.

VI. FEES FOR SERVICE AND TAXES

- 6.01. The Local Exchange Company will not be charged a fee for storage services provided by BST to the Local Exchange Company, as described in Section I of this Agreement.
- 6.02. Sales, use and all other taxes (excluding taxes on BST's income) determined by BST or any taxing authority to be due to any federal, state or local taxing jurisdiction with respect to the provision of the service set forth herein will be paid by the Local Exchange Company. The Local Exchange Company shall have the right to have BST contest with the imposing jurisdiction, the Local Exchange Company's expense, any such taxes that the Local Exchange Company deems are improperly levied.

VII. INDEMNIFICATION

To the extent not prohibited by law, each Party will indemnify the other and hold the other harmless against any loss, cost, claim, injury, or liability relating to or arising out of negligence or willful misconduct by the indemnifying Party or its agents or contractors in connection with the

indemnifying Party's provision of services, provided, however, that any indemnity for any loss, cost, claim, injury or liability arising out of or relating to errors or omissions in the provision of services under this Agreement shall be limited as otherwise specified in this Agreement. The indemnifying Party under this Section agrees to defend any suit brought against the other Party for any such loss, cost, claim, injury or liability. The indemnified Party agrees to notify the other Party promptly, in writing, of any written claims, lawsuits, or demands for which the other Party is responsible under this Section and to cooperate in every reasonable way to facilitate defense or settlement of claims. The indemnifying Party shall not be liable under this Section for settlement by the indemnified Party of any claim, lawsuits, or demand unless the defense of the claim, lawsuit, or demand has been tendered to it in writing and the indemnifying Party has unreasonably failed to assume such defense.

VIII. LIMITATION OF LIABILITY

Neither Party shall be liable to the other Party for any lost profits or revenues or for any indirect, incidental or consequential damages incurred by the other Party arising from this Agreement or the services formed or not performed hereunder, regardless of the cause of such loss or damage.

IX. MISCELLANEOUS

- 9.01. It is understood and agreed to by the parties that BST may provide similar services to other companies.
- 9.02. All terms, conditions and operations under this Agreement shall be performed in accordance with, and subject to, all applicable local, state or federal legal and regulatory tariffs, rulings, and other requirements of the federal courts, the U.S. Department of Justice and state and federal regulatory agencies. Nothing in this Agreement shall be construed to cause either Party to violate any such legal or regulatory requirement and either Party's obligation to perform shall be subject to all such requirements.
- 9.03. The Local Exchange Company agrees to submit to BST all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement wherein BST's corporate or trade names, logos, trademarks or service mark or those of BST's affiliated companies are mentioned or language from which the connection of said names or trademarks therewith may be inferred or implied; and the Local Exchange Company further agrees not to publish or use advertising, sales promotions, press releases, or publicity matters related to BST without BST's prior written approval.
- 9.04. This Agreement constitutes the entire agreement between the Local Exchange Company and BST which supersedes all prior agreements or contracts, oral or written representations, statements, negotiations, understandings, proposals and understandings with respect to the subject matter hereof.

- 9.05. Except as expressly provided in this Agreement, if any part of this Agreement is held or construed to be invalid or unenforceable, the validity of any other Section of this Agreement shall remain in full force and effect to the extent permissible or appropriate in furtherance of the intent of this Agreement.
- 9.06. Neither Party shall be held liable for any delay or failure in performance of any part of this Agreement for any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation common carriers.
- 9.07. This Agreement shall be deemed to be a contract made under the laws of the State of Georgia, and the construction, interpretation and performance of this Agreement and all transactions hereunder shall be governed by the domestic law of such State.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their fully authorized officers.

BELLSOUTH TELECOMMUNICATIONS, IN	BELL	SOUTH	TEL	.ECOM	IMU	NICA	TIONS.	INC
----------------------------------	------	-------	-----	-------	-----	------	--------	-----

By: _
Title: _
Date: _
Address:

SPRINT METROPOLITIAN NETWORKS, INC.

By: _
Title: _
Date: _
Address:

ADDENDUM NO. 1 TO LINE INFORMATION DATA BASE (LIDB) STORAGE AGREEMENT

This Addendum No. 1 to the Line Information Data Base Storage Agreement dated August 15, 1997, between BellSouth Telecommunications, Inc. ("BST"), and DeltaCom, Inc. ("Local Exchange Company"), effective the 18th day of August 1997.

L GENERAL

This Addendum sets forth the terms and conditions for Local Exchange Company's provision of billing number information to BST for inclusion in BST's LIDB. BST will store in its LIDB the billing number information provided by Local Exchange Company, and BST will provide responses to on-line, call-by-call queries to this information for purposes specified in Section I.B. of the Agreement.

II. DEFINITIONS

- A. Billing number a number used by BST for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.
- B. Line number a ten digit number assigned by BST that identifies a telephone line associated with a resold local exchange service, or with a SPNP arrangement.
- C. Special billing number a ten digit number that identifies a billing account established by BST in connection with a resold local exchange service or with a SPNP arrangement.
 - D. Calling Card number a billing number plus PIN number assigned by BST.

- E. PIN number a four digit security code assigned by BST which is added to a billing number to compose a fourteen digit calling card number.
- F. Toll billing exception indicator associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by the Local Exchange Company.
- G. Billed Number Screening refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.
- H. Calling Card Validation refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.
- I. Billing number information information about billing number or Calling Card number as assigned by BST and toll billing exception indicator provided to BST by the Local Exchange Company.

III. RESPONSIBILITIES OF PARTIES

- A. BST will include billing number information associated with resold exchange lines or SPNP arrangements in its LIDB. The Local Exchange Company will request any toll billing exceptions via the Local Service Request (LSR) form used to order resold exchange lines, or the SPNP service request form used to order SPNP arrangements.
- B. Under normal operating conditions, BST shall include the billing number information in its LIDB upon completion of the service order establishing either the resold local exchange service or the SPNP arrangement, provided that BST shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances or conditions beyond BST's reasonable control. BST will store in its LIDB an unlimited volume

of the working telephone numbers associated with either the resold local exchange lines or the SPNP arrangements. For resold local exchange lines or for SPNP arrangements, BST will issue line-based calling cards only in the name of Local Exchange Company. BST will not issue line-based calling cards in the name of Local Exchange Company's individual end users. In the event that Local Exchange Company wants to include calling card numbers assigned by the Local Exchange Company in the BST LIDB, a separate agreement is required.

- C. BST will provide responses to on-line, call-by-call queries to the stored information for the specific purposes listed in the next paragraph.
- D. BST is authorized to use the billing number information to perform the following functions for authorized users on an on-line basis:
- 1. Validate a 14 digit Calling Card number where the first 10 digits are a line number or special billing number assigned by BST, and where the last four digits (PIN) are a security code assigned by BST.
- 2. Determine whether the Local Exchange Company has identified the billing number as one which should not be billed for collect or third number calls, or both.

IV. COMPLIANCE

Unless expressly authorized in writing by the Local Exchange Company, all billing number information provided pursuant to this Addendum shall be used for no purposes other than those set forth in this Addendum.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed by their fully authorized officers.

BELLSOUTH	TELECO	MMUN.	ICAMON	15, INC
) <	-] [(//)	\bigcirc
Ву:				
Title: DIRE	CTOK	1		
Date: 8/15				
Address:	5 W. T	Peacht	ree St.	
200	om 345	91		
At	lasta	GA	30375	

DELTACOM, INC.

By: Han	2 D. Mar	
Title:	Vin Para	c/a-to
Date: 13	August 199	17
Address:	206 West	3th Street
_	West Point	Georgia
		3/833

Collocation Agreement

By and Between

BellSouth Telecommunications, Inc.

and

DeltaCom, Inc.

Amendment to The Interconnection Agreement Between DeltaCom, Inc. and BellSouth Telecommunications, Inc. Dated March 12, 1997

Pursuant to this Agreement (the "Amendment") DeltaCom, Inc. ("Interconnector") and BellSouth Telecommunications. Inc., ("BellSouth") hereinafter referred to collectively as the "Parties" hereby agree to amend that certain Interconnection Agreement between the Parties dated March 12, 1997 ("Interconnection Agreement").

1. SCOPE OF AMENDMENT

- A. BellSouth hereby grants to Interconnector a right to occupy that certain enclosed area designated by BellSouth within a BellSouth Central Office, of a size and dimension which is specified by Interconnector and agreed to by BellSouth (hereinafter "Collocation Space"). BellSouth will design and construct at Interconnector's agreed upon expense, a wall or other delineation to establish a clear division between the Collocation Space and other areas of the Central Office dedicated to BellSouth's use.
- B. Interconnector shall use the Collocation Space for the purposes of providing services to Interconnector's customers, installing, maintaining and operating Interconnector's equipment (to include testing and monitoring equipment) which is used to interconnect with telecommunications services and facilities provided by BellSouth. Pursuant to Article III, following, Interconnector may place Interconnector-owned fiber entrance facilities to the Collocation Space, in which case the arrangement is designated "Expanded Interconnection." Placement of equipment in the Collocation Space without the use of Interconnector-owned entrance facilities is designated "Service Interconnection." In addition to, and not in lieu of, interconnection to BellSouth services and facilities, Interconnector may connect to other interconnectors within the designated Central Office. The Collocation Space may be used for no other purposes except as specifically described herein or authorized in writing by BellSouth.
- C. Interconnector may not provide or make available space within the Collocation Space to any third party. Notwithstanding the foregoing, any wholly owned affilitate of Interconnector (i.e., Interconnector's Parent, subsidiary or any entity under common ownership and control with Interconnector) who elects to be made a party to this Amendment may collocate within any Central Office in a separate Collocation Space pursuant to this Amendment by completing the Application/Inquiry process provided for in this Amendment. Any violation of this provision shall be deemed a material breach of this Amendment.
 - D. Interconnector agrees to pay the rates and charges identified at Exhibit A attached hereto.
- E. A Collocation Space will be provided to Interconnector at each Central Office identified at Exhibit B attached hereto, which Exhibit shall be updated from time to time as additional Central Offices are made subject to the terms of this Amendment.

II. TERM OF AMENDMENT

- A. Term. The term of this Amendment shall be for an initial period of two (2) years, beginning on the Interconnection Agreement date stated above and ending two (2) years later on the month and day corresponding to such date. The Parties agree that any renegotiation of this Amendment upon expiration of the term shall be pursuant to 47 U.S.C. §252. Until the revised agreement becomes effective, the Parties shall continue to abide by the rates, terms and conditions of this Amendment.
- B. Upon expiration of the initial term, those service arrangements made available under this Amendment and existing at the time of termination shall continue without interruption under one of the following as agreed to by the Parties: (a) a new agreement executed by the Parties. (b) standard Interconnection terms and conditions approved and made generally effective by the appropriate regulatory agency in each of BellSouth's nine State region, (c) Tariff terms and conditions generally available to interconnecting companies, or (d) if none of the above is available, under the terms of this Amendment on a month-to-month basis until an arbitration proceeding has been concluded by the Parties.
- C. <u>Commencement Date</u>. The "Commencement Date" shall be the first day after Interconnector's equipment becomes operational as described in Article II.D, following.
- D. Occupancy BellSouth will notify Interconnector when the Collocation Space is ready for occupancy. Interconnector must place operational telecommunications equipment in the Collocation Space and connect with BellSouth's network within one hundred eighty (180) days after receipt of such notice. BellSouth may consent to an extension beyond 180 days upon a demonstration by Interconnector that circumstances beyond its reasonable control prevented Interconnector from completing installation by the prescribed date. If Interconnector fails to place operational telecommunications equipment in the Collocation Space within 180 days and such failure continues for a period of thirty (30) days after receipt of written notice from BellSouth, then and in that event Interconnector's right to occupy the Collocation Space terminates and BellSouth shall have no further obligations to Interconnector with respect to said Collocation Space. Termination of Interconnector's rights to the Collocation Space pursuant to this paragraph shall not operate to release Interconnector from its obligation to reimburse BellSouth for all costs reasonably incurred by BellSouth in preparing the Collocation Space, but rather such obligation shall survive this Amendment. For purposes of this paragraph, Interconnector's telecommunications equipment will be deemed operational when cross-connected to BellSouth's network for the purpose of service provision.
- E. Termination. Interconnector may terminate occupancy in a particular Collocation Space upon thirty (30) days prior written notice to BellSouth. Upon termination of such occupancy, Interconnector at its expense shall remove its equipment and other property from the Collocation Space. Interconnector shall have thirty (30) days from the termination date to complete at the coval provided, however, that Interconnector shall continue payment of monthly fees to BellSouth until such date as Interconnector has fully vacated the Collocation Space. Should Interconnector fail to vacate the Collocation Space within thirty (30) days from the termination date, BellSouth shall have the right to remove the equipment and other property of Interconnector at Interconnector's expense and with no liability for damage or injury to Interconnector's property unless caused by the negligence or intentional misconduct of BellSouth.

III. USE OF COLLOCATION SPACE

- A. Nature of Use. BellSouth shall permit Interconnector to place, maintain and operate in the Collocation Space any equipment that Interconnector is authorized, as described herein, by BellSouth and by Federal or State regulators to place, maintain and operate in collocation space and that is used by Interconnector to provide services which Interconnector has the legal authority to provide. The equipment must at a minimum comply with the BellCore Network Equipment Building System (NEBS) General Equipment Requirements (TR-NWT-000063) and National Electric Code standards. Interconnector may elect to enclose the Collocation Space. Interconnector shall not use the Collocation Space for marketing purposes. Interconnector shall place no signs or marking of any kind (except for a plaque or other identification affixed to Interconnector's equipment and reasonably necessary to identify Interconnector's equipment, and which shall include a list of emergency contacts with telephone numbers), in the area surrounding the Collocation Space or on the grounds of the Central Office housing the Collocation Space.
- B. Entrance Facilities. Interconnector may elect to place Interconnector-owned entrance facilities into the Collocation Space. BellSouth will designate the point of interconnection in proximity to the central office building housing the Collocation Space, such as an entrance manhole or a cable vault. Interconnector will provide and place cable at the point of interconnection of sufficient length to be pulled through conduit and into the splice location. No splicing will be permitted in the entrance manhole. Interconnector will provide a sufficient length of fire retardant riser cable, to which the entrance cable will be spliced, which will extend from the splice location to the Interconnector's equipment in the Collocation Space. Interconnector must contact BellSouth for instructions prior to placing the entrance facility cable in the manhole. Interconnector is responsible for maintenance of the entrance facilities. Dual entrance will be permitted where capacity exists. The interconnection point for entrance facilities extending from a rooftop antenna will be designated by BellSouth on the Application/Inquiry response.
- C. <u>Demarcation Point</u>. A point-of-termination bay(s) will designate the point(s) of interconnection between Interconnector's equipment and/or network and BellSouth's network. Each party will be responsible for maintenance and operation of all equipment/facilities on its side of the demarcation point. Interconnector may, at its option, provide its own point-of-termination bay(s) in accordance with BellSouth's guidelines and specifications, which BellSouth will provide upon request.
- D. <u>Interconnector's Equipment and Facilities</u>. Interconnector is solely responsible for the design, engineering, testing, performance, monitoring, maintenance, and repair of the equipment and facilities used by Interconnector in the Collocation Space. Without limitation of the foregoing provisions, Interconnector will be responsible for servicing, supplying, repairing, installing and maintaining the following on its side of the demarcation point: (1) cable(s); (2) equipment; (3) point-of-termination cross-connects; (4) point of termination maintenance, including replacement fuses and circuit breaker restoration, if not performed by BellSouth; and (5) connection cable(s) and associated equipment which may be required within the Collocation Space to the points of interconnection.
- E. <u>Easement Space</u>. From time to time BellSouth may require access to the Collocation Space. BellSouth retains the right to access such space for the purpose of making equipment and building modifications (e.g., running, altering or removing racking, ducts, electrical wiring, HVAC, and cables). BellSouth will give reasonable notice to Interconnector when access to the Collocation Space is required. Interconnector may elect to be present whenever BellSouth performs work in the Collocation Space. The Parties agree that Interconnector will not bear any of the expense associated with this work.

- F. Access and Administration. Interconnector shall have access to the Collocation Space twenty-four (24) hours a day, seven (7) days a week. A security escort will be required at Central Offices where separate, secured ingress and egress are not available and access would require Interconnector to traverse restricted areas. All employees, agents and contractors of Interconnector having access to the Collocation Space shall comply with BellSouth's policies and practices pertaining to fire, safety and security, and each such employee, agent or contractor shall display an identification badge issued by Interconnector or certified vendor which contains a current photo, the individual's name and company name/logo. Interconnector agrees to comply with all laws, ordinances and regulations affecting the use of the Collocation Space. Upon expiration of this Amendment, Interconnector shall surrender the Collocation Space to BellSouth in the same condition as when first occupied by the Interconnector except for ordinary wear and tear.
- Interference or Impairment. Notwithstanding any other provisions of this Amendment. G. equipment and facilities placed in the Collocation Space shall not interfere with or impair service provided by BellSouth or by any other interconnector located in the Central Office; shall not endanger or damage the facilities of BellSouth or of any other interconnector, the Collocation Space, or the Central Office: shall not compromise the privacy of any communications carried in, from, or through the Central Office; and shall not create an unreasonable risk of injury or death to any individual or to the public. If BellSouth reasonably determines that any equipment or facilities of Interconnector violate the provisions of this paragraph, BellSouth shall give written notice to Interconnector, which notice shall direct Interconnector to cure the violation within twenty-four (24) hours or, at a minimum, to commence curative measures within 24 hours and to exercise reasonable diligence to complete such measures as soon as possible thereafter. If Interconnector fails to take curative action within 24 hours or if the violation is of a character which poses an immediate and substantial threat of damage to property, injury or death to any person, or interference/impairment of the services provided by BellSouth, then and only in that event BellSouth may take such action as it deems appropriate to correct the violation, including without limitation the interruption of electrical power to Interconnector's equipment. BellSouth will endeavor, but is not required, to provide notice to Interconnector prior to taking such action and shall have no liability to Interconnector for any damages arising from such action, except to the extent that such action by BellSouth constitutes gross negligence or willful misconduct.
- H. <u>Personalty and its Removal</u>. Subject to requirements of this Amendment, Interconnector may place or install in or on the Collocation Space such facilities and equipment as it deems desirable for the conduct of business. Personal property, facilities and equipment placed by Interconnector in the Collocation Space shall not become a part of the Collocation Space, even if nailed, screwed or otherwise fastened to the Collocation Space, but shall retain their status as personalty and may be removed by Interconnector at any time. Any damage caused to the Collocation Space by Interconnector's employees, agents or representatives during the removal of such property shall be promptly repaired by Interconnector at its expense.
- I. <u>Alterations</u>. In no case shall Interconnector or any person acting on behalf of Interconnector make any rearrangement, modification, improvement, addition, repair, or other alteration to the Collocation Space or the BellSouth Central Office without the written consent of BellSouth, which consent shall not be unreasonably withheld. The cost of any such specialized alterations shall be paid by Interconnector.

IV. ORDERING AND PREPARATION OF COLLOCATION SPACE

- A Application for Space. Interconnector shall submit to BellSouth a complete and accurate Application and Inquiry document, together with payment of the Application Fee as stated in Exhibit A. The Application shall contain a detailed description and schematic drawing of the equipment to be placed in Interconnector's Collocation Space(s) and an estimate of the amount of square footage required. BellSouth will respond to Interconnector's Application in writing following the completion of review, planning and design activities. Such response will include estimates on space availability, space preparation costs and space availability dates.
- B. Bona Fide Firm Order. Interconnector shall indicate its intent to proceed with equipment installation in a BellSouth Central Office by submitting a Bona Fide Firm Order to BellSouth. A Bona Fide Firm Order requires Interconnector to complete the Application/Inquiry process described in Article IV.A preceding, submit an updated Application document based on the outcome of the Application/Inquiry process, and pay all applicable fees referenced in Article V, following. The Bona Fide Firm Order must be received by BellSouth no later than thirty (30) days after BellSouth's response to Interconnector's Application/Inquiry. Space preparation for the Collocation Space will not begin until BellSouth receives the Bona Fide Firm Order and all applicable fees.
- Use of Certified Vendor. Interconnector shall select an equipment installation vendor which has been approved as a BellSouth Certified Vendor to perform all engineering and installation work required in the Collocation Space. BellSouth shall provide Interconnector a list of Certified Vendors upon request. The Certified Vendor shall be responsible for installing Interconnector's equipment and components, extending power cabling to the BellSouth power distribution frame, performing operational tests after installation is complete, and notifying BellSouth's equipment engineers and Interconnector upon successful completion of installation. The Certified Vendor shall bill Interconnector directly for all work performed for Interconnector pursuant to this Amendment and BellSouth shall have no liability for nor responsibility to pay such charges imposed by the Certified Vendor.
- D. Alarm and monitoring. BellSouth shall place environmental alarms in the Central Office for the protection of BellSouth equipment and facilities. Interconnector shall be responsible for placement, monitoring and removal of environmental and equipment alarms used to service the Collocation Space, if such equipment is desired by Interconnector for the protection of its own equipment and facilities. Upon request, BellSouth will provide Interconnector with applicable tariffed service(s) to facilitate remote monitoring of collocated equipment by Interconnector.
- E. <u>Basic Telephone Service</u>. Upon request of Interconnector, BellSouth will provide basic telephone service to the Collocation Space under the rates, terms and conditions of the then current tariff offering for the service requested.
- F. Space Preparation. BellSouth shall pro rate the costs of any renovation or upgrade to. Central Office space or support mechanisms which is required to accommodate physical collocation. Interconnector's pro rated share will be calculated by multiplying such cost by a percentage equal to the amount of square footage occupied by Interconnector divided by the total Central Office square footage receiving renovation or upgrade. For this section, support mechanisms provided by BellSouth may include, but not be limited to heating/ventilation/air conditioning (HVAC) equipment, HVAC duct work, cable support structure, fire wall(s), mechanical upgrade, asbestos abatement, ground plane addition, or separate ingress/egress construction. Such renovation or upgrade will be evaluated and the charges assessed on a

per Central Office basis. BellSouth will make best efforts to provide for occupancy of the Collocation Space on the negotiated date and will advise Interconnector of delays. Interconnector agrees BellSouth shall not be liable to Interconnector for delays in providing possession of the Collocation Space.

- G. Space Enclosure. Upon request of Interconnector, BellSouth shall construct an equipment arrangement enclosure of a size and dimension jointly agreed upon by the Parties. Interconnector may request enclosed floor space in increments of one hundred (100) square feet, with a minimum of one hundred (100) square feet. Interconnector may, at its option, arrange with a BellSouth certified contractor to construct the space enclosure in accordance with BellSouth's guidelines and specifications. Such contractor shall directly bill Interconnector for activities associated with the space enclosure construction.
- H. <u>Cancellation</u>. If Interconnector cancels its order for the Collocation Space(s), Interconnector will reimburse BellSouth for any expenses incurred up to the date that written notice of the cancellation is received. In no event will the level of reimbursement under this paragraph exceed the maximum amount Interconnector would have otherwise paid for work undertaken by BellSouth if no cancellation of the order had occurred.

V. RATES AND CHARGES

Interconnector shall pay for Collocation Space(s) according to the rates contained in Exhibit A attached hereto and pursuant to the following:

- A. Non-recurring Fees. In addition to the Application Fee referenced in Article IV preceding, Interconnector shall remit payment of a Cable Installation Fee, Space Construction Fee, as applicable, and one-half (1/2) of the estimated Space Preparation Fee coincident with submission of a Bona Fide Firm Order. The outstanding balance of the actual Space Preparation Fee shall be due thirty (30) days following Interconnector's receipt of a bill or invoice from BellSouth. BellSouth shall provide documentation to establish the actual Space Preparation Fee. Cable Installation Fee(s) are assessed per entrance fiber placed. No Cable Installation Fee is required for Service Interconnection. The Space Preparation Fee will be pro rated as prescribed in Article IV.F preceding. The Space Enclosure Construction Fee will be assessed for the materials and installation cost of the equipment enclosure. BellSouth's engineering and other labor time associated with establishing the Physical Collocation Arrangement will be assessed as Additional Engineering charges, under provisions in BellSouth's F.C.C. Number 1 Tariff, Sections 13.1 and 13.2. An estimate of the Additional Engineering charges will be provided by BellSouth to Interconnector in the Application Response.
- B. Floor Space. The floor space charge includes charges for lighting, heat, air conditioning, ventilation and other allocated expenses associated with maintenance of the Central Office but does not include amperage necessary to power Interconnector's equipment. When the Collocation Space is enclosed by walls or other divider, Interconnector shall pay floor space charges based upon the number of square feet so enclosed. When the Collocation Space is not enclosed, Interconnector shall pay floor space charges based upon the number of square feet contained in a shadow print of Interconnector's equipment racks and POT bay, plus a factor of 2.50 multiplied by the shadow print, which represents Interconnector's share of wiring and provisioning aisle space for provisioning and maintenance activities. Floor space charges are due beginning with the date on which BellSouth releases the Collocation Space for occupancy or on the date Interconnector first occupies the Collocation Space, whichever is sooner.

- Power. Charges for +48V DC power will be assessed per ampere per month based upon the certified vendor engineered and installed power feed fused ampere capacity. Rates include redundant feeder fuse positions (A&B) and cable rack to Interconnector's equipment or space enclosure. Fuses and power feed cables (A&B) must be engineered (sized), furnished and installed by Interconnector's certified vendor. The Interconnector's certified vendor must also provide a copy of the engineering power specification prior to the Commencement Date. In the event BellSouth shall be required to construct additional DC power plant or upgrade the existing DC power plant in a central office as a result of Interconnector's request to collocate in that central office ("Power Plant Construction"), Interconnector shall pay all costs associated with the Power Plant Construction. The determination of whether Power Plant Construction is necessary shall be within BellSouth's sole, but reasonable, discretion. BellSouth will notify Interconnector of the need for the Power Plant Construction and will estimate the costs associated with the Power Plant Construction if BellSouth were to perform the Power Plant Construction. Interconnector shall pay BellSouth one-half of the estimated Power Plant Construction costs prior to commencement of the work. Interconnector shall pay BellSouth the balance due (actual cost less one-half of the estimated cost) within thirty (30) days of completion of the Power Plant Construction. Interconnector has the option to perform the Power Plant Construction itself, provided, however, that such work shall be performed by a BellSouth certified contractor and such contractor shall comply with BellSouth's guidelines and specifications. Where the Power Plant Construction results in construction of a new power plant room, upon termination of this Amendment, Interconnector shall have the right to remove its equipment from the power plant room, but shall otherwise leave the room intact. Where the Power Plant Construction results in an upgrade to BellSouth's existing power plant, upon termination of this Amendment, such upgrades shall become the property of BellSouth.
- D. <u>Security Escort</u>. A security escort will be required whenever Interconnector or its approved agent desires access to the entrance manhole or must traverse a restricted area within BellSouth's central office. Rates for a BellSouth security escort are assessed in one-half (1/2) hour increments according to the schedule appended hereto as Exhibit A.
- E. Rate "True-Up". The Parties agree that the interim prices reflected herein shall be "trued-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 Amendment (hereinafter "Commission"). Under the "true-up" process, the interim 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, Interconnector shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to Interconnector. 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 the Commission shall be called upon to resolve such differences.
- F. Other. Payment of all other charges under this Amendment shall be due thirty (30) days after receipt of the bill (payment due date). Interconnector will pay a late payment charge of one and one-half percent (1-1/2%) assessed monthly on any balance which remains unpaid after the payment due date.

VI. INSURANCE

A. Interconnector shall, at its sole cost and expense, procure, maintain, and keep in force insurance as specified in this Article VI and underwritten by insurance companies licensed to do business in the states contained in Exhibit B attached hereto and having a BEST Insurance Rating of B ++ X (B ++ ten).

B. Interconnector shall maintain the following specific coverages:

- 1. Commercial General Liability coverage in the amount of ten million dollars (\$10,000,000.00) or a combination of Commercial General Liability and Excess/Umbrella coverage totaling not less than ten million dollars (\$10,000,000.00). BellSouth shall be named as an ADDITIONAL INSURED on ALL applicable policies as specified herein.
- 2. Statutory Workers Compensation coverage and Employers Liability coverage in the amount of one hundred thousand dollars (\$100,000.00) each accident, one hundred thousand dollars (\$100,000.00) each employee by disease, and five hundred thousand dollars (\$500,000.00) policy limit by disease.
- 3. Interconnector may elect to purchase business interruption and contingent business interruption insurance, having been advised that BellSouth assumes no liability for loss of profit or revenues should an interruption of service occur.
- C. The limits set forth in Article VI.B above may be increased by BellSouth from time to time during the term of this Amendment upon thirty (30) days notice to Interconnector to at least such minimum limits as shall then be customary with respect to comparable occupancy of BellSouth structures.
- D. All policies purchased by Interconnector shall be deemed to be primary and not contributing to or in excess of any similar coverage purchased by BellSouth. All insurance must be in effect on or before the date equipment is delivered to BellSouth's Central Office and shall remain in effect for the term of this Amendment or until all Interconnector's property has been removed from BellSouth's Central Office, whichever period is longer. If Interconnector fails to maintain required coverages, BellSouth may pay the premiums thereon and seek reimbursement of same from Interconnector.
- E. Interconnector shall submit certificates of insurance reflecting the coverages required pursuant to this Section a minimum of ten (10) days prior to the commencement of any work in the Collocation Space. Interconnector shall arrange for BellSouth to receive thirty (30) days advance notice of cancellation from Interconnector's insurance company. Interconnector shall forward a certificate of insurance and notice of cancellation to BellSouth at the following address:

BellSouth Telecommunications, Inc. Attn: Risk Management Coordinator 3535 Colonnade Parkway, S9A1 Birmingham, Alabama 35243

F. Interconnector must conform to recommendations made by BellSouth's fire insurance company to the extent BellSouth has agreed to, or shall hereafter agree to, such recommendations.

G. Failure to comply with the provisions of this Section will be deemed a material breach of this Amendment.

VII. MECHANICS LIENS

If any mechanics lien or other liens shall be filed against property of BellSouth, or any improvement thereon by reason of or arising out of any labor or materials furnished or alleged to have been furnished or to be furnished to or for Interconnector or by reason of any changes, or additions to BellSouth property made at the request or under the direction of the Interconnector, Interconnector shall, within thirty (30) days after receipt of written notice from BellSouth either pay such lien or cause the same to be bonded off BellSouth's property in the manner provided by law. Interconnector shall also defend on behalf of BellSouth, at Interconnector's sole cost and expense, any action, suit or proceeding which may be brought for the enforcement of such liens and Interconnector shall pay any damage and discharge any judgment entered thereon.

VIII. INSPECTIONS

BellSouth shall conduct an inspection of Interconnector's equipment and facilities in the Collocation Space(s) prior to the activation of facilities between Interconnector's equipment and equipment of BellSouth. BellSouth may conduct an inspection if Interconnector adds equipment and may otherwise conduct routine inspections at reasonable intervals mutually agreed upon by the Parties. BellSouth shall provide Interconnector with a minimum of forty-eight (48) hours or two (2) business days, whichever is greater, advance notice of all such inspections.

IX. SECURITY

Only BellSouth employees, BellSouth certified vendors and authorized employees or agents of Interconnector will be permitted in the BellSouth Central Office. Interconnector shall provide its employees and agents with picture identification which must be worn and visible at all times while in the Collocation Space or other areas in or around the Central Office. BellSouth may refuse entry to any person who fails to display the identification required by this section.

X. INDEMNITY/LIMITATION OF LIABILITY

A. <u>Liability Cap</u>.

1. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by Interconnector, any Interconnector customer or by any other person or entity, for damages associated with any of the services provided by BellSouth pursuant to or in connection with this Amendment, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article,

BellSouth's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Amendment, for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by Interconnector, by any Interconnector customer or by any other persons or entity resulting from the gross negligence or willful misconduct of BellSouth and claims for damages by Interconnector resulting from the failure of BellSouth to honor in one or more material respects any one or more of the material provisions of this Amendment shall not be subject to such limitation of liability.

- With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by BellSouth, any BellSouth customer or by any other person or entity, for damages associated with any of the services provided by Interconnector pursuant to or in connection with this Amendment, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article, Interconnector's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Amendment for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by BellSouth, any BellSouth customer or any other person or entity resulting from the gross negligence or willful misconduct of Interconnector and claims for damages by BellSouth resulting from the failure of Interconnector to honor in one or more material respects any one or more of the material provisions of this Amendment shall not be subject to such limitation of liability.
- B. Neither Party shall be liable for any act or omission of any other telecommunications company to the extent such other telecommunications company provides a portion of a service provided by Interconnector to its customers.
- C. Neither Party shall be liable for damages to the other Party's terminal location, point of interconnection, or the other Party's customers' premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, except to the extent the damage is caused by such Party's gross negligence or willful misconduct.
- Shall be liable to the other Party for any indirect, incidental, consequential, reliance, or special damages suffered by such other Party (including without limitation damages for harm to business, lost revenues, lost savings, or lost profits suffered by such other Party), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including without limitation negligence of any kind whether active or passive, and regardless of whether the Parties knew of the possibility that such damages could result. Each Party hereby agrees to hold harmless the other Party and such other Party's affiliates, and their respective officers, directors, employees and agents from all such damages. Provided, however, nothing contained in this Article X shall limit a Party's liability to the other for (i) willful or intentional misconduct, gross negligence, or failure to horder one or more of the material provisions of this Amendment in one or more material respects; (ii) bodily injury, death or damage to tangible real or tangible personal property proximately caused by a Party's negligent act or omission or that of its agents, subcontractors or employees, nor shall anything contained in this Article X limit the Parties' indemnification obligations as specified herein.

E. Obligation to Indemnify.

Each Party (the "Indemnifying Party") shall, and hereby agrees to, defend at the other Party's request, indemnify and hold harmless the other Party and each of its officers, directors, employees and agents (each, an "Indemnitee") against and in respect of any loss, debt, liability, damage,

obligation, claim, demand, judgment or settlement of any nature or kind, known or unknown, liquidated or unliquidated, including without limitation all reasonable costs and expenses incurred (legal, accounting or otherwise) (collectively, "Damages") arising out of, resulting from or based upon any pending or threatened claim, action, proceeding or suit by any third party (a "Claim") (i) arising from any breach of any representation, warranty or covenant made by such indemnifying party in this Amendment, or (ii) based upon injuries or damage to any person or property arising out of or in connection with this Amendment that are the result of the Indemnifying Party's actions, breach of Applicable Law, or the actions of the Indemnifying Party employees, agents and subcontractors.

- 2. Promptly after receipt of notice of any Claim or the commencement of any action for which a Party may seek indemnification pursuant to this Article X, the Indemnitee shall promptly give written notice clearly referencing this Article X to the Indemnifying Party of such Claim or action; provided, however, the Indemnitee's failure to so notify the Indemnifying Party will not relieve the latter from any liability it may have to the Indemnitee except to the extent the Indemnifying Party is actually prejudiced by such failure. The Indemnitee shall cooperate, at the indemnifying Party's expense, with all reasonable requests made by the Indemnifying Party for assistance or information relating to such Claim or action. The Indemnitee will have the right to participate in the investigation, defense and settlement of such Claim or action, with separate counsel chosen and paid for by the Indemnitee. However, the Indemnifying Party will have the right to control the defense and settlement of such Claim or action.
- F. Each Party's failure to perform under this Amendment shall be excused by labor strikes, civil commotion, criminal actions taken against them, acts of God, and other circumstances beyond their reasonable control.
- G. The obligations of the Parties contained within this Article X shall survive the expiration of this Amendment.

XI. PUBLICITY

Either Party agrees to submit to the other Party all advertising, sales promotion, press releases, and other publicity matters relating to this Amendment or mentioning or implying the tradenames, logos, trademarks or service marks (hereinafter "Marks") of the other Party and/or any of its affiliated companies or language from which the connection of said Marks therewith may be inferred or implied, or mentioning or implying the names of any personnel of the other Party and/or any of its affiliated companies, and each Party further agrees not to publish or use such advertising, sales promotions, press releases, or publicity matters without the other Party's prior written consent.

XIL. DESTRUCTION OF COLLOCATION SPACE

In the event a Collocation Space is wholly or partially damaged by fire, windstorm, tornado, flood or by similar causes to such an extent as to be rendered wholly unsuitable for Interconnector's permitted use hereunder, then either party may elect within ten (10) days after such damage, to terminate this Amendment, and if either party shall so elect, by giving the other written notice of termination, both parties shall stand released of and from further liability under the terms hereof. If the Collocation Space shall suffer only minor damage and shall not be rendered wholly unsuitable for Interconnector's permitted use, or

is damaged and the option to terminate is not exercised by either party. BellSouth covenants and agrees to proceed promptly without expense to Interconnector, except for improvements not the property of BellSouth, to repair the damage. BellSouth shall have a reasonable time within which to rebuild or make any repairs, and such rebuilding and repairing shall be subject to delays caused by storms, shortages of labor and materials, government regulations, strikes, walkouts, and causes beyond the control of BellSouth, which causes shall not be construed as limiting factors, but as exemplary only. Where allowed and where practical in the sole judgment of BellSouth, Interconnector may erect a temporary facility while BellSouth rebuilds or makes repairs. In all cases where the Collocation Space shall be rebuilt or repaired, Interconnector shall be entitled to an equitable abatement of rent and other charges, depending upon the unsuitability of the Collocation Space for Interconnector's permitted use, until such Collocation Space is fully repaired and restored and Interconnector's equipment installed therein (but in no event later than thirty (30) days after the Collocation Space is fully repaired and restored).

XIII. EMINENT DOMAIN

If the whole of a Collocation Space shall be taken by any public authority under the power of eminent domain, then this Amendment shall terminate as of the day possession shall be taken by such public authority and rent and other charges for the Collocation Space shall be paid up to that day with proportionate refund by BellSouth of such rent and charges as may have been paid in advance for a period subsequent to the date of the taking. If any part of the Collocation Space shall be taken under eminent domain. BellSouth and Interconnector shall each have the right to terminate this Amendment and declare the same null and void, by written notice of such intention to the other party within ten (10) days after such taking.

XIV. FORCE MAJEURE

Neither party shall be in default by reason of any failure in performance of this Amendment, in accordance with its terms and conditions, if such failure arises out of causes beyond the control of the nonperforming party including, but not restricted to, acts of God, acts of government, insurrections, fires, floods, accidents, epidemics, quarantines, restrictions, strikes, freight embargoes, inability to secure raw materials or transportation facilities, acts or omissions of carriers or any and all other causes beyond the party's control.

XV. ASSIGNMENT

Interconnector acknowledges that this Amendment does not convey any right, title or interest in the Central Office to Interconnector. Interconnector may not sublet its rights under this Amendment, nor shall it allow a third party to use or occupy the Collocation Space at any time or from time to time without the prior written consent, and at the sole discretion, of BellSouth. This Amendment is not assignable by either party without the prior written consent of the other party, and any attempt to assign any of the rights, duties or obligations of this Amendment without such consent is void. Notwithstanding the foregoing, either party may assign any rights, duties or obligations of this Amendment to a parent, subsidiary or affiliate without the consent of the other party.

XVI. NONEXCLUSIVITY

Interconnector understands that this Amendment is not exclusive and that BellSouth may enter into similar agreements with other parties. Assignment of space pursuant to all such agreements shall be determined by space availability and made on a first come, first served basis.

XVII. NO IMPLIED WAIVER

No consent or waiver by either party to or of any breach of any covenant, term, condition, provision or duty of the other party under this Amendment shall be construed as a consent to or waiver of any other breach of the same or any other covenant, term, condition, provision or duty. No such consent or waiver shall be valid unless in writing and signed by the party granting such consent or waiver.

XVIII. NOTICES

Except as otherwise provided herein, any notices or demands that are required by law or under the terms of this Amendment shall be given or made by Interconnector or BellSouth in writing and shall be given by hand delivery, or by certified or registered mail, and addressed to the Parties as follows:

To BellSouth:

BellSouth Telecommunications, Inc. 3535 Colonnade Parkway, South E4E1 Birmingham, Alabama 35243 Attn: Nancy Nelson

To Interconnector:

DeltaCom, Inc. 206 West 9th Street West Point, Georgia 31833 Attn: Janine Kemp

With copy to:

DeltaCom, Inc.
700 Boulevard South, Suite 101
Huntsville, Alabama 35802
Attn: General Counsel

Such notices shall be deemed to have been given in the case of certified or registered mail when deposited in the United States mail with postage prepaid.

XIX. RESOLUTION OF DISPUTES

Except as otherwise stated in this Amendment, the Parties agree that if any dispute arises as to the interpretation of any provision of this Amendment or as to the proper implementation of this Amendment, the parties will petition the Commission in the state where the services are provided pursuant to this Amendment for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by the Public Service Commission concerning this Amendment.

XX. SECTION HEADINGS

The section headings used herein are for convenience only, and shall not be deemed to constitute integral provisions of this Amendment.

XXI. AUTHORITY

Each of the parties hereto warrants to the other that the person or persons executing this Amendment on behalf of such party has the full right, power and authority to enter into and execute this Amendment on such party's behalf and that no consent from any other person or entity is required as a condition precedent to the legal effect of this Amendment.

XXII. REVIEW OF AMENDMENT

The parties acknowledge that each has had an opportunity to review and negotiate this Amendment and has executed this Amendment only after such review and negotiation. The parties further agree that this Amendment shall be deemed to have been drafted by both Licensor and Licensee and the terms and conditions contained herein shall not be construed any more strictly against one party or the other. This Amendment is entered without prejudice to any positions which either Party has taken, or may take in the future, before any legislative, regulatory, judicial or other governmental body.

The Parties agree that all of the other provisions of the Interconnection Agreement dated March 12, 1997, including any amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment by their duly authorized representatives in one or more counterparts, each of which shall constitute an original, on the date indicated below.

BELLSOUTH TELECOMMUNICATIONS,	DELTACOM, INC.
DIC.	Tan miller
Authorized Signature	Authorized Signature
Jerry D. Hendrix Print or Type Name	Tom Mollis Print or Type Name
Director Title	SR. Vice President
10 /3 / s 7	$\frac{10/2/97}{\text{Date}}$

Unbundled Products and Services and New Services

Service:

Line Information Database Access Service (LIDB) - Validation

Description:

Provides a customer the ability to receive validation of billing information

through query of data stored in BellSouth's LIDB data base. See below

for additional information.

State(s):

All

Rate Elements	Description	Monthly	Non- Recurring
LIDB Common Transport	Provides for transport of the customer's query from the LIDB Location (RSTP) to the data base (SCP). This charge will apply each time the customer requests and receives validation of a BellSouth calling card or requests and receives the status of a billed number associated with a LEC line stored in the BellSouth LIDB.	\$0.00030	
LIDB Validation	Provides for query of data resident in BellSouth's LIDB. This rate will apply each time a customer requests and receives validation of LEC calling card or requests and receives the status of a billed number associated with a LEC line stored in BellSouth's LIDB.	\$0.03800	<u></u>
Originating Point Code Establishment or Change	Provides for the establishment or change of a customer requested Originating Point Code. This charge will apply each time the customer establishes or changes a point code destination identifying one of his locations or a location of one of his end users.		\$91.00
CCS7 Signaling Connections	Rates, terms and conditions for CCS7 Signaling Connections are as set forth in Section E6.8 of BellSouth Telecommunication's Inc.'s Intrastate Access Services Tariff.		

Unbundled Products and Services and New Services

Service:

Subscriber Listing Information

Description:

Subscriber primary listing information provided at no charge and in an acceptable format will be published at no charge as standard directory listings in an alphabetical directory published by or for BellSouth at no charge to each DeltaCom end user customer.

States(s):

All

Rate(s):

- (1) No charge for DeltaCom customer primary listings.
- (2) Additional listings and optional listings may be provided by BellSouth at rates set forth in BellSouth's intrastate General Subscriber Services Tariffs.

Special

Requirements: DeltaCom agrees to execute a directory listing agreement with BAPCO in a form consistent in all material respects with the sample listing agreement attached hereto.

Unbundled Products and Services and New Services

Service:

Access to 911 Service

Description:

Provides a universal, easy-to-remember number which is recognized nationally as the appropriate number to call in an emergency.

Additionally, DeltaCom must provide a minimum of two dedicated trunk groups originating from DeltaCom's serving wire center and terminating to the appropriate 911 tandem. These facilities, consisting of a Switched Local Channel from DeltaCom's point of interface to its serving wire center and Switched Dedicated Transport to the 911 tandem, may be purchased from BellSouth at the Switched Dedicated Transport rates set forth in Section E6 of BellSouth Telecommunications Inc.'s Intrastate Access Service Tariffs.

State(s):

All

Rate(s):

Will be billed to appropriate municipality.

Special Service Requirements:

- 1. BellSouth shall provide interconnection to a 911 selective routing switch to route calls from DeltaCom network to correct the Public Safety Answering Point (PSAP).
- 2. BellSouth shall identify any special default arrangements and routing arrangements to complete overflow.
- 3. BellSouth shall specify any requirements for emergency backup numbers in case of massive trunk failures.
- 4. BellSouth shall provide priority restoral of trunk or network outages on the same terms/conditions it provides itself (and without the imposition of TSP).
- 5. The Parties agree to develop a mutual aid agreement to assist with disaster recovery.
- 6. BellSouth shall implement a process to identify and correct errors to the ALI database to ensure that the accuracy of data stored by new entrants is no less than its own data.
- 7. BellSouth shall provide reasonable advance notification of any pending tandem moves, and scheduled maintenance outages which could affect the provision of 911 service.

BellSouth shall establish a process for the management of NPA splits as well as NXX splits sufficient to ensure that the provision of 911 services to DeltaCom is not adversely affected. 8.

Unbundled Products and Services and New Services

Service:

Operator Call Processing Access Service

Description:

Provides Operator and Automated call handling. This includes processing and verification of alternate billing information for collect, calling card, and billing to a third number. Operator Call Processing Access Service also provides dialing instructions, and other operator assistance the customer may

desire.

Rate Elements	State(s)	Monthly Recurring	Applied Per
Operator Provided Call Handling	Ali		Per Work Minute
Call Completion Access Termination Charge This charge will be applicable per call attempt and is in addition to the Operator Provided Call Handling charge listed above.	Alabama Florida Georgia Kentucky Louisiana Mississippi N. Carolina S. Carolina Tennessee	\$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.12	Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt
Fully Automated Call Handling	All	\$0.15	Per Attempt

Operator Services Transport

Operator Services transport rates, terms and conditions are as set forth in E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariff.

Unbundled Products and Services and New Services

Service:

Directory Assistance Access Service (Number Services)

Description:

In order to provide customers of the co-carriers access to ubiquitous directory assistance services, whereby they can gain information on all assigned numbers regardless of the exchange service provider, methods and procedures need to be developed to 1) incorporate BellSouth and DeltaCom customer data into each other's directory assistance databases; 2) provide access to each other database(s) for their customers; 3) to buy and sell companies of each others directory assistance and use.

State(s):

All.

Rate(s):

Rate Elements	Description	State(s)	Monthly Rate
Directory Assistance Call Completion Access Service	Given a listed telephone number at the request of an Access subscriber's end user, BellSouth will provide or attempt to provide from the DA Operator System, call completion to the number requested. This charge will be applied per completed call.	All	\$0.25
Call Completion Access Termination Charge	This charge will be applicable per completed call and is in addition to the DACC Access Service charge listed above.	Alabama Florida Georgia Kentucky Louisiana Mississippi N. Carolina S. Carolina Tennessee	\$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.08 \$0.08 \$0.12
Number Services Intercept Access Service	Number Services Intercept Access refers calls from disconnected numbers to the proper number or numbers. This charge will be applied per intercept query.	All	\$0.30
Directory Assistance Service Call	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff.	·	
Directory Transport	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Tell-communication's Inc.'s Intrastate Access Service Tariff.		
Directory Assistance Interconnection	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff.		
Directory Assistance Database Service	Rates, terms and conditions will be applied as set forth in A38.1 of BellSouth Telecommunication's Inc.'s General Subscriber Service Tariff.		
Direct Access to DA Service	Rates, terms and conditions will be applied as set forth in Section 9.3 of BellSouth Telecommunication's Inc.'s Interstate Access Service Tariff F.C.C. No. 1.		

Special Service Requirements:

- 1. DA Service hereunder provides the ability to make DeltaCom's data available to anyone calling BellSouth's DA, and BellSouth's data available to anyone calling DeltaCom's DA.
- 2. BellSouth shall store proprietary customer information provided by DeltaCom in its AA database; such information shall be able to be identified by source provider in order to provide the necessary protection of proprietary information.
- 3. DA Service includes the ability to complete intraLATA, 555 and 411 calls utilizing components of BellSouth's DA network.
- 4. DeltaCom may resell BellSouth DA either as part of a bundled DeltaCom service or independently.
- 5. DeltaCom shall be able to buy the components or any combination of components, that comprise the DA Service and package them as required, including:
 - Unbundled Directory Platform (includes operators, switch and LAN)
 - Unbundled Directory Assistance Database Access Service ("DADAS")
 - Unbundled Directory Assistance Database Service ("DADS")

DADAS and DADS will be offered pursuant to the terms of the applicable BellSouth Local Interconnection Services Tariff.

- 6. There will be no charge for BellSouth storage of DeltaCom customer information in the Directory Assistance Database.
- 7. The end-to-end interval for updating database must be the same as provided to BellSouth's end users.
- 8. BellSouth will provide DeltaCom with an interface into BellSouth's database for updating and inquiries.
- 9. Quality standards shall be equivalent to that provided by BellSouth to its own customers.
- 10. Speed-to-answer times will be equivalent to that provided by BellSouth to its own customers.

Special Service Requirements (cont'd):

- 11. Dialing parity will be provided, including no unreasonable dialing delays.
- 12. BellSouth will incorporate DeltaCom customer data in its DA database via the ordering process specified in its Facilities-Based Ordering Guide ("FBOG").
- 13. BellSouth's DA database shall be updated and maintained with DeltaCom data for customers who:
 - Disconnect
 - ✓ Change carrier
 - Install
 - "Change" orders
 - Are Non-Published
 - Are Non-Listed
 - Are Non-Published/Non-Listed
- 14. Each carrier shall bill its own end-users.
- 15. BellSouth invoices to DeltaCom for DA Services shall be in a CABS format.
- 16. The Parties agree to develop reasonable intercompany procedures to correct errors which are identified in the DA database.

Unbundled Products and Services and New Services

Service:

Centralized Message Distribution System-Hosting (CMDS-Hosting)

Description:

CMDS - Hosting is the Bellcore administered national system used to exchange Message Record (EMR) formatted message data among host companies.

All intraLATA and local messages originated and billed in the BellSouth Region involving BellSouth CMDS hosted companies will be processed through the Non-Send Paid Report System (NSPRS) described in the attached agreement and Attachment C-13 hereto. BellSouth agrees to provide CMDS/RAO hosting and NSPRS services for DeltaCom, subject to the terms of this Attachment and Attachment C-14, and subject to execution of a services agreement substantially in the form attached hereto.

State(s):

All

Rate Elements	Description	Monthly
Message Distribution	Message Distribution is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate. This charge is applied on a per message basis.	\$0.004
Data Transmission	This charge is applied on a per message basis.	\$0.001

CONTRACT PROVISIONS FOR RAO HOSTING AND NSPRS

SECTION 1. SCOPE OF AGREEMENT

1.01 This Agreement shall apply to the services of Revenue Accounting Office (RAO) Hosting and the Non-Sent Paid Report System (NSPRS) as provided by BellSouth to DeltaCom. The terms and conditions for the provisions of these services are outlined in the Exhibits to this Agreement.

SECTION 2. DEFINITIONS

- 2.01 A. <u>Centralized Message Distribution System</u> is the BellCore administered national system, based in Kansas City, Missouri, used to exchange Message Record (EMR) formatted data among host companies.
 - B. <u>Compensation</u> is the amount of money due from BellSouth to DeltaCom or from DeltaCom to BellSouth for services and/or facilities provided under this Agreement.
 - C. <u>Exchange Message Record</u> is the nationally administered standard format for the exchange of data among Exchange Carriers within the telecommunications industry.
 - D. <u>Intercompany Settlements (ICS)</u> is the revenue associated with charges billed by a company other than the company in whose service are such charges were incurred. ICS on a national level includes third number and credit card calls. ICS within the BellSouth region includes third number, credit card and collect calls.
 - E. <u>Message Distribution</u> is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate.
 - F. Non-Sent Paid Report System (NSPRS) is the system that calculates ICS amounts due from one company to another in the state of Florida.
 - G. Revenue Accounting Office (RAO) Status Company is a local exchange company/alternate local exchange company that has been assigned a unique RAO code. Message data exchanged among RAO status companies is grouped (i.e., packed) according to From/To/Bill RAO combinations.

SECTION 3. RESPONSIBILITIES OF THE PARTIES

3.01 RAO Hosting and NSPRS services provided to DeltaCom by BellSouth will be in accordance with the methods and practices regularly adopted and applied by BellSouth to its own operations during the term of this Agreement, including such revisions as may be made from time to time by BellSouth.

3.02	DeltaCom shall furnish all relevant information required by BellSouth for the provision of RAC Hosting and NSPRS.						
SECT	ION 4. COM	IPENSATION ARRA	NGEMENTS				
4.01	Applicable compensation amounts will be billed by BellSouth to DeltaCom on a monthly basis in arrears. Amounts due from one Party to the other (excluding adjustments) are payable within thirty (30) days of receipt of the billing statement.						
SECT	ION 5. ASSO	OCIATED EXHIBITS	3				
5.01	Listed below	are the exhibits asso	ciated with this Agreement.				
	Exhibit A	Message Distribution	on Service (RAO Hosting)				
	Exhibit B	Intercompany Settle	ements (NSPRS)				
5.02	2 From time to time by written agreement of the parties, new Exhibits may be substituted for the attached Exhibits, superseding and canceling the Exhibits then in effect.						
SECT	ION 6. TER	M OF AGREEMENT	•				
6.01	without caus	se, by thirty (30) days	and will continue in force until terminated, with or 'prior notice in writing from either Party to the other. This time to time upon written agreement of the parties.				
Execu	ted this	day of	, 1997.				
WITN	TESS:		SPRINT METROPOLITAN NETWORK, INC.				
			(title)				
WITN	TESS:		BELLSOUTH TELECOMMUNICATIONS, INC.				

(title)

SECTION 1. SCOPE OF EXHIBIT

- 1.01 This exhibit specifies the terms and conditions, including compensation, under which BellSouth shall provide message distribution service to DeltaCom. As described herein, message distribution service includes the following:
 - Message Forwarding to Intraregion LEC/ALEC function of receiving an ALEC message and forwarding the message to another LEC/ALEC in the BellSouth region.
 - 2) Message Forwarding to CMDS function of receiving an ALEC message and forwarding that message on to CMDS.
 - 3) Message Forwarding from CMDS function of receiving a message from CMDS and forwarding that message to DeltaCom.

SECTION 2. RESPONSIBILITIES OF THE PARTIES

- 2.01 An ALEC that is CMDS hosted by BellSouth must have its own unique RAO code.

 Requests for establishment of RAO status where BellSouth is the selected CMDS interfacing host, require written notification from DeltaCom to BellSouth at least six (6) weeks prior to the proposed effective date. The proposed effective date will be mutually agreed upon between the parties with consideration given to time necessary for the completion of required BellCore functions. BellSouth will request the assignment of an RAO code from its connecting contractor, currently BellCore, on behalf of DeltaCom and will coordinate all associated conversion activities.
- 2.02 BellSouth will receive messages from DeltaCom that are to be processed by BellSouth, another LEC/ALEC in the BellSouth region or a LEC outside the BellSouth region.
- 2.03 BellSouth will perform invoice sequence checking, standard EMR format editing, and balancing of message data with the EMR trailer record counts on all data received from DeltaCom.
- 2.04 All data received from DeltaCom that is to be processed or billed by another LEC/ALEC within the BellSouth region will be distributed to that LEC/ALEC in accordance with the agreement(s) which may be in effect between BellSouth and the involved LEC/ALEC.

- 2.05 All data received from DeltaCom that is to be placed on the CMDS network for distribution outside the BellSouth region will be handled in accordance with the agreement(s) which may be in effect between BellSouth and its connecting contractor (currently BellCore).
- 2.06 BellSouth will receive messages from the CMDS network that are destined to be processed by DeltaCom and will forward them to DeltaCom on a daily basis.
- 2.07 Transmission of message data between BellSouth and DeltaCom will be via electronic data transmission.
- 2.08 All messages and related data exchanged between BellSouth and DeltaCom will be formatted in accordance with accepted industry standards for EMR formatted records and packed between appropriate EMR header and trailer records, also in accordance with accepted industry standards.
- 2.09 DeltaCom will ensure that the recorded message detail necessary to recreate files provided to BellSouth will be maintained for back-up purposes for a period of three (3) calendar months beyond the related message dates.
- 2.10 Should it become necessary for DeltaCom to send data to BellSouth more than sixty (60) days past the message date(s), that ALEC will notify BellSouth in advance of the transmission of the data. If there will be impacts outside the BellSouth region, BellSouth will work with its connecting contractor and DeltaCom to notify all affected parties.
- 2.11 In the event that data to be exchanged between the two parties should become lost or destroyed, both parties will work together to determine the source of the problem. Once the cause of the problem has been jointly determined and the responsible Party (BellSouth or DeltaCom) identified and agreed to, the company responsible for creating the data (BellSouth or DeltaCom) will make every effort to have the affected data restored and retransmitted. If the data cannot be retrieved, the responsible Party will be liable to the other Party for any resulting lost revenue. Lost revenue may be a combination of revenues that could not be billed to the end users and associated access revenues. Both parties will work together to estimate the revenue amount based upon historical data through a method mutually agreed upon. The resulting estimated revenue loss will be paid by the responsible Party to the other Party within three (3) calendar months of the date of problem resolution, or as mutually agreed upon by the parties.

- 2.12 Should an error be detected by the EMR format edits performed by BellSouth on data received from DeltaCom, the entire pack containing the affected data will not be processed by BellSouth. BellSouth will notify DeltaCom of the error condition. DeltaCom will correct the error(s) and will resend the entire pack to BellSouth for processing. In the event that an out-of-sequence condition occurs on subsequent packs, DeltaCom will resend these packs to BellSouth after the pack containing the error has been successfully reprocessed by BellSouth.
- 2.13 In association with message distribution service, BellSouth will provide DeltaCom with associated intercompany settlements reports (national and regional) as appropriate.
- 2.14 In no case shall either Party be liable to the other for any direct or consequential damages incurred as a result of the obligations set out in this agreement.

SECTION 3. COMPENSATION

3.01 For message distribution service provided by BellSouth for DeltaCom, BellSouth shall receive the following as compensation:

Rate Per Message \$0.004

3.02 For data transmission associated with message distribution service, BellSouth shall receive the following as compensation:

Rate Per Message \$0.001

3.03 Data circuits (private line or dial-up) will be required between BellSouth and DeltaCom for the purpose of data transmission. Where a dedicated line is required, DeltaCom will be responsible for ordering the circuit, overseeing its installation and coordinating the installation with BellSouth. DeltaCom will also be responsible for any charges associated with this line. Equipment required on the BellSouth end to attach the line to the mainframe computer and to transmit successfully ongoing will be negotiated on a case by case basis. Where a dial-up facility is required, dial circuits will be installed in the BellSouth data center by BellSouth and the associated charges assessed to DeltaCom. Additionally, all message toll charges associated with the use of the dial circuit by DeltaCom will be the responsibility of DeltaCom. Associated equipment on the BellSouth end, including a modem, will be negotiated on a case by case basis between the parties.

3.04 All equipment, including modems and software, that is required on DeltaCom end for the purpose of data transmission will be the responsibility of DeltaCom.

SECTION 1. SCOPE OF EXHIBIT

1.01 This Exhibit specifies the terms and conditions, including compensation, under which BellSouth and DeltaCom will compensate each other for Intercompany Settlements (ICS) messages.

SECTION 2. RESPONSIBILITIES OF THE PARTIES

- 2.01 BellSouth will remit to DeltaCom the revenue, less a billing charge, for IntraLATA ICS messages, Local ICS messages, and charges for other services when related messages and/or services are provided by DeltaCom and billed to:
 - 1) a BellSouth customer,
 - 2) another company within the BellSouth region (excluding Florida) associated with the exchange of message data with BellSouth (excluding CIID and 891 messages),
 - another company within the conterminous United States that utilizes CMDS directly or indirectly and settles with BellSouth directly or indirectly through the Credit Card and Third Number Settlement System (CATS) administered by BellCore,
 - 4) another company utilizing the non-conterminous RAO codes associated with AT&T's Transport and Tracking Intercompany System settlements with BellSouth.
- 2.02 These other services include, but are not limited to:
 - 1) Maritime Mobile Radiotelephone Services radio link charges as set forth in the FCC's Maritime Mobile Radiotelephone Services tariff.
 - 2) Aviation Radiotelephone Service radio link charges as set forth in the FCC's Aviation Radiotelephone Service tariff.

- Public Land Mobile Radiotelephone Transient-Unit Non-Toll Service [changes] as approved by the authorized state regulatory commission (or municipal regulatory authority).
- 4) Non-Toll Service Charges billed to a calling card or to a third number as filed with and approved by the authorized state regulatory commission (or municipal regulatory authority).
- 5) Directory Assistance Call Charges to a calling card or to a third number as approved by the authorized regulatory commission.
- 2.03 DeltaCom will bill, collect and remit to BellSouth the charges for intraLATA and/or local ICS messages and other services as described above where such messages and/or services are provided by:
 - 1) BellSouth,
 - another company with the BellSouth region (excluding Florida) associated with the exchange of message data with BellSouth (excluding CIID and 891 messages).
 - another company within the conterminous United States that utilizes CMDS directly or indirectly and settles with BellSouth directly or indirectly through the Credit Card and Third Number Settlement System (CATS).
- 2.04 For ICS revenues involving DeltaCom and other non-BellSouth LECs/ALECs within the state, BellSouth will provide DeltaCom with monthly reports summarizing the ICS revenues for messages that originated with DeltaCom and were billed by each of the other Florida LECs/ALECs and those messages that originated with each of the other Florida LECs/ALECs and were billed by DeltaCom.

SECTION 3. COMPENSATION

3.01 The following compensation shall be retained by the billing company for the billing of ICS messages and services:

Rate Per Message

1) Calls originated and billed in Florida or originated and billed in North Carolina

\$0.0666

2) Calls originated in any of the states within BellSouth

	region and billed in that same state	\$0.05
3)	Calls originated in a state within BellSouth's region and billed in another state or originated in another state and	
	billed in a state within BellSouth's region	\$0.05
4)	Calls originated in a state within BellSouth's region and	
_	billed outside the conterminous United States	\$0.16

Unbundled Products and Services and New Services

Service:

Non-Sent Paid Report System (NSPRS)

Description:

NSPRS includes: (1) a mechanized report system that provides to the BellSouth CMDS hosted companies within the BellSouth Region information regarding Non-Sent Paid message and revenue occurring on calls originated and billed within the Bellsouth region; (2) distribution of Bellcore produced Credit Card and Third Number System (CATS) reports and administration of associated elements; (3) distribution of Bellcore produced non-conterminous CATS reports and administration of associated settlements. Subject to the terms hereof and execution of a services agreement substantially in the form attached to Attachment C-12, BellSouth agrees to provide NSPRS services for DeltaCom.

State(s):

All

Rate Elements	Billing and Collections Fee Retained by Billing Co.	Applied Per
NSPRS intrastate FL and NC	\$0.066	message IX
NSPRS intrastate all other BellSouth states	\$0.05	message
NSPRS @ CATS	\$0.05	message
NSPRS ⊕ non-conterminous	\$0.16	message

ATTACHMENT D

SERVICE PROVIDER NUMBER PORTABILITY-REMOTE (RCF)

INTERIM COSTS

	Monthly <u>Rate</u>	Nonrecurring <u>Charge</u>
Per Number Ported		
- Resident/6 paths	\$1.15	
- Business/10 paths	\$2.25	
Each Additional Path	\$0.50	
Per Order, per end user location		None

ATTACHMENT E

Service:

Service Provider Number Portability - Direct Inward Dialed (DID)*

Description:

Service Provider Number Portability (SPNP) is an interim service arrangement provided by BellSouth to ALECs where by an end user, who switches subscription to local exchange service from BellSouth to an ALEC is permitted to retain use of the existing BellSouth assigned telephone number provided that the end user remains at the same location.

SPNP-DID provides trunk side access to BellSouth end office switched for direct inward dialing to ALEC premises from the telecommunications network directly to lines associated with ALEC switching equipment.

Interim Rates:

State(s)	Alabama				Florida			
Rate Elements	Monthly Recurring	Applied For	Non- Recurring	Applied For	Monthly Recurring	Applied Per	Non- Recurring	Applied For
Per Number Ported-Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported-Residence	\$0.01	each	\$1.00	cach	\$0.01	each	\$1.00	each
Per Order		1 —	\$25.00	end user	-	_	\$25.00	end user
	—	l 	-	location	-	<u> </u>	i —	location
SPNP-DID Trunk Termination	\$13.00	trunk	\$160.00	trunk-init.	\$15.00	trunk	\$170.00	trunk-init.
		l	\$80.00	trunk-sub			\$86.00	trunk-sub.
DSI Local Channel **	\$133.81	LC	\$866.97	LC-First	\$133.81	ıc	\$866.97	LC-First
	_	l –	\$486.83	LC-Add'l	-	—	\$486.83	LC-Add'l
DS1 Dedicated Transport**	\$23.50	per mile	l –		\$16.75	per mile		 —
	\$90.00	fac. term	\$100.49	fac. term.	\$59.75	fac.term.	\$100.49	fac. term.

^{*}Rates are displayed at the DS1-1.544 Mbps level. For rates and charges applicable to other arrangement levels refer to Section E6 of BellSouth Telecommunications, Inc.'s Intrastate Access Tariff.

^{**}May not be required if the CLEC is collocated at the ported number end office.

ATTACHMENT E (cont'd)

State(s)	Georgia			=	Kentucky			
Rate Elements	Monthly Recurring	Applied For	Non- Recurring	Applied For	Monthly Recurring	Applied Per	Non- Recurring	Applied For
Per Number Ported-Business Per Number Ported-Residence	\$0.01 \$0.01	each each	\$1.00 \$1.00	each each	\$0.01 \$0.01	each each	\$1.00 \$1.00	each each
Per Order	_	_	\$25.00	end user location	=	=	\$25.00 —	end user location
SPNP-DID Trunk Termination	\$14.00	trunk	\$165.00 \$83.00	trunk-init. trunk-sub	\$13.00	trunk	\$150.00 \$80.00	trunk-init. trunk-sub.
DS1 Local Channel	\$133.81	<u>-</u>	\$866.97 \$486.83	LC-First LC-Add'1	\$133.81	_ rc	\$866.97 \$486.83	LC-First LC-Add'l
DS1 Dedicated Transport	\$23.50 \$90.00	per mile fac. term.	 \$100.49	fac. term.	\$23.50 \$90.00	per mile fac.term.	\$100.49	— fac. term.

State(s)	Louisiana				Mississippi	į		
Rate Elements	Monthly Recurring	Applied For	Non- Recurring	Applied For	Monthly Recurring	Applied Per	Non- Recurring	Applied For
Per Number Ported-Business Per Number Ported-Residence	\$0.01 \$0.01	each each	\$1.00 \$1.00	each each	\$0.01 \$0.01	each each	\$1.00 \$1.00	each each
Per Order	_	_	\$25.00 —	end user location	=	=	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$170.00 \$86.00	trunk-init. trunk-sub	\$13.00	trunk	\$150.00 \$80.00	trunk-init. trunk-sub.
DS1 Local Channel	\$133.81	_ rc	\$866.97 \$486.83	LC-First LC-Add'l	\$133.81	<u>ب</u>	\$866.97 \$486.83	LC-First LC-Add'l
DS1 Dedicated Transport	\$16.75 \$59.75	per mile fac. term.	\$100.49	fac. term.	\$23.50 \$90.00	per mile fac.term.	\$100.49	fac. term.

ATTACHMENT E (cont'd)

State(s):

North Carolina South Carolina

Rate Elements	Monthly Recurring	Applied For	Non- Recurring	Applied For	Monthly Recurring	Applied Per	Non- Recurring	Applied For
Per Number Ported-Business Per Number Ported-Residence	SXXXX SXXXX	each each	\$XXX	each each	\$0.01 \$0.01	each each	\$1.00 \$1.00	each each
Per Order	_	_	\$XXX	end user location	=		\$25.00 —	end user location
SPNP-DID Trunk Termination	SXXX SXXX	trunk trunk-sub	sxxx	trunk-init.	\$13.00	trunk	\$164.00 \$81.00	trunk-init. trunk-sub.
DS1 Local Channel	sxxx	rc rc	\$XXX \$XXX	LC-First LC-Add'l	\$133.81	ic —	\$866.97 \$486.83	LC-First LC-Add'l
DS1 Dedicated Transport	\$XXX \$XXX	per mile fac.term.	sxxx	fac. term.	\$23.50 \$90.00	per mile fac. term	\$100.49	fac.term.

State(s):

Tennessee

Rate Elements	Monthly Recurring	Applied For	Non- Recurring	Applied For
Per Number Ported-Business	\$0.01	each	\$1.00	each
Per Number Ported-Residence	\$0.01	each	\$1.00	cach
Per Order	_		\$25.00	end user
		—	–	location
SPNP-DID Trunk Termination	\$13.00	trunk	\$164.00 \$83.00	trunk-init. trunk-sub.
DS1 Local Channel	\$133.81	ယ	\$866.97 \$486.83	LC-First LC-Add'l
DS1 Dedicated Transport	\$23.50 \$90.00	per mile fac.term.	\$100.49	fac. term.

ATTACHMENT F

BLANKET AGENCY AGREEMENT LETTER

I am an official of American Communications Services, Inc. ("DeltaCom") and am authorized to commit my company to the conditions stated herein:

- 1. DeltaCom will not submit any requests or inquiries for Resale or Facility Based local service provisioning under Blanket Agency Agreement procedures to BellSouth for which it does not have proper authorization from the End User upon whose behalf service is offered.
- 2. DeltaCom will instruct its End Users to deal directly with DeltaCom on all inquiries concerning the Local Service. This may include, but is not limited to, billing, repair, directory listings, and number portability.
- 3. DeltaCom is authorized to release all information regarding the End User's local service to BellSouth.
- 4. In the event that an End User successfully challenges action taken by BellSouth as a result of the above mentioned service request, DeltaCom will indemnify and hold harmless BellSouth for any reasonable damages or losses, resulting from DeltaCom's preparation and submission of service requests for which it did not have proper End User authorization.
- 5. In the event that an End User successfully challenges billing which resulted from local service requests submitted to BellSouth by DeltaCom under this Blanket Agency Agreement, then DeltaCom will indemnify and hold harmless BellSouth for any reasonable damages, losses, and costs, if any, arising from BellSouth provisioning and maintenance of the End User's local service due to errors in the ordering of said service by DeltaCom.
- 6. In the event that an End User disputes actions taken by DeltaCom as a result of a submission by DeltaCom of a service request for disconnection or termination of a previously submitted local service request for which it did not have proper End User authorization, then DeltaCom will indemnify and hold harmless BellSouth for any reasonable damages, losses, and costs, if any, resulting from said dispute.
- 7. This Agreement shall continue in effect unless cancelled by prior written notice by DeltaCom or BellSouth thirty (30) days' prior to the effective date of cancellation. Cancellation shall not release or limit any matters occurring prior to the cancellation of this Blanket Agency Agreement.

Agreement Between BellSouth Telecommunications, Inc. and DeltaCom, Inc. Regarding The Sale of BellSouth Telecommunications Services to Reseller For The Purposes of Resale

THIS AGREEMENT is by and between BellSouth Telecommunications, Inc., ("BellSouth or Company"), a Georgia corporation, and DeltaCom, Inc. ("Reseller"), an Alabama corporation, and shall be deemed effective as of the execution date of this Fourth Amendment.

WITNESSETH

WHEREAS, BellSouth is a local exchange telecommunications company authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, Reseller is or seeks to become an alternative local exchange telecommunications company authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, Reseller desires to resell BellSouth's telecommunications services; and

WHEREAS, BellSouth has agreed to provide such services to Reseller for resale purposes and pursuant to the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the mutual premises and promises contained herein, BellSouth and Reseller do hereby agree as follows:

L Term of the Agreement

- A. The term of this Agreement shall begin with the execution of this Fourth Amendment and extend to June 30, 1999 and shall apply to all of BellSouth's serving territory as of January 1, 1996 in the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.
- B. This Agreement shall be automatically renewed for two additional one year periods unless either party indicates its intent not to renew the Agreement. Notice of such intent must be provided, in writing, to the other party no later than 60 days prior to the end of the then-existing contract period. The terms of this Agreement shall remain in effect after the term of the existing agreement has expired and while a new agreement is being negotiated.
- C. The rates pursuant by which Reseller is to purchase services from BellSouth for resale shall be at a discount rate off of the retail rate for the telecommunications service. The discount rates shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference. Such discount shall reflect the costs avoided by BellSouth when selling a service for wholesale purposes.

II. Definition of Terms

- A. CUSTOMER OF RECORD means the entity responsible for placing application for service; requesting additions, rearrangements, maintenance or discontinuance of service; payment in full of charges incurred such as non-recurring, monthly recurring, toll, directory assistance, etc.
- **B.** DEPOSIT means assurance provided by a customer in the form of cash, surety bond or bank letter of credit to be held by the Company.

- C. END USER means the ultimate user of the telecommunications services.
- **D.** END USER CUSTOMER LOCATION means the physical location of the premises where an end user makes use of the telecommunications services.
- E. NEW SERVICES means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.
- F. OTHER LOCAL EXCHANGE COMPANY (OLEC) means a telephone company certificated by the public service commissions of the Company's franchised area to provide local exchange service within the Company's franchised area.
- G. RESALE means an activity wherein a certificated OLEC, such as Reseller subscribes to the telecommunications services of the Company and then reoffers those telecommunications services to the public (with or without "adding value").
- H. RESALE SERVICE AREA means the area, as defined in a public service commission approved certificate of operation, within which an OLEC, such as Reseller, may offer resold local exchange telecommunications service.

III. General Provisions

A. Reseller may resell the tariffed local exchange and toll telecommunications services of BellSouth contained in the General Subscriber Service Tariff and Private Line Service Tariff subject to the terms, and conditions specifically set forth herein. Notwithstanding the foregoing, the exclusions and limitations on services available for resale will be as set forth in Exhibit B, attached hereto and incorporated herein by this reference.

BellSouth shall make available telecommunications services for resale at the rates set forth in Exhibit A to this agreement and subject to the exclusions and limitations set forth in Exhibit B to this agreement. It does not however waive its rights to appeal or otherwise challenge any decision regarding resale that resulted in the discount rates contained in Exhibit A or the exclusions and limitations contained in Exhibit B. BellSouth reserves the right to pursue any and all legal and/or equitable remedies, including appeals of any decisions. If such appeals or challenges result in changes in the discount rates or exclusions and limitations, the parties agree that appropriate medifications to this Agreement will be made promptly to make its terms consistent with the outcome of the appeal.

- B. The provision of services by the Company to Reseller does not constitute a joint undertaking for the furnishing of any service.
- C. Reseller will be the customer of record for all services purchased from BellSouth. Except as specified herein, the Company will take orders from, bill and expect payment from Reseller for all services.
- D. Reseller will be the Company's single point of contact for all services purchased pursuant to this Agreement. The Company shall have no contact with the end user except to the extent provided for herein.

- E. The Company will continue to bill the end user for any services that the end user specifies it wishes to receive directly from the Company.
- F. The Company maintains the right to serve directly any end user within the service area of Reseller. The Company will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with end users of Reseller.
- G. Neither Party shall interfere with the right of any person or entity to obtain service directly from the other Party.
- H. Current telephone numbers may normally be retained by the end user. However, telephone numbers are the property of the Company and are assigned to the service furnished. Reseller has no property right to the telephone number or any other call number designation associated with services furnished by the Company, and no right to the continuance of service through any particular central office. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, whenever the Company deems it necessary to do so in the conduct of its business.
- L The Company may provide any service or facility for which a charge is not established herein, as long as it is offered on the same terms to Reseller.
- J. Service is furnished subject to the condition that it will not be used for any unlawful purpose.
- K. Service will be discontinued if any law enforcement agency advises that the service being used is in violation of the law.
- L. The Company can refuse service when it has grounds to believe that service will be used in violation of the law.
- M. The Company accepts no responsibility to any person for any unlawful act committed by Reseller or its end users as part of providing service to Reseller for purposes of resale or otherwise.
- N. The Company will cooperate fully with law enforcement agencies with subpoenas and court orders for assistance with the Company's customers. Law enforcement agency subpoenas and court orders regarding end users of keachier will be directed to Reseller. The Company will bill Reseller for implementing any requests by law enforcement agencies regarding Reseller end users.
- O. The characteristics and methods of operation of any circuits, facilities or equipment provided by any person or entity other than the Company shall not:
 - 1. Interfere with or impair service over any facilities of the Company, its affiliates, or its connecting and concurring carriers involved in its service;
 - 2. Cause damage to their plant;

- 3. Impair the privacy of any communications; or
- 4. Create hazards to any employees or the public.
- P. Reseller assumes the responsibility of notifying the Company regarding less than standard operations with respect to services provided by Reseller.
- Q. Facilities and/or equipment utilized by BellSouth to provide service to Reseller remain the property of BellSouth.
- R. White page directory listings will be provided in accordance with regulations set forth in Section A6 of the General Subscriber Service Tariff and will be available for resale.
- S. BellSouth will provide customer record information to the Reseller provided the Reseller has the appropriate Letter(s) of Authorization. BellSouth may provide customer record information via one of the following methods: US mail, fax, or by electronic interface. BellSouth will provide customer record information via US mail or fax on an interim basis only.

Reseller agrees to compensate BellSouth for all BellSouth incurred expenditures associated with providing such information to Reseller. Reseller will adopt and adhere to the BellSouth guidelines associated with each method of providing customer record information.

T. BellSouth's retail voice mail services may be made available for resale at rates, terms and conditions as mutually agreed to by the parties.

IV. BellSouth's Provision of Services to Reseller

- A. Reseller agrees that its resale of BellSouth services shall be as follows:
 - 1. The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.
 - 2. To the extent Reseller is a telecommunications carrier that serves greater than 5 percent of the Nation's presubscribed access lines, Reseller shall not jointly market its interLATA services with the telecommunications services purchased from BellSouth pursuant to this Agreement in any of the states covered under this Agreement. For the purposes of this subsection, to jointly market means any advertisement, marketing effort or billing in which the telecommunications services purchased from BellSouth for purposes of resale to customers and interLATA services offered by Reseller are packaged, tied, bundled, discounted or offered together in any way to the end user. Such efforts include, but are not limited to, sales referrals, resale arrangements, sales agencies or billing agreements. This subsection shall be void and of no effect for a particular state covered under this Agreement as of February 8, 1999 or on the date BellSouth is authorized to offer interLATA services in that state, whichever is earlier.

ATTACHMENT 2

- 3. Hotel and Hospital PBX service are the only telecommunications services available for resale to Hotel/Motel and Hospital end users, respectively. Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to Independent Payphone Provider (IPP) customers. Shared Tenant Service customers can only be sold those telecommunications services available in the Company's A23 Shared Tenant Service Tariff.
- 4. Reseller is prohibited from furnishing both flat and measured rate service on the same business premises to the same subscribers (end users) as stated in A2 of the Company's Tariff except for backup service as indicated in the applicable state tariff Section A3.
- 5. If telephone service is established and it is subsequently determined that the class of service restriction has been violated, Reseller will be notified and billing for that service will be immediately changed to the appropriate class of service. Service charges for changes between class of service, back billing, and interest as described in this subsection shall apply at the Company's sole discretion. Interest at a rate as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff for the applicable state, compounded daily for the number of days from the back billing date to and including the date that Reseller actually makes the payment to the Company may be assessed.
- 6. The Company reserves the right to periodically audit services purchased by Reseller to establish authenticity of use. Such audit shall not occur more than once in a calendar year. Reseller shall make any and all records and data available to the Company or the Company's auditors on a reasonable basis. The Company shall bear the cost of said audit.
- B. Resold services can only be used in the same manner as specified in the Company's Tariff. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual end user of the Company in the appropriate section of the Company's Tariffs. Specific tariff features, e.g. a usage allowance per month, shall not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer except as specified in Section A23. of the Company's Tariff referring to Shared Tenant Service.
- C. Reseller may resell services only within the specific resale service area as defined in its certificate.
- D. Telephone numbers transmitted via any resold service feature are intended solely for the use of the end user of the feature. Resale of this information is prohibited.
- E. No patent, copyright, trademark of other proprietary right is licensed, granted or otherwise transferred by this Agreement. Reseller is strictly prohibited from any use, including but not limited to sales, marketing or advertising, of any BellSouth name or trademark.

V. Maintenance of Services

- A. Reseller will adopt and adhere to the standards contained in the applicable BellSouth Work Center Interface Agreement regarding maintenance and installation of service.
- B. Services resold under the Company's Tariffs and facilities and equipment provided by the Company shall be maintained by the Company.

- C. Reseller or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.
- D. Reseller accepts responsibility to notify the Company of situations that arise that may result in a service problem.
- E. Reseller will be the Company's single point of contact for all repair calls on behalf of Reseller's end users. The parties agree to provide one another with toll-free contact numbers for such purposes.
- **F.** Reseller will contact the appropriate repair centers in accordance with procedures established by the Company.
- G. For all repair requests, Reseller accepts responsibility for adhering to the Company's prescreening guidelines prior to referring the trouble to the Company.
- H. The Company will bill Reseller for handling troubles that are found not to be in the Company's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its retail customers for the same services.
- L The Company reserves the right to contact Reseller's customers, if deemed necessary, for maintenance purposes.

VL Establishment of Service

- A. After receiving certification as a local exchange company from the appropriate regulatory agency, Reseller will provide the appropriate Company service center the necessary documentation to enable the Company to establish a master account for Reseller. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, the Company will begin taking orders for the resale of service.
- B. Service orders will be in a standard former ansignated by the Company.
- C. When notification is received from Reseller that a current customer of the Company will subscribe to Reseller's service, standard service order intervals for the appropriate class of service will apply.
- D. The Company will not require end user confirmation prior to establishing service for Reseller's end user customer. Reseller must, however, be able to demonstrate end user authorization upon request.
- E. Reseller will be the single point of contact with the Company for all subsequent ordering activity resulting in additions or changes to resold services except that the Company will accept a request directly from the end user for conversion of the end user's service from Reseller to the Company or will accept a request from

another OLEC for conversion of the end user's service from the Reseller to the other LEC. The Company will notify Reseller that such a request has been processed.

- F. If the Company determines that an unauthorized change in local service to Reseller has occurred, the Company will reestablish service with the appropriate local service provider and will assess Reseller as the OLEC initiating the unauthorized change, the unauthorized change charge described in F.C.C. Tariff No. 1. Section 13. Appropriate nonrecurring charges, as set forth in Section A4. of the General Subscriber Service Tariff, will also be assessed to Reseller. These charges can be adjusted if Reseller provides satisfactory proof of authorization.
- G. The Company may, in order to safeguard its interest, require Reseller to make a deposit to be held by the Company as a guarantee of the payment of rates and charges, unless satisfactory credit has already been established. Any such deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.
- H. Such deposit may not exceed two months' estimated billing.
- I. The fact that a deposit has been made in no way relieves Reseller from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for non-payment of any sums due the Company.
- J. The Company reserves the right to increase the deposit requirements when, in its sole judgment, the conditions justify such action.
- K. In the event that Reseller defaults on its account, service to Reseller will be terminated and any deposits held will be applied to its account.
- In the case of a cash deposit, interest at the rate of six percent per annum shall be paid to Reseller during the continuance of the deposit. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to Reseller by the accrual date.

VII. Payment And Billing Arrangements

- A. When the initial service is ordered by Reseller, the Company will establish an accounts receivable master account for Reseller.
- B. The Company shall bill Reseller on a current basis all applicable charges and credits.
- C. Payment of all charges will be the responsibility of Reseller. Reseller shall make payment to the Company for all services billed. The Company is not responsible for payments not received by Reseller from Reseller's customer. The Company will not become involved in billing disputes that may arise between Reseller and its customer. Payments made to the Company as payment on account will be credited to an accounts receivable master account and not to an end user's account.

- D. The Company will render bills each month on established bill days for each of Reseller's accounts.
- E. The Company will bill Reseller, in advance, charges for all services to be provided during the ensuing billing period except charges associated with service usage, which charges will be billed in arrears. Charges will be calculated on an individual end user account level, including, if applicable, any charges for usage or usage allowances. BellSouth will also bill all charges, including but not limited to 911 and E911 charges, telecommunications relay charges, and franchise fees, to Reseller.
- F. The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available funds. Payment is considered to have been made when received by the Company.

If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth in I. following, shall apply.

- G. Upon proof of tax exempt certification from Reseller, the total amount billed to Reseller will not include any taxes due from the end user. Reseller will be solely responsible for the computation, tracking, reporting and payment of all federal, state and/or local jurisdiction taxes associated with the services resold to the end user.
- H. As the customer of record, Reseller will be responsible for, and remit to the Company, all charges applicable to its resold services for emergency services (E911 and 911) and Telecommunications Relay Service (TRS) as well as any other charges of a similar nature.
- I. If any portion of the payment is received by the Company after the payment due date as set forth preceding, or if any portion of the payment is received by the Company in funds that are not immediately available to the Company, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff.
- J. Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, the Company. No additional charges are to be assessed to Reseller.
- K. The Company will not perform billing and collection services for Reseller as a result of the execution of this Agreement. All requests for billing services should be referred to the appropriate entity or operational group within the Company.
- L. Pursuant to 47 CFR Section 51.617, the Company will bill Reseller end user common line charges identical to the end user common line charges the Company bills its end users.
- M. In general, the Company will not become involved in disputes between Reseller and Reseller's end user customers over resold services. If a dispute does arise that cannot be settled without the involvement of the Company, Reseller shall contact the designated Service Center for resolution. The Company will make every

effort to assist in the resolution of the dispute and will work with Reseller to resolve the matter in as timely a manner as possible. Reseller may be required to submit documentation to substantiate the claim.

VIII. Discontinuance of Service

- A. The procedures for discontinuing service to an end user are as follows:
 - 1. Where possible, the Company will deny service to Reseller's end user on behalf of, and at the request of, Reseller. Upon restoration of the end user's service, restoral charges will apply and will be the responsibility of Reseller.
 - 2. At the request of Reseller, the Company will disconnect a Reseller end user customer.
 - 3. All requests by Reseller for denial or disconnection of an end user for nonpayment must be in writing.
 - 4. Reseller will be made solely responsible for notifying the end user of the proposed disconnection of the service.
 - 5. The Company will continue to process calls made to the Annoyance Call Center and will advise Reseller when it is determined that annoyance calls are originated from one of their end user's locations. The Company shall be indemnified, defended and held harmless by Reseller and/or the end user against any claim, loss or damage arising from providing this information to Reseller. It is the responsibility of Reseller to take the corrective action necessary with its customers who make annoying calls. Failure to do so will result in the Company's disconnecting the end user's service.
- B. The procedures for discontinuing service to Reseller are as follows:
 - 1. The Company reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any other violation or noncompliance by Reseller of the rules and regulations of the Company's Tariffs.
 - 2. If payment of account is not received by the bill day in the month after the original bill day, the Company may provide written notice to Reseller, that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. If the Company does not refuse additional applications for service on the date specified in the notice, and Reseller's noncompliance continues, nothing contained herein shall preclude the Company's right to refuse additional applications for service without further notice.
 - 3. If payment of account is not received, or arrangements made, by the bill day in the second consecutive month, the account will be considered in default and will be subject to denial or disconnection, or both.
 - 4. If Reseller fails to comply with the provisions of this Agreement, including any payments to be made by it on the dates and times herein specified, the Company may, on thirty days written notice to the person designated by Reseller to receive notices of noncompliance, discontinue the provision of existing

ATTACHMENT 2

services to Reseller at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If the Company does not discontinue the provision of the services involved on the date specified in the thirty days notice, and Reseller's noncompliance continues, nothing contained herein shall preclude the Company's right to discontinue the provision of the services to Reseller without further notice.

- 5. If payment is not received or arrangements made for payment by the date given in the written notification, Reseller's services will be discontinued. Upon discontinuance of service on a Reseller's account, service to Reseller's end users will be denied. The Company will also reestablish service at the request of the end user or Reseller upon payment of the appropriate connection fee and subject to the Company's normal application procedures. Reseller is solely responsible for notifying the end user of the proposed disconnection of the service.
- 6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

IX. Liability

- A. The liability of the Company for damages arising out of mistakes, omissions, interruptions, preemptions, delays errors or defects in transmission, or failures or defects in facilities furnished by the Company, occurring in the course of furnishing service or other facilities and not caused by the negligence of Reseller, or of the Company in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision shall in no event exceed an amount equivalent to the proportionate charge to Reseller for the period of service during which such mistake, omission, interruption, preemption, delay, error or defect in transmission or defect or failure in facilities occur. The Company shall not be liable for damage arising out of mistakes, omission, interruptions, preemptions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company, (1) caused by customer-provided equipment (except where a contributing cause is the malfunctioning of a Company-provided connecting arrangement, in which event the liability of the Company shall not exceed an amount equal to a proportional amount of the Company billing for the period of service during which such mistake, omission, interruption, preemption, delay, error, defect in transmission or injury occurs), or (2) not prevented by customer-provided equipment but which would have been prevented had Company-provided equipment been used.
- B. The Company shall be indemnified and saved harmless by Reseller against any and all claims, actions, causes of action, damages, liabilities, or demands (including the costs, expenses and reasonable attorneys' fees, on account thereof) of whatever kind or nature that may be made by any third party as a result of the Company's furnishing of service to Reseller.
- C. The Company shall be indemnified, defended and held harmless by Reseller and/or the end user against any claim, loss or damage arising from the use of services offered for resale involving:
 - 1. Claims for libel, slander, invasion of privacy or infringement of copyright arising from Reseller's or end user's own communications.
 - 2. Claims for patent infringement arising from acts combining or using Company services in connection with facilities or equipment furnished by the end user or Reseller.

- 3. All other claims arising out of an act or omission of Reseller or its end user in the course of using services.
- D. Reseller accepts responsibility for providing access for maintenance purposes of any service resold under the provisions of this Tariff. The Company shall not be responsible for any failure on the part of Reseller with respect to any end user of Reseller.

X. Treatment of Proprietary and Confidential Information

- A. Both parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data and like information (hereinafter collectively referred to as "Information"). Both parties agree that all Information shall either be in writing or other tangible format and clearly marked with a confidential, private or proprietary legend, or, when the Information is communicated orally, it shall also be communicated that the Information is confidential, private or proprietary. The Information will be returned to the owner within a reasonable time. Both parties agree that the Information shall not be copied or reproduced in any form. Both parties agree to receive such Information and not disclose such Information. Both parties agree to protect the Information received from distribution, disclosure or dissemination to anyone except employees of the parties with a need to know such Information and which employees agree to be bound by the terms of this Section. Both parties will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.
- B. Notwithstanding the foregoing, both parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a nonparty to this Agreement; 2) lawfully obtained from any source other than the owner of the Information: or 3) previously known to the receiving party without an obligation to keep it confidential.

XL Resolution of Disputes

Except as otherwise stated in this Agreement, the parties agree that if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, the parties will petition the applicable state Public Service Commission for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by that Public Service Commission concerning this Agreement.

XIL Limitation of Use

The parties agree that this Agreement shall not be proffered by either party in another jurisdiction as evidence of any concession or as a waiver of any position taken by the other party in that jurisdiction or for any other purpose.

XIII. Waivers

Any failure by either party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

XIV. Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia, without regard to its conflict of laws principles.

XV. Arm's Length Negotiations

This Agreement was executed after arm's length negotiations between the undersigned parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all parties.

XVI. More Favorable Provisions

- A. The parties agree that if ---
 - 1. the Federal Communications Commission ("FCC") or the Commission finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations, or
 - 2. the FCC or the Commission preempts the effect of this Agreement, then, in either case, upon such occurrence becoming final and no longer subject to administrative or judicial review, the parties shall immediately commence good faith negotiations to conform this Agreement to the requirements of any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or Commission action giving rise to such negotiations. The parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date except to the extent that such retroactive effect is expressly required by such FCC or Commission decision, rule, regulation or preemption.
- B. In the event that BellSouth, either before or after the effective date of this Agreement, enters into an agreement with any other telecommunications carrier (an "Other Resale Agreement") which provides for the provision within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee of any of the arrangements covered by this Agreement upon rates, terms or conditions that differ in any material respect from the rates, terms and conditions for such arrangements set forth in this Agreement ("Other Terms"), BellSouth shall be deemed thereby to have offered such other Resale Agreement to Reseller in its entirety. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.
- C. In the event that after the effective date of this Agreement the FCC or the Commission enters an order (a "Resale Order") requiring BellSouth to provide within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee any of the arrangements covered by this agreement upon Other Terms, then upon such Resale Order becoming final and not subject to further administrative or judicial review, BellSouth shall be deemed to have offered such arrangements to Reseller upon such Other Terms, in their entirety, which Reseller may only accept in their entirety, as provided in Section XVI.E. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.

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- D. In the event that after the effective date of this Agreement BellSouth files and subsequently receives approval for one or more intrastate tariffs (each, a "Resale Tariff") offering to provide within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee any of the arrangements covered by this Agreement upon Other Terms, then upon such Resale Tariff becoming effective, BellSouth shall be deemed thereby to have offered such arrangements to Reseller upon such Other Terms, which Reseller may accept as provided in Section XVI.E. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.
- E. The terms of this Agreement, other than those affected by the Other Terms accepted by Reseller, shall remain in full force and effect.
- F. Corrective Payment. In the event that -
 - 1. BellSouth and Reseller revise this Agreement pursuant to Section XVI.A, or
 - 2. Reseller accepts a deemed offer of an Other Resale Agreement or Other Terms, then BellSouth or Reseller, as applicable, shall make a corrective payment to the other party to correct for the difference between the rates set forth herein and the rates in such revised agreement or Other Terms for substantially similar services for the period from the effective date of such revised agreement or Other Terms until the date that the parties execute such revised agreement or Reseller accepts such Other Terms, plus simple interest at a rate equal to the thirty (30) day commercial paper rate for high-grade, unsecured notes sold through dealers by major corporations in multiples of \$1,000.00 as regularly published in The Wall Street Journal.

XVIL Notices

A. Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in-writing and shall be delivered in person or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.

DeltaCom, Inc.

OLEC Account Team 3535 Colonnade Pkwy, Room E4E1 Birmingham, AL 35243 General Counsel 700 Boulevard South, Suite 101, Huntsville, AL 35802

or at such other address as the intended recipient previously shall have designated by written notice to the other party.

B. Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

XVIII. Amendments

ATTACHMENT 2

This Agreement may be amended at any time upon written agreement of both parties.

XIX. Entire Agreement

This Agreement sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the party to be bound thereby.

EXHIBIT "A"

APPLICABLE DISCOUNTS

The telecommunications services available for purchase by Reseller for the purposes of resale to Reseller end users shall be available at the following discount off of the retail rate.

DISCOUNT

STATE	RESIDENCE	BUSINESS
ALABAMA	17%	17%
FLORIDA	21.83%	16.81%
GEORGIA	20.3%	17.3%
KENTUCKY	16.79%	15.54%
LOUISIANA*	20.72%	20.72%
MISSISSIPPI	15,75%	15.75%
NORTH CAROLINA	21.5%	17.6%
SOUTH CAROLINA	14.8%	14,8%
TENNESSEE**	16%	16%

[•] Effective as of the Commission's Order in Louisiana Docket No. U-22020 dated November 12, 1996.

^{**} The Wholesale Discount is set as a percentage off the tariffed rates. If OLEC provides is own operator services and directory services, the discount shall be 21.56%. These rates are effective as of the Tennessee Regulatory Authority's Order in Tennessee Docket No. 90-01331 dated January 17, 1997.

EXHIBIT B

Type of	-	AL		Ţ	G	SA A	K	Υ		A
Service		Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1 Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2 Contract Service Arrangements	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No
3 Promotions -> 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes -
4 Promotions - < 90 Days	Yes	No	Yes	No	Yes	No	No	No	Yes	No
5 Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
6 911/E911 Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
7 N11 Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
8 Non-Recurring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Type of	MS			NC		SC		TN	
Service	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	
1 Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
2 Contract Service Arrangements	Yes	No	Yes	Yes	Yes	No	Yes	Yes	
3 Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	
4 Promotions - < 90 Days	Yes	No	No	No	Yes	No	No	No_	
5 Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
6 911/E911 Services	Yes	Yes.	Yes	Yes	Yes	Yes	Yes	Yes	
7 N11 Services	No	No	No	No	Yes	Yes	Yes	Yes	
8 Non-Recurring Charges	Yes	Yes	Yes	Y06	Yes	Yes	Yes	No	

Additional Comments:

- 1 Grandfathered services can be resold only to existing subscribers of the grandfathered service.
- 2 Where available for resale, promotions will be made available only to end users who would have qualified for the promotion had it been provided by BellSouth directly.
- 3 Lifeline/Link Up services may be offered only to those subscribers who meet the criteria that BellSouth currently applies to subscribers of these services. In Tennessee, Reseller shall purchase BellSouth's Message Rate Service at the stated tariff rate, less the wholesale discount. Reseller must further discount the wholesale Message Rate Service to LifeLine customers with a discount which is no less than the minimum discount that BellSouth now provides. Reseller is responsible for recovering the Subscriber Line Charge from the National Exchange Carriers Association interstate toil settlement pool just as BellSouth does today.
- 4 In Louisians and Mississippi, all Contract Service Arrangements entered into by BellSouth or terminating after the effective date of the Commission Order will be subject to resale without the wholesale discount. All CSAs which are in place as of the effective date of the Commission order will not be eligible for resale.
- 5 In North Carolina, only those Contract Service Arrangements entered into after April 15, 1997 will be available for resale.

AMENDMENT

TO

INTERCONNECTION AGREEMENT BETWEEN DELTACOM, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC.

Pursuant to this Agreement (the "Amendment"), DeltaCom and BellSouth Telecommunications, Inc. ("BellSouth") hereinafter referred to collectively as the "Parties" hereby agree to amend that certain Interconnection Agreement between the Parties dated Mark 12.

1997 ("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, DeltaCom and BellSouth hereby covenant and agree as follows:

- 1. The Parties agree that BellSouth will, upon request, provide and DeltaCom will accept and pay for (1) loops, (2) loop cross-connections and (3) loop channelization in accordance with the schedule of prices set forth in Attachment C-2 to this Amendment which is incorporated herein by reference, in and for the states reflected on Attachment C-2.
- 2. The Parties agree that the prices reflected herein shall be "trued-up" (up or down) based on final prices either determined by further agreement or by final order (including any appeals) of the relevant public service commission or other body having jurisdiction over the subject matter of this Amendment, which final order meets the criteria contained in paragraph 4 hereof. The "true-up" will consist of comparing the actual volumes and demand for each item, together with the price associated with such item by this Amendment, with the final prices determined for each item. 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 the body having jurisdiction over the matter for the affected states shall be called upon to resolve such differences or that they will submit the matter to commercial arbitration in accordance with the terms contained in Section XXV. of the seconnection Agreement.
- 3. The Parties agree that they may continue to negotiate as appropriate in an effort to obtain final prices for each of these items, but in the event that no such agreement is reached parties) either party may petition the public service commission or other regulatory body to resolve such disputes and to determine final rates for each of the items covered by this Amendment. Alternatively, upon their mutual agreement, the parties may submit the matter to commercial arbitration in accordance with the terms contained in Article XIV of the Interconnection Agreement.

- 4. Any final order that forms the basis of a "true-up" under this Amendment shall meet the following criteria:
- (a) It shall be in a proceeding to which DeltaCom and BellSouth are entitled to be full parties to the proceeding.
- (b) It shall apply the provisions of the Telecommunications Act of 1996, including, but not limited to, Section 252(d)(1) and all effective implementing rules and regulations; provided that said Act and such regulations are in effect at the time of the final order.
- (c) It shall include as an issue the geographic deaveraging of unbundled element rates, which deaveraged rates, if any are required by said final order, shall form the basis of any "true-up."
- 5. The Parties further agree that the rates for number portability identified in Attachment D to the Interconnection Agreement will be retroactively "trued-up" to the effective date of the Interconnection Agreement in the event that different rates for number portability are established by mutual agreement of the parties, regulatory action, judicial order, or by selection of a lower rate for number portability pursuant to the "most favorable provisions" contained in Section XXII of the Interconnection Agreement.
- 6. The Parties agree that all of the other provisions of the Interconnection Agreement, dated Merch 12, 1997, shall remain in full force and effect. Nothing in this Amendment shall in any way limit DeltaCom's ability to select substitute rates for local loops, loop cross connects, or loop channelization pursuant to the terms of Section XXII of the Interconnection Agreement relating to "most favorable" treatment.
- 7. The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate state public service commission or other regulatory body having jurisdiction over the subject matter of this Amendment, 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 be executed by their respective duly authorized representatives on the date indicated below.

DELTACOM, INC.

DIC.

SOUTH TELECOMMUNICATIONS,

INC.

By:	TOM MULLIS	Ву:
Title: _	SR. YP	Title: Director
DATE.	3/12/97	DATE: 3/12/97

States:	Alabama		Florida		Georgia		Kentucky	
Rate Elements	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*
Unbundled Exchange							1	Ì
Access Loop**	1		ļ	1			''	
√2-Wire Analog	\$18.00	\$55.20	\$17.00	\$44.80	\$17.00	\$25.80	\$17.00	\$58.40
/ 4-Wire Analog	\$28.80	\$55.20	\$27.20	\$44.80	\$27,20	\$25.80		•
√2-Wro ADSLAIDSL	\$18.00	\$55.20	\$17.00	\$44.80	\$17.00	\$25.80	\$17.00	1
4-Wire HDSL	\$28.80	\$55.20	\$27.20	\$44.80	\$27.20	\$25.80	\$27.20	_
/2-Wire ISON D :: ini	320.00	\$55.20	\$27.20	\$44.80	\$27.20	\$25.00	\$27.20	\$58.40
Cross-Connects	1.19%							
✓ 2-Wire Analog	\$ \$0.30	\$18.40	\$0.30	\$15.20	\$0.30	\$12.60	\$0.30	\$16.00
√4-Wire Analog	\$0.50	\$18.40		\$15.20	\$0.50	\$12.60	\$0.50	
Loop Channelization								
Equipment	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00
Per Line	\$1.15	\$8.00	-	•	\$1.15	•		

^{*} These rates reflect 80% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 80% of the revised rate.

^{**} In the event that an unbundled loop ordered by DeltaCom is part of an integrated Digital Loop Carrier (IDLC) system, the loop will by unbundled from the IDLC and provided to DeltaCom in accordance with the corresponding rates specified above.

States:	Louisiana		Mississippi		North Carolina		South Carolina	
Rate Elements	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*
Unbundled Exchange			ŀ	i				1
Access Loop**	1] '					' '	
2-Wire Analog	\$17.00	\$68.00	\$22.00	\$53.36	\$17.00	\$33.00	\$16.00	\$51.20
4-Wire Analog	\$27.20	\$68.00	\$35.20	· ·	\$27.20	\$33.00	\$28.80	_
2-Wire ADSLAIDSL	\$17.00	\$68.00	\$22.00		\$17.00	\$33.00	\$18.00	•
4-Wire HDGL	527.20	\$68.00	\$35.20		\$27,20	\$33.00	\$28.80	
2-Wire ISDN Digital	\$27.26	200.000	\$35.20	\$53.36	\$27.20	\$33.00	•	▼
Cross-Connects								
2-Wire Analog	80.30	\$20.80	\$0.30	\$13.00	\$0.30	\$11.60	\$0.30	\$8.00
4-Wire Analog	80.50	\$20.00			\$0,50	\$11.00	_	•
Loop Channelization								
Equipment	8420.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00
Per Line	81.15	_		•		•	\$1.15	

^{*} These rates reflect 80% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 80% of the revised rate.

^{**} In the event that an unbundled leng ordered by DeltaCom is part of an integrated Digital Loop Carrier (IDLC) system, the loop will by unbundled from the IDLC and provided to DeltaCom in accordance with the corresponding rates specified above.

States:

Tennesses

Rate Elements	Monthly	Nonrecurring*		
Unbundled Exchange				
Access Loop**		,		
2-Wire Analog	\$18.00	\$46.80		
4-Wire Analog	\$28.80	\$46.80		
2-Wire ADSLAHDSL	818.00	\$46.80		
4-Wire HDSL	\$20.00	\$46.80		
2-Wire ISON Digital	820.00	\$46.80		
Cross-Connects				
2-Wire Analog	\$0.30	\$19.20		
4-Wire Analog	80.50	\$19.20		
Loop Channelization				
Equipment	\$400.00	\$525.00		
Per Line	\$1.15	\$8.00		

^{*} These rates reflect 80% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 80% of the revised rate.

^{**} in the event that an unbundled loop ordered by DeltaCorn is part of an integrated Digital Loop Carrier (IDLC) system, the loop will by unbundled from the IDLC and provided to DeltaCorn in accordance with the corresponding rates specified above.

Amendment To The Interconnection Agreement Between BellSouth Telecommunications, Inc. and DeltaCom, Inc. Regarding The Resale of BellSouth Services

PURSUANT TO THIS AMENDMENT ("the Amendment"), Deltacom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth") hereinafter referred to collectively as the Parties hereby agree to amend the Interconnection Agreement between the Parties dated March 12, 1997.

NOW, THEREFORE, for and in consideration of the mutual provisions contained herein, BellSouth and DeltaCom do hereby agree as follows:

L Term of the Agreement

. .:

- A. The term of this Agreement shall be consistent with the term set forth in Section XVII. of the Interconnection Agreement.
- B. The rates pursuant to which DeltaCom is to purchase services from BellSouth for resale shall be at a discount rate off of the retail rate for the telecommunications service. The discount rates shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference.

II. Definition of Terms

- A. CUSTOMER OF RECORD means the entity responsible for placing application for service; requesting additions, rearrangements, maintenance or discontinuance of service; payment in full of charges incurred such as toll, directory assistance, etc.
- **B.** DEPOSIT means assurance provided by a customer in the form of cash, surety bond or bank letter of credit to be held by the Company.
- C. END USER means the ultimate user of the telecommunications services.
- D. END USER CUSTOMER LOCATION means the physical location of the premises where an end user makes use of the telecommunications services.
- E. NEW SERVICES means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.
- F. OTHER LOCAL EXCHANGE COMPANY (OLEC) means a telephone company certificated by the public service commissions of the Company's franchised area to provide local exchange service within the Company's franchised area.
- G. RESALE means an activity wherein a certificated OLEC, such as DeltaCom subscribes to the telecommunications services of the Company and then reoffers those telecommunications services to the public (with or without "adding value").

H. RESALE SERVICE AREA means the area, as defined in a public service commission approved certificate of operation, within which an OLEC, such as DeltaCom, may offer resold local exchange telecommunications service.

III. General Provisions

- A. DeltaCom may resell the tariffed local exchange and toll telecommunications services of BellSouth subject to the terms, and conditions specifically set forth herein. Notwithstanding the foregoing, the following are not available for purchase: Grandfathered services; promotional and trial retail service offerings; lifeline and linkup services; contract service arrangements; installment billing options; 911 and E911 services; interconnection services for mobile service providers; legislatively or administratively mandated specialized discounts (e.g., education institution discount) and discounted services to meet competitive situation.
- B. The provision of services by the Company to DeltaCom does not constitute a joint undertaking for the furnishing of any service.
- C. DeltaCom will be the customer of record for all services purchased from BellSouth. Except as specified herein, the Company will take orders from, bill and expect payment from DeltaCom for all services.
- D. DeltaCom will be the Company's single point of contact for all services purchased pursuant to this Agreement. The Company shall have no contact with the end user except to the extent provided for herein.
- E. The Company will continue to bill the end user for any services that the end user specifies it wishes to receive directly from the Company.
- F. The Company maintains the right to serve directly any end user within the service area of DeltaCom. The Company will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with end users of DeltaCom.
- G. DeltaCom shall not interfere with the right of any person or entity to obtain service directly from the Company.
- H. Although the telephone number of an end user may normally be retained by the end user, telephone numbers are the property of the Company and are assigned to the service furnished. DeltaCom has no property right to the telephone number or any other call number designation associated with services furnished by the Company, and no right to the continuance of service through any particular central office. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, whenever the Company deems it necessary to do so in the conduct of its business.
- L. The Company may provide any service or facility for which a charge is not established herein, as long as it is offered on the same terms to DeltaCom.
- J. Service is furnished subject to the condition that it will not be used for any unlawful purpose.

- K. Service will be discontinued if any law enforcement agency advises that the service being used is in violation of the law.
- L The Company can refuse service when it has grounds to believe that service will be used in violation of the law.
- M. The Company accepts no responsibility to any person for any unlawful act committed by DeltaCom or its end users as part of providing service to DeltaCom for purposes of resale or otherwise.
- N. The Company will cooperate fully with law enforcement agencies with subpoenas and court orders for assistance with the Company's customers. Law enforcement agency subpoenas and court orders regarding end users of DeltaCom will be directed to DeltaCom. The Company will bill DeltaCom for implementing any requests by law enforcement agencies regarding DeltaCom end users.
- O. The characteristics and methods of operation of any circuits, facilities or equipment provided by other than the Company shall not:
 - 1. Interfere with or impair service over any facilities of the Company, its affiliates, or its connecting and concurring carriers involved in its service;
 - 2. Cause damage to their plant;
 - 3. Impair the privacy of any communications; or
 - 4. Create hazards to any employees or the public.
- P. DeltaCom assumes the responsibility of notifying the Company regarding less than standard operations with respect to services provided by it.
- Q. Facilities and/or equipment utilized by BellSouth to provide service to DeltaCom remain the property of BellSouth.
- R. White page directory listings will be provided in accordance with regulations set forth in Section A6 of the General Subscriber Service Tariff and will be available for resale.

IV. BellSouth's Provision of Services to DeltaCom

- A. DeltaCom agrees that its resale of BellSouth services shall be as follows:
 - 1. The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.
 - 2. To the extent DeltaCom is a telecommunications carrier that serves greater than 5 percent of the Nation's presubscribed access lines, DeltaCom shall not jointly market its interLATA services with the telecommunications services purchased from BellSouth pursuant to this Agreement in any of the states covered under this Agreement. For the purposes of this

subsection, to jointly market means any advertisement, marketing effort or billing in which the telecommunications services purchased from BellSouth for purposes of resale to customers and interLATA services offered by DeltaCom are packaged, tied, bundled, discounted or offered together in any way to the end user. Such efforts include, but are not limited to, sales referrals, resale arrangements, sales agencies or billing agreements. This subsection shall be void and of no effect for a particular state covered under this Agreement as of February 8, 1999 or on the date BellSouth is authorized to offer interLATA services in that state, whichever is earlier.

- 3. Hotel and Hospital PBX service are the only telecommunications services available for resale to Hotel/Motel and Hospital end users, respectively. Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to COCOTS customers. Shared Tenant Service customers can only be sold those telecommunications services available in the Company's A23 Shared Tenant Service Tariff.
- 4. DeltaCom is prohibited from furnishing both flat and measured rate service on the same business premises to the same subscribers (end users) as stated in A2 of the Company's Tariff except for backup service as indicated in the applicable state tariff Section A3.
- 5. If telephone service is established and it is subsequently determined that the class of service restriction has been violated, DeltaCom will be notified and billing for that service will be immediately changed to the appropriate class of service. Service charges for changes between class of service, back billing, and interest as described in this subsection shall apply at the Company's sole discretion. Interest at the rate of 0.000590 per day, compounded daily for the number of days from the back billing date to and including the date that DeltaCom actually makes the payment to the Company may be assessed.
- 6. The Company reserves the right to periodically audit services purchased by DeltaCom to establish authenticity of use. Such audit shall not occur more than once in a calendar year. DeltaCom shall make any and all records and data available to the Company or the Company's auditor's on a reasonable basis. The Company shall bear the cost of said audit.
- B. Resold services can only be used in the same manner as specified in the Company's Tariff. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual end user of the Company in the appropriate section of the Company's Tariffs. Specific tariff features, e.g. a usage allowance per month, shall not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer except as specified in Section A23. of the Company's Tariff referring to Shared Tenant Service.
- C. DeltaCom may resell services only within the specific resale service area as defined in its certificate.
- **D.** Telephone numbers transmitted via any resold service feature are intended solely for the use of the end user of the feature. Resale of this information is prohibited.
- E. No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agreement. DeltaCom is strictly prohibited from any use, including but not limited to sales, marketing or advertising, of any BellSouth name or trademark.

V. Maintenance of Services

- A. Services resold under the Company's Tariffs and facilities and equipment provided by the Company shall be maintained by the Company.
- B. DeltaCom or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.
- C. DeltaCom accepts responsibility to notify the Company of situations that arise that may result in a service problem.
- D. DeltaCom will be the Company's single point of contact for all repair calls on behalf of DeltaCom's end users.
- E. DeltaCom will contact the appropriate repair centers in accordance with procedures established by the Company.
- F. For all repair requests, DeltaCom accepts responsibility for adhering to the Company's prescreening guidelines prior to referring the trouble to the Company.
- G. The Company will bill DeltaCom for handling troubles that are found not to be in the Company's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its retail customers for the same services.
- H. The Company reserves the right to contact DeltaCom's customers, if deemed necessary, for maintenance purposes.

VI. Establishment of Service

- A. After receiving certification as a local exchange company from the appropriate regulatory agency, DeltaCom will provide the appropriate Company service center the necessary documentation to enable the Company to establish a master account for DeltaCom. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, the Company will begin taking orders for the resale of service.
- B. Service orders will be in a standard format designated by the Company.
- C. When notification is received from DeltaCom that a current customer of the Company will subscribe to DeltaCom's service, standard service order intervals for the appropriate class of service will apply.
- D. The Company will not require end user confirmation prior to establishing service for DeltaCom's end user customer. DeltaCom must, however, be able to demonstrate end user authorization upon request.

- E. DeltaCom will be the single point of contact with the Company for all subsequent ordering activity resulting in additions or changes to resold services except that the Company will accept a request directly from the end user for conversion of the end user's service from DeltaCom to the Company or will accept a request from another OLEC for conversion of the end user's service from the DeltaCom to the other LEC. The Company will notify DeltaCom that such a request has been processed.
- F. If the Company determines that an unauthorized change in local service to DeltaCom has occurred, the Company will reestablish service with the appropriate local service provider and will assess DeltaCom as the OLEC initiating the unauthorized change, an unauthorized change charge similar to that described in F.C.C. Tariff No. 1, Section 13.3.3. Appropriate nonrecurring charges, as set forth in Section A4. of the General Subscriber Service Tariff, will also be assessed to DeltaCom.

These charges can be adjusted if DeltaCom provides satisfactory proof of authorization.

Nonrecurring Charge

(a) each Residence or Business line

\$19.41

- G. The Company will, in order to safeguard its interest, require DeltaCom to make a deposit to be held by the Company as a guarantee of the payment of rates and charges, unless satisfactory credit has already been established. Any such deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.
- H. Such deposit may not exceed two months' estimated billing.
- L The fact that a deposit has been made in no way relieves DeltaCom from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for non-payment of any sums due the Company.
- J. The Company reserves the right to increase the deposit requirements when, in its sole judgment, the conditions justify such action.
- K. In the event that DeltaCom defaults on its account, service to DeltaCom will be terminated and any deposits held will be applied to its account.
- L. In the case of a cash deposit, interest at the rate of six percent per annum shall be paid to DeltaCom during the continuance of the deposit. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to DeltaCom by the accrual date.

VII. Payment And Billing Arrangements

- A. When the initial service is ordered by DeltaCom, the Company will establish an accounts receivable master account for DeltaCom.
- B. The Company shall bill DeltaCom on a current basis all applicable charges and credits.

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- C. Payment of all charges will be the responsibility of DeltaCom. DeltaCom shall make payment to the Company for all services billed. The Company is not responsible for payments not received by DeltaCom from DeltaCom's customer. The Company will not become involved in billing disputes that may arise between DeltaCom and its customer. Payments made to the Company as payment on account will be credited to an accounts receivable master account and not to an end user's account.
- **D.** The Company will render bills each month on established bill days for each of DeltaCom's accounts.
- E. The Company will bill DeltaCom, in advance, charges for all services to be provided during the ensuing billing period except charges associated with service usage, which charges will be billed in arrears. Charges will be calculated on an individual end user account level, including, if applicable, any charges for usage or usage allowances. BellSouth will also bill all charges, including but not limited to 911 and E911 charges, telecommunications relay charges, and franchise fees, on an individual end user account level.
- F. The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available funds. Payment is considered to have been made when received by the Company.

If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth in I. following, shall apply.

- G. Upon proof of tax exempt certification from DeltaCom, the total amount billed to DeltaCom will not include any taxes due from the end user. DeltaCom will be solely responsible for the computation, tracking, reporting and payment of all federal, state and/or local jurisdiction taxes associated with the services resold to the end user.
- H. As the customer of record, DeltaCom will be responsible for, and remit to the Company, all charges applicable to its resold services for emergency services (E911 and 911) and Telecommunications Relay Service (TRS) as well as any other charges of a similar nature.
- L If any portion of the payment is received by the Company after the payment due date as set forth preceding, or if any portion of the payment is received by the Company in funds that are not immediately available to the Company, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff.
- J. Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, the Company. No additional charges are to be assessed to DeltaCom.
- K. The Company will not perform billing and collection services for DeltaCom as a result of the execution of this Agreement. All requests for billing services should be referred to the appropriate entity or operational group within the Company.

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L. Pursuant to 47 CFR Section 51.617, the Company will bill the charges shown below which are identical to the EUCL rates billed by BST to its end users.

	•	Monthly Rate
1.	Residential (a) Each Individual Line or Trunk	\$3.50
2.	Single Line Business (b) Each Individual Line or Trunk	\$3.50
3.	Multi-line Business (c) Each Individual Line or Trunk	\$6.00

M. In general, the Company will not become involved in disputes between DeltaCom and DeltaCom's end user customers over resold services. If a dispute does arise that cannot be settled without the involvement of the Company, DeltaCom shall contact the designated Service Center for resolution. The Company will make every effort to assist in the resolution of the dispute and will work with DeltaCom to resolve the matter in as timely a manner as possible. DeltaCom may be required to submit documentation to substantiate the claim.

VIII. Discontinuance of Service

- A. The procedures for discontinuing service to an end user are as follows:
 - 1. Where possible, the Company will deny service to DeltaCom's end user on behalf of, and at the request of, DeltaCom. Upon restoration of the end user's service, restoral charges will apply and will be the responsibility of DeltaCom.
 - 2. At the request of DeltaCom, the Company will disconnect a DeltaCom end user customer.
 - 3. All requests by DeltaCom for denial or disconnection of an end user for nonpayment must be in writing.
 - 4. DeltaCom will be made solely responsible for notifying the end user of the proposed disconnection of the service.
 - 5. The Company will continue to process calls made to the Annoyance Call Center and will advise DeltaCom when it is determined that annoyance calls are originated from one of their end user's locations. The Company shall be indemnified, defended and held harmless by DeltaCom and/or the end user against any claim, loss or damage arising from providing this information to DeltaCom. It is the responsibility of DeltaCom to take the corrective action necessary with its customers who make annoying calls. Failure to do so will result in the Company's disconnecting the end user's service.
- B. The procedures for discontinuing service to DeltaCom are as follows:
 - 1. The Company reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any

other violation or noncompliance by DeltaCom of the rules and regulations of the Company's Tariffs.

- 2. If payment of account is not received by the bill day in the month after the original bill day, the Company may provide written notice to DeltaCom, that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. If the Company does not refuse additional applications for service on the date specified in the notice, and DeltaCom's noncompliance continues, nothing contained herein shall preclude the Company's right to refuse additional applications for service without further notice.
- 3. If payment of account is not received, or arrangements made, by the bill day in the second consecutive month, the account will be considered in default and will be subject to denial or disconnection, or both.
- 4. If DeltaCom fails to comply with the provisions of this Agreement, including any payments to be made by it on the dates and times herein specified, the Company may, on thirty days written notice to the person designated by DeltaCom to receive notices of noncompliance, discontinue the provision of existing services to DeltaCom at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If the Company does not discontinue the provision of the services involved on the date specified in the thirty days notice, and DeltaCom's noncompliance continues, nothing contained herein shall preclude the Company's right to discontinue the provision of the services to DeltaCom without further notice.
- 5. If payment is not received or arrangements made for payment by the date given in the written notification, DeltaCom's services will be discontinued. Upon discontinuance of service on a DeltaCom's account, service to DeltaCom's end users will be denied. The Company will also reestablish service at the request of the end user or DeltaCom upon payment of the appropriate connection fee and subject to the Company's normal application procedures.
- 6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

IX. Resolution of Disputes

Except as otherwise stated in this Agreement, the parties agree that if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, the parties will petition the applicable state Public Service Commission for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by that Public Service Commission concerning this Agreement.

X. Miscellaneous

A. The liability and indemnification obligations of the parties shall be as set forth in Section XXI. of the Interconnection Agreement.

- **B.** Issues regarding the treatment of proprietary and confidential information will be governed pursuant to Section XXIV. of the Interconnection Agreement.
- C. The Parties agree that this Amendment shall not be proffered by either party in another jurisdiction as evidence of any concession or as a waiver of any position taken by the other party in that jurisdiction or for any other purpose.
- D. Any failure by either party to insist upon the strict performance by the other party of any of the provisions of this Amendment shall not be deemed a waiver of any of the provisions of this Amendment, and each party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Amendment.
- E. This Amendment shall be governed by, and construed and enforced in accordance with Section XXVII of the Interconnection Agreement.
- F. This Amendment was executed after arm's length negotiations between the undersigned Parties and reflects the conclusion of the undersigned that this Amendment is in the best interests of all Parties.
- G. Every notice, consent, approval, or other communications required or contemplated by this Amendment shall be provided pursuant to Section XIX. of the Interconnection Agreement.
- H. More favorable resale arrangements may be available to DeltaCom pursuant to Section XXII. of the Interconnection Agreement.
- L The Parties agree that all of the other provisions of the Interconnection Agreement dated March 12, 1997 shall remain in full force and effect and by this reference are incorporated herein.
- L. The Parties agree that the execution of this Amendment and its submission to the Commission is made without prejudice to the rights of either party to challenge the Commission's decision regarding the resale of BellSouth telecommunications service to new entrants. The Parties further agree to conform this Amendment to any final nonappealable decision of the Commission regarding resale.

XI. Amendments

This Agreement may be amended at any time upon written agreement of both parties.

XIL Entire Agreement

This Agreement sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the party to be bound thereby.

BellSouth Telecommunications, Inc.	DeltaCom
BY:	BY: 1su mellia
Signature	Signature '
NAME: Jerry D. Hendry	NAME: TOW MULLIS
Printed Name	Printed Name
TITLE: Dicactor	TITLE SE VA

Version: February 13, 1997

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EXHIBIT "A"

APPLICABLE DISCOUNTS

The telecommunications services available for purchase by DeltaCom for the purposes of resale to DeltaCom end users shall be available at the following discount off of the retail rate.

	DISCOU	<u>INT</u>
STATE	RESIDENCE	BUSINESS
ALABAMA	10%	10%
FLORIDA	18%	12%
GEORGIA	20.3%	17.3%
KENTUCKY	10%	8%
LOUISIANA*	20.72%	20.72%
MISSISSIPPI	9%	8%
NORTH CAROLINA	12%	9%
SOUTH CAROLINA	10%	9%
TENNESSEE**	16%	16%

[•] Effective as of the Commission's Order in Louisiana Docket No. U-22020 dated November 12, 1996.

Version: February 13, 1997

^{**} The Wholesale Discount is set as a percentage off the tariffed rates. If OLEC provides its own operator services and directory services, the discount shall be \$21.56%. These rates are effective as of the Tennessee Regulatory Authority's Order in Tennessee Docket No. 90-01331 dated January 17, 1997.

LINE INFORMATION DATA BASE (LIDB) STORAGE AGREEMENT

This Agreement, effective as of August, 1997, is entered into by and between BellSouth Telecommunications, Inc. ("BST"), a Georgia corporation, and DeltaCom, Inc. ("Local Exchange Company"), an Alabama corporation, and their fully authorized officers.

WHEREAS, in consideration of the mutual covenants, agreements and obligations set forth below, the parties hereby agree as follows:

I. SCOPE

A. This Agreement sets forth the terms and conditions pursuant to which BST agrees to store in its LIDB certain information at the request of the Local Exchange Company and pursuant to which BST, its LIDB customers and Local Exchange Carrier shall have access to such information. Local Exchange Carrier understands that BST provides access to information in its LIDB to various telecommunications service providers pursuant to applicable tariffs and agrees that information stored at the request of Local Exchange Carrier, pursuant to this Agreement, shall be available to those telecommunications service providers. The terms and conditions contained in the attached Addendum No. 1 are hereby made a part of this Agreement as if fully incorporated herein.

- B. LIDB is accessed for the following purposes:
 - 1. Billed Number Screening
 - 2. Calling Card Validation
 - 3. Fraud Control
- C. BST will provide seven days per week, 24-hours per day, fraud control and detection services. These services include, but are not limited to, such features as sorting Calling Card Fraud detection according to domestic or international calls in order to assist the pinpointing of possible theft or fraudulent use of Calling Card numbers; monitoring bill-to-third number and collect calls made to numbers in BST's LIDB, provided such information is included in the LIDB query, and establishing Account Specific Thresholds, at BST's sole discretion, when necessary. Local Exchange Company understands and agrees BST will administer all data stored in the LIDB, including the data provided by Local Exchange Company pursuant to this Agreement, in the same manner as BST's data for BST's end user customers. BST shall not be responsible to Local Exchange Company for any lost revenue which may result from BST's administration of the LIDB pursuant to its established practices and procedures as they exist and as they may be changed by BST in its sole discretion from time to time.

Local Exchange Company understands that BST currently has in effect numerous billing and collection agreements with various interexchange carriers and billing clearing houses. Local Exchange Company further understands that these billing and collection customers of BST query BST's LIDB to determine whether to accept various billing options from end users.

Additionally, Local Exchange Company understands that presently BST has no method to differentiate between BST's own billing and line data in the LIDB and such data which it includes in the LIDB on Local Exchange Company's behalf pursuant to this Agreement.

Therefore, until such time as BST can and does implement in its LIDB and its supporting systems the means to differentiate Local Exchange Company's data from BST's data and the parties to this Agreement execute appropriate mutually agreed upon amendments hereto, the following terms and conditions shall apply:

- (a) The Local Exchange Company agrees that it will accept responsibility for telecommunications services billed by BST for its billing and collection customers for Local Exchange Customer's end user accounts which are resident in LIDB pursuant to this Agreement. Local Exchange Company authorizes BST to place such charges on Local Exchange Company's bill from BST and agrees that it shall pay all such charges. Charges for which Local Exchange Company hereby takes responsibility include, but are not limited to, collect and third number calls.
- (b) Charges for such services shall appear on a separate BST bill page identified with the name of the entity for which BST is billing the charge.
- (c) Local Exchange Company shall have the responsibility to render a billing statement to its end users for these charges, but Local Exchange Company's obligation to pay BST for the charges billed shall be independent of whether Local Exchange Company is able or not to collect from the Local Exchange Company's end users.
- (d) BST shall not become involved in any disputes between Local Exchange Company and the entities for which BST performs billing and collection. BellSouth will not issue adjustments for charges billed on behalf of an entity to Local Exchange Company. It shall be the responsibility of the Local Exchange Company and the other entity to negotiate and arrange for any appropriate adjustments.

II. TERM

This Agreement will be effective as of _______, 1997, and will continue in effect for one year, and thereafter may be continued until terminated by either party upon thirty (30) days written notice to the other party.

III. FEES FOR SERVICE AND TAXES

- A. The Local Exchange Company will not be charged a fee for storage services

 provided by BST to the Local Exchange Company, as described in Section I of this Agreement.
- B. Sales, use and all other taxes (excluding taxes on BST's income) determined by BST or any taxing authority to be due to any federal, state or local taxing jurisdiction with respect to the provision of the service set forth herein will be paid by the Local Exchange Company. The Local Exchange Company shall have the right to have BST contest with the imposing jurisdiction, at the Local Exchange Company's expense, any such taxes that the Local Exchange Company deems are improperly levied.

IV. INDEMNIFICATION

To the extent not prohibited by law, each party will indemnify the other and hold the other harmless against any loss, cost, claim, injury, or liability relating to or arising out of negligence or willful misconduct by the indemnifying party or its agents or contractors in connection with the indemnifying party's provision of services, provided, however, that any indemnity for any loss, cost, claim, injury or liability arising out of or relating to errors or omissions in the provision of services under this Agreement shall be limited as otherwise specified in this Agreement. The indemnifying party under this Section agrees to defend any suit brought against the other party for any such loss, cost, claim, injury or liability. The indemnified party agrees to notify the other party promptly, in writing, of any written claims, lawsuits, or demands for which the other party is responsible under this Section and to cooperate in every

reasonable way to facilitate defense or settlement of claims. The indemnifying party shall not be liable under this Section for settlement by the indemnified party of any claim, lawsuit, or demand unless the defense of the claim, lawsuit, or demand has been tendered to it in writing and the indemnifying party has unreasonably failed to assume such defense.

V. LIMITATION OF LIABILITY

Neither party shall be liable to the other party for any lost profits or revenues or for any indirect, incidental or consequential damages incurred by the other party arising from this Agreement or the services performed or not performed hereunder, regardless of the cause of such loss or damage.

VI. MISCELLANEOUS

A. It is understood and agreed to by the parties that BST may provide similar services to other companies.

- B. All terms, conditions and operations under this Agreement shall be performed in accordance with, and subject to, all applicable local, state or federal legal and regulatory tariffs, rulings, and other requirements of the federal courts, the U. S. Department of Justice and state and federal regulatory agencies. Nothing in this Agreement shall be construed to cause either party to violate any such legal or regulatory requirement and either party's obligation to perform shall be subject to all such requirements.
- C. Each party agrees to submit to the other party all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement wherein the other party's corporate or trade names, logos, trademarks or service marks or those of the other party's affiliated companies are mentioned or language from which the connection of said names or trademarks therewith may be inferred or implied; and each party further agrees not to publish or

use advertising, sales promotions, press releases, or publicity matters relating to the other party without the other party's prior written approval.

- D. This Agreement constitutes the entire agreement between the Local Exchange Company and BST which supersedes all prior agreements or contracts, oral or written representations, statements, negotiations, understandings, proposals and undertakings with respect to the subject matter hereof.
- E. Except as expressly provided in this Agreement, if any part of this Agreement is held or construed to be invalid or unenforceable, the validity of any other Section of this Agreement shall remain in full force and effect to the extent permissible or appropriate in furtherance of the intent of this Agreement.
- F. Neither party shall be held liable for any delay or failure in performance of any part of this Agreement for any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation common carriers.
- G. This Agreement shall be deemed to be a contract made under the laws of the State of Georgia, and the construction, interpretation and performance of this Agreement and all transactions hereunder shall be governed by the domestic law of such State.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their fully authorized officers.

BELLSOUTH TELECOMMUNICATIONS, INC.

THIRD AMENDMENT

TO

THE INTERCONNECTION AGREEMENT BETWEEN DELTACOM, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC. DATED MARCH 12, 1997

Pursuant to this Agreement (the "Third Amendment"), DeltaCom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth") hereinafter referred to collectively as the "Parties", hereby agree to amend that Interconnection Agreement between the Parties dated March 12, 1997 ("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 Parties agree that the resale restrictions set forth in Section III.A. of the first Amendment to the Interconnection Agreement dated March 12, 1997 between BellSouth and DeltaCom shall be deleted.
- 2. The Parties agree that the only restrictions on resale shall be those set forth in the Second and Final Order of the Arbitrators in the AT&T/MCI interconnection arbitrations, Docket Numbers 96-01152 and 96-01271 (the "Arbitrations"). (See pp. 13-18 of Second and Final Order dated January 23, 1997, attached hereto as Exhibit A.)
- 3. The Parties agree that all of the other provisions of the Interconnection Agreement shall remain in full force and effect. Nothing in this Third Amendment shall in any way limit DeltaCom's ability to select and substitute more favorable rates or terms pursuant to the terms of Section XXII, entitled Most Favorable Provisions, of the Interconnection Agreement.
- 4. The Parties acknowledge that the terms of this Third Amendment were established as a result of orders of the Tennessee Regulatory Authority ("TRA") in the Arbitrations and Avoidable Cost proceedings. The Parties agree that execution of this Amendment and its submission to the TRA is made without prejudice to the rights of BellSouth

in the Arbitrations, execution of this Third Amendment and its submission to the 18th is many without prejudice to the rights of DeltaCom to challenge any decision of the TRA in the Arbitrations. The parties further agree to conform this Third Amendment to any subsequent order of the TRA relating to any of the rates, terms and conditions affected by this Third Amendment.

5. The Parties further agree that either or both of the Parties is authorized to submit this Third Amendment to the Tennessee Regulatory Authority or other regulatory body having jurisdiction over the subject matter of this Third Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996.

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

DELTACOM, INC.	BELLSOUTH TELECOMMUNICATIONS, INC.
By: Town Milles	By: Chap ofm
DATE: March 27 1997	DATE: (1961) 1 1997

FOURTH AMENDMENT

-1

TO

INTERCONNECTION AGREEMENT BETWEEN DELTACOM, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC. DATED MARCH 12, 1997

Pursuant to this Agreement (the "Fourth Amendment"), DeltaCom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties", hereby agree to further amend that certain Interconnection Agreement, as heretofore amended, between the Parties dated March 12, 1997 ("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, DeltaCom and BellSouth hereby covenant and agree as follows:

1. The Parties agree to delete in its entirety Section VIII(B) of the Interconnection Agreement and substitute the following Section VIII(B).

For originating and terminating interexchange toll traffic, each Party shall pay the other Party's tariffed switched network access service rate elements on a per minute of use basis. Said rate elements shall be as set out in the Parties' respective access services tariffs as those tariffs are amended from time to time during the term of this Agreement. The appropriate charges will be determined by the routing of the call. If DeltaCom is the BellSouth end user's presubscribed interexchange carrier or if the BellSouth end user uses DeltaCom as an interexchange carrier on a 10XXX basis, BellSouth will charge DeltaCom the appropriate tariff charges for originating network access services. If BellSouth is serving as the DeltaCom end user's presubscribed interexchange carrier or if the DeltaCom end user uses BellSouth as an interexchange carrier on a 10XXX basis, DeltaCom will charge the appropriate appropriate appropriate appropriate appropriate agree that DeltaCom will charge BellSouth the appropriate DeltaCom tariff charges for originating network access services.

2. Except for Operator Provided Call Handling service provided by BellSouth in Alabama, Georgia and Kentucky, the Parties agree to amend Attachment C-10 of the Interconnection Agreement to include a rate of \$1.17 per work minute for Operator Provided Call Handling.

having jurisdiction over the subject matter of this Amendment, 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 be executed by their respective duly authorized representatives and made effective on the date indicated below.

DELTACOM INC.

By: 10en Miller

DATE: august 13, 1997

BELLSOUTH TELECOMMUNICATIONS,

INC.

By:

DATE: Hryus + 22, 1997

ATTACHMENT 1

The prices reflected in this Attachment 1 and its Exhibits A,B,C and D shall be "trued-up" (up or down) based on final prices either determined by further agreement or by final order (including any appeals) of the relevant public service commission or other body having jurisdiction over the subject matter of this Amendment. The "true-up" will consist of comparing the actual volumes and demand for each item, together with the price associated with such item by this Amendment, with the final prices determined for each item. 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 the body having jurisdiction over the matter for the affected states shall be called upon to resolve such differences or that they will submit the matter to commercial arbitration in accordance with the terms contained in Section XXV. of the Interconnection Agreement.

		PSC
tt to andto differences	_	Proposed
Unbundled Element		rue-up Price
Network interface device (NID)	\$	0.63
Unbundled Loops (per month)		
2-wire analog voice grade loop	\$	18.00
Nonrecurring-first/additional	\$	55.20
4-wire analog voice grade loop	\$	28.80
Nonrecurring-first/additional	\$	55.20
2-wire ISDN digital grade loop	\$	28.80
Nonrecurring-first/additional	\$	55.20
2-wire ADSL/HDSL loop	\$	28.80
Nonrecurring-first/additional	\$	55.20
4-wire HDSL loop	\$	28.80
Nonrecurring-first/additional	\$	55.20
4-wire DS1 digital grade loop	\$	64,19
Nonrecurring-first/additional		\$675/\$315
Unbundled Exchange Access IOC-Voice Grade		
0-8 miles, fixed per mo	\$	30.00
per mile, per month	\$	2.05
9-25 miles, fixed per mo	\$	30.00
per mile, per month	\$	2.00
Over 25 miles, fixed per mo	\$	30.00
per mile, per month	\$	1,95
Nonrecurring	\$	97.00
Unbundled Local Switching		
Unbundled Exchange Ports		
2-wire analog per mo	3	2,50
Nonrecurring-first/additional	•	\$50/\$18
4-wire analog (Coin) per mo	\$	4.00
Nonrecurring-first/additional	•	\$50/\$18
4-wire ISDN DS1 per mo	\$.	308.00
Nonrecurring-first/additional		\$230/\$200
2-wire ISON Digital per mo	\$	11.91
Nonrecurring-first/additional		\$150/\$120
2-wire analog hunting per line per mo	\$	0.25
Nonrecurring	\$	3.00
Unbundled Local Usage (Restructured Switching)		
End office switching per mou	\$	0.001700
Tandem switching per mou	\$	0.001500
Common transport per milper mou	Š	0.000040
Common transport facility termination per mou	S	0.000360
	-	

Proposed Interim Network Element Rates

Unbundled Element

PSC Proposed True-up Price

-INTENTIONALLY LEFT BLANK-

		PSC roposed
Unbundled Element		e-up Price
Local Interconnection	• • •	
End office switching per mou		
Tandem switching per mou		
Common transport per mi/per mou		
Common transport facility termination per mou		
Intermediary tandem per mou		
Dedicated Transport - DS1 Only		
Per mile per month		
Facility termination per month		
Facility termination, NRC		
Per DS0 equivalent per terminal		
Per DS0 equivalent per mile		•.
Channelization System - For Unbundled Loops		
Unbundled Loop System (DS1 to VG) per sys/per mo	\$	400.00
Nonrecurring	\$	525.00
Central office interface per circuit per month	\$	1.15
Nonrecurring	\$	8.00
CCS7 Signaling Transport Service		
Signaling connection link, per month	\$	155.00
Nonrecurring	\$	510.00
Signaling termination (port), per month	\$	355.00
Signaling usage, per 56 kbps facility per month	\$	395.00

Unbundled Element	T	PSC Proposed rue-up Price
800 Access Ten Digit Screening Service Per 800 call utilizing 800 access ten digit screening		
service with 800 number delivery, per query Per 800 call utilizing 800 access ten digit screening service with 800 number delivery, with optional complex	\$	0.00360
features, per query Per 800 call utilizing 800 access ten digit screening	\$	0.00431
service with POTS number delivery, per query Per 800 call utilizing 800 access ten digit screening service with POTS number delivery, with optional complex	\$	0.00431
features, per query	\$	0.00431
Nonrecurring (1st/additional) Reservation charge per 800 number reserved		\$31.50/\$0.50
Est charge per 800 number est w/800 number delivery		\$69.90/1.50
Est charge per 800 number est w/POTS number delivery		\$69.90/1.50
Customized area of service per 800 number Multiple interLATA carrier routing per carrier requested,		\$3.00/\$1.50
per 800 number		\$3.50/\$2.00
Change charge per request		\$48.50/\$0.50
Call handling and destination features per 800 number	\$	3.00
Line Information Database Access Service	s	0.00030
Common transport, per query, per month	5	0.03800
Validation, per query, per month Nonrecurring - establishment or charge	\$	91.00
Operator Services		
Operator Call Processing Access Service	_	
Operator provided, per minute		1.36
Using BST LIDB	•	1.38
Using foreign LIDB	•	1.30
Fully automated, per attempt Using BST LIDB	5	0.07
Using foreign LIDS	\$	0.09
Inward Operator Services Access Service		
Verification per call	\$	0.90
Emergency Interrupt, per call	\$	1.95
Directory Assistance Access Service Calls		
Per call	\$	0.25

Unbundled Element Directory Assistance Database Service	Т	PSC Proposed rue-up Price
Use fee, per DADS customer's EU request/listing	•	0.025
Monthly recurring	5	0.035
Monthly recurring	3	150.00
Direct Access to Dir Acet Sequine (DADAS)		
Direct Access to Dir Asst Service (DADAS)	_	
Database service charge, per month	\$	5,000.00
Database query charge, per query	\$	0.023
Nonrecurring - DADAS service establishment	\$	1,000.00
DACC Access Service		
Per call attempt	S	0.25
rei can allempt	•	0.25
Number Services Intercept Access Service		
Per intercept query	\$	0.25
Directory Transport		
Switched Common Transport		
Per DA service call	S	0.00030
Switched Common Transport	•	0.00030
Per DA service call mile	•	0.00004
	\$	0.00004
Access Tandem Switched	_	
Per DA service call	\$	0.00055
Switched Local Channel - DS 1 level, per month	\$	133.81
Nonrecurring - first/additional	\$86	6.87/\$486.83
Switched Dedicated Transport - DS 1 level, per mi/per mo.	\$	23.00
Facilities termination, per month	\$	90.00
Nonrecurring	\$	100.49
DA interconnection per DA access service call	\$	0.00269
Installation		00451040
NRC - per trunk or signalling connection, first/additional	•	\$915/\$10
Collocation		
Application -		
Per arrangement/per location - nonrecurring	S	3,850.00
Space preparation fee - nonrecurring	•	ICB
Space construction fee - nonrecurring	\$	4,500.00
•	_	
Cable installation - per entrance cable	\$	2,750.00
Floor space zone A, per square foot, per month	\$	7.50
Floor space zone B, per square foot, per month	\$	6.75
Power per amp, per month	S	5.00
and har suik' her manne	•	3.00

		PSC
		Proposed
Unbundled Element		ue-up Price
Cable support structure, per entrance cable	S	13.35
POT bay (optional point of termination bay)		
Per 2-wire cross-connect, per month	\$	0.40
Per 4-wire cross-connect, per month	\$	1.20
Per DS1 cross-connect, per month	\$	1.20
Per DS3 cross-connect, per month	\$	8.00
Cross-Connects		
2-wire analog, per month	\$	0.30
4 wire analog, per month	\$	0.50
Nonrecurring 2-wire and 4-wire	\$	18.40
DS1, per month	\$	8.00
Nonrecurring, first/additional		\$155/\$27
DS3, per month	\$	72.00
Nonrecurring, first/additional		\$155/\$27
Security Escort		
Basic - 1st half hour	\$	41.00
Overtime - 1st half hour	\$	48.00
Premium - 1st half hour	\$	55.00
Basic - additional	\$	25.00
Overtime - additional	\$	30.00
Premium - additional	\$	35.00

EXHIBIT B

Type of		T		L		A.	KY LA			
Service	Ressis?	Discount?	Ressie?	Discount?	Resale?	Discours?	Recale?	Discount	Resais?	Orecourt.
1 Grandfathered Services	Yes	Yes	Yee	Yes	Yes	Yes	Yes	Yes	Yes	Y 006
2 Contract Service Arrangements	Yes	Yes	Yes	Yes	Yee	No	Yes	No	Yee	Ne
3 Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4 Promotons - < 90 Days	Yes	No	Yes	No	Yes	No	Ng	No	Yes	No
5 Lifetine/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	No	Ne	Yes	Yes
6 911/E911 Services	Yes	Yes	Yes	Yes	Y	Yes	Yes	Yes	79	Ne
7 N11 Services	Yes	Yee	Yes	Yes	Yes	Yes	Ne	Ne	No	Ne
8 Non-Recurring Charges	Yes	Y 00	Yes	Yes	Y	Yes	Yes	Yes	Yes	Yes

Type of		M8 NC				C	TN	
Service	Recoie?	Discount?	Ressis?	Discount?	Recate?	Discount?	Receie?	Discount?
1 Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2 Contract Service Arrangements	Y 🗪	No	Yes	Yee	Yes	No	Y	Yes
3 Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yee	Yes	Na
4 Promotions - < 90 Days	Yes	No	No	No	Yes	No	Ng	No
5 Lifetine/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6 911/E911 Services	Y00	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7 N11 Services	No	No	No	No	Yes	Yes	Yes	Yes
8 Non-Recurring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No

Additional Comments:

- 1 Grandfathered services can be readd only to existing subscribers of the grandfathered service.
- 2 Where evaluate for recale, promotions will be made evaluate only to end users who would have qualified for the promotion had it been provided by BellSouth directly.
- 3 Lifetine/Link Up services may be offered only to those subscribers who meet the criteria that BelSouth currently applies to subscribers of these services. In Tennessee, Reseller shall purchase BelSouth's Message Rate Service at the stated tariff rate, less the wholesale discount. Reseller must further discount the wholesale Message Rate Service to Lifet,ine customers with a discount which is no less than the minimum discount that BelSouth now provides. Reseller is responsible for recovering the Subscriber Line Charge from the National Exchange Carriers Association interstate toll settlement pool just as BelSouth does today.
- 4 In Louisians and Mississippi, at Contract Service Arrangements entered into by BelSouth or terminating after the effective data of the Commission Order will be subject to reasts without the wholesale discount. All CSAs which are in place as of the effective data of the Commission order will not be eligible for reasts.
- 5 in North Caroline, only those Contract Service Arrangements entered into after April 15, 1997 will be available for resele.

Version: August 1, 1997

ECK LIST	- 	MONTHLY	ED RATES
M NUMBER	RATE ELEMENT		NONRECURRING
			· ·
			
ondiscriminatory	Collocation - Physical *	***	
twork Elements	Space Preparation Fee		\$ 3.850.00
two x ciements	Space Construction Fee		S 4.500.00 I
	Cable installation - Per Entrance Cable		\$ 2.750.00
	Floor Space Zone A. Per Square Foot	\$ 7.50	
	Floor Space Zone B. Per Square Foot	8 6.75	
	Power, Per AMP	\$ 5.00	<u> </u>
	Cable Support Structure, Per Entrance Cable	\$ 13.35	
	POT Bay (Optional Point of Termination Say)		
	2-Wire	0.40	
	4-Wire	\$ 1.20	
	0\$1	\$ 1.20	
	083	8 8.00	
	Cross-Connects	8 0.30	
	2-Wire Analog Cross Connect	\$ 0.30 \$ 0.50	
·	4-Wire Analog Cross Connect OS1 Cross Connect	\$ 8.00	
	CG1 Cital Collines	9.00	\$ 27.00 - Add1
	DS3 Cross Connect	3 72.00	
			\$ 27.00 Add1
	Security Escart		
	Basis • 1st half hour		\$ 41.00 i
	Overtime - 1st half hour		\$ 48.00
	Premium - 1st half hour		\$ 55.00 !
T			
	Basis • additional		\$ 25.00
	Overame - additional		\$ 30.00 1
	Premium • additional		\$ 35.00
	Collection - Virtual	Rates as set forth in	Section 20 of AST's
	A COLONIA POLICE A R. CORES	FCC Tariff No. 1.	1
	· · · · · · · · · · · · · · · · · · ·		!
	Park Fiber *; (2)		
	- Per each four-fiber dry fiber strangement	-	\$ 1,808,19 - First
	The second state that and the second		\$ 922.95 ! - AddT
	Per each fiber strand per route mile or fraction there of	\$ 241.00	- 1
			ŧ
ites rates subject	to true-up.		!
): ·		·	
		en la applicable local inter	

	<u></u>		PROPOSED RATES						
CHECK LIST			RATE						
TEM NUMBER	RATE ELEMENT	PI	er year	HONRECURRING					
. Access to Poles	Access to Poles, Ducts, Conduits & Rights of Way								
Ouets, Conduits	· Poles	3	4 20						
and Rights of Way	Canduits, ser foot	3	0 56						
	Work performed by BellSouth employees as developed.			Loaded labor rate as					
	in accordance with FCC Accounting Rules			developed in					
				accordance with FCC					
				Accounting Rules for					
				work performed by					
				BST employees					
			PROPOSE	DRATES					
			ONTHLY						
		RE	CURRING	NONRECURRING					
Local Loop	Unbundled Exchange Access Loops *								
Transmission	- 2 Wire Analog Voice Grade Loop	\$	14.22	\$ 50.00 .					
	- 4 Wire Analog Voice Grade Loop	3	22.75						
	- 2 Wire ISDN Digital	3	14.22						
	- 2 Wire ADSL	3	14.22						
	- 4 Wire ADSL	3	22.75						
	• 4 Wire HOSL	8	22.75						
	- 4 Wire DS1 Digital Grade Late	8	117.00						
				\$ 315.00 - Add1					
	Loop Distribution *, (1)								
	Per Line, per month	\$	8.34						
	Nonrecurring Charges			\$ 587.00 - First					
				\$ 255.00 · Add1					
				ı					
•	Loop Cross Connects *			•					
	- 2 Wire Cross Connect	3	0.30	\$ 12.60 1					
	- 4 Wire Cross Cannett	13	0.50	\$ 12.60 :					
	- DS1 Cross Connect	15	5.00						
				\$ 27.00 : - Add1					
	OS3 Cross Connect	13	72.00						
•				\$ 27.00 ! - Add1					
1	.oop Concentration (inside C.O.) *	1		;					
	oop Channelizason System	18	400.00	\$ 525.00!					
	er Circuit	13	1.15						
				•					
· · ·	letwork interface Device	3.	0.53						
				ı					
Local Transf L	ocal Transport	T							
	emmen Transport *	-							
	- Per LEG, per mau			•					
	Facility Termination, per may								
0	edicated Transport, OSO equivalent *			•					
	- Per LINK	1		•					
	- Facility Terrangeon, per mou	1							
	edicated Transport - DS1 Level *	1							
	• Per LINK	T		1					
	- Facility Terminated			1					
				l					
T:	andem Switching, per mau *			<u></u>					

			PROPOSE	SED RATES		
HECK LIST			MONTHLY	Y		
TEM NUMBER	RATE ELEMENT			NONRECURRING		DING
						·
Unbundled Local	Unbundled Local Switching "	_		┝		
Switching	End Office Switching, usage, per mou (1)	13	0.0016	7	~	
	Tandem Switching, per mou	13	0:0017			
	Unbundled Ports	 	0.0011	⊢		`
	- 2 Wire Analog Port, per line	13	1.13	٠.	40.00	<u>' </u>
		╁	1.13	_		First
	- 4 Wire Analog Port, per line	13	1.13	Ļ		- Addi
		┼╌╴	1.13			First
	- 2 Wire DID Part, per line	1:	13.66	Ļ		- 4441
	- 2 444 010 Fat bar an	 -	12.68	_		First
	2 14//co 010 Ross and inc	╂.		3		- Add1
	- 2 Wire OID Port, per line	13	120.00	_3		
		1_		_\$		
	• 2 Wire ISON Port, per line	15_	13.50	- \$		
		 		8	120.00	- Add1
	- 4 Wire ISON Port, per line	3	308.00	\$	230.00	
				3	200.00	
	- Rotary Service (hunting), per line	18	0.20	\$		· First
				3		· Add1
		1		_		
1) Access to 911	Access to 911 and E911 Services	Billec	to sporoprists	-	microsity (
and E911 services						
	<u> </u>	_		_		
II) Access to DA	Directory Assistance Access Service	 			:	
	DA Call Completion Access Service, per attempt	13	0.06	_		
	DA Cas Completon Access Serves, per suampe	 	0.00	_		
	Number Consess Internet Acres Conses are given f	13		_		
	Number Services Intercept Access Service, per query *	•	0.04	_		
	OA Assess Contact Out on the	 			<u> </u>	· · · · · · · · · · · · · · · · · · ·
	DA Access Service Call, per call *	15	0.20		<u> </u>	
		<u> </u>		_	<u>. </u>	
	Directory Transport	ļ				
	- Sw. Local Channel - OS1 Level, per LC	18	133.81	<u>s</u>	866.97	
•				\$	466.83 :	· Add1
	- Sw. Dedicated Transport - OS1 level, Per Mile "	8	23.50			
	Fecilities LINIX *		\$0.00	\$	100.49	
	- Switched Common Transport, per OA Ace. Svc. Minute *	3	0.00087		•	
	- Switched Common Transport, per DA Acc. Svc. Call Mile *		\$0.00000			
	- Access Tandem Switching, per DA Acc. Svc. Minute *	3	0.0017			
	DA Intercennection, per DA Acc. Svc. Call	3	0.00269		,	
Secretary of the second	- Installation trunk side ave., per trunk or signaling			5	915.00	• First
	connès an			Ì.	100.00 !	
				<u> </u>	i	
	DA Database Service				i	•
	Use Fee, per DADS customers and user request	5	0.0350			
		-	150.00		- 	
	Monthly recurring charge					
				_		
	Direct Access to DA Service				***	
i	- DADAS Service Establishment Charge			<u>a 1</u>	000.00	
	- DADAS Database Service Charge, per month	\$	5.000.00			
	- DADAS per Query Charge	\$	0.023			
cates rates subject	to this will.					

_		PROPOSED RATES					
CHECK LIST		MONTHLY		1			
TEM NUMBER	RATE ELEMENT		RECURRING	I NONRECURRING			
(III) Access to	Operator Services						
Coerator Call	Operator Provided Call Handling, per min. *	1.5	0.30				
Completon svcs.	Fully Automated Call Handling, per attempt *	\$	0.07				
	- Busy Line Verification Service, per occurrence		0.90				
	Emergency Interrupt Service, per occurrence		1.95				
•	Centralized Message Distribution (CMDS)-Hosting						
	Message Distribution, per message	<u> </u>	0.004				
	Data Transmission, per message	- 3	0.001				
*	Non-Sent Paid Report System (NSPRS)						
	- Intrastate, per message	15	0.05				
	- CATS, per message	5	0.05				
	Non-Conterminaus, per message	<u> </u>	0.16				
	OLEC Daily Usage File (OOUF)	 					
	Recording Service (only applied to unbundled operator	- - -	4.000				
	services messages), per message	- -	0.000	<u> </u>			
	Message Distribution, per message	13	0.004	 			
 	Data Transmission, per message	- 3	0.001				
4441		- 1	No observa for				
White Page	Subscriber Listing information	10		cratomera, summa.			
Directory Listings		-	fetings.	gs and opponal trangs			
		- 1 12/					
				tivided at rates set forth in BST tata General Subscriber Service			
			Tarif.	FEI 300000100 30 MCF			
			1 4 41,				
A	A Alvertage	No.	Charge				
Access to Tele-	Access to Numbers	1.00	CH MILES				
phone Numbers		_					
Managara	Unavariated Classification	_{-					
Nondiscriminatory	Unbundled Signaling •	╌					
Access to	CCS7 Signating Connections (Links)	15	19.97	\$0.00 I			
Databasee &	"A" Link, per link, per month	1:	25.25	30.00 1			
Associated Signal-	"S" Link, per link, per month	- 13-	0.00006	<u> </u>			
ing Necessary for	Signal Transfer Point, per message Signal Control Points / Databases, per message	-li-	0.00075				
Call Routing &	Signal Contra Portis / Catalogues, per massage	+*-	9.00773				
COMPIESON	Revides Copyri Relate			: - :			
	Sc. 622 Central Points	—					
	Her Version	15	0.00075				
waru was itu 1876 (Massiri - 22)			7.00013				
end day its term was to 100	- UDS Validation, per mag.	╌┟┷╌					
AND U.S. OLIVER WAS TO 222	UDE Valdation, per mag. Orig. Point Code Establishment or Change, per estab. or change.			\$ 91.00 I			

			PROPOSE	TO R	. .	
CHECK LIST		1 M	MONTHLY			
TEM NUMBER	RATE ELEMENT	RE	ECURRING	NC	ONRECUI	RRING
						1
0. (Contd)	Service Control Points (Cont'd)	1		-		
	800 Access Ten Digit Screening Service	+				•
	Per 800 Call Utilizing 800 Acc. Ten Digit Screening	1				
	Svc. w/800 Number Delivery, per message *	3	0.00075			1
	Per 800 Call Utilizing 800 Acc. Ten Digit Screening	ļ				1
	Svc. w/800 Number Delivery, for 800 Numbers,					!
	w/ Optional Complex Features, per message *	1	0.00075			1
	Per 800 Call Utilizing 800 Acc. Ten Digit Screening					
	Svc. w/POTS Number Delivery, per message *	3	0.0007\$			
	- Per 800 Call Utilizing 800 Acc. Ten Digit Screening					1
	Svc. w/POTS Number Delivery, w/Optional Complex					Ĭ
	Features, per message *	3	0.00075			
	- Reservation Charge per 800 Number reserved			3	27.50	- First
				\$	0.50	
	Establishment Charge per 800 number established			8		I - First
	w/ 800 Number Delivery			3	2.00	
	- Est Charge per 800 number est, w/POTS Number Delivery			3	63.00	
				8	2.00	
	- Customized Area of Service Per 800 Number			*	3.00	First
				*	1.50	
	Multiple Intert.ATA Carner Routing per carrier					
	requested, per 800 number		-	\$	3.50 i	- First
				8		- Add1
	Change Charge per request			8		• First
				\$	0.50	- Addi
	Call Handling and Destination Features per 800 number			\$	3.00 (
					i	1
	Selective Routing *					
	Line or PBX Trunk, each		\$0.00	\$	10.00 I	1

Indicates rates subject to true-use

RATES AND CHARGES - GEORGIA

			PROPOSI	D A	ATES
CHECK LIST		М	ONTHLY	Ť	
TEM NUMBER	RATE ELEMENT	RE	CURRING	N	ONRECURRING
A Name of Bostonia	Interim Number Portability				•
1. Number Forestally				<u> </u>	
	Direct Inward Dialing (DID)			<u> </u>	
	- Business, per number ported		0.01	1 3	1.00 :
	- Residence, per number ported		0.01	\$	1.00 !
	Rate per order, per and user location			\$	25.00 ;
	- SPNP-DID Trunk Termination, per trunk	8	13.00	3	164.00 ! - Invest
				3	83.00 ! • Subse
	- DS1 Local Channel, per Local Channel (1), (2)	8	133.81	3	866.97 : - First
				3	486.83 : · Add7
	- OS1 Dedicated Transport (1), (2)	:	:		
•	Per mile	8	23.50		
	Facilities LINK	· · · · · · · · · · · · · · · · · · ·	\$0.00	1	100.49

Indicates rates subject to true-up.		
Nota(s):		•
1. Rates are displayed at the OS1 level.	<u> </u>	
2. May not be required if the OI EC is colorated at the ported number and office.		•

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed Pric
Unbundled Loops		True-Op
2-Wire Analog Voice Grade Loop, Per Month	\$25.00	***
Nonrecurring	(\$140.00 1st /45.00 addT)*	\$17.00
4-Wire Analog Voice Grade Loop, Per Month	\$45.00	-30.40
Nonrecurring	(\$140.00 1st/45.00 addi)*	\$27.20
2-Wire ISDN Digital Grade Loop, Per Month		,
Nonrecurring		\$27.20
2-Wire ADSL/HDSL Loop, Per Month	•	\$58.40
Nonrecurring .	1	\$17.00
4-wire HDSL Loop, Per Month		\$58.40
Nonrecurring	· ·	\$27.20
4-Wire DS1 Digital Grade Loop, Per Month	\$140.00	358.40
Nonrecurring .	- (\$775.00 1st/335.00 add)	
thundled Parks	(5) (5) (5) (5) (5)	
nbundled Exchange Access IOC		ļ
0 - 8 Miles, Fixed Per Month	\$30.00	, ·
Per Mile, Per Month	\$2.05]
9 - 25 Miles, Foxed Per Month	\$30.00	<u> </u>
Per Mile, Per Month	\$2.00	_
Over 25 Miles, Fixed Per Month	\$30.00	
Per Mile, Per Month	\$1,95	
Nonrecurring		
bundled Local Switching*		
inbundled Exchange Ports		
2-wire Analog, Per Month		
Nonrecurring		\$2.70
4-wire Analog (Coin), Per Month		\$50.00 1st/18.00 ac
Nonrecurring		\$4.00
4-wire ISDN DS1, Per Month		\$50.00 1st/18.00 ac
Nonrecurring	i l	\$333.00
	1	\$230.00 1st/200.00 a
2-Wire ISON Digital, Per Month Nonrecurring	l .	\$15.00
7 Wise Apple that		\$150.00 19/120.00
2-Wire Analog Hunting - per line - Per Month	" <u>'</u>	\$.30
Nonrecuring		\$3.00
· <u>-</u> ·		
inrecurring rates for unbundled loops have been adjusted downward during		•
negotations and are not tariffed rates.		

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed i
Unbundled Local Usage (Restructured Switching)	Calading Territ	True-U
End Office Switching		
Per MOU	1	
Tandem Switching	1	\$.0056
Per MQU		
Common Transport	j	\$.0067
Per Mile/MOU		
Common Transport		\$.0000-
Facilities Termination Per Month		\$.00036
Local Interconnection [NOTE 1]	• • • •	
End Office Switching Per MOU	1	
Tandem Switching Per MOU		1
Common Transport Per Mile/MOU		
Common Transport - Facility Termination Per MOU		j
Intermediary Tandem Per MOU*		٠
Dedicated Transport - DS1		
Per Mile Per Month	1.	
Facility Termination Per Month		
Nonrecurring		
Unbundled Loop System - For Unbundled Loops Unbundled Loop System (DS Ito VG) per sys/per mo. Nonrecurring Central Office Interface Per Circuit, Per Month Nonrecurring CS7 Signaling Transport Service Signaling Connection Link, Per Month Nonrecurring Signaling Termination (Fort), Per Month Signaling Usage, Per 56 Kbps Facility, Por Month Officess Ten Digit Screening Service 800/POTS Number Delivery, Per Query 800/POTS Number Delivery with Optional complex Features, Per Query	\$155.00 55Kbps/mo \$510.00 \$355.00 STP Port/mo. \$.00383 \$:00431	\$400.00 \$525.00 \$1.15 \$8.00 \$395.00
* The tandem intermediary charge applied only to intermediary traffic and is applied in addition to applicable local interconnection charges. NOTE 1: Local Interconnection is defined as the transport and termination of local traffic between facility based carriers.		
ne Information Database Access Service		
Common Transport, Per Query	\$.00030	

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed F
Validation, Per Query	\$.03800	1146-0
Nonrecurring - Establishment or Change	\$91.00	
Operator Services		
Operator Call Processing Access Service		1
Operator Provided, Per Minute	1	
Using BST LIDB		\$1.60
Using Foreign LIDB		\$1.62
Fully Automated, Per Attempt	j	
Using BST LIDB		5.09
Using Foreign LIDB	•	\$.11
nward Operator Services Access Service		
Verification, Per Call	5.90	
Emergency interrupt, Per Call	\$1.95	
Directory Assistance Access Service Calls		<u> </u>
Per Call	8.271744	
rectory Assistance Database Service		
Use Fee, Per DADS Cust's EU Request/Listing	\$.035	
Monthly Recurring	\$150.00	
irect Access to Directory Assistance Service (DADAS)		
Database Service Charge, Per Month	\$5,000.00	
Database Query Charge, Per Query	\$0.023	
Nonrecurring' - DADAS Service Establishement	\$1,000.00	
ACC Access Service	0 1,000.00	
Per Call Attempt		S.25
Recording Cost Per Announcement		7.50
Loading Cost Fer Audio Unit		
umber Services Intercept Access Service	,	•
Per Intercept Query		3.25

NETHORY LOCAL INTERCOMMENTAL TARREST	Proposed Price .	Proposed F
NETWORK LOCAL INTERCONNECTION/ELEMENT	Existing Tariff	True-U
Directory Transport		1,65-0
Switched Common Transport Per DA Service Call		
	\$.00030	
Switched Common Transport	}	}
Per DA Service Call Mile Access Tandem Switched	\$.00004	ł
		ł
Per DA Service Call	\$.00055	
Sw. Local Channel - DS 1 Level, Per Month	133.81/me.	
Nonrecurring	\$866.91 1st/486.83 add1	İ .
Sw. Dedicated Transport - DS 1 level, Per Mi/Per Mo.	\$23,00	· .
Facilities Termination, Per Month	\$90.00	ł
Nonrecurring DA International Control	\$100.49	ĺ
DA Interconnection per DA Service Call Installation	\$0.002 69	. •
NRC - Per Trunk or Signaling Connection	\$915.00 1st/100.00 add1	_
collocation		•
pplication	1	
Per Arrangement / Per Location - Nonrecurring	1 •	***
pace Preparation Fee - Nonrecutting		\$3,850.00
pace Construction Fee - Nonrecurring		ICS
sie Installation - Per Entrance Cable		\$4,500.00 \$2,750.00
oor Space Zone A. Per Square Foot, Per Month		\$7,50
oor Space Zone B, Per Square Foot, Per Month		
wer Per AMP. Per Month	[]	\$6.75
ble Support Structure, Per Entrance Cable		\$5.00 \$13.35
T Bay (Optional Point of Termination Say)		
Per 2-Wire Cross - Connect, Per Month	[**
Per 4-Wire Cross - Connect, Per Month	·	\$0.40
Per DS1 Cross - Connect, Per Month		\$1.20
Per DS3 Cross - Connect, Per Month .	·-,	\$1.20 \$8.00
oss-Connects		
2-Wire Analog, Per Month		•
4-Wire Analog, Per Month		. \$0.30
Nonrectimes 2 wise and 4 to		\$0.50
Nonrecurring 2-wire and 4-wire DS1, Per Month		\$16.00
		\$8.00
Nonrecurring		\$155 1st/27.00 a
DS3, Per Month		\$72.00
Nonrecurring		\$155 1st/27.00 a

EXHIBIT C PAGE 5 OF 5

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed Pric
Security Escon		1100-05
Basic - 1st half hour Cyerume 1st half hour		\$41,00
Premium - 1st half hour		\$48.00 \$55.00
Basic - additional Overtime - additional		\$25.00
Premium - additional		\$30.00 \$35.00

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports

Description: An exchange port is the capability derived from the central office switch hardware and software required to permit end users to transmit or receive information over BellSouth's public switched network. It provides service enabling and network features and functionality such as translations, a telephone number, switching, announcements, supervision and touch-tone capability.

> in addition, a BellSouth provided port with outgoing network access also provides access to other services such as operator services, long distance service, etc. It may also be combined with other services available in BellSouth's intrastate Access Service Tariffs as technically feasible.

When an Unbundled Port is connected to SellSouth provided collocated loops, cross-connection rate elements are required as set forth in Section 20 of BellSouth Telecommunications's, inc.'s interstate Access Tartiff, FCC No.1.

Т	
ł	Rete
72	
7	بالمالما

Rate Elements	Rate
Montrly Residence Port Business Port PEX Trunk Pert Rossry Service	\$2.00 \$4.90 \$7.90 \$2.00
Usago-(515) - init, min. - edd1 min.	90.0275 80.0125
	j

NOTES:

- (1) Honrecurring Charges, as displayed in Table Lies Page 3, and Usage Charges, as displayed in this page, apply in soldier
- (2) Addies per outgoing, incoming or 2-way trunk part.
- (3) OID requires rates and charges as indicated in Table II on Page 3 in addition to the PEX Trurk Part rates.

 (4) ICO requires rates and charges as indicated in Table III on Page 3 in addition to the PEX Trurk Part rates.
- (5) Applies per outgoing, incoming or 2-way voice grade equivalent.
- z-(8) Primary rate ISON requires a primary rate interiors in addition to the primary rate ISON NASon.

 Additional charges also apply par Primary Rate 8-Channel, Call-by-Call Integrated Service Access Service Selection and incorning Call Identification. See Table IV on Page 3 for rame and charges. 'n addition to the local calling described in A3 of BelSouli's General Subscriber Service Tardi. If any were certair in It exchange is located within 40 miles of any were current in the originating exchange, local calling will be provided from the entire angularing exchange to the entire terminating exchange. The usage charges for Sant G are applicable for distances greater than 40 mins.

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports (Cont'd)

Aata Elements	Asto	891
Mentily	:	
Residence Part	\$2.50;	
Suarresa Port	: \$7.001	
PBX Trunk Pert	\$7 001	
Rotary Services	\$3.50	
Usago-Mileago Bends	- !	
0 (0 mies)	\$0.02 ilne.i	Min.
	\$0.01 IAdd	1 mm.
A (1-10 miles)	\$0.04 line.	Win.
	\$0.02 Add	1 mark
B (11-16 miles)	SQ.06 fine.	Mir.
•	\$0.04 Add	1 min.
C (17-22 miles)	\$0.10 ilnic.i	Wir.
	\$0.07 Add	1 mm.
D (23 - 30 miles Beals LCA and Intra	50.14 line.1	iin.
Parish Expended LCA)	50.10 Add	l min.
E (Greater than 30 miles Basic LCA and	\$0.14 line.)	de.
Insta Periah Essended LCA)	\$0.14 Add	
F (23 - 30 miles litter-Pariet Expended LC		
	\$0.10 Add	
3 (31 - 40 miles inter-Parish Expended Li		
	S0.14 Add1	
i (Greener than 40 miles inter-Partish)	20,14 Inc.	
· fan gegin gans an standard and a desir.	50,14 Add1	

line in a line i			N.Corolina		S.Caroline	
Asta Elements	Nation .	Per	Asto Coments	Rates	Rate Elements	No to the
Menthly		1	Monaydy		Monthly	
Residence Fort	\$3.75		Residence Port .		Residence Pert	34.00
Business Port	\$7.80		Business Part		Business Pert	310.50
PBX Trunk Pert	\$7.50		PEX Trunk Pert	70.00	PEX Trunk Port	\$10.50
Rotary Service	51.74	ļ.	Rotary Service	31.50	Rocary Serves	\$3.00
Usage - Affic Sands		1	Vegs - (\$78)		Usage - (\$78)	
A (0 miles)			- Initation		- Basis Svs.Arta	\$0.02
1			- Add min.	. \$0.02	- Expensed Svc.Art	\$0.12
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Tennessee	•			
Rate Elements	Rome For			
Monthly				
Residence Pert	\$4.00			
Susiness Pert	\$10.00			
PBX Trust Port	\$10.00			
Rotery Service	28.30			
h leagu - Aille Banda				
~16 máss)	\$0.02 years			
. 17-30 mins)	\$0.06 immu			
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Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports (Cont'd)

State: Alabama

PORT ANCILIARY SERVICES

TABLE II - DID

	Nonrecurring	Monthly
Rate Element	Charge	Rate
Per Group of 20 Numbers	\$480.00	\$3.00
Per Trunk Port	\$50.00	\$20.00
Per Trunk w/MF or DTMF	\$0.00	\$7.50

TABLE III - 100

Rate Element	Nonrecurring Charge	Monthly Rate
Per First 10 Trunk Ports	\$675.00	\$350.00
Trunk Ports 11 thru 50, es.	\$68.00	\$34.00
Es. Trunk Port-after 50th	\$27.00	\$8.10

Interim UDL-4W Rates

STATE	RECURRING	NON-RECURRING	
		IST	ADD'L
ALABAMA	\$27.00	\$475.00	\$325.00
FLORIDA	\$30.50	\$510.00	\$350.00
GEORGIA	\$25.50	\$525.00	\$375.00
KENTUCKY	\$36.00	\$550.00	\$375.00
LOUISIANA	\$34.00	\$500.00	\$350.00
MISSISSIPPI	\$24.50	\$475.00	\$325.00
N. CAROLINA	\$24.00	\$525.00	\$350.00
S. CAROLINA	\$27.50	\$525.00	\$350.00
TENNESSEE	\$25.00	\$500.00	\$350.00

These rates are for a 4-wire Unbundled Digitial Loop capable of 56kbps or 64kbps data traffic. The loop extends from the Network Interface Device (NID) at the customer's premises to the Main Distribution Frame (MDF) at that customer's central office.

These rates do not include any other Unbundled Network Element (UNE) or any cross-connects to such UNEs or collocation space.

Additional Loop Rates

STATE	2-Wi Monthly	RE ISDN NR	←WIRE I Monthly	OS1 DIGITAL NR
FLORIDA	\$40.00	\$306.00 / 1st \$283.00 / Add'l	\$80.00	\$540.00 / 1st \$465.00 / Add1
N. CAROLINA	\$27.20	\$33.00	\$238.00	\$837.92 / Lst \$494.19 / Add'I

Dedicated Transport - DS1 Level

STATE	Monthly	NR
FLORIDA	\$1.60 - per mile \$59.75 - fac. ten	\$100.49 m.
NORTH CAROLINA	\$23.00 - per mile \$90.00 - fac. terr	n \$100.49

Interim Cross-Connect Rates

STATE	2-WIRE ANALOG 4-		4-WIRE	-WIRE ANALOG	
	Monthly	NR	Monthly	NR	
FLORIDA	\$.30	\$15.20	\$.50	\$15.20	
LOUISIANA	\$.30	\$20.80	\$.50	\$20.80	
MISSISSIPPI	\$.30	\$13.00	\$.50	\$13.00	
N. CAROLINA	\$.30	\$11.60	\$.50	\$11.60	
S. CAROLINA	\$.30	\$8.00	\$.50	\$8.00	
TENNESSEE	\$.30	\$19.20	\$.50	\$19.20	

Unbundled Packet Switching UNE Proxy Pricing

Until cost studies are completed. BST will use the following rates on an interim basis.

The following rates will apply for Frame Relay UNEs in Florida.

	٨	lon-Recurring	Recurring
User Network Interface - 58 Kbps		\$300	\$ 62
User Network Interface - 64 K	bos	300	70
User Network Interface - 1.53	6 Mbps	410	294
User Network Interface - 44.2	10 Mbps	1,050	2.426
Network Network Interface - 5	6 Kbps	300	62
Network Network Interface - 6	4 Kbps	300	70
Network Network Interface - 1		410	294
Network Network Interface - 4		. 1,050	2,426
Data Link Connection Identifier		25	1.50
Committed Information Rate	0 Sps	0	a
	1-32 Kbps	0	. 0
	33-56 Kbps	Ö	12
	57-64 Kbps	0	13
	65-128 Kbps	Ō	18
	129-256 Kbps	Ö	24
	257-384 Kbps	0	28
	385-512 Kbps	Ó	32
	513-768 Kbps	Ŏ	36
	769Kbpe-1.536 Mb		55
	1.537-4 Mbps	Ō	120
	5-10 Mbps	Ö	160
	11-16 Mbps	Ö	226
•	17-34 Mbps	Ŏ	250
	35-44.210 Mbos	Ŏ	370

Agreement Between BellSouth Telecommunications, Inc. and DeltaCom, Inc. Regarding The Sale of BellSouth Telecommunications Services to Reseller For The Purposes of Resale

THIS AGREEMENT is by and between BellSouth Telecommunications, Inc., ("BellSouth or Company"), a Georgia corporation, and DeltaCom, Inc. ("Reseller"), an Alabama corporation, and shall be deemed effective as of the execution date of this Fourth Amendment.

WITNESSETH

WHEREAS, BellSouth is a local exchange telecommunications company authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, Reseller is or seeks to become an alternative local exchange telecommunications company authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, Reseller desires to resell BellSouth's telecommunications services; and

WHEREAS, BellSouth has agreed to provide such services to Reseller for resale purposes and pursuant to the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the mutual premises and promises contained herein. BellSouth and Reseller do hereby agree as follows:

L Term of the Agreement

- A. The term of this Agreement shall begin with the execution of this Fourth Amendment and extend to June 30, 1999 and shall apply to all of BellSouth's serving territory as of January 1, 1996 in the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.
- B. This Agreement shall be automatically renewed for two additional one year periods unless either party indicates its intent not to renew the Agreement. Notice of such intent must be provided, in writing, to the other party no later than 60 days prior to the end of the then-existing contract period. The terms of this Agreement shall remain in effect after the term of the existing agreement has expired and while a new agreement is being negotiated.
- C. The rates pursuant by which Reseller is to purchase services from BellSouth for resale shall be at a discount rate off of the retail rate for the telecommunications service. The discount rates shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference. Such discount shall reflect the costs avoided by BellSouth when selling a service for wholesale purpoces.

IL Definition of Terms -

- A. CUSTOMER OF RECORD means the entity responsible for placing application for service; requesting additions, rearrangements, maintenance or discontinuance of service; payment in full of charges incurred such as non-recurring, monthly recurring, toll, directory assistance, etc.
- B. DEPOSIT means assurance provided by a customer in the form of cash, surety bond or bank letter of credit to be held by the Company.

Version: April 24, 1997

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- C. END USER means the ultimate user of the telecommunications services.
- D. END USER CUSTOMER LOCATION means the physical location of the premises where an end user makes use of the telecommunications services.
- E. NEW SERVICES means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.
- F. OTHER LOCAL EXCHANGE COMPANY (OLEC) means a telephone company certificated by the public service commissions of the Company's franchised area to provide local exchange service within the Company's franchised area.
- G. RESALE means an activity wherein a certificated OLEC, such as Reseller subscribes to the telecommunications services of the Company and then reoffers those telecommunications services to the public (with or without "adding value").
- H. RESALE SERVICE AREA means the area, as defined in a public service commission approved certificate of operation, within which an OLEC, such as Reseller, may offer resold local exchange telecommunications service.

III. General Provisions

A. Reseller may resell the tariffed local exchange and toll telecommunications services of BellSouth contained in the General Subscriber Service Tariff and Private Line Service Tariff subject to the terms, and conditions specifically set forth herein. Notwithstanding the foregoing, the exclusions and limitations on services available for resale will be as set forth in Exhibit B, attached hereto and incorporated herein by this reference.

BellSouth shall make available telecommunications services for resale at the rates set forth in Exhibit A to this agreement and subject to the exclusions and limitations set forth in Exhibit B to this agreement. It does not however waive its rights to appeal or otherwise challenge any decision regarding resale that resulted in the discount rates contained in Exhibit A or the exclusions and limitations contained in Exhibit B. BellSouth reserves the right to pursue any and all legal and/or equitable remedies, including appeals of any decisions. If such appeals or challenges result in changes in the discount rates or exclusions and limitations, the parties agree that appropriate modifications to this Agreement with the outcome of the appeal.

- B. The provision of services by the Company to Reseller does not constitute a joint undertaking for the furnishing of any service.
- C. Reseller will be the customer of record for all services purchased from BellSouth. Except as specified herein, the Company will take orders from, bill and expect payment from Reseller for all services.
- D. Reseller will be the Company's single point of contact for all services purchased pursuant to this Agreement. The Company shall have no contact with the end user except to the extent provided for herein.

- E. The Company will continue to bill the end user for any services that the end user specifies it wishes to receive directly from the Company.
- F. The Company maintains the right to serve directly any end user within the service area of Reseller. The Company will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with end users of Reseller.
- G. Neither Party shall interfere with the right of any person or entity to obtain service directly from the other Party.
- E. Current telephone numbers may normally be retained by the end user. However, telephone numbers are the property of the Company and are assigned to the service furnished. Reseller has no property right to the telephone number or any other call number designation associated with services furnished by the Company, and no right to the continuance of service through any particular central office. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, whenever the Company deems it necessary to do so in the conduct of its business.
- L The Company may provide any service or facility for which a charge is not established herein, as long as it is offered on the same terms to Reseller.
- J. Service is furnished subject to the condition that it will not be used for any unlawful purpose.
- K. Service will be discontinued if any law enforcement agency advises that the service being used is in violation of the law.
- L. The Company can refuse service when it has grounds to believe that service will be used in violation of the law.
- M. The Company accepts no responsibility to any person for any unlawful act committed by Reseller or its end users as part of providing service to Reseller for purposes of resale or otherwise.
- N. The Company will cooperate fully with law enforcement agencies with subpoenas and court orders for assistance with the Company's customers. Law enforcement agency subpoenas and court orders regarding end users of Reseller will be directed to Reseller. The Company will bill Reseller for implementing any requests by law enforcement agencies regarding Reseller end users.
- O. The characteristics and methods of operation of any circuits, facilities or equipment provided by any person or entity other than the Company shall not:
 - 1. Interfere with or impair service over any facilities of the Company, its affiliates, or its connecting and concurring carriers involved in its service;
 - 2. Cause damage to their plant;

- 3. Impair the privacy of any communications; or
- 4. Create hazards to any employees or the public.
- P. Reseller assumes the responsibility of notifying the Company regarding less than standard operations with respect to services provided by Reseller.
- Q. Facilities and/or equipment utilized by BellSouth to provide service to Reseller remain the property of BellSouth.
- R. White page directory listings will be provided in accordance with regulations set forth in Section A6 of the General Subscriber Service Tariff and will be available for resale.
- S. BellSouth will provide customer record information to the Reseller provided the Reseller has the appropriate Letter(s) of Authorization. BellSouth may provide customer record information via one of the following methods: US mail, fax, or by electronic interface. BellSouth will provide customer record information via US mail or fax on an interim basis only.

Reseller agrees to compensate BellSouth for all BellSouth incurred expenditures associated with providing such information to Reseller. Reseller will adopt and adhere to the BellSouth guidelines associated with each method of providing customer record information.

T. BellSouth's retail voice mail services may be made available for resale at rates, terms and conditions as mutually agreed to by the parties.

IV. BellSouth's Provision of Services to Reseller

- A. Reseller agrees that its resale of BellSouth services shall be as follows:
 - 1. The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.

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- 3. Hotel and Hospital PBX service are the only telecommunications services available for resale to Hotel/Motel and Hospital end users, respectively. Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to Independent Payphone Provider (IPP) customers. Shared Tenant Service customers can only be sold those telecommunications services available in the Company's A23 Shared Tenant Service Tariff.
- 4. Reseller is prohibited from furnishing both flat and measured rate service on the same business premises to the same subscribers (end users) as stated in A2 of the Company's Tariff except for backup service as indicated in the applicable state tariff Section A3.
- 5. If telephone service is established and it is subsequently determined that the class of service restriction has been violated, Reseller will be notified and billing for that service will be immediately changed to the appropriate class of service. Service charges for changes between class of service, back billing, and interest as described in this subsection shall apply at the Company's sole discretion. Interest at a rate as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff for the applicable state, compounded daily for the number of days from the back billing date to and including the date that Reseller actually makes the payment to the Company may be assessed.
- 6. The Company reserves the right to periodically audit services purchased by Reseller to establish authenticity of use. Such audit shall not occur more than once in a calendar year. Reseller shall make any and all records and data available to the Company or the Company's auditors on a reasonable basis. The Company shall bear the cost of said audit.
- B. Resold services can only be used in the same manner as specified in the Company's Tariff. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual end user of the Company in the appropriate section of the Company's Tariffs. Specific tariff features, e.g. a usage allowance per month, shall not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer except as specified in Section A23. of the Company's Tariff referring to Shared Tenant Service.
- C. Reseller may resell services only within the specific resale service area as defined in its certificate.
- D. Telephone numbers transmitted via any resold service feature are intended solely for the use of the end user of the feature. Resale of this information is prohibited.
- E. No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agraement. Reseller is strictly prohibited from any use, including by the limited to select marking or advertising, of any BellSouth name or trademark.

V. Maintenance of Services

- A. Reseller will adopt and adhere to the standards contained in the applicable BellSouth Work Center Interface Agreement regarding maintenance and installation of service.
- B. Services resold under the Company's Tariffs and facilities and equipment provided by the Company shall be maintained by the Company.

- C. Reseller or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.
- D. Reseller accepts responsibility to notify the Company of situations that arise that may result in a service problem.
- E. Reseller will be the Company's single point of contact for all repair calls on behalf of Reseller's end users. The parties agree to provide one another with toll-free contact numbers for such purposes.
- F. Reseller will contact the appropriate repair centers in accordance with procedures established by the Company.
- G. For all repair requests, Reseller accepts responsibility for adhering to the Company's prescreening guidelines prior to referring the trouble to the Company.
- H. The Company will bill Reseller for handling troubles that are found not to be in the Company's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its retail customers for the same services.
- L The Company reserves the right to contact Reseller's customers, if deemed necessary, for maintenance purposes.

VI. Establishment of Service

- A. After receiving certification as a local exchange company from the appropriate regulatory agency. Reseller will provide the appropriate Company service center the necessary documentation to enable the Company to establish a master account for Reseller. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, the Company will begin taking orders for the resale of service.
- B. Service orders will be in a standard format designated by the Company.
- C. When notification is received from Reseller that a current customer of the Company will subscribe to Reseller's service, standard service order intervals for the appropriate class of service will apply.
- D. The Company will not require end user confirmation prior to establishing service for Reseller's end user customer. Reseller must, however, be able to demonstrate end user authorization upon request.
- E. Reseller will be the single point of contact with the Company for all subsequent ordering activity resulting in additions or changes to resold services except that the Company will accept a request directly from the end user for conversion of the end user's service from Reseller to the Company or will accept a request from

another OLEC for conversion of the end user's service from the Reseller to the other LEC. The Company will notify Reseller that such a request has been processed.

- F. If the Company determines that an unauthorized change in local service to Reseller has occurred, the Company will reestablish service with the appropriate local service provider and will assess Reseller as the OLEC initiating the unauthorized change, the unauthorized change charge described in F.C.C. Tariff No. 1, Section 13. Appropriate nonrecurring charges, as set forth in Section A4. of the General Subscriber Service Tariff, will also be assessed to Reseller. These charges can be adjusted if Reseller provides satisfactory proof of authorization.
- G. The Company may, in order to safeguard its interest, require Reseller to make a deposit to be held by the Company as a guarantee of the payment of rates and charges, unless satisfactory credit has already been established. Any such deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.
- H. Such deposit may not exceed two months' estimated billing.
- L The fact that a deposit has been made in no way relieves Reseller from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for non-payment of any sums due the Company.
- J. The Company reserves the right to increase the deposit requirements when, in its sole judgment, the conditions justify such action.
- K. In the event that Reseller defaults on its account, service to Reseller will be terminated and any deposits held will be applied to its account.
- In the case of a cash deposit, interest at the rate of six percent per annum shall be paid to Reseller during the continuance of the deposit. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to Reseller by the accrual date.

VIL Payment And Billing Arrangements

- A. When the initial service is ordered by Reseller, the Company will establish an accounts receivable master account for Reseller.
- B. The Company shall bill Reseiler on a current basis all applicable charges and credits.
- C. Payment of all charges will be the responsibility of Reseller. Reseller shall make payment to the Company for all services billed. The Company is not responsible for payments not received by Reseller from Reseller's customer. The Company will not become involved in billing disputes that may arise between Reseller and its customer. Payments made to the Company as payment on account will be credited to an accounts receivable master account and not to an end user's account

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- D. The Company will render bills each month on established bill days for each of Reseller's accounts.
- E. The Company will bill Reseller, in advance, charges for all services to be provided during the ensuing billing period except charges associated with service usage, which charges will be billed in arrears. Charges will be calculated on an individual end user account level, including, if applicable, any charges for usage or usage allowances. BellSouth will also bill all charges, including but not limited to 911 and E911 charges, telecommunications relay charges, and franchise fees, to Reseller.
- F. The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available funds. Payment is considered to have been made when received by the Company.

If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth in I. following, shall apply.

- G. Upon proof of tax exempt certification from Reseller, the total amount billed to Reseller will not include any taxes due from the end user. Reseller will be solely responsible for the computation, tracking, reporting and payment of all federal, state and/or local jurisdiction taxes associated with the services resold to the end-user.
- H. As the customer of record, Reseller will be responsible for, and remit to the Company, all charges applicable to its resold services for emergency services (E911 and 911) and Telecommunications Relay Service (TRS) as well as any other charges of a similar nature.
- L If any portion of the payment is received by the Company after the payment due date as set forth preceding, or if any portion of the payment is received by the Company in funds that are not immediately available to the Company, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff.
- J. Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, the Company. No additional charges are to be assessed to Reseller.
- K. The Company will not perform billing and collection services for Reseller as a result of the execution of this Agreement. All requests for billing services should be referred to the appropriate entity or operational group within the Company.
- L. Pursuant to 47 CFR Section 51.617, the Company will bill Reseller end user common line charges identical to the end user common line charges the Company bills its end users.
- M. In general, the Company will not become involved in disputes between Reseller and Reseller's end user customers over resold services. If a dispute does arise that cannot be settled without the involvement of the Company, Reseller shall contact the designated Service Center for resolution. The Company will make every

effort to assist in the resolution of the dispute and will work with Reseller to resolve the matter in as timely a manner as possible. Reseller may be required to submit documentation to substantiate the claim.

VIII. Discontinuance of Service

- A. The procedures for discontinuing service to an end user are as follows:
 - 1. Where possible, the Company will deny service to Reseller's end user on behalf of, and at the request of, Reseller. Upon restoration of the end user's service, restoral charges will apply and will be the responsibility of Reseller.
 - 2. At the request of Reseller, the Company will disconnect a Reseller end user customer.
 - 3. All requests by Reseller for denial or disconnection of an end user for nonpayment must be in writing.
 - 4. Reseller will be made solely responsible for notifying the end user of the proposed disconnection of the service.
 - 5. The Company will continue to process calls made to the Annoyance Call Center and will advise Reseller when it is determined that annoyance calls are originated from one of their end user's locations. The Company shall be indemnified, defended and held harmless by Reseller and/or the end user against any claim, loss or damage arising from providing this information to Reseller. It is the responsibility of Reseller to take the corrective action necessary with its customers who make annoying calls. Failure to do so will result in the Company's disconnecting the end user's service.
- B. The procedures for discontinuing service to Reseller are as follows:
 - '1. The Company reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any other violation or noncompliance by Reseller of the rules and regulations of the Company's Tariffs.
 - 2. If payment of account is not received by the bill day in the month after the original bill day, the Company may provide written notice to Reseller, that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. If the Company does not refuse additional applications for service on the date specified in the notice, and Reseller's noncompliance continues, nothing contained herein shall preclude the Company's right to refuse additional applications for service without further notice.
 - 3. If payment of account is not received, or arrangements made, by the bill day in the second consecutive month, the account will be considered in default and will be subject to denial or disconnection, or both.
 - 4. If Reseller fails to comply with the provisions of this Agreement, including any payments to be made by it on the dates and times herein specified, the Company may, on thirty days written notice to the person designated by Reseller to receive notices of noncompliance, discontinue the provision of existing

services to Reseller at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If the Company does not discontinue the provision of the services involved on the date specified in the thirty days notice, and Reseller's noncompliance continues, nothing contained herein shall preclude the Company's right to discontinue the provision of the services to Reseller without further notice.

- 5. If payment is not received or arrangements made for payment by the date given in the written notification. Reseller's services will be discontinued. Upon discontinuance of service on a Reseller's account, service to Reseller's end users will be denied. The Company will also reestablish service at the request of the end user or Reseller upon payment of the appropriate connection fee and subject to the Company's normal application procedures. Reseller is solely responsible for notifying the end user of the proposed disconnection of the service.
- 6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

IX. Liability

- A. The liability of the Company for damages arising out of mistakes, omissions, interruptions, preemptions, delays errors or defects in transmission, or failures or defects in facilities furnished by the Company, occurring in the course of furnishing service or other facilities and not caused by the negligence of Reseller, or of the Company in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision shall in no event exceed an amount equivalent to the proportionate charge to Reseller for the period of service during which such mistake, omission, interruption, preemption, delay, error or defect in transmission or defect or failure in facilities occur. The Company shall not be liable for damage arising out of mistakes, omission, interruptions, preemptions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company, (1) caused by customer-provided equipment (except where a contributing cause is the malfunctioning of a Company-provided connecting arrangement, in which event the liability of the Company shall not exceed an amount equal to a proportional amount of the Company billing for the period of service during which such mistake, omission, interruption, preemption, delay, error, defect in transmission or injury occurs), or (2) not prevented by customer-provided equipment but which would have been prevented had Company-provided equipment been used.
- B. The Company shall be indemnified and saved harmless by Reseller against any and all claims, actions, causes of action, damages, liabilities, or demands (including the costs, expenses and reasonable attorneys' fees, on account thereof) of whatsver kind or nature that may be made by any third party as a result of the Company's furnishing of service to Reseller.
 - C. The Company shall be indemnified, defended and held harmless by Reseller and/or the end user against any claim, loss or damage arising from the use of services offered for resale involving:
 - 1. Claims for libel, slander, invasion of privacy or infringement of copyright arising from Reseller's or end user's own communications.
 - 2. Claims for patent infringement arising from acts combining or using Company services in connection with facilities or equipment furnished by the end user or Reseller.

- 3. All other claims arising out of an act or omission of Reseller or its end user in the course of using services.
- D. Reseller accepts responsibility for providing access for maintenance purposes of any service resold under the provisions of this Tariff. The Company shall not be responsible for any failure on the part of Reseller with respect to any end user of Reseller.

X. Treatment of Proprietary and Confidential Information

- A. Both parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data and like information (hereinafter collectively referred to as "Information"). Both parties agree that all Information shall either be in writing or other tangible format and clearly marked with a confidential, private or proprietary legend, or, when the Information is communicated orally, it shall also be communicated that the Information is confidential, private or proprietary. The Information will be returned to the owner within a reasonable time. Both parties agree that the Information shall not be copied or reproduced in any form. Both parties agree to receive such Information and not disclose such Information. Both parties agree to protect the Information received from distribution, disclosure or dissemination to anyone except employees of the parties with a need to know such Information and which employees agree to be bound by the terms of this Section. Both parties will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.
- B. Notwithstanding the foregoing, both parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a nonparty to this Agreement; 2) lawfully obtained from any source other than the owner of the Information; or 3) previously known to the receiving party without an obligation to keep it confidential.

XI. Resolution of Disputes

Except as otherwise stated in this Agreement, the parties agree that if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, the parties will petition the applicable state Public Service Commission for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by that Public Service Commission concerning this Agreement.

XII. Liefer finn eff Use

The parties agree that this Agreement shall not be proffered by either party in another jurisdiction as evidence of any concession or as a waiver of any position taken by the other party in that jurisdiction or for any other purpose.

XIII. Waivers

Any failure by either party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

1

XIV. Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia, without regard to its conflict of laws principles.

XV. Arm's Length Negotiations

This Agreement was executed after arm's length negotiations between the undersigned parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all parties.

XVI. More Favorable Provisions

A. The parties agree that if -

\$17**8**5 5 5

- 1. the Federal Communications Commission ("FCC") or the Commission finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations, or
- 2. the FCC or the Commission preempts the effect of this Agreement, then, in either case, upon such occurrence becoming final and no longer subject to administrative or judicial review, the parties shall immediately commence good faith negotiations to conform this Agreement to the requirements of any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or Commission action giving rise to such negotiations. The parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date except to the extent that such retroactive effect is expressly required by such FCC or Commission decision, rule, regulation or preemption.
- B. In the event that BellSouth, either before or after the effective date of this Agreement, enters into an agreement with any other telecommunications carrier (an "Other Resale Agreement") which provides for the provision within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennesses of any of the arrangements covered by this Agreement upon rates, terms or conditions that differ in any material respect from the rates, terms and conditions for such arrangements set forth in this Agreement ("Other Terms"), BellSouth shall be deemed thereby to have offered such other Resale Agreement to Reseller in its entirety. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellForth and Reseller as of the date on which Reseller accepts such offer.
- C. In the event that after the effective date of this Agreement the FCC or the Commission enters an order (a "Resale Order") requiring BellSouth to provide within the state(s) of Alabama. Florida, Georgia, Kentucky. Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee any of the arrangements covered by this agreement upon Other Terms, then upon such Resale Order becoming final and not subject to further administrative or judicial review, BellSouth shall be deemed to have offered such arrangements to Reseller upon such Other Terms, in their entirety, which Reseller may only accept in their entirety, as provided in Section XVI.E. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.

Virgion: April 24, 1997

- D. In the event that after the effective date of this Agreement BellSouth files and subsequently receives approval for one or more intrastate tariffs (each, a "Resale Tariff") offering to provide within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi. North Carolina, South Carolina, and Tennessee any of the arrangements covered by this Agreement upon Other Terms, then upon such Resale Tariff becoming effective, BellSouth shall be deemed thereby to have offered such arrangements to Reseller upon such Other Terms, which Reseller may accept as provided in Section XVI.E. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.
- E. The terms of this Agreement, other than those affected by the Other Terms accepted by Reseller, shall remain in full force and effect.
- F. Corrective Payment. In the event that -
 - 1. BellSouth and Reseller revise this Agreement pursuant to Section XVI.A, or
 - 2. Reseller accepts a deemed offer of an Other Resale Agreement or Other Terms, then BellSouth or . Reseller, as applicable, shall make a corrective payment to the other party to correct for the difference between the rates set forth herein and the rates in such revised agreement or Other Terms for substantially similar services for the period from the effective date of such revised agreement or Other Terms until the date that the parties execute such revised agreement or Reseller accepts such Other Terms, plus simple interest at a rate equal to the thirty (30) day commercial paper rate for high-grade, unsecured notes sold through dealers by major corporations in multiples of \$1,000.00 as regularly published in The Wall Street Journal.

XVIL Notices

A. Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.

DeltaCom, Inc.

OLEC Account Team 1535 Colonnels Pirwy, Room E4E1 Birmingham, AL 35243 General Counsel
700 Boulevard South, Suite 101
Huntsville, AL 35802

or at such other address as the intended a recipient previously shall have designated by written notice to the other party.

B. Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

XVIII. Amendments

Aires Are

Version: April 24, 1997

This Agreement may be amended at any time upon written agreement of both parties.

XIX. Entire Agreement

This Agreement sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the party to be bound thereby.

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EXHIBIT "A"

APPLICABLE DISCOUNTS

The telecommunications services available for purchase by Reseller for the purposes of resale to Reseller end users shall be available at the following discount off of the retail rate.

DISCOUNT

STATE	RESIDENCE	BUSINESS
ALABAMA	17%	17%
FLORIDA	21.83%	16.81%
GEORGIA	20,3%	17.3%
KENTUCKY	16.79%	15.54%
LOUISIANA*	20.72%	20.72%
MISSISSIPPI	15.75%	L5.75%
NORTH CAROLINA	21.5%	17.6%
SOUTH CAROLINA	14.8%	14.8%
TENNESSEE**	16%	16%

[•] Effective as of the Commission's Order in Louisiana Docket No. U-22020 dated November 12, 1996.

^{**} The Wholesale Discount is set as a percentage off the tariffed rates. If OLEC provides is own operator services and directory services, the discount shall be 21.56%. These rates are effective as of the Tennessee Regulatory Authority's Order in Tennessee Docket No. 90-01331 dated January 17, 1997.

FIFTH AMENDMENT

INTERCONNECTION AGREEMENT BETWEEN DELTACOM, INC. AND BELLSOUTH TELECOMMUNICATIONS, INC. DATED MARCH 12, 1997

Pursuant to this Agreement (the "Fifth Amendment"), DeltaCom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties", hereby agree to further amend that certain Interconnection Agreement, as heretofore amended, between the Parties dated March 12, 1997 ("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, DeltaCom and BellSouth hereby covenant and agree as follows:

- 1. Article V of the Agreement is hereby modified to include the following:
 - C.5. Attachment G of this Agreement contains the Rates, Terms and Conditions for local interconnection of Frame Relay services.
- 2. Attachment G, shown here as Exhibit A, is hereby incorporated herein by reference to the Agreement.
- 3. The Parties agree that all of the other provisions of the Agreement, dated March 12, 1997, shall remain in full force and effect including any amendments thereto.
- 4. The Parties further agree that either or both of the Parties are authorized to submit this Amendment to the appropriate state public service commission or other regulatory body having jurisdiction over the matter of this Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996. However, this Amendment is effective without further approval needed.

ORIGINAL

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

DeltaCom, Inc.		
<i>(</i> /.		
By: Moses		
Name: Steven D. Moses		
Title: Sr. Vice President, Network Services		
Network Services		
Date: 7/21/98		

BellSouth Telecommunications, Inc.

Name: Jerry D. Hendrix

Title: Director-Interconnection

Services/Pricing

Date: nhvks

A. Frame Relay Service Traffic

The following provisions will apply only to Frame Relay Service and Exchange Access Frame Relay Service in those states in which DeltaCom is certified and providing Frame Relay Service as a Local Exchange Carrier and where traffic is being exchanged between DeltaCom and BellSouth Frame Relay Switches in the same LATA.

- A.1 The Parties agree to establish two-way Frame Relay facilities between their respective Frame Relay Switches to the mutually-agreed upon Frame Relay Service point(s) of interconnection ("POIs") within the LATA. All POIs shall be within the same Frame Relay Network Serving Area as defined in Section A40 of BellSouth's General Subscriber Services Tariff.
 - A.1.1 Upon the request of either Party, such interconnection will be established where BellSouth and DeltaCom have Frame Relay Switches in the same LATA. Where there are multiple Frame Relay switches in the central office of a Party, an interconnection with any one of the switches will be considered an interconnection with all of the switches at that central office for purposes of routing packet traffic.
 - A.1.2 The Parties agree to provision local and IntraLATA Frame Relay Service and Exchange Access Frame Relay Service (both intrastate and interstate) over Frame Relay Trunks between the respective Frame Relay switches and the POIs.
 - A.1.3 The Parties agree to assess each other reciprocal charges for the facilities that each provides to the other according to the Percent Local Circuit Use ("PLCU") factor PLCU, determined as follows:
 - (i) Frame Relay framed packet data is transported within Virtual Circuits ("VC"). For the purposes of calculating the PLCU, if all the data packets transported within a VC remain within the LATA, then consistent with the local definitions in this Agreement, the traffic on that VC is local ("Local VC").

- (ii) If the originating and terminating locations of the two way packet data traffic are not in the same LATA, the traffic on that VC is interLATA.
- (iii) The PLCU shall be determined by dividing the total number of Local VCs, by the total number of VCs on each Frame Relay facility at the end of the reporting period. The Parties agree to renegotiate the method for determining PLCU, at either Parties' request, and within 90 days, if either Party notifies the other that it has found that this method does not adequately represent the PLCU.
- (iv) If there are no VCs on a facility when it is billed, the PLCU will be zero.
- A.2 BellSouth will provide the Frame Relay Trunk(s) between the Parties' respective Frame Relay Switches. The Parties will be compensated as follows: BellSouth will invoice, and DeltaCom will pay, the total non-recurring and recurring charges for the trunk facility. DeltaCom will then invoice, and BellSouth will pay, an amount calculated by multiplying the BellSouth billed charges for the trunk facility by one-half of DeltaCom's PLCU.
- A.3 Each Party will provide a Frame Relay network-to-network interface ("NNI") port to the other Party for each trunk facility provided pursuant to A.2, above. Compensation for NNI ports shall be based upon the NNI rates set forth in the BellSouth F.C.C Tariff No. 1. Pursuant to that tariff, DeltaCom may select a month-to-month or term rate structure for the NNI ports BellSouth provides to DeltaCom: Whatever rate structure DeltaCom selects shall be deemed to be the same rate structure that applies to the NNI port DeltaCom provides to BellSouth. There shall be no termination liability to either party for the local portion of the NNI port as determined by the DeltaCom PLCU at the time of termination.
 - A.4 Compensation for the NNI ports shall be calculated as follows:
 - A.4.1 For NNI ports provided by BellSouth to DeltaCom,
 BellSouth will invoice, and DeltaCom will pay, the total nonrecurring and recurring charges for the NNI port. DeltaCom
 will then invoice, and BellSouth will pay, an amount
 calculated by multiplying the BellSouth billed non-recurring
 and recurring charges for the NNI port by one-half of
 DeltaCom's PLCU.

- A.4.2 For NNI ports provided by DeltaCom to BellSouth, DeltaCom will invoice, and BellSouth will pay, the total non-recurring and recurring charges for the NNI port. BellSouth will then invoice, and DeltaCom will pay, an amount determined as follows: DeltaCom's combined interLATA and local usage will be calculated by subtracting one-half of DeltaCom's PLCU factor from one hundred percent. The difference will then be multiplied by the total charges initially billed by DeltaCom for the NNI port. BellSouth will then invoice, and DeltaCom will pay, this amount to BellSouth.
- A.5 A Permanent Virtual Circuit ("PVC") is a logical channel from a frame relay network interface (e.g., NNI or User Network Interface) to another frame relay network interface. A PVC is created when a Data Link Channel Identifier ("DLCI") is mapped together with another DLCI. Neither Party will charge the other Party any DLCI or Committed Information Rate ("CIR") charges for the PVC from its Frame Relay switch to its own subscriber's premises.
- A.6 For the PVC between the DeltaCom and BellSouth Frame Relay switches, compensation for the DLCI and CIR charges are based upon the rates in the BellSouth FCC Tariff No. 1. Compensation for PVC and CIR rate elements shall be calculated as follows:

For PVCs between the BellSouth Frame Relay switch and the DeltaCom Frame Relay switch, BellSouth will invoice, and DeltaCom will pay, the total non-recurring and recurring DLCI and CIR charges. If the VC is a Local VC, DeltaCom will invoice and BellSouth will pay, 100% of the DLCI and CIR charges initially billed by BellSouth for that PVC. If the VC is not local, no compensation will be paid to DeltaCom for the PVC.

- A.6.2 Each Party will compensate the other Party for any applicable Feature Change or Transfer of Service Charges as set forth in BellSouth's Tariff F.C.C. No. 1. A.6.3 The Parties agree to limit the sum of the CIR for the VCs on a given NNI port to not more than two times the port speed.
- A.7 Except as expressly provided herein, this Agreement does not address or alter in any way either Party's provision of Exchange Access Frame Relay Service or interLATA Frame Relay Service. All charges by each Party to

the other for carriage of Exchange Access Frame Relay Service or interLATA Frame Relay Service are included in the BellSouth access tariffs.

- A.8 Until such time as BellSouth obtains authority to provide in-region, interLATA service, DeltaCom will identify and report its PLCU to BellSouth on a quarterly basis.
- A.9 Either Party may request a review or audit of the various service components, including but not limited to a Party's determination of its PLCU, consistent with the provisions of section E2 of the BellSouth State Access Services tariffs or Section 2 of the BellSouth FCC No.1 Tariff.
- A.10 If during the term of this Agreement, BellSouth obtains authority to provide in-region, interLATA service, the Parties shall renegotiate the provisions of A.2, A.4, A.6 and A.8 to account for BellSouth's PLCU. In the event the parties are unable to reach agreement within one hundred eighty (180) days of the date BellSouth receives interLATA authority, the matter shall be resolved pursuant to the dispute resolution provisions set forth in the Interconnection Agreement.

Negotiator Name: Pat Finlen ' Telephone No: 404/927-8389

BellSouth Interconnection Services 34P70 BellSouth Center 675 West Peachtree Street, N.E. Atlanta, Georgia 30375

January 19, 1999

Mr. William J. Rooney, Jr. General Counsel Global Naps South, Inc. 10 Merrymount Road Quincy, MA 02169

Dear Mr. Rooney:

Enclosed herein for your files is a fully executed copy of the Adoption Agreement entered into between BellSouth Telecommunications, Inc. and Global Naps South, Inc. in which Global Naps is adopting the Deltacom, Inc. Interconnection Agreement dated July 1, 1997.

BellSouth will file this agreement with the appropriate regulatory agencies.

If you have any questions, please call me at (404) 927-7513.

Sincerely,

Susan M. Arrington

Manager - Interconnection Services

CC:

Jerry Hendrix Mary Jo Peed

AGREEMENT

This Agreement, which shall become effective as of the 18th day of January, 1999, is entered into by and between Global Naps South, Inc. ("Global Naps") a Virginia corporation on behalf of itself, and BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, having an office at 675 W. Peachtree Street, Atlanta, Georgia, 30375, on behalf of itself and its successors and assigns.

WHEREAS, the Telecommunications Act of 1996 (the "Act") was signed into law on February 8, 1996; and

WHEREAS, section 252(i) of the Act requires BellSouth to make available any interconnection, service, or network element provided under an agreement approved by the appropriate state regulatory body to any other requesting telecommunications carrier upon the same terms and conditions as those provided in the agreement in its entirety; and

WHEREAS, Global Naps has requested that BellSouth make available the interconnection agreement in its entirety executed between BellSouth and DeltaCom, Inc. dated July 1, 1997 in the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.

NOW, THEREFORE, in consideration of the promises and mutual covenants of this Agreement, Global Naps and BellSouth hereby agree as follows:

- 1. Global Naps and BellSouth shall adopt in its entirety the DeltaCom, Inc. Interconnection Agreement dated July 1, 1997 and any and all amendments to said agreement executed and approved by the appropriate state regulatory commission as of the date of the execution of this Agreement. The DeltaCom, Inc. Interconnection Agreement and all amendments are attached hereto as Exhibit 1 and incorporated herein by this reference.
- 2. The term of this Agreement shall be from the effective date as set forth above and shall expire on July 1, 1999, unless an alternate expiration date is mutually agreed to by the Parties or ordered by a Commission, the FCC or a court of competent jurisdiction.
- 3. Global Naps shall accept and incorporate any amendments to the DeltaCom, Inc. Interconnection Agreement executed as a result of any final judicial, regulatory, or legislative action.

4. Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.

CLEC Account Team 9th Floor 600 North 19th Street Birmingham, Alabama 35203

and

General Attorney - COU Suite 4300 675 W. Peachtree St. Atlanta, GA 30375

Global Naps South, Inc. William Rooney, Jr. 10 Merrymount Road Quincy, Massachusetts 02169

or at such other address as the intended recipient previously shall have designated by written notice to the other Party. Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

IN WITNESS WHEREOF, the Parties have executed this Agreement through their authorized representatives.

BellSouth Telecommunications, Inc.	Global Naps South, Inc.
Jun 7160	Manho De
Signature /	Signature //
Jerry D. Hendriso	
Name /	Name
1/18/99	•
Date '	Date

EXHIBIT WJR-3 William J. Rooney Docket No. 991267-TP

DIRECT TESTIMONY OF JAMES C. WILKERSON ON BEHALF OF ITC^DELTACOM DOCKET 26619

1	Q:	PLEASE STATE YOUR FULL NAME AND BUSINESS ADDRESS.			
2	A:	I am James C. (Jim) Wilkerson. My address is 2 Chase Corporate			
3		Drive, Suite 105, Birmingham, Alabama 35244.			
4					
5	Q:	BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?			
6	A:	My employer is Technology & Process Consulting, Inc. (TPC). I am a			
7		Senior Consultant with TPC and in this capacity I provide consulting			
8		services to ITC^DeltaCom.			
9					
10	Q:	PLEASE BRIEFLY STATE YOUR EDUCATIONAL AND WORK			
11		EXPERIENCE.			
12	A:	In 1979 I graduated with a marketing degree from the University of			
13		Mississippi. From 1979 until 1989 I served in various technical support			
14		and marketing positions with both BellSouth and AT&T. From 1989 until			
15		1996 I served in the regulatory department of BellSouth in both a			
16		headquarters and a state operations capacity. My last assignment with			
17		BellSouth included responsibility for informing the Alabama Public Service			
18		Commission staff and the industry of BellSouth's positions regarding			
19		CLEC interconnection and for negotiating interconnection agreements with			
20		CLECs. Since 1997, I have been in my current position with TPC.			
21					
22	Q:	PLEASE STATE WHY ITC DELTACOM HAS ASKED YOU TO TESTIFY			
23		ON ITS BEHALF IN THIS PROCEEDING.			

1	A:	In May 1997, ITC^DeltaCom retained my services to renegotiate its
2		interconnection agreement with BellSouth, in accordance with the
3		"most favored provisions" section of that agreement. Among the items
4		that I renegotiated with BellSouth was the issue of reciprocal
5		compensation for local traffic. It is because of this involvement with
6		BellSouth on this subject that I was asked to testify in this proceeding.
7		
8	Q:	BRIEFLY DESCRIBE YOUR NEGOTIATIONS WITH BELLSOUTH ON
9		THE SUBJECT OF RECIPROCAL COMPENSATION FOR LOCAL
0		TRAFFIC.
1	A:	In the original interconnection agreement, compensation for local traffic
2		was not applicable. This was inconsistent with ITC^DeltaCom's
3		policy. ITC^DeltaCom's policy on local compensation was, and is, that
4		each and every minute of traffic that traverses the interconnection
5		arrangement between itself and an ILEC should be compensated,
16		regardless of whether it is terminated by the ILEC or terminated by
17		ITC^DeltaCom. This position was consistent with my/our understanding
8		of BellSouth's position on this subject. As a matter of fact, in a
19		discussion with BellSouth, this reasoning was explicitly discussed.
20		Consequently, in my negotiations with BellSouth, we agreed to
21		reciprocal compensation in the amount of 0.9 cents per minute.

Q: WAS THERE ANY INDICATION IN YOUR NEGOTIATIONS WITH BELLSOUTH THAT ISP TRAFFIC WOULD BE EXCLUDED FROM THE RECIPROCAL COMPENSATION ARRANGEMENT? Absolutely not. To the contrary, there was every indication that it would be A: included. There are several reasons that I say this. First, in Section VI(B) of the agreement, a PLU (percent local usage) factor is instituted. This factor, when applied to the totality of the traffic which traverses the interconnection trunks, separates the traffic into two distinct categories --local and switched access. If ISP traffic was to be excluded, we would have had to agree on yet another factor which would identify the percent of ISP traffic occurring on the arrangement. Obviously, we did not.

Second, the interconnection agreement is an all-inclusive document. It does not only deal with local traffic issues. It deals with each and every item that is involved when two LECs must interconnect their networks. Accordingly, the agreement includes provisions for unbundled network elements, local traffic interconnection arrangements and exchange, meet-point billing arrangements (for access), toll traffic interconnection, number resources, access to poles/ducts/conduits/rights-of-way, 800 traffic, 911/E911 traffic, operator services, announcements, repair calls, busy line verification and interrupt, directory assistance, directory listings/distribution, signaling and signaling databases, number portability, disconnection of customers, resale of services, and universal service. If BellSouth considered ISP traffic to be something other than

local, this traffic would have been delineated in its own unique section of the agreement, with its own compensation arrangement. Obviously, it was not.

Third, the interconnection agreement contains a clear definition of local traffic in its Attachment B as follows: "Local Traffic means any telephone call that originates in one exchange or LATA and terminates in either the same exchange or LATA, or a corresponding Extended Area Service (EAS) exchange." (Emphasis added.) If BellSouth considered ISP traffic to be something other than local, it could not have used the phrase "any telephone call" in this definition without qualifying it in some way. Obviously, it did not. As a matter of fact, in interconnection agreements that BellSouth currently attempts to negotiate with CLECs, the definition of local traffic has been modified significantly by adding this sentence: "Local traffic does not include traffic that originates from or terminates to an enhanced service provider or information service provider." This is a clear recognition by BellSouth that its previous agreements, including the one with ITC^DeltaCom, did not exclude ISP traffic.

Q:

A:

WHAT OTHER CONSIDERATIONS WOULD MAKE IT UNREASONABLE
TO EXCLUDE ISP TRAFFIC FROM THE LOCAL TRAFFIC CATEGORY?
Two additional considerations are important. First, it is helpful to
understand how BellSouth has traditionally treated this traffic. Prior
to the advent of CLECs, compensation for the carriage of local traffic

was only an issue with independent telephone companies and with cellular companies. In this regard, EAS settlements, area calling service (ACS) settlements, and cellular interconnection have traditionally included ISP traffic. It is only now, when BellSouth has recognized that including this traffic for CLECs means significant revenue flows to CLECs, that it wants to exclude it. Only when it was a revenue producer did they want it included.

Second, from a purely logical standpoint, it is critical to recognize that the services involved in an ISP call are tariffed in BellSouth's "Basic Local Exchange Service Tariff" (GSST - Section A3) and in ITC^DeltaCom's local tariff. The services purchased by the end users as well as the ISPs themselves are included in this tariff as local services. If these services were not considered local by BellSouth, they would not appear in this section of the tariff. Further, if the FCC had usurped the APSC's authority in regard to these services, the services would appear in an interstate tariff governed by the FCC, just as interstate access services do. Given this, for BellSouth to now claim that these services are jurisdictionally interstate is totally illogical.

- Q: PLEASE SUMMARIZE YOUR TESTIMONY.
- 21 A: For all the reasons delineated above, it is unreasonable for BellSouth to exclude ISP traffic from reciprocal compensation payments.

BellSouth had every opportunity to raise ISP traffic as an issue in our negotiations, but did not. They should not now be allowed to operate outside the "four corners" of the interconnection agreement with ITC^DeltaCom.

AFFIDAVIT

STATE OF ALABAMA	
COUNTY OF JEFFERSON	

James C. Wilkerson, being first duly sworn, deposes and states that he is a consultant to ITC^DeltaCom Communications, Inc., employed by Technology & Process Consulting, Inc., and that this direct testimony is true and correct to the best of his knowledge, information and belief.

James C. Wilkerson

Subscribed and sworn to before me on the dy day of August, 1998.

Notary Public

My Commission Expires: Urtoler &

(SEAL)

FCC 99-381

BellSouth Telecommunications. Inc.

FPSC Docket 991267-TP

Exhibit AH-1

Federal Communications Commission

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of) }	
Bell Atlantic-Delaware, Inc., Bell Atlantic-Maryland, Inc., Bell Atlantic-New Jersey, Inc., Bell Atlantic-Pennsylvania, Inc., Bell Atlantic-Virginia, Inc., Bell Atlantic-Washington, D.C., Inc., Bell Atlantic-West Virginia, Inc., New York Telephone Company, and New England Telephone and Telegraph Company,)	File No. E-99-22
Complainants,))	
v.	į	
Global NAPs, Inc.,	<u> </u>	
Defendant.)	

MEMORANDUM OPINION AND ORDER

Adopted: December 2, 1999 Released: December 2, 1999

By the Commission:

I. INTRODUCTION

1. In this Memorandum Opinion and Order, we resolve a formal complaint brought by various Bell Atlantic companies (collectively, Bell Atlantic) against a competitive local exchange carrier (CLEC), Global NAPs, Inc. (Global NAPs), pursuant to section 208 of the Communications Act of 1934, as amended (Act or Communications Act). The complaint challenges the lawfulness and application of certain Global NAPs tariff provisions that purport to charge a per-minute interstate rate for Internet calls, specifically, calls originated by Bell Atlantic customers that are handed off to Global NAPs for delivery to Internet service providers (ISPs).²

^{1 47} U.S.C. § 208.

Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1 (Tariff) FLORIDA PUBLIC SERVICE COMMISSION DOCKET NO. 191267-7P EXHIBIT NO. 1000 COMPANY/ WITNESS: Poorer

2. As explained below, we conclude that the challenged provisions of Global NAPs' tariff, as applied to ISP-bound traffic delivered by Bell Atlantic to Global NAPs in Massachusetts, are unjust and unreasonable under section 201(b) of the Act, because those tariff provisions condition the imposition of charges on circumstances that were indeterminate when the tariff took effect and remain indeterminate today. In particular, the challenged tariff provisions purport to apply only to ISP-bound traffic for which Global NAPs receives no compensation from Bell Atlantic under the parties' existing interconnection agreement; however, the Massachusetts Department of Telecommunications and Energy (Massachusetts DTE) has yet to make a final determination whether and how the parties' existing interconnection agreement provides for inter-carrier compensation for ISP-bound traffic. Moreover, we conclude that the challenged tariff provisions violate section 61.74(a) of our rules, because they refer to a document other than the Tariff itself, i.e., an interconnection agreement. Accordingly, we hereby grant Bell Atlantic's complaint and hold that Sections 7 and 7A of Global NAPs' Tariff F.C.C. No. 1 are unlawful.

II. BACKGROUND

A. Events Preceding the Commission's Reciprocal Compensation Order

3. On April 15, 1997, Global NAPs and New England Telephone and Telegraph Company for Massachusetts (Bell Atlantic) entered into an interconnection agreement that continues until April 15, 2000. Pursuant to this agreement, Bell Atlantic carries traffic from its end user customers in Massachusetts to a point of interconnection with Global NAPs in Massachusetts; then Global NAPs delivers the traffic from the point of interconnection to its ISP customers in Massachusetts.

at \$2-83, Sections 7, 7A.1, 7A.2, 7A.3, 7A.4 (effective April 15, 1999).

³ 47 U.S.C. § 201(b).

^{4 47} C.F.R. § 61.74(a).

^{&#}x27;See Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996, by and between New England Telephone and Telegraph Company and Global NAPs for Massachusetts (April 15, 1997) (Bell Atlantic-Global NAPs Interconnection Agreement), attached to Letter from Karlyn D. Stanley to Magalie Roman Salas, dated August 10, 1999, File No. E-99-22. The agreement will automatically renew and remain in effect unless (1) either party gives notice of termination at least 60 days before April 15, 2000, or (2) after that date, either party gives a 90-day notice of termination. Id. at 36, Section 21; see also Global NAPs Answer, File No. E-99-22 (filed July 28, 1999) (Global NAPs Answer) at Attachment C.

⁴ See Bell Atlantic-Global NAPs Interconnection Agreement at 14, Section 5.7.2; see also Joint Statement of Stipulated Facts, Disputed Facts and Key Legal Issues Pursuant to Section 1.732(h) and Joint Statement Pursuant to Section 1.733(7)(b)(2), File No. E-99-22 (filed August 10, 1999) (Joint Statement) at 2.

- 4. The parties' interconnection agreement provides that "[r]eciprocal compensation only applies to the transport and termination of Local Traffic billable by NYNEX [now Bell Atlantic] which a Telephone Exchange Service Customer originates on NYNEX's or Global NAPs' network for termination on the other Party's network." "Local Traffic" is defined as "a call which is originated and terminated within a given LATA, in the Commonwealth of Massachusetts. . . . " The interconnection agreement further provides that the parties "shall compensate each other for the transport and termination of Local Traffic in an equal and symmetrical manner at the rate provided in the Pricing Schedule." According to the Pricing Schedule, reciprocal compensation for "Local Traffic" is \$.008 per-minute. 10
- 5. The parties executed their interconnection agreement despite their inability to reach a consensus on whether the above-quoted language in the interconnection agreement requires payment of reciprocal compensation for traffic that is delivered to ISPs, i.e., calls made by one carrier's customers that are handed off to the other carrier for delivery to the latter carrier's ISP customers. In place of such a consensus, the parties agreed to interpret the applicable language in their agreement in the same manner in which identical language in other Bell Atlantic/CLEC interconnection agreements was ultimately interpreted by the Massachusetts DTE. 12
- 6. On June 26, 1998, MCI WorldCom Technologies, Inc. (MCI WorldCom), which provides competitive local exchange service in Massachusetts, filed a complaint against Bell Atlantic before the Massachusetts DTE regarding Bell Atlantic's failure to pay reciprocal compensation for ISP-bound traffic pursuant to their interconnection agreement. On October

Bell Atlantic-Global NAPs Interconnection Agreement at 14, Section 5.7.1. According to section 252 of the Act, "reciprocal compensation" arrangements must (1) provide for the "mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of talls that originate on the network facilities of the other earrier," and (2) "determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls," 47 U.S.C. § 252(d)(2)(A).

Bell Atlantic-Global NAPs Interconnection Agreement at 5, Section 1.38.

Bell Atlantic-Global NAPs Interconnection Agreement at 14, Section 5.7-2.

Bell Atlantic-Global NAPs Interconnection Agreement at 8, Pricing Schedule.

See Chronology of Events Submitted Pursuant to Staff Request of August 3, 1999, File No. 99-22 (filed August 11, 1999) (Chronology of Events) at 11-12.

¹² Chronology of Events at 11-12.

Complaint of MCI WorldCom, Inc. v. New England Telephone and Telegraph Company d/b/2 Bell Atlantic-Massachusetts, Commonwealth of Massachusetts Department of Telecommunications and Energy, D.T.E. 97-116-C

21, 1998, the Massachusetts DTE ruled in favor of MCI WorldCom, holding that the parties' agreement requires Bell Atlantic to pay reciprocal compensation for ISP-bound traffic. The Massachusetts DTE noted that other CLECs' interconnection agreements (including Global NAPs') with Bell Atlantic contain identical provisions and directed Bell Atlantic to pay the applicable reciprocal compensation rate contained in those agreements, as well. The express and exclusive basis for the Massachusetts DTE's decision was that: (a) the link between the caller and the ISP in ISP-bound traffic is jurisdictionally severable from the continuing link from the ISP to the target Internet site; (b) ISP-bound traffic is a "local" call under federal law and the interconnection agreement; and (c) ISP-bound traffic is subject to the Massachusetts DTE's jurisdiction as an intrastate call. In essence, the Massachusetts DTE viewed an Internet call as effectively two calls: a local call from the end user to the ISP, and a non-local call from the ISP to the Internet, i.e., the "two-call" theory.

B. The Commission's Reciprocal Compensation Order

7. On February 26, 1999, in response to a number of requests to clarify whether reciprocal compensation applies to ISP-bound traffic, we released the *Reciprocal Compensation Order*.\(^1\) In that *Order*, we concluded that ISP-bound traffic "is jurisdictionally mixed and appears to be largely interstate in nature.\(^1\) In reaching this conclusion, we "analyze[d] ISP traffic for jurisdictional purposes as a continuous transmission from the end user to a distant Internet site.\(^1\) Applying this analysis, we found that ISP-bound traffic "do[es] not terminate at

(filed June 26, 1998), attached to Letter from Karlyn D. Stanley to Magalie Roman Salas, dated August 10, 1999, File No. E-99-22.

¹⁴ See Complaint of MCI WorldCom, Inc. v. New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts, Commonwealth of Massachusetts Department of Telecommunications and Energy, D.T.E. 97-116 (Mass. D.T.E. rel. October 21, 1998) (Massachusetts DTE October 21, 1998 Order) at 12, attached to Letter from Karlyn D. Stanley to Magalie Roman Salas, dated August 10, 1999, File No. E-99-22.

¹⁵ See Massachusetts DTE October 21, 1998 Order at 14.

¹⁴ See Massachusetts DTE October 21, 1998 Order at 6, 11-13.

¹⁷ See Massachusetts DTE October 21, 1998 Order at 11-12.

¹⁶ Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Inter-Carrier Compensation for ISP-Bound Traffic, CC Docket Nos. 96-98, 99-68, Declaratory Ruling and Notice of Proposed Rulemaking, 14 FCC Rcd 3689, 3703, 3707, ¶ 1, 23, 28 (Feb. 26, 1999) (Reciprocal Compensation Order).

¹⁹ Reciprocal Compensation Order, 14 FCC Red at 3689-90, ¶ 1; see also id. at 3697, 3701-3, 3704-5, ¶ 12, 18, 20, 23, 24.

²⁸ Reciprocal Compensation Order, 14 FCC Rod at 3698-9, ¶ 13.

the ISP's local server, ... but continues to the ultimate destination or destinations, specifically at an Internet website that is often located in another state."²¹ We expressly rejected the argument - on which the Massachusetts DTE had heavily relied in its October 21, 1998 order — that ISP-bound calls consist of severable local and non-local components, reasoning that "this argument is inconsistent with Commission precedent . . . holding that communications should be analyzed on an end-to-end basis, rather than by breaking the transmission into component parts."²²

- 8. We emphasized, however, that our conclusion that ISP-bound traffic is largely interstate "does not in itself determine whether reciprocal compensation is due in any particular instance." As we explained, there currently is no federal rule governing inter-carrier compensation for ISP-bound traffic. Consequently, whether such compensation is due in any particular instance hinges on the parties' contractual intent in entering into their interconnection agreement, or on the state commission's application of other legal or equitable principles to the parties' compensation dispute. It
- 9. Regarding the parties' intent, we stated that, given the absence of a federal rule governing inter-carrier compensation for ISP-bound traffic, "parties may [have] voluntarily include[d] this traffic within the scope of their interconnection agreements under sections 251 and 252 of the Act...." We explained that, where a state commission determines that the parties did, indeed, voluntarily include compensation for ISP-bound traffic in their interconnection agreement, the parties "are bound by those [interconnection] agreements, as interpreted and enforced by the state commission[]." Moreover, we determined that such deference to state commission interpretations of parties' contractual intent regarding compensation for ISP-bound traffic applies to state commission decisions that post-date, as well as pre-date, the Reciprocal Compensation Order.²⁸

²¹ Reciprocal Campensation Order, 14 FCC Red at 3697, ¶ 12.

²² Reciprocal Compensation Order, 14 FCC Red at 3700, ¶ 15.

²² Reciprocal Compensation Order, 14 FCC Rcd at 3689, ¶ 1.

¹⁶ Reciprocal Compensation Order, 14 FCC Rcd at 3689, 3690, 3695, 3703, 3704-5, ¶¶ 1, 9, 22, 24, 25, 26; see also Joint Statement at 2.

³⁵ Reciprocal Compensation Order, 14 FCC Red at 3703-4, 3706, 1 22, 24, 27.

Reciprocal Compensation Order, 14 FCC Red at 3703, § 22; see also id. at 3703-4, § 21, 24.

²⁷ Reciprocal Compensation Order, 14 FCC Red at 3703, ¶ 22 (emphasis added); see also id. at 3689-90, 3703-4, ¶ 1, 21, 24.

Reciprocal Compensation Order, 14 FCC Red at 3703-4, § 24 ("Nothing in this Declaratory Ruling, therefore, necessarily should be construed to question any determination a state commission has made, or may make in the

We went on to explain that, even where a state commission concludes that the 10. parties did not voluntarily agree on an inter-carrier compensation mechanism for ISP-bound traffic. "state commissions nonetheless may determine in their arbitration proceedings at this point that reciprocal compensation should be paid for this traffic. . . . By the same token, in the absence of governing federal law, state commissions also are free not to require the payment of reciprocal compensation for this traffic and to adopt another compensation mechanism."25 Indeed, we observed that, "filn the absence of a federal rule, state commissions that have had to fulfill their statutory obligation under section 252 to resolve interconnection disputes between incumbent LECs and CLECs have had no choice but to establish an inter-carrier compensation mechanism and to decide whether and under what circumstances to require the payment of reciprocal compensation." We, therefore, concluded that "[u]ntil adoption of a final [federal] rule, state commissions will continue to determine whether reciprocal compensation is due for this traffic," pursuant to their authority to approve interconnection agreements under sections 251 and 252 of the Act.31 In sum, "in the absence of a federal rule, state commissions have the authority under section 252 of the Act to determine inter-carrier compensation for ISP-bound traffic," even where the parties' existing interconnection agreement is silent on the subject. 32

C. Events After the Commission's Reciprocal Compensation Order

11. On April 14, 1999, Global NAPs filed with this Commission the federal tariff at issue here. Global NAPs filed the Tariff on one day's notice pursuant to section 61.23(c) of our

future, that parties have agreed to treat ISP-bound traffic as local traffic under existing interconnection agreements.") (emphasis added); see also id. at 3707, ¶ 28 ("[T]he Commission's holding that parties' agreements, as interpreted by state commissions, should be binding also applies to those state commissions that have not yet addressed the issue.").

²⁵ Reciprocal Compensation Order, 14 FCC Red at 3704-5, 97 25, 26 (footnotes omitted).

¹⁰ Reciprocal Compensation Order, 14 FCC Red at 3705-6, ¶ 26.

³¹ Reciprocal Compensation Order, 14 FCC Rcd at 3707, ¶ 28.

Reciprocal Compensation Order, 14 FCC Red at 3706, n.87. In the Reciprocal Compensation Order, the Commission also issued a notice of proposed rulemaking (NPRM) in which the Commission "tentatively conclude[d] that, as a matter of federal policy, the inter-carrier compensation for this interstate telecommunications traffic should be governed prospectively by interconnection agreements negotiated and arbitrated under sections 251 and 252 of the Act." Id. at 3707, ¶ 30. The comment cycle for this NPRM has concluded, and the Commission expects to issue an order resolving that proceeding in the near future.

¹³ Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1 (effective April 15, 1999).

rules.34 The Tariff purports to charge an interstate rate of \$.008 per minute for all ISP-bound calls for which Global NAPs does not receive compensation under an interconnection agreement.35 Towards that end, the Tariff states:

This tariff applies to telecommunications delivered to the Company [i.e., Global NAPs] by a local exchange carrier (the "Delivering LEC") for further delivery to an Internet Service Provider ("ISP") which obtains connections to the public switched network from the Company. This tariff applies to all ISP-bound traffic for which the Company does not receive compensation from the Delivering LEC under the terms of an interconnection agreement entered into pursuant to Sections 251 and 252 of the Communications Act of 1934, as amended (an "Interconnection Agreement").¹⁶

12. On May 19, 1999, the Massachusetts DTE vacated its October 21, 1998 decision, concluding that our Reciprocal Compensation Order had invalidated the "two-cail" theory on which the Massachusetts DTE had asserted jurisdiction over, and required reciprocal compensation for, ISP-bound traffic. The Massachusetts DTE ruled, therefore, that Bell Atlantic is not presently required to pay reciprocal compensation for ISP-bound traffic, retroactive to February 26, 1999. The Massachusetts DTE expressly preserved the possibility,

²⁴ 47 C.F.R. § 61.23(e).

²⁵ Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1, at \$2-83, Sections 7A.1, 7A.4 (effective April 15, 1999); see also Joint Statement at I-2.

Section 7A.1 (effective April 15, 1999). Moreover, section 7A.2 of Global NAPs' tariff provides that "[a] delivering LEC with which Company has an Interconnection Agreement may avoid charges under this Tariff by agreeing to treat ISP-bound calls delivered to Company as 'local traffic' subject to reciprocal compensation under Section 251(b)(5) and applicable terms of the Interconnection Agreement. Failure by such a carrier to actually compensate Company for ISP-bound traffic as local traffic under the terms of an Interconnection Agreement shall constitute an election to compensate Company under the terms of this Tariff." Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1, at 82, Section 7A.2 (effective April 15, 1999). In addition, Section 7A.3 of Global NAPs' tariff provides that "[t]his tariff applies to all ISP-bound traffic that is subject to the jurisdiction of the Federal Communications Commission. To the extent that a Delivering LEC asserts that the terms of an Interconnection Agreement do not apply to some or all ISP-bound traffic due to the jurisdictionally interstate nature of such traffic, that assertion shall constitute a binding election to treat all ISP-bound traffic not subject to an Interconnection Agreement as jurisdictionally interstate and subject to this tariff." Id. at 82, Section 7A.2.

³⁷ See Complaint of MCI WorldCom, Inc. v. New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts, Commonwealth of Massachusetts Department of Telecommunications and Energy, D.T.E. 97-116-C (Mass. D.T.E. rel. May 19, 1999) (Massachusetts DTE May 19, 1999 Order), attached to Bell Atlantic Complaint, Attachment A at 24-25.

¹⁸ See Massachusetts DTE May 19, 1999 Order at 28.

however, that provisions within existing interconnection agreements not inextricably bound to the "two-call" theory might require the payment of some compensation for the delivery of ISP-bound traffic. ³⁹ Indeed, the Massachusetts DTE repeatedly acknowledged that, notwithstanding its vacation of its October 21, 1998 Order, the issue of whether existing interconnection agreements between Bell Atlantic and CLECs require some form of compensation for ISP-bound traffic remains a live dispute. ⁴⁰ Accordingly, in express reliance on the directives contained in our Reciprocal Compensation Order, the Massachusetts DTE stated that Bell Atlantic and applicable CLECs, including Global NAPs, should negotiate about the appropriate compensation mechanism for inter-carrier delivery of ISP-bound traffic pursuant to section 252 of the Act. ⁴²

During negotiations, the parties to this agreement may determine that adequate pricing and other terms for these transactions are already governed by other contract provisions (and, certainly, arguments along these lines have been advanced in the CLECs' comments. . . .). Or else, accepting or at least acquiescing in our view of Section 5.8 of the interconnection agreement, they may jointly conclude that the present agreement is silent on the point and needs to be supplemented to provide new terms for these mutual services. They are free to arrive as either judgment in coming to terms over the present dispute. The best outcome is for Bell Atlantic and MCI WorldCom (or other CLECs where other interconnection agreements are concerned) to arrive as a resolution themselves. A far less satisfactory outcome is for the Department to have to interpret, or even to supply, terms, because the parties cannot agree. Massachusents DTE May 19, 1999 Order at 29 (emphases added).

The Massachusetts DTE stated, for example:

Although MCI WorldCom and Bell Atlantic may still disagree about reciprocal compensation obligations under their interconnection agreement, there is - post February 26, 1999 - no valid and effective D.T.E. order still in place to resolve their dispute. Unsatisfying as it may be to say so, all that remains is a now-unresolved dispute.

Massachusens DTE May 19, 1999 Order at 25-26 (emphases added). See also, Massachusents DTE May 19, 1999 Order at 27 ("MCI WorldCom may choose to renew its complaint upon some claim that Massachusents contract law or 'other legal or equitable considerations' give rise to mutual obligation on its and Bell Atlantic's parts to pay reciprocal compensation for ISP-bound traffic, even despite the FCC's jurisdictional pronouncement.") (emphasis added); Massachusent DTE May 19, 1999 Order at 27 n.29 ("We do not, at this point, hazard a judgment whether such an alternative basis exists in the Bell Atlantic-MCI WorldCom interconnection agreement before us. If such a basis can be convincingly shown, then it would not be the Department's role to save contracting parties from later-regretted commercial judgments."); Massachusents DTE May 19, 1999 Order at 28 n.30 (declining to rule whether MCI WorldCom must refund reciprocal compensation payments made by Bell Atlantic prior to the Reciprocal Compensation Order, because "[i]o do so now would be premature," given the continuing possibility that the existing interconnection agreement might be construed to have required such payments by Bell Atlantic.); n. 39, supra.

¹⁶ In this regard, the Massachusens DTE stated:

⁴¹ See Massachusetts DTE May 19, 1999 Order at 30 ("[W]e expect carriers to begin the voluntary negotiation process provided in section 252 of the 1996 Act, in order to establish insofar as may be warranted, an inter-carrier compensation mechanism that would apply to compensation for all ISP-bound traffic that was not disbursed as of February 26, 1999, as well as all later-occurring ISP-bound traffic.").

The Massachusetts DTE also offered to provide a mediator pursuant to section 252(a)(2) to facilitate the parties' negotiations. ¹² The Massachusetts DTE further observed:

If these negotiations do not resolve the present interconnection agreement dispute, the Department can arbitrate the matter under section 252(b). At that time, consistent with the discretion we have been given by the FCC (at least until the NPRM is settled), the Department would resolve whatever issues are put before it.⁶³

- 13. On May 27, 1999, Global NAPs forwarded a bill to Bell Atlantic pursuant to Sections 7 and 7A of its FCC Tariff No. 1, in which it sought payment, in the amount of \$1,726,679, for ISP-bound traffic that Bell Atlantic delivered to Global NAPs in Massachusetts between April 15, 1999 and April 30, 1999.⁴⁴ Bell Atlantic has refused to pay this bill.⁴⁵ Subsequent to April 30, 1999, Global NAPs has forwarded to Bell Atlantic additional similar bills pursuant to its FCC Tariff No. 1, which Bell Atlantic has also not paid.⁴⁶
- of the Act challenging the lawfulness of Sections 7 and 7A of Global NAPs' F.C.C. Tariff No. 1. In its complaint, Bell Atlantic seeks a Commission finding that those tariff provisions are unjust and unreasonable under section 201(b) of the Act for the following reasons. First, Bell Atlantic claims that Global NAPs' tariff violates the so-called "ESP exemption," because said exemption allegedly precludes any carrier from assessing any per-minute interstate charges on ISP-bound traffic. Second, Bell Atlantic argues that, if the ESP exemption does not apply, then Global

⁴² See Massachusetts DTE May 19, 1999 Order at 30 ("If need be, we would be willing to provide a Department mediator to facilitate agreement, pursuant to the mediation provision of section 252(a)(2).").

¹⁾ See Massachuseus DTE May 19, 1999 Order at 30.

⁴⁴ Bell Atlantic Complaint at Attachment B; see also Joint Statement at 2.

⁴⁵ See Global NAPs Answer, Proposed Findings of Fact, at 2-3.

⁴ See Global NAPs Answer, Proposed Findings of Fact, at 2-3.

⁴⁷ Bell Atlantic Complaint at 3, 8-9, 15 (citing Reciprocal Compensation Order, 14 FCC Red at 3700, ¶ 16; GTE Telephone Operating Cos., GTOC Tariff No. 1 GTOC Transmittal No. 1148, CC Docket No. 98-79, Memorandum Opinion and Order, 13 FCC Red 22466 (1998) (GTE ADSL Order)); Bell Atlantic's Brief on Non-Cost Issues, File No. E-99-22 (Bell Atlantic Non-Cost Brief) at 2, 6, 7-8 (filed Sept. 2, 1999) (citing GTE ADSL Order, 13 FCC Red at 22469-70, ¶ 7; MTS and WATS Market Structure, CC Docket No. 78-72, Memorandum Opinion and Order, Phase 1, 97 F.C.C. 2d 682, 721 (1983) (MTS and WATS Market Structure Order)); Bell Atlantic Reply Brief on Non-Cost Issues, File No. E-99-22 (Bell Atlantic Non-Cost Reply Brief) at 2, 13-15 (filed Sept. 15, 1999) (citing MTS and WATS Market Structure Order, 97 FCC 2d 682, 721; Reciprocal Compensation Order, 14 FCC Red at 3705-6, ¶ 26.).

NAPs' tariff violates our rules governing inter-carrier shared access arrangements, because said rules allegedly preclude carriers that jointly provide access service from charging each other for such service, and may even require Global NAPs to reimburse Bell Atlantic for a portion of the fees that Global NAPs receives from its ISP customers. Third, Bell Atlantic asserts that Global NAPs' tariff violates our decision in the Reciprocal Compensation Order that, until a federal rule is adopted, the issue of compensation for inter-carrier delivery of ISP-bound traffic must be addressed exclusively through negotiations and state arbitrations under sections 251 and 252 of the Act. Fourth, Bell Atlantic maintains that Global NAPs' tariff constitutes "cramming," because Bell Atlantic allegedly has not agreed to subscribe to the tariffed services at issue; of and finally, Bell Atlantic claims that Global NAPs' tariffed rates are unreasonably high. For the reasons described below, we find that Global NAPs' tariff is unlawful, but for reasons other than those asserted by Bell Atlantic.

IIL DISCUSSION

15. The parties do not dispute one principle: the Reciprocal Compensation Order holds that carriers whose interconnection agreements include an inter-carrier compensation

⁴⁶ Bell Atlantic Complaint at 3, 9-10 (citing Access Billing Requirements for Joint Service Provision, CC Docket No. 87-579, Memorandum Opinion and Order, 4 FCC Red 7183, 7185-86 (1989); Waiver of Access Billing Requirements and Investigation of Permanent Modifications, CC Docket No. 86-104, Memorandum Opinion and Order, 2 FCC Red 4518, 4519 (1987); Investigation of Access and Divestinure Related Tariffs, CC Docket No. 83-1145, Memorandum Opinion and Order, Phase I, 97 F.C.C. 2d 1082, 1176-77 (1984)); Bell Atlantic Non-Cost Brief, at 2, 8-9 (citing Reciprocal Compensation Order, 14 FCC Red at 3695, ¶ 9; Access Billing Requirements for Joint Service Provision, 4 FCC Red 7183, ¶ 22-24; Waiver of Access Billing Requirements and Investigation of Permanent Modifications, 2 FCC Red 4518, ¶ 39-40; Investigation of Access and Divestiture Related Tariffs, 97 F.C.C. 2d 1082, 1176-77); Bell Atlantic Non-Cost Reply Brief, at 2, 12-15 (citing Reciprocal Compensation Order, 14 FCC Red at 3695, 3705-6, ¶ 9, 25).

⁴⁹ Bell Atlantic Complaint at 3-4, 10 (citing Reciprocal Compensation Order, 14 FCC Rcd at 3705-6, 3707-10, ¶¶ 26, 28-36); Bell Atlantic Non-Cost Brief, at 2, 9-13 (citing Reciprocal Compensation Order, 14 FCC Rcd at 3704-6, ¶¶ 25-27); Bell Atlantic Non-Cost Reply Brief, at 1-2, 3-7 (citing Reciprocal Compensation Order, 14 FCC Rcd at 3705-6, 3707, ¶¶ 26, 28).

³⁰ Bell Atlantic Complaint at 4, 10-13; Bell Atlantic Non-Cost Brief at 1-2, 3-4, 14; Bell Atlantic Non-Cost Reply Brief, at 2, 10-12 (ciring United Artists Payphone Corp. v. New York Telephone Company, Memorandum Opinion and Order, File Nos. E-90-181, E-90-182, B FCC Red 5563 (1993); MGC Communications Inc. v. AT&T Corp., DA 99-1395 (rel. July 16, 1999)).

⁵¹ Bell Atlantic Complaint at 13, 15-16; Bell Atlantic's Brief on Cost Issues, at 1-2, 8; Bell Atlantic Reply Brief on Cost Issues, at 2, 5.

Given our determination that Global NAPs' tariff violates the Reciprocal Compensation Order, we need not, and do not, reach the other issues raised in Bell Atlantic's complaint.

mechanism for ISP-bound traffic must abide by the state commission's determination regarding the existence and meaning of the mechanism.⁵³

- determination whether the existing interconnection agreement between Bell Atlantic and MCI WorldCom -- and by extension, other CLECs, including Global NAPs -- provides for any intercarrier compensation for ISP-bound traffic. A Not only did the Massachusetts DTE state repeatedly in its May 19, 1999 Order that this issue remains live and disputed, but the May 19, 1999 Order itself (from which 2 of the 5 Commissioners partially dissented) is the subject of several pending petitions for reconsideration. Moreover, on April 16, 1999, Global NAPs filed with the Massachusetts DTE a complaint against Bell Atlantic regarding this very issue, and the Massachusetts DTE has not yet resolved Global NAPs' complaint. Indeed, in its briefs here, Global NAPs acknowledges (albeit in passing) that the Massachusetts DTE still could decide that the existing interconnection agreement between the parties requires Bell Atlantic to compensate Global NAPs in some way for the delivery of ISP-bound traffic. Atlantic to compensate
- 17. Sections 251 and 252 of the Act create, inter alia, negotiation and arbitration procedures for CLECs to interconnect with incumbent LECs in order to provide competing communications services. Congress gave exclusive authority over those processes to state commissions, even though the interconnection matters encompassed by sections 251 and 252

[&]quot;See ¶ 9, supra; see also US West Communications v. MFS Intelenet, Inc., ___F.3d ___, 1999 WL 799082 (9th Cir. (Wash.)) ("The FCC has held parties are bound by interconnection agreements that include ISP-Bound Traffic in their reciprocal compensation provisions and are approved by a state commission."); Illinois Bell Telephone Company v. WorldCom Technologies, Inc., 179 F.3d 566, 574 (7th Cir. 1999) (stating that "[t]he Commission could not have made clearer [in the Reciprocal Compensation Order] its willingness — at least until a federal rule is promulgated — to les state commissions make the call [regarding the appropriate compensation mechanism for ISP-bound traffic.)").

⁵⁴ See ¶ 12, supra.

³⁵ See, e.g., MCI WorldCom Technologies, Inc. Order, D.T.E., 97-116-D, Motions for Reconsideration filed by Global NAPs, Sprint Communications, and RCN Telecom (July 13, 1999).

See Complaint of Global NAPs, Inc. v. Bell Atlantic, Commonwealth of Massachusetts Department of Telecommunications and Energy, D.T.E. 99-39 (filed April 16, 1999), attached to Letter from Karlyn D. Stanley to Magalie Roman Sales, dated August 10, 1999, File No. E-99-22; see also Initial Brief of Global NAPs on Non-Cost Issues, at 41 n.32.

Initial Brief of Global NAPs on Non-Cost Issues, at 41; Reply Brief of Global NAPs, at 20. Global NAPs characterizes this possibility as remote, at best, but we must accept at face value the Massachusetts DTE's repeated assertions that it still could construe the existing interconnection agreement as requiring inter-carrier compensation for ISP-bound traffic.

have both interstate and intrastate aspects.⁵⁸ Thus, the fact that ISP-bound traffic is largely interstate does not necessarily mean that such traffic cannot fall within the state-supervised negotiation and arbitration processes set forth in sections 251 and 252.⁵⁸

- A careful reading of sections 251 and 252 reveals, in fact, that ISP-bound traffic 18. may fall within the state-supervised negotiation and arbitration processes set forth therein. 40 It is beyond debate that the rates, terms, and conditions under which carriers will exchange traffic may be essential terms of some interconnection agreements. Moreover, sections 252(b)(1), (b)(4)(C), and (c)(1) require a state commission to resolve any "open issues" between the parties negotiating an interconnection agreement, and, in doing so, to ensure that such resolution meets the requirements of section 251.61 Section 251(d)(3) specifically preserves state authority to impose any "access and interconnection obligations" that are not either inconsistent with or disruptive of the requirements and purposes of the Act. 42 Thus, it was within our discretion to direct in the Reciprocal Compensation Order that, on an interim basis, inter-carrier compensation for ISP-bound traffic should be treated as an "open issue" subject to the state-supervised negotiation/mediation/arbitration processes set forth in sections 251 and 252 of the Act. Accordingly, whether the existing interconnection agreement between Bell Atlantic and Global NAPs does or should provide for inter-carrier compensation for ISP-bound traffic is an appropriate area of inquiry for the Massachusetts DTE under sections 251 and 252 of the Act, even though ISP-bound traffic is largely interstate.
- 19. Global NAPs does not appear to argue otherwise. In fact, Global NAPs (along with other Intervenors) filed a brief in the appeal of the Reciprocal Compensation Order contending (consistent with our analysis here) that state commissions do have authority under

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket Nos. 96-98, 95-185, First Report and Order, 11 FCC Red 15499, 15520, ¶41 (1996) (Local Competition Order), aff d in part and vacated in part sub nom. Competitive Telecommunications Ass'n v. FCC, 117 F.3d 1068 (8th Cir. 1997) (CompTel), aff'd in part and vacated in part sub nom. Iowa Utils. Bd. v. FCC, 120 F.3d 753 (8th Cir. 1997) (Iowa Utils. Bd.), aff'd in part and rev'd in part sub nom. AT&T Cos. v. Iowa Utils. Bd., 119 S. Ct. 721 (1999); Order on Reconsideration, 11 FCC Red 13042 (1996); Second Order on Reconsideration. 11 FCC Red 19738 (1996); Third Order on Reconsideration and Further Notice of Proposed Rulemaking, 12 FCC Red 12460 (1997); further reconpending; see also Reciprocal Compensation Order, 14 FCC Red at 3704-5, ¶25.

Reciprocal Compensation Order, 14 FCC Red at 3704-5, ¶ 25.

In conducting arbitration procedures under section 252 of the Act, however, state commissions still must comply with our rules and our interpretation of the Act. Thus, when we adopt federal rules for inter-carrier compensation for ISP-bound traffic, state commissions conducting arbitrations must abide by these rules.

^{41 47} U.S.C. §§ 252(b)(1), 252(b)(4)(C), and 252(c)(1).

^{44 47} U.S.C. § 251(d)(3),

sections 251 and 252 of the Act to determine whether interconnection agreements do or should contain inter-carrier compensation mechanisms for ISP-bound traffic.⁶³

- Order to support its position that, until we adopt a federal rule on the subject, state commissions have concurrent, not exclusive, authority to establish inter-carrier compensation for ISP-bound traffic. This means, in Global NAPs' view, that its federal tariff properly invokes the Commission's concurrent jurisdiction. The Commission, however, speaks through its orders, and nothing in our Reciprocal Compensation Order changes the analysis herein.
- 21. We need not decide here in the abstract whether Global NAPs may file any tariff addressing compensation for terminating ISP-bound traffic, because we find the tariff before us to be unjust and unreasonable. Section 7A.1 of the tariff provides that the tariff applies "to all ISP-bound traffic for which the Company does not receive compensation from the Delivering LEC under the terms of an interconnection agreement entered into pursuant to sections 251 and 252 of the Communications Act..." As first explained above, however, the parties do not know at this time whether compensation is due pursuant to their agreement, and will not know until the Massachusetts DTE makes its final determination. Indeed, they have apparently been unsure of the answer to this question even since the agreement was signed. Thus, the parties are unable today to determine whether this tariff is actually applicable. We find that Global

The ILECs assert that the Commission has no authority to "authorize" state commissions to impose reciprocal compensation obligations to calls beyond the scope of Section 251(b)(5).... In this case, the Commission is not affirmatively authorizing the state commissions to impose reciprocal compensation obligations; the Commission is rendering an interpretation that imposing such obligations is not inconsistent with the Act or with existing federal rules, and therefore is not prohibited. The Commission issued a declaratory ruling to remove uncertainty and to settle a controversy, rather than an order authorizing, mandating, or prohibiting any particular action. Thus, the issue is not whether the Commission improperly authorized the state commissions to take a particular action, but whether the Commission correctly determined that state commissions have authority to take that action in the absence of contrary federal law. Id.

See Joint Brief of Intervenors in Support of Respondents in Opposition to the LEC Petitioners, Bell Atlantic Telephone Companies, Inc. et al. v. FCC, Nos. 99-1094, et al. (filed August 5, 1999).

See Initial Brief of Global NAPs on Non-Cost Issues, at 4, 34-35; Reply Brief of Global NAPs, at 18-19; see also Brief for Federal Communications Commission, Bell Atlantic Telephone Companies, et al. v. FCC, Nos. 99-1094 et al., at 47 (filed July 22, 1999). The portion of the Commission's D.C. Circuit brief to which Global NAPs refers states:

⁶⁵ Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1, at 82, Section 7A.1 (effective April 15, 1999).

[&]quot; See ¶ 4, supra.

NAPs has acted unreasonably in implementing tariff provisions under which the purported customer cannot readily discern whether it is incurring the tariffed charges at the time that they are allegedly incurred. We find that Global NAPs cannot reasonably bill Bell Atlantic under this tariff when the very applicability of the tariff has yet to be determined.

- 22. The contingent and unclear applicability of the tariff defies the Commission's longstanding interpretation of section 201(b) of the Act, as reflected in section 61.2 of our rules.⁶⁷ Those authorities require that the applicability of the tariff rate, and its terms, be clear and explicit.
- 23. Moreover, it seems evident that any federal tariff purporting to govern intercarrier compensation for ISP-bound traffic could be reasonable only if it mirrors any applicable
 terms of the party's interconnection agreement, as construed by the appropriate state commission.
 Using the tariff process to circumvent the section 251 and 252 processes cannot be allowed. In
 this regard, we find the tariff to be unreasonable in another respect. Section 7A.1 purports to
 apply the tariff even when a valid interconnection agreement could be in place. That is, the tariff
 by its terms applies not simply where no agreement addresses compensation for the traffic at
 issue, but in any circumstance where Global NAPs does not receive compensation. It is certainly
 possible that parties could have addressed ISP-bound traffic in their agreements without
 requiring payment to the terminating carrier, e.g., by agreeing to a bill and keep arrangement.
 This tariff provision seems to purport to override any such agreement.
- 24. Finally, in addition to the above findings, Global NAPs' tariff is unlawful on independent grounds. In particular, its tariff is not self-contained, but instead cross references, impermissibly, "an interconnection agreement." This violates section 61.74(a) of our rules, but instead cross references, impermissibly, "an interconnection agreement." This violates section 61.74(a) of our rules, shift which provides that, in the absence of a waiver granted under sections 61.151, 61.152, and 61.153 of the Commission's rules, in the absence of a waiver granted under sections 61.151, 61.152, and 61.153 of the Commission's rules, in the absence of a waiver granted under sections 61.151, 61.152, and 61.153 of the Commission's rules, in the absence of a waiver granted under sections 61.151. As the Commission has declared previously,

⁶⁷ 47 U.S.C. § 201(b). Section 61.2 of the Commission's rules states that "[i]n order to remove all doubt as to their proper application, all tariff publications must contain clea[r] and explicit explanatory statements regarding the rates and regulations." 47 C.F.R. § 61.2.

Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1, at 82, Section 7A.1.

⁴⁷ C.F.R. 8 61.74(a).

^{10 47} C.F.R. §§ 61.151, 61.152, 61.153.

^{71 47} C.F.R. § 61,74(a).

"a tariff should be complete when filed. Confusion may result if references to other tariffs [or documents] are allowed since all important information will not be consolidated in one place and references may be incomplete. In addition, referenced documents may not be easily accessible to the public."⁷²

Global NAPs' improper cross-referencing of an exogenous document renders the challenged tariff provisions unlawful and is an independent and sufficient basis for granting Bell Atlantic's complaint.⁷³

IV. CONCLUSION

- 25. For the foregoing reasons, we grant Bell Atlantic's complaint and hold that Sections 7 and 7A of Global NAPs' tariff are unlawful under section 201(b) of the Act. In addition, we find that Sections 7 and 7A of Global NAPs' tariff are unlawful, because they do not comply with Part 61 of our rules.
- 26. Having found that the Tariff is unlawful for the reasons set forth above, we need not reach each of the other grounds asserted by Bell Atlantic in its complaint. We causion that this does not, however, constitute a conclusion that the Tariff is reasonable with respect to issues not raised or discussed here.

Amendment of Parts 1 and 61 of the Commission's Rules, Report and Order, 98 F.C.C.24 855, 876 at 980 (1984).

⁷³ See Revisions to Southwestern Bell Telephone Company Tariff F.C.C. No. 68, Order, 4 FCC Rcd 2624 (1988); AT&T Communications Revisions to Tariff F.C.C. No. 15, Competitive Pricing Flan No. 12, DA 93-383, Order, 1993 WL 756821 (Com. Car. Bur. rel. April 2, 1993); Lincoln Telephone and Telegraph, Memorandum Opinion and Order, 78 F.C.C. 2d 1219 (1998).

V. ORDERING CLAUSE

Accordingly, IT IS ORDERED, pursuant to sections 4(i), 4(j), 201(b), and 208 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), 201(b), and 208 and sections 61.2 and 61.74 of the Commission's rules, 47 C.F.R. §§ 61.2, 61.74, that Bell Atlantic's complaint is GRANTED, to the extent indicated herein.

FEDERAL COMMUNICATIONS COMMISSION

Magalie Roman Salas Secretary

FICIA



Global NAPs, Inc. 10 Merrymount Road Quincy, MA 02169

(617) 507-5100 elephone: l'acsimile:

(617) 507-5200

RECEIVED

APR 141999

FCC MAIL ROOM

210 N. Park Ave. Winter Park, FL 32789

VIA OVERNIGHT DELIVERY April 13, 1999

P.O. Drawer 200 Winter Park, FL 32790-0200

Transmittal No. 1

Ms. Magaiie Roman Salas, Secretary Federal Communications Commission

Tel: 407-740-8575 The Portals Fax: 407-740-0613

tmi@tminc com

145 12 Street, SW 12 Street Lobby, TW-A325 Washington, D.C. 20554 Attention Common Carrier Bureau

Disk Filed

Dear Ms. Salas:

The accompanying tariff material is sent to you for filing on behalf of Global NAPs, Inc. In compliance with the Commission's requirements, this filing is being made on 3.5" diskette in WordPerfect 5.1 format. This material consists of tariff pages as indicated on the following check sheets:

Tariff FCC No. 1 - Original Page 1 (Access) Tariff FCC No. 2 - Original Page 1 (Interstate)

Global NAPs respectfully requests this revision to become effective April 15, 1999.

This filing introduces Global NAPs' Access and Interstate tariffs.

In accordance with Section 61.20(b) of the Commission's Rules, this original letter, FCC Remittance Form and the appropriate fee were sent via overnight delivery on this date to the FCC in care of the Mellon Bank of Pittsburgh, PA. And in accordance with Section 61.20(c) of the Commission's Rules, copies of this letter and the underlying tariff pages on disk were also sent this date via overnight delivery to the Chief-Tariff Review Branch and the FCC Contractor.

> FLORIDA PUBLIC SERVICE COMMISSION DOCKET COMPANY/ Kenn WITHESS: .

DATE

Global NAPs, Inc. Transmittal No. i Ms. Magalie Roman Salas Page 2 of 2

Please acknowledge receipt of this application and filing fee by returning a date-stamped copy of the enclosed cover letter duplicate in the return envelope provided for that purpose.

Fetitions pertaining to this filing may be served by facsimile to:

Regulatory Contact:

William J. Rooney, General Counsel

Telephone:

(617) 507-5100

Facsimile:

(617) 507-5200 -

I'lease address any other inquiries or further correspondence regarding this filing to my attention.

Sincerely,

Connie Wightman

Consultant to

Global NAPs, Inc.

CW/ig.

cc: Mellon Bank

ITS, Inc. (disk)

Chief, Tariff Review Branch, FCC (disk)

William J. Rooney, Global NAPs

File: Global NAPs - FCC 1 - Access

Global NAPs - FCC 2 - Interstate

TMS: FCC9901

SECTION 7A - ISP TRAFFIC DELIVERY SERVICE

7A.1 Scope Of Tariff.

This Tariff applies to telecommunications delivered to the Company by a local exchange carrier (the "Delivering LEC") for further delivery to an Internet Service Provider ("ISP") which obtains connections to the public switched network from the Company. This tariff applies to all ISP-bound traffic for which the Company does not receive compensation from the Delivering LEC under the terms of an interconnection agreement entered into pursuant to Sections 251 and 252 of the Communications Act of 1934, as amended (an "Interconnection Agreement").

7A.2 Delivering LEC Election To Obtain Service Pursuant To This Tariff.

A Delivering LEC with which Company has an Interconnection Agreement may avoid charges under this Tariff by agreeing to treat ISP-bound calls delivered to Company as "local traffic" subject to reciprocal compensation under Section 251(b)(5) and applicable terms of the Interconnection Agreement. Failure by a such a carrier to actually compensate Company for ISP-bound traffic as local traffic under the terms of an Interconnection Agreement shall constitute an election to compensate Company under the terms of this Tariff.

7A.3 Application Of Tariff.

This Tariff applies to all ISP-bound traffic that is subject to the jurisdiction of the Federal Communications Commission. To the extent that a Delivering LEC asserts that the terms of an Interconnection Agreement do not apply to some or all ISP-bound traffic due to the jurisdictionally interstate nature of such traffic, that assertion shall constitute a binding election to treat all ISP-bound traffic not subject to an Interconnection Agreement as jurisdictionally interstate and subject to this Tariff.

ISSUEDE April 14, 1999

EFFECTIVE: April 15, 1999

William J. Rooney, Secretary and General Counsel
10 Merrymount Road
Quincy, Massachusetts 02169

FCC9901

Exhibit "A"

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SECTION 1A - ISP TRAFFIC DELIVERY SERVICE, (coard.)

7A.4 Rates

This Tariff establishes a switching rate which relates to the function Company undertakes in directing a call dialed by a Delivering LEC's end user to the ISP (served by the Company) that the end user wants to reach. This rate applies per minute of use.

Rate:

\$0.008/minuse

7A.5 Billing

Billing for charges under this tariff shall normally be monthly in arrears. Failure to render a bill shall not constitute a waiver of Company's right to payment for any services provided, as long as the bill for any such period is rendered no later than two years following the expiration of that period.

Payment shall be due in immediately available funds no later than 30 days after the date of the bill.

ISSUED: April 14, 1999

EFFECTIVE: April 15, 1999

William J. Rooney, Secretary and General Counsel
10 Merrymount Road
Quincy, Massachusetts 02169

FCC9901

Exhibit 'A'

SECTION 8 - PROMOTIONS

8.1 Promotions - General

From time to time the Company shall, at its option, promote subscription or stimulate network usage by offering to waive some or all of the nonrecurring or recurring charges for the Customer (if eligible) of target services for a limited duration. Such promotions shall be made available to all similarly situated Customers in the target market area.

8.2 Demonstration of Service

From time to time the Company shall demonstrate service by providing free channels for a limited period of time.

ISSUELD April 14, 1999

EFFECTIVE: April 15, 1999

William J. Rooney, Secretary and General Counsel
10 Merrymount Road
Quincy, Massachusetts 02169

FCC9901

Exhibit "A"

SECTION 9 - CUSTOMER SPECIFIC CONTRACTS

9.1 General

The Company may provide any of the services offered under this tariff, or combinations of services, to Customers on a contractual basis. The terms and conditions of each contract offerings are subject to the agreement of both the Customer and Company. Such contract offerings will be made available to similarly situated Customers in substantially similar circumstances. Rates in other sections of this tariff do not apply to Customers who agree to contract arrangements, with respect to services within the scope of the contract.

Services provided under this tariff are not eligible for any promotional offerings which may be offered by the Company from time to time.

Contracts in this section are available to any similarly situated Customer that places and order within 90 days of their effective date.

ISSUED: April 14-1999

EFFECTIVE: April 15, 1999

William J. Rooney, Secretary and General Counsel
10 Merrymount Road
Quincy, Massachusetts 02169

FCC9901

Exhibit "A"

FLORIDA PUBLIC SERVICE COMMISSION	l
DOCKET NO. 790750-TP EXHIBIT NO.	5
NO. 790 130 11 EXHIBIT NO.	
COMPANY/ Rosycki) WITNESS: Rosycki 25- 2000	
DATE	

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
   In Re: Petition by ITC^DeltaCom ) DOCKET NO. 990750-TP
   Communications, Inc. d/b/a ITC^DeltaCom)
    for arbitration of certain unresolved )
    issues in interconnection negotiations )
   between ITC^DeltaCom and BellSouth
    Telecommunications, Inc.
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    DEPOSITION OF:
                                   CHRISTOPHER ROZYCKI
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    TAKEN AT THE
12
                                    FPSC Staff
    INSTANCE OF:
13
                                    Thursday, October 14, 1999
   DATE:
14
                                    Commenced at 11:00 a.m.
    TIME:
15
                                    Concluded at 12:10 p.m.
16
                                    FPSC
    PLACE:
17
                                    2540 Shumard Oak Boulevard
                                    Room 309
18
                                    Tallahassee, Florida
              DIRECTOR - REG. RELATIONS
19
                 TALLAHASSEE, FL
                                    NANCY S. METZKE, RPR, CCR
20
    REPORTED BY:
21
                  REGISTERED PROFESSIONAL REPORTERS HQ REGULATORY-ATT
                           C & N REPORTERS
22
                                                      MIANI LEGAL
                        POST OFFICE BOX 3093
23
                  TALLAHASSEE, FLORIDA 32315-3093
                 (850) 697-8314 / FAX (850) 697-8715
24
                       e-mail nancy@metzke.com
                                                       XAX
```

APPEARANCES:

DIANA W. CALDWELL, ESQUIRE, FPSC, 2540 Shumard Oak Boulevard, Suite 370, Tallahassee, Florida 32399-0850.

MICHAEL GOGGIN, ESQUIRE, BellSouth, 150 South Monroe Street, Suite 400, Tallahassee, Florida 32301.

E. EARL EDENFIELD, JR., ESQUIRE, BellSouth, 675 West Peachtree Street, N.E., Suite 4300, BellSouth Center, Atlanta, Georgia 30375.

DAVID I. ADELMAN, ESQUIRE, ITC^DeltaCom, Sutherland, Asbill & Brennan, LLP., 999 Peachtree Street N.E., Atlanta, Georgia 30309-3996.

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ALSO PRESENT:

DAVID DOWDS, FPSC Staff.

CAYCE HINTON, FPSC Staff.

TODD BROWN, FPSC Staff.

CALVIN FAVORS, FPSC Staff.

MICHAEL BARRETT, FPSC Staff.

VICTOR CORDIANO, FPSC Staff.

JONATHAN AUDU, FPSC Staff.

MARY ROSE SIRIANNI, BellSouth.

BRIAN MUSSELWHITE, ITC^DeltaCom.

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STIPULATION

IT IS STIPULATED that this deposition was taken pursuant to notice in accordance with the applicable Florida Rules of Civil Procedure; that objections, except as to the form of the question, are reserved until hearing in this cause; and that reading and signing was not waived.

IT IS ALSO STIPULATED that any off-the-record conversations are with the consent of the deponent.

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PROCEEDINGS

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MS. CALDWELL: Let's take appearances.

Do all the parties agree to the usual

EXAMINATION

stipulations for this deposition?

MR. ADELMAN: Yes.

MR. GOGGIN: BellSouth does.

MR. ADELMAN: David Adelman for ITC^DeltaCom.

MR. GOGGIN: Michael Goggin and Kip Edenfield

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on behalf of BellSouth.

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MS. CALDWELL: Diana Caldwell on behalf of the

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Commission staff.

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BY MS. CALDWELL: 14

Good morning, Mr. Rozycki. I'm Diana Caldwell 15

with the Public Service Commission. I'm taking your deposition on behalf of the Commission staff in Docket Number 990750-TP, which is the petition by ITC^DeltaCom Communications, Inc. doing business as ITC^DeltaCom for arbitration of certain unresolved issues in

BellSouth Telecommunications. 22

> If you need me to restate the question or if you do not understand a question, please let me know, and

interconnection negotiations between ITC^DeltaCom and

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I'll either restate it or try and rephrase it. I also

ask that you answer with a yes or no before explaining your answers.

Would you please state your name for the record?

- My name is Christopher J. Rozycki. Α
- And with whom are you employed? Q
- Α ITC^DeltaCom.
 - And what is your position with ITC^DeltaCom? 0
- I am director of regulatory affairs.
- And what does the position entail? 10 Q
 - It entails -- basically I manage the company's regulatory activities in all of the states where we provide telecommunication services. That's 50 states for long distance and basically 10 states for local service, and then all of our activities before the FCC. includes interconnection agreements, tariffs, regulatory proceedings before the commissions, the whole gamut.
 - And are you testifying on behalf of ITC^DeltaCom in this proceeding?
- 20 A Yes.

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- 21 Did you file any testimony for Docket 990750?
- Yes, I did. 22 Α
- Did you file direct? 23 Q
- 24 Α Yes.
- And rebuttal?

Α Yes.

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- Did you also file any exhibits? Q
- Yes, there were, I think, four exhibits filed. Α
- And what is the purpose of your testimony that you've given in your prefiled testimony?

The purpose of the testimony was several fold, I quess. One, to kind of lay out the overview of our case, explain how we got here. Two, to spend, I think, a fairly extensive amount of time discussing our position on performance measures and guarantees, to deal with -to discuss our position on reciprocal compensation and the issue of reciprocal compensation for ISP-bound traffic, and then several other contractual issues.

- Do you also have copies of the testimony that you filed with you?
- Yes. 16 Α
- And do you have copies of the exhibits that you 17 \circ filed? 18
- 19 Α Yes.
- And did you also bring with you any -- with you 20 copies of all the work papers or materials that you used 21 in preparation of any responses to staff's discovery 22 request in this docket? 23
- No, I did not. 24 Α
- Okay. And do you also have available copies of

other testimonies and exhibits that were filed in this docket?

- Most. Maybe not all. Α
- Let's look first at your direct testimony.
- Okay. Α

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- Specifically Page 11. 0 (WITNESS REVIEWED DOCUMENTS)
- And would you please define or describe 0 "parity?"

Parity, essentially, is the requirement that Α BellSouth, or an ILEC that we interconnect with, provide us with nondiscriminatory access to unbundled network elements, to interconnection, and to the OSS functionalities of BellSouth's systems.

And would you describe or define 0 "nondiscriminatory access?"

Well, nondiscriminatory access, I think, is access that gives us a reasonable opportunity to compete; and more explicitly, it means that it is access to these unbundled elements, network access, OSS, that's equal to -- at a minimum equal to that which Bell provides itself, its end users, or other competing CLECs.

Could you please give me your interpretation of the phrase "will be provided equally no matter who provides the consumer service?"

MR. ADELMAN: Diana, are you referring to his testimony?

MS. CALDWELL: I must be, and we're looking at Lines 4 through 8.

THE WITNESS: Let me look at that and put it in context.

BY MS. CALDWELL (Continuing):

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I think it's Line 8. (WITNESS REVIEWED DOCUMENTS)

Yes. The notion here is that regardless of whether BellSouth provides the consumer service or whether we provide the consumer service, the components of the network, OSS and interconnection that are vital to providing that service, be made available equally so that the customer, in essence, would not see any difference in the service that they get, whether it's from us or from BellSouth.

Now is it your opinion that parity is the same as equality?

I think the intention of the Act and the FCC is that parity means equality. But, clearly, there are some exceptions when parity may not be exactly equal. Let me think if I can see an example here. Clearly, as we were just discussing earlier today with OSS, exactly equal would mean we have access to the precise OSS systems of

BellSouth that BellSouth uses itself with the same means. What BellSouth has provided us is access to those OSS systems in a manner that is supposed to provide parity. So it's not exactly equal, but it provides us with the same functionality -- it should provide us with the same functionality that we -- that they would provide themselves.

Q All right. For the purpose of this following question, would you refer to your direct testimony, Page 11, Lines 15 and 16?

(WITNESS REVIEWED DOCUMENT)

Yes. Α

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All right. Is it your opinion that being allowed to provide in-region interLATA service is not sufficient incentive for BellSouth to provide ALEC services at parity?

I don't know if that's sufficient incentive or not. I don't believe that it is. If it were, I think we would have far better performance from BellSouth today than we, in fact, do.

Do you know what might constitute sufficient incentive for BellSouth to provide the ALEC services at parity?

What we've proposed, and the way we have viewed A this, is that without a system of negative incentives --

BellSouth likes to call them penalties; we like to call them guarantees — without a system of guarantees, I don't know that there is a very good incentive to require that kind of parity from BellSouth. Understand that we are in their market, taking their customers in essence, and it's hard to give a company that has all the customers on Day 1 some incentive to give them away. That's going to be difficult. The notion was that entry into long distance would be that incentive. It's not clear to me that that's an adequate incentive.

Q Now I'd like to turn, I think, to your rebuttal testimony, Page 26, and specifically Line 1.

(WITNESS REVIEWED DOCUMENT)

Q On Line 1 of your rebuttal testimony, you had answered:

"No, it is not. Mr. Varner's claim that the Act and FCC rules obligate BellSouth to provide ALECs nondiscriminatory access to telecommunications services."

Would you please explain why you believe the Act and the FCC rules provision for nondiscriminatory access to telecommunication services does not afford enough protection for ITC?

A I think what we're trying to get at here is

that -- and there are two, I think, components of this issue. One is that we need the obligations placed in our interconnection agreement. They need to be contractually obligated. There needs to be specificity or definition applied here, or we will -- we think we'll be constantly disputing whether or not we have achieved parity or not.

Turning now to Page 27 in your rebuttal testimony, and specifically looking at Lines 3 through 5. There you state that you believe that BellSouth often takes apart a customer's existing bundled elements and reassembles them in a substandard manner; is that correct?

Α Yes.

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Okay. Would you please explain what you mean by a substandard manner?

What has happened, and this particularly refers to the issue of providing service out of -- in an IDLC situation. Where BellSouth is providing its customers local service using IDLC and we win one of those customers through the competitive process and will then offer them service using BellSouth unbundled network elements, in order to make the unbundled network elements, a local loop, available to us, we have found that BellSouth often takes apart the existing physical arrangement between itself, its central office, and the

customer and then reassembles it differently in a manner that we have found to be substandard. We know it is substandard because when we measure the noise on that loop, before the customer is disconnected and after, there are vast differences. And what we get is what we call a dirty copper loop, a noisy loop. So we are provided with a loop that is different and substantially degraded in quality.

Q Do you know if -- Back citing to your example. Are you saying that when BellSouth has its loop for the -- From my understanding, when it has its connection with its customer, and do you know whether that connection is on an ILD -- IDLC connection? And then I guess -- and my whole question is, that when they reassemble this, these elements, that it goes back to a UDLC connection?

A I think in some instances UDLC is what is used. And, again, I'm not the engineer here; so that's my understanding. Typically today, what's happening increasingly is Bell is installing more fiber in its network. It takes fiber from its central office out to an IDLC, integrated digital loop carrier, a remote in the network. From that remote, it then delivers the loop service to the customer over copper. For some reason -
Mr. Hyde can explain the technical issues behind this --

BellSouth claims they cannot give us that same connectivity over that same loop to the customer. what they do is they disconnect the copper at the IDLC locale, location, and either reconnect it to the old copper that may still be there in place from previous, when before they put the IDLC unit in place, or some other way, and provide us a different loop back to the central office. And the quality of that loop, as I mentioned, is not the same.

All right. Thank you.

Again, looking at page -- now back to Page 26 of your rebuttal testimony, looking at Lines 21 through 24.

(WITNESS REVIEWED DOCUMENTS)

Α Yes.

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There I think you stated that ITC^DeltaCom is not receiving service quality that is at least equal in quality to that which BellSouth provides to itself. Could you provide me with specific examples where ITC is receiving substandard service from BellSouth in that instance?

In this instance, it refers back to these situations where the IDLC -- the local loop is being provided that way and we're not getting it at the same quality.

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All right. Thank you.
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              Are you familiar with Issue Number 45?
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              By number, no.
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         Α
            And I'll refresh your memory.
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         Q
              (WITNESS REVIEWED DOCUMENTS)
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             Yes.
        А
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              All right. And have you reviewed Mr. Varner's
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    rebuttal testimony?
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             Yes, I think I have.
              I think -- In his rebuttal testimony
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   Mr. Varner states that:
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                   "An ALEC has advanced notice
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             of an audit and, therefore, has
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             time to correct the PLU/PIU
             percentage if necessary and avoid
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              being charged for the audit."
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        What is your position on that, or could you comment
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    on that statement?
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        A I can comment on it. Interestingly, that issue
    or presentation was never explained to us in the
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   negotiations. We were simply told that these are the
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   audit provisions we'd like to put in here, and this
   exists in all of our contracts; therefore, you should
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   accept it. My concern and -- Well, that's the way they
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   presented it. So his rebuttal testimony was the first
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time that we saw that explanation.

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Okav. BellSouth states that the charge for the audit is not a penalty provision since the costs are those actually incurred in performing the audit. Do you believe that the charge for the audit is not a penalty provision?

No, I believe the way that it's structured it would penalize us for errors in submitting -- well, for errors that we may submit in reporting PLU information. Now I understand that we have this new opportunity now to correct it, but I'm not sure under what circumstances we would run into this problem and whether or not we'd be able to correct it. We may be in dispute.

All right. Thank you. Q

I'm going to ask you some questions on Mr. Pate's rebuttal testimony, and particularly Page 4.

(WITNESS REVIEWED DOCUMENTS)

Beginning on Line 12, and I think I'm going to paraphrase this. Mr. Pate testifies that BellSouth provides integratable national standard machine-to-machine interfaces for preordering and ordering that ALECs, including ITC^DeltaCom, may integrate into their own OSS, their own internal OSS. ITC^DeltaCom aware of any organization that establishes national standards for OSS?

A I am not. Others in the company may be, but I'm not aware of any organization that establishes such standards.

MR. ADELMAN: I want to be clear about your question. Are you asking specifically whether there are such organizations? Are you asking about particular organizations? So I guess I object that it's somewhat vague and ambiguous. If you could clarify.

MS. CALDWELL: Right. I understand.

BY MS. CALDWELL (Continuing):

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Q I think I'm asking is Mr. Rozycki aware of any national organization that establishes the national standards for OSS.

A There is a -- I think there is a national organization that deals with this. I'm not specifically aware of this. That would be somebody, probably, in Mr. Thomas's organization.

Q Right. And you don't know who it is?

A Right.

MR. ADELMAN: Diana, we'd be glad -- if you want to reopen his deposition and talk to him about it, we'd be glad to do that.

MS. CALDWELL: We may take that up.

25 BY MS. CALDWELL (Continuing):

We have some questions on your rebuttal testimony on Page 32. (WITNESS REVIEWED DOCUMENTS) A Okay. And beginning on Line 8, starting with, "Two 0 years ago BellSouth claimed." I'd just like you to refresh your memory. (WITNESS REVIEWED DOCUMENTS) Yes. Is ITC^DeltaCom currently required to use TAG? Q No, we are not required to use TAG. Α Do you believe at any time in the future that Q you would be required to use TAG? Α I know of no way that we could be required to use TAG; however, if BellSouth were to discontinue LENS and possibly EDI, we would have maybe no option but to use TAG absent any other OSS system that we could use. If BellSouth develops a new version of OSS --I'm sorry. When BellSouth develops a new version of OSS, ITC^DeltaCom retains access to a previous version; is

Kind of out of my league here, but I think, yes, for some period of time. Really that's a Mike Thomas question, I think.

Q Okay. Does the existing interconnection

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that correct?

agreement provide for payment of reciprocal compensation for calls bound to Internet ISPs -- for ISPs?

- We think so, and I can elaborate.
- Please. 0

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- There is no exclusion of ISP traffic. There are explicit provisions for us to pay one another. It's not a bill-and-keep type contract.
- In the existing interconnection agreement between BellSouth and ITC, do you know the rate for the reciprocal compensation for termination of local traffic?
 - Point nine cents per minute of use.
- Has BellSouth paid ITC^DeltaCom reciprocal compensation for ISP traffic?
 - Repeat the question. Α
- Has BellSouth paid ITC^DeltaCom for reciprocal compensation for ISP traffic under the existing interconnection agreement?
 - А Let me answer that to the best of my ability.
- Okay. Q
 - BellSouth currently disputes every bill that we send them for reciprocal compensation. They have some system of computing a percentage which they think they -that they will pay us for or they pay us for. I don't know what that computation or that process is that they use. But, typically, they pay between zero and ten

percent. I don't think we've ever been paid more than ten percent of what we're sending them in terms of bills.

- Is ITC^DeltaCom currently capable of tracking traffic originating from a BellSouth customer to an ISP served by ITC^DeltaCom?
 - We are not set up to do that right now. MS. CALDWELL: Thank you. I have no further questions.

EXAMINATION

BY MR. EDENFIELD:

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- Good morning, Mr. Rozycki.
- Good morning.
 - Kip Edenfield from BellSouth. 0

Let me ask you a couple of questions here. regard to parity, is it DeltaCom's position that BellSouth is required to provide service beyond that which BellSouth provides itself?

- The Act states that service will be at least equal in quality, and I the don't -- Paraphrasing. To me "at least" means equal to or greater than.
- In this instance, in this proceeding, is DeltaCom claiming for any particular element that it's raised here that BellSouth is required to provide service for that particular element or issue beyond that which BellSouth provides itself?

No, we would be very happy with equal. Α 1 Okay. Are you aware that there are a number of 2 generic proceedings currently ongoing in Florida? 3 Yes. 4 Α Is DeltaCom participating in the third-party 5 6 OSS testing docket? Not at this point in time. Okay. Is DeltaCom participating in the 8 collocation docket? 9 Not directly, and I'd have to check on this; I 10 think indirectly through the FCCA. 11 That's an organization of which DeltaCom is a 12 0 13 member? A Yes, the Florida Communications Carriers 14 Association, I think. 15 How about the UNE pricing docket, is DeltaCom a 16 party in that proceeding? 17 18 Not at this point. Again, we are deciding on whether we are going to weigh in on that. 19 20 Has DeltaCom filed a complaint in the last five years in Florida complaining that BellSouth has not 21 provided parity in regard to OSS, performance measures, 22 23 anything? 24 MR. ADELMAN: Objection. And maybe I guess to

the -- it's vague and ambiguous. When you say

complaint, that might be a term of art. It might not. Would you include this petition for arbitration as a complaint?

MR. EDENFIELD: No.

BY MR. EDENFIELD (Continuing):

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- Most recently, our approach has been to deal with those issues on a company-to-company business approach. We, as Mr. Thomas mentioned earlier, have a process where our account team -- the BellSouth account team meets with us, and we provide them with, if I'm not mistaken, weekly problems that our company is having with BellSouth.
- Q Let me -- I'm going to kind of jump around a little bit here.
- A Sure.
- 19 Q We had talked about the IDLC and our provision 20 of loops to DeltaCom. Are you familiar with Telcordia?
 - A I'm familiar with the name, yes.
- Q Okay. What does Telcordia do?
- 23 A I have no idea.
- 24 Q Is Telcordia the old BellCore organization?
- 25 A Yes. As a <u>mat</u>ter of <u>fact</u>, I think it is.

Okay. You agree that Telcordia, what used to be BellCore, sets forth technical specifications for different elements of a telecommunications network?

MR. ADELMAN: Objection. He, I believe, said he doesn't know what Telcordia does; but if he now knows, he can answer.

THE WITNESS: I don't know.

BY MR. EDENFIELD (Continuing):

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- Okay. Are you alleging here that BellSouth is providing DeltaCom with loops that are below the minimum technical specifications as set forth by Telcordia?
- I don't know what those specifications are. What we have found and determined are quite simply this: The quality of the loop prior to our getting it was better than when we got it. That, by definition, is not parity.
 - What is IDLC? 0
 - Integrated digital loop carrier. Α
 - What does that mean in laymen's terms?
- In laymen's terms? I'm not real sure. I think Α basically what it is is a multi -- a MUXing process, multiplexing where the loops are terminated in an IDLC unit. They are MUXed and brought over fiber to a BellSouth central office.
 - MR. ADELMAN: Is that in laymen's terms for

you?

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MR. EDENFIELD: I don't have no idea. It would have to be on a third grade level for me to understand.

BY MR. EDENFIELD (Continuing):

- Q Are you the witness that DeltaCom has put forth to talk about technical network issues?
 - A Absolutely not.
- Q You had mentioned something about -- on a question from Ms. Caldwell about interLATA relief is not sufficient incentive for BellSouth to provide parity. Is that your testimony as I understand it?
- Well, there's no evidence that we can find that A it is sufficient; so, if that was your question, yes.
- And it's your position that there needs to be some type of negative incentives, in other words, to keep BellSouth in line?
- Negative incentives would be one way to keep BellSouth in line.
- Okay. DeltaCom provides interLATA services in 0 the southeast United States?
 - Α That's correct.
 - 0 So you're familiar with that market?
- 24 I'm not sure I understand the question.
- 25 MR. ADELMAN: Objection. That's vague.

BY MR. EDENFIELD (Continuing): 1 Are you familiar with the interLATA market in 2 the southeast United States? 3 A Yes. What is, just ball park, the amount of total revenue, not just for DeltaCom, but for all interLATA providers in the southeast United States? How big a pie are we talking about? Oh, I have no idea of that kind of familiarity. Would you agree that it's billions of dollars 10 that are generated in long distance --11 MR. ADELMAN: Objection. 12 -- revenues? 13 0 MR. ADELMAN: Objection. He said he had no 14 15 idea. MR. EDENFIELD: David, if you'll let me finish 16 the question --17 MR. ADELMAN: Sure. I'm sorry. 18 MR. EDENFIELD: -- then your objection may be a 19 little more to the point. 20 MR. ADELMAN: I'm sorry. 21 BY MR. EDENFIELD (Continuing): 22 Would you agree that it's at least billions of 23 dollars in revenue generated through interLATA services 24 25 in the southeast United States?

I have no reason --MR. ADELMAN: Objection. He said he had no 2 idea. 3 BY MR. EDENFIELD (Continuing): You can answer the question. 5 MR. ADELMAN: If you have an idea. 6 THE WITNESS: I have no reason to believe 8 you'd mischaracterize it. BY MR. EDENFIELD (Continuing): 9 Okay. Do you have any reason to believe that 10 the Commission would allow or grant its approval to 11 BellSouth to enter the interLATA market unless we're 12 providing service at parity? And by Commission I'm 13 referring to the Florida Public Service Commission. 14 To the extent that it can determine that or it 15^{1} knows that, I believe that's a fair characterization. 16 Okay. All right. Let's talk ISP for a few 17 minutes. Florida is not the first state where DeltaCom 18 has had its arbitration? 19 A That's correct. 20 O The first state which arbitrated was South 21 22 Carolina? MR. ADELMAN: I want to object just, again, 23 vague and ambiguous. When you say arbitration, are 24 you talking about hearings? Are you talking about

filing petitions?

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MR. EDENFIELD: I'm talking about a filed petition for an arbitration on the issues that we're addressing here today.

MR. ADELMAN: So it --

MR. EDENFIELD: On the DeltaCom's trying to come up with a new -- and BellSouth trying to come up with a new interconnection agreement under which they will do business.

THE WITNESS: They were all filed simultaneously.

BY MR. EDENFIELD (Continuing): 12

- Okay. And one was filed in South Carolina? Q
- That is correct. Α 14
- And that one has already gone to hearing? 15 Q
- That is correct. 16 Α
- And a decision has been rendered on that 17 Q hearing? 18
- That is correct. Α 19
- Okay. Let's talk ISP. What did South Carolina 20 decide as to DeltaCom's claims for ISP, reciprocal 21 compensation for ISP? 22
- Essentially they rejected our request. I 23 haven't read the specifics, so --24
- Q Okay. Do you know whether -- Have you read it 25

at all?

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- Not the whole order, no. Α
- Have you read the reciprocal compensation provisions of that order?
- I read it once very quickly, and I really don't remember the exact words in it.
- In your testimony on Page -- direct testimony, I'm sorry, on Page 23, looking specifically -- I'm sorry. Tell me when you get there.
 - I'm on Page 23. Α
- Two separate parts of Page 23, one at Lines 4 through 7, and the other is Lines 22 and 23.
- Α Okay. 13
 - And let me just kind of sum it up, at least the way I'm reading it, that the way BellSouth proposes to handle reciprocal compensation for ISP traffic denies DeltaCom the ability to cover its costs incurred in transporting that traffic. Is that a fair assessment of what you're getting at?
- Yes. 20 Α
 - What are DeltaCom's costs in transporting or, in your words, terminating ISP traffic?
 - Our cost would be the cost we incur for transporting and the end-office and tandem switching functions that we provide to BellSouth.

All right. Let's talk about costs for transporting the traffic. Tell me generally the categories of cost that DeltaCom incurs when transporting ISP traffic.

The categories? We have not done a cost study, so we have not categorized cost, but it is the --

Do you have any idea what costs are involved in the transportation of traffic on DeltaCom's network, of ISP traffic?

At this point in time, I guess it would be best A to say, no, I don't have any idea of those costs.

- Do you know what the amount of the costs are?
- No, I do not. 13 Α

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- Okay. How about for the end-office or tandem switching functions, what are the general categories of costs DeltaCom incurs in that function?
- Again, we have not yet done a cost study, so we have not broken these out into categories.
- And it's safe to assume you would have the same answer, that you do not know what those costs are as you sit here today?
 - A Not as of yet.
 - Are you in the process of doing a cost study?
 - We are not today. We are considering it. Α
- Q Considering doing one in the future, I take it?

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That is correct.
             Okay. Any idea of when you might consider --
   That's not going to make sense when it comes out.
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             Have you given some thought as to when you
   might do the cost study, the year 2000, beyond that?
             No, I have not. We have simply been internally
 6
   discussing whether or not it's getting to be time for us
   to do this.
            Okay. Does DeltaCom have switches in Florida?
 9
             Yes, it does.
10
             Are those -- let me back up for a second. What
11
   is the LERG?
12
        A The local exchange routing guide.
13
            Okay. What is that exactly? And we'll try it
14
         0
   in laymen's terms.
15
             I don't know.
16
        Α
            Are DeltaCom switches defined in the LERG as
17
   tandem switches?
18
        Α
             I do not know.
19
             Do you know whether the switches that DeltaCom
20
   has in Florida are performing tandem switching functions?
21
        A To the best of my knowledge, yes, they are.
22
            Okay. Do those switches also perform
23
    end-office functions?
24
        A Yes, they do.
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Would you classify them in one ball park or the
   other? In other words, would you classify them as
    end-office switches or tandem switches, if that's
    possible?
             No, we look at them as multi-function switches.
             How many end-user customers does DeltaCom have
 6
   in Florida?
 8
         A You know, I forgot to bring that with me. I
    don't know the answer.
 9
             Does Delta --
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         0
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              MR. ADELMAN: Just if I could, I believe it
        may have been produced in response to discovery.
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        I'm not sure if it has been in this state.
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              MR. EDENFIELD: Let's go off for a second.
14
              (DISCUSSION OFF THE RECORD)
15
   BY MR. EDENFIELD (Continuing):
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             Does DeltaCom serve ISP customers, I guess, in
    the State of Florida?
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19
        Α
             Yes.
20
         Q How many?
              We consider that proprietary, and I'm not sure
21
    how we want to --
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              MR. ADELMAN: Well, that's -- let's do this on
23
         the record. It's my understanding that BellSouth
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        filed a motion to compel discovery that relates, in
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part, to this issue. We have not been served, but we have worked out an agreement to provide some information under seal through discovery. So I don't know if the witness knows the answer to the question here today. If he does, he can provide it, but we do need to follow whatever process there is in the State of Florida with regard to trade-secret protected information. I'm not sure if any of the BellSouth people here have signed the protective order or not. I know that Mr. Alexander has. I don't think I've seen Mr. Goggin.

MR. GOGGIN: Yeah. I think we're in the same situation. Mr. Alexander may be the only person who signed on our behalf, and I believe that there was an in-house attorney on your side that has signed the agreement in Florida.

MR. ADELMAN: So I guess -- you know, I mean

I'm, of course -- I don't need to sign the agreement

with regard to this information. This is my

client's information.

MR. GOGGIN: Correct, but with regard to the information that we have already produced, we've only received a signature from one person on your side.

MR. ADELMAN: Understood. So I guess I would

request that perhaps staff counsel could provide us some guidance as to how to answer this question. We are, we are -- We would be glad to provide the answer if it was just Mr. Alexander here. He has signed the protective order.

MS. CALDWELL: My question is: Is the information contained in the documents you're going to provide through discovery?

MR. ADELMAN: Yeah. The question was how many ISP customers?

MR. EDENFIELD: Yeah, there are a number of interrogatories that we had sent, and I'm just kind of going through those because I knew at the time they had been objected to, and we had been able to compromise and work it out. And that's what I'm asking, and they may be absolutely proprietary information. I'm not contending that it's not, but it was coming to me via these interrogatories.

MR. ADELMAN: So we will provide answers to the same interrogatories that we've provided answers to in the State of Louisiana, as that was worked out there. I'm very highly confident that this -- the last question you asked is covered. I don't know what you've got coming, so --

MR. EDENFIELD: Well, why don't we do it this

2.0

way. Let me just kind of ask my questions, and if, Mr. Rozycki, you should know -- I assume you would know pretty well whether what I'm asking is proprietary or not. Tell me if it's proprietary, and if it's proprietary and there is no objection to it, then I would just ask that you provide the information to me as part of the discovery response. Then we'll deal with it when we get to the hearing as to, you know, the appropriate method for such information.

MR. ADELMAN: Well, how about -- With one exception I agree. Let me make the objection that it's covered by --

MR. EDENFIELD: That's fine. What I didn't want was Mr. Rozycki to hesitate to tell me. I didn't want him to answer the question only to find out then that it's proprietary.

MR. ADELMAN: Understood.

MR. EDENFIELD: If it's proprietary -- I don't want you to answer it if it's proprietary; and, you know, once it's out, it's out. So just kind of a fair warning not to do it.

MR. ADELMAN: Okay.

BY MR. EDENFIELD (Continuing):

Q Mr. Rozycki, what is the total number of access

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lines that DeltaCom has in Florida?
             MR. ADELMAN: Objection, that calls for
        confidential information.
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             MR. EDENFIELD: I mean I understand you're
        making the objection.
   BY MR. EDENFIELD (Continuing):
         O Is that something that DeltaCom considers to be
   proprietary, the total number of access lines?
 8
        A Yes, it is.
 9
            Okay. What percentage of your access lines are
10
   used to serve ISP?
11
             MR. ADELMAN: Same objection.
12
             MR. EDENFIELD: As a percentage?
13
             MR. ADELMAN: Yes.
14
             MR. EDENFIELD: I don't know the total?
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              THE WITNESS: Well, I can answer this. I
16
        wouldn't know the answer.
17
   BY MR. EDENFIELD (Continuing):
18
         O Okay. What percentage of DeltaCom's total
19
   revenues for the State of Florida are derived from
20
   providing service to ISPs?
21
22
             MR. ADELMAN: Same objection.
23
   BY MR. EDENFIELD (Continuing):
         Q Again, is that something that DeltaCom
24
25 considers proprietary, the percentage of the revenues?
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Absolutely. Beyond that, I don't think I'd
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   know the answer.
            Who would know the answer to that?
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        A I'm not -- Who is presenting testimony in this
   proceeding or who within our company?
            Hopefully somebody in this proceeding. But who
        Q.
   at DeltaCom --
        A Nobody in this proceeding. That would be the
8
   province of the sales organization. The CEO probably
10
   knows.
            Who is the CEO of DeltaCom?
11
        Q
        A Drew Walker.
12
            And he's in northern Alabama, I assume?
13
        0
             Absolutely not.
        Α
14
            I thought that's where everybody was with
15
        Q
   DeltaCom?
16
        A The headquarters of this company is West Point,
17
   Georgia, where you will find the CEO.
18
             MR. EDENFIELD: Do you have a copy of our
19
        interrogatories to DeltaCom?
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             MR. ADELMAN: I might. I think there were two
21
22
        sets.
             MR. EDENFIELD: I think I can speed this up
23
        just a tad.
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             MR. ADELMAN: Tell me when they were filed and
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what exactly they were called. MR. EDENFIELD: That's a good question. You 2 3 responded on 9/27. MR. ADELMAN: This is the first set of 5 interrogatories? MR. EDENFIELD: Yes. MR. ADELMAN: And we want to talk -- you want him to refer to responses? MR. EDENFIELD: Actually, he can just refer to the questions. Either way you want to do it, and 10 then you can tell me whether he can respond. It 11 would be quicker to do it that way. 12 MR. ADELMAN: Okay. I'm handing him 13 ITC^DeltaCom's responses and objections to BellSouth 14 Telecommunications' first set of interrogatories. 15 Is that the right document? 16 MR. EDENFIELD: That is the correct document. 17 Thank you, Mr. Adelman. 18 BY MR. EDENFIELD (Continuing): 19 Q Mr. Rozycki, look at Interrogatory Number 25, 20 which I believe you will find on Page 11. 21 22 Α I'm there. 23 Do you know the answers to any of those 24 questions? First, do you know? And then we'll figure 25 out whether -- if you do know, whether it's proprietary.

MR. ADELMAN: It refers back to Number 22, so I quess you're asking about two questions. THE WITNESS: Right here. 4 MR. ADELMAN: Okay. THE WITNESS: A., Total amount billed by ITC^DeltaCom to ISP customers, I do not know. BY MR. EDENFIELD (Continuing): O Okay. A The amounts of any credits, rebates, I don't know that. My understanding is none. The total amount 10 of revenue collected from such customers, I don't know 11 12 that either. Q How many switches does DeltaCom have in the 13 State of Florida, still one? 14 A At least one. There may be two. More on the 15 16 way. O Where are those switches -- or switch or switches if there's more than one? 18 A I think there's one in Ocala, and I'm not sure 19 if the second one is up yet. 20 21 Q Is it a work in progress? In other words, have you got a location where the next switch is going in and 22 it's just not up and running? 23 A I don't recall. I don't have that. I mean I'd 24 25 have to look at our network map to recall where they are.

MR. ADELMAN: I would -- just for the record, Mr. Hyde is the network witness. MR. EDENFIELD: Okay. As you can tell, I've 3 kind of been in and out of these things, and I apologize if I cover something that Mr. Hyde or one of the other DeltaCom witnesses has. Just slap me around and keep me straight. 7 MR. ADELMAN: No, that's okay. 8 MR. EDENFIELD: Since my wife's not here, 9 somebody else needs to. 10 MR. ADELMAN: You don't need a negative 11 incentive to keep you straight. 12 MR. EDENFIELD: Oh, yes, I do. 13 BY MR. EDENFIELD (Continuing): 14 Does DeltaCom currently provide service to 15 residential customers in the State of Florida? 16 A Yes, we do. 17 Q How many? 18 19 Α I do not know. Where do they provide that service generally, 20 0 northern, middle, southern? 21 I would say today generally northern, but we 22 are intending to roll out service throughout the state as 23 24 we develop our network. So it will be available

25 statewide to customers in the local service areas of

BellSouth, GTE, and Sprint, and beyond possibly. 1 Good. And this is residential service we're 2 3 talking about? Yes. Α Okay. Does DeltaCom know the NXXs of its ISP customers in the State of Florida? DeltaCom does. I don't. Α You do have -- DeltaCom does have that 8 information, to your knowledge? I'm sure it has to be somewhere, yes. 10 Would DeltaCom have the information to be able 11 12 to provide the telephone numbers being called by BellSouth's end users when they're calling ISPs that are 13 customers of DeltaCom? 14 15 I don't understand the question. What I'm trying to figure out is from a billing 16 standpoint. Does DeltaCom have the information available 17 to determine the telephone numbers of its ISP customers, 18 that those customers are using to provide Internet 19 20

access? MR. ADELMAN: Is the question do we know the

telephone numbers of our own customers?

MR. EDENFIELD: Yes.

THE WITNESS: Of course. Yes.

BY MR. EDENFIELD (Continuing):

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Okay. Has DeltaCom to date attempted to
   provide a list of those numbers that it has for its ISP
 2
   customers to assist with -- how do you say this --
 4
   breaking out ISP bills?
 5
         Α
              Why would I want to do that? No.
              Okay. So you have not attempted to do that?
 6
         0
 7
              No, and we don't intend to do that.
         Α
8
         0
              But the information is available?
             It's available to us, and it's proprietary.
9
         Α
              Okay. You have it though. To your knowledge,
10
11
   has BellSouth paid reciprocal compensation for ISP
   traffic to DeltaCom?
12
              MR. ADELMAN: Objection. This was asked by
13
         staff and answered. He can answer it again if he
14
15
        likes.
              THE WITNESS: Again, I'll try to explain. We
16
        send BellSouth bills --
17
    BY MR. EDENFIELD (Continuing):
18
             Go yes or no first, and then explain to your
19
    heart's contents.
20
              Then reask the question. I'm not sure I \operatorname{\mathsf{--}}
21
         A
             Oh, my God. Be careful what you ask for. Has
22
    BellSouth paid reciprocal comp for ISP traffic to
23
    DeltaCom?
24
         A I can't answer that question because of the way
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BellSouth pays its bills. Okay. Has BellSouth billed DeltaCom for ISP 2 traffic? A I don't know. Does DeltaCom consider traffic bound for ISPs to be interstate traffic? 6 MR. ADELMAN: Mr. Edenfield, did you say -just to be sure, did you say inter or intra? 8 MR. EDENFIELD: Interstate. THE WITNESS: I guess the answer is we 10 consider it today to be interstate because the FCC 11 has determined it to be so. 12 MR. EDENFIELD: Okay. That's all I have. 13 14 Thank you. EXAMINATION 15 BY MR. ADELMAN: 16 Q Briefly, Mr. Rozycki, do you recall 17 Mr. Edenfield asked you questions about a cost study 18 associated with the cost of terminating traffic, 19 BellSouth traffic on ITC^DeltaCom's network? Do you 20 21 remember that? A Yes. 22 And he asked you about whether ITC^DeltaCom had 23 prepared a cost study. Do you remember that? 24 A Yes, I do remember.

Now the contract -- There was an interconnection agreement -- Do you know whether there was an interconnection agreement approved by this Commission in 1997 between these two companies? Yes, I do. A And who, to your knowledge, filed that

interconnection agreement and asked that it be approved?

To the best of my knowledge, BellSouth filed it and requested its approval.

Do you know whether BellSouth represented to this Commission that that interconnection agreement was compliant with the Telecommunications Act?

Yes, I do; and, yes, they did represent that. Α

And included in that contract -- and that contract was ultimately approved by the Florida Commission, do you know?

That is correct.

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And that governed the operations between these companies in Florida for a two-year period ending in what, March of '99?

Ending June 30th of 1999, yes. Α

And did that contract include a rate for terminating BellSouth traffic on ITC^DeltaCom's network and vice versa, ITC^DeltaCom's traffic on BellSouth's network?

A Yes, that reciprocal compensation rate was in the contract and was established at point nine cents per minute.

Q And to your knowledge, was there any sort of cost study provided in support of that rate?

A No, there was no cost study. This was purely a negotiated rate and, quite frankly, one that BellSouth had negotiated with a number of CLECs in addition to ITC^DeltaCom.

Q Okay. And is it your understanding that ITC^DeltaCom is seeking just to continue that type of arrangement for the next two years?

A Yes, that's what we would prefer to do at this point in time.

Q Now do you have an opinion as to what the Commission should do with regard to setting that rate in the absence of either party presenting a cost study?

A In the -- I guess I need to answer yes. Yes.

Q Okay. Will you provide your opinion, please?

A Yes. In the absence of either party providing cost studies, I think the model is that the rate should be negotiated between the parties, which is what we did in the first contract. Beyond that, the FCC has laid out, I think, some fairly explicit rules that govern how reciprocal compensation should be priced and whether it

should be done so in a balanced -- I'm lost for the 1 word -- balanced fashion or in a different fashion. So in your -- do you know whether the FCC has 3 stated that where there is no cost study it should be 5 symmetrical? Where there is -- Yes. Where there is no cost 6 study available from the CLEC, the FCC has indicated that the parties shall use the cost studies provided by the 8 9 incumbent and that the rate shall be symmetrical. And would you accept such treatment in this 10 11 case? 12 Yes, we would. 13 Q Thank you. MR. ADELMAN: I have no further questions and 14 ask that he be excused. 15 MR. EDENFIELD: Wait a minute. I have 16 something now on redirect. 17 18 EXAMINATION BY MR. EDENFIELD (Continuing): 19 20 The FCC rule that you just referred to? Yes. 21 Α Where is that? 22 0 It's in the Code of Federal Regulations, CFR 23 Α 51.711, I think. 24

Q Does Code of Federal Regulation 51.711, does it

apply to nonlocal traffic?

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It applies to local traffic, and the -- to complete the answer here, the FCC in its recent ruling on reciprocal compensation indicated that states could apply reciprocal compensation to interstate or ISP-bound traffic.

They could apply reciprocal compensation or some other mechanism or choose not to do it at all, correct?

A I don't recall the or-choose-not-to-do-it-at-all option. I do recall that it was apply reciprocal compensation or choose some other mechanism.

Do you agree that the Code of Federal Regulation Rule 51.711 does not apply to interstate traffic?

MR. ADELMAN: Are you saying -- are you trying to characterize his previous testimony, or are you asking him a new question?

MR. EDENFIELD: You mentioned about the rule. I'm just trying to figure out where the rule --THE WITNESS: It applies specifically to

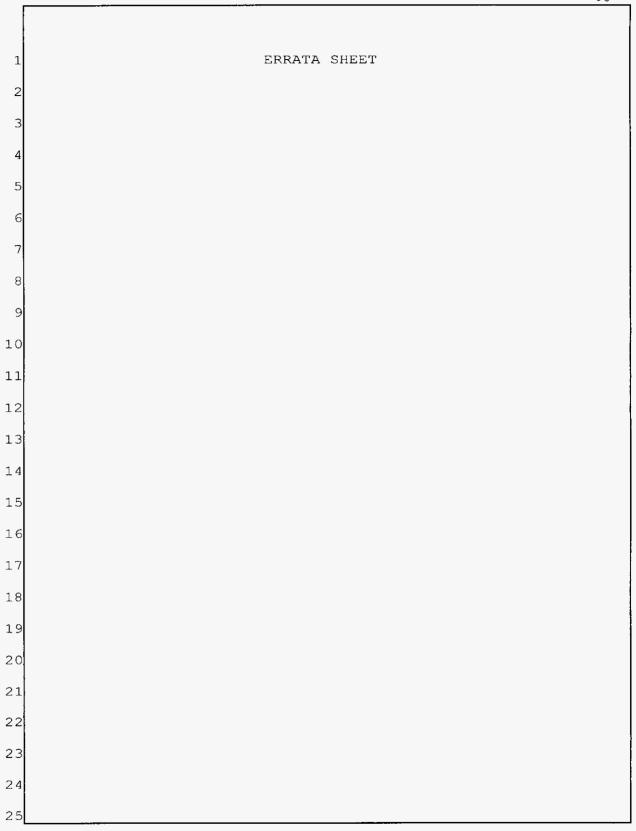
reciprocal compensation.

BY MR. EDENFIELD (Continuing):

Q Rule 51.711?

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That's my understanding, yes.
              All right. The question is: Does it apply to
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    interstate traffic?
              I don't know.
         Α
 4
              Okay. You had talked about, just in response
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    to a question from Mr. Adelman, about the mechanism by
    which the Commission should apply reciprocal compensation
    going forward. Do you agree that the Commission can
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    implement bill and keep if it chose?
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              I honestly do not know.
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              Okay. Fair enough.
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              MR. EDENFIELD: That's it. Thank you.
              MR. ADELMAN: No further questions.
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              MS. CALDWELL: All right. Thank you. The
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         witness may be excused.
             (WHEREUPON, THE DEPOSITION WAS CONCLUDED)
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STATE OF FLORIDA
                                          CERTIFICATE OF OATH
     COUNTY OF LEON
                 I, the undersigned authority, certify that
     CHRISTOPHER ROZYCKI personally appeared before me and
 8
     was duly sworn.
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                 WITNESS my hand and official seal this 16th day
     of October, 1999.
11
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17
                                     Notary Public
                                                           State of
     Florida
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                                                       Nancy S. Metzke
20
                                                  MY COMMISSION # CC677518 EXPIRES
                                                   September 13, 2001
BONDED THRU TROY FAIN INSURANCE, INC.
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CERTIFICATE OF DEPONENT

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8

This is to certify that I, CHRISTOPHER ROZYCKI, have read the foregoing transcription of my testimony, Pages 1 through 47, given on October 14, 1999 in Docket Number 990750-TP, and find the same to be true and correct, with the exceptions, and/or corrections, if any, as shown on the Errata Sheet attached hereto.

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CHRISTOPHER ROZYCKI

Sworn to and subscribed before me this _____, day of ______, 19_____

State of My Commission Expires:

NOTARY PUBLIC

REPORTER'S DEPOSITION CERTIFICATE STATE OF FLORIDA 3 COUNTY OF LEON 4 5 I, NANCY S. METZKE, Certified Shorthand Reporter and Registered Professional Reporter, certify 6 that I was authorized to and did stenographically report 7 the deposition of CHRISTOPHER ROZYCKI; that a review of 8 the transcript was requested; and that the transcript is 9 a true and complete record of my stenographic notes. 10 11 I FURTHER CERTIFY that I am not a relative, 12 employee, attorney or counsel of any of the parties, nor 13 am I a relative or employee of any of the parties' 14 attorney or counsel connected with the action, nor am I 15 financially interested in the action. 16 17 18 DATED this 16th day of October, 1999. 19 20 21 22 23

24

Fla. PSC Docket 991267-TP

EXHIBIT LLS-1 Dr. Lee L. Selwyn Docket No. 991267-TP

Attachment 1
Statement of Qualifications
DR. LEE L. SELWYN

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Attachment 1

Statement of Qualifications

DR. LEE L. SELWYN

Dr. Lee L. Selwyn has been actively involved in the telecommunications field for more than twenty-five years, and is an internationally recognized authority on telecommunications regulation, economics and public policy. Dr. Selwyn founded the firm of Economics and Technology, Inc. in 1972, and has served as its President since that date. He received his Ph.D. degree from the Alfred P. Sloan School of Management at the Massachusetts Institute of Technology. He also holds a Master of Science degree in Industrial Management from MIT and a Bachelor of Arts degree with honors in Economics from Queens College of the City University of New York.

Dr. Selwyn has testified as an expert on rate design, service cost analysis, form of regulation, and other telecommunications policy issues in telecommunications regulatory proceedings before some forty state commissions, the Federal Communications Commission and the Canadian Radio-television and Telecommunications Commission, among others. He has appeared as a witness on behalf of commercial organizations, non-profit institutions, as well as local, state and federal government authorities responsible for telecommunications regulation and consumer advocacy.

He has served or is now serving as a consultant to numerous state utilities commissions including those in Arizona, Minnesota, Kansas, Kentucky, the District of Columbia, Connecticut, California, Delaware, Maine, Massachusetts, New Hampshire, Vermont, New Mexico, Wisconsin and Washington State, the Office of Telecommunications Policy (Executive Office of the President), the National Telecommunications and Information Administration, the Federal Communications Commission, the Canadian Radio-television and Telecommunications Commission, the United Kingdom Office of Telecommunications, and the Secretaria de Comunicaciones y Transportes of the Republic of Mexico. He has also served as an advisor on telecommunications regulatory matters to the International Communications Association and the Ad Hoc Telecommunications Users Committee, as well as to a number of major corporate telecommunications users, information services providers, paging and cellular carriers, and specialized access services carriers.



Dr. Selwyn has presented testimony as an invited witness before the U.S. House of Representatives Subcommittee on Telecommunications, Consumer Protection and Finance and before the U.S. Senate Judiciary Committee, on subjects dealing with restructuring and deregulation of portions of the telecommunications industry.

In 1970, he was awarded a Post-Doctoral Research Grant in Public Utility Economics under a program sponsored by the American Telephone and Telegraph Company, to conduct research on the economic effects of telephone rate structures upon the computer time sharing industry. This work was conducted at Harvard University's Program on Technology and Society, where he was appointed as a Research Associate. Dr. Selwyn was also a member of the faculty at the College of Business Administration at Boston University from 1968 until 1973, where he taught courses in economics, finance and management information systems.

Dr. Selwyn has published numerous papers and articles in professional and trade journals on the subject of telecommunications service regulation, cost methodology, rate design and pricing policy. These have included:

"Taxes, Corporate Financial Policy and Return to Investors" *National Tax Journal*, Vol. XX, No.4, December 1967.

"Pricing Telephone Terminal Equipment Under Competition" *Public Utilities Fortnightly*, December 8, 1977.

"Deregulation, Competition, and Regulatory Responsibility in the Telecommunications Industry"

Presented at the 1979 Rate Symposium on Problems of Regulated Industries — Sponsored by: The American University, Foster Associates, Inc., Missouri Public Service Commission, University of Missouri-Columbia, Kansas City, MO, February 11 — 14, 1979.

"Sifting Out the Economic Costs of Terminal Equipment Services" *Telephone Engineer and Management*, October 15, 1979.

"Usage-Sensitive Pricing" (with G. F. Borton) (a three part series)
Telephony, January 7, 28, February 11, 1980.

"Perspectives on Usage-Sensitive Pricing" Public Utilities Fortnightly, May 7, 1981.



"Diversification, Deregulation, and Increased Uncertainty in the Public Utility Industries"

Comments Presented at the Thirteenth Annual Conference of the Institute of Public Utilities, Williamsburg, VA — December 14 — 16, 1981.

"Local Telephone Pricing: Is There a Better Way?; The Costs of LMS Exceed its Benefits: a Report on Recent U.S. Experience."

Proceedings of a conference held at Montreal, Quebec — Sponsored by Canadian Radio-Television and Telecommunications Commission and The Centre for the Study of Regulated Industries, McGill University, May 2 — 4, 1984.

"Long-Run Regulation of AT&T: A Key Element of A Competitive Telecommunications Policy" *Telematics*, August 1984.

"Is Equal Access an Adequate Justification for Removing Restrictions on BOC Diversification?"

Presented at the Institute of Public Utilities Eighteenth Annual Conference, Williamsburg, VA — December 8 — 10, 1986.

"Market Power and Competition Under an Equal Access Environment"

Presented at the Sixteenth Annual Conference, "Impact of Deregulation and Market Forces on Public Utilities: The Future Role of Regulation"

Institute of Public Utilities, Michigan State University, Williamsburg, VA—December 3—5, 1987.

"Contestable Markets: Theory vs. Fact"

Presented at the Conference on Current Issues in Telephone Regulations: Dominance and Cost Allocation in Interexchange Markets — Center for Legal and Regulatory Studies Department of Management Science and Information Systems — Graduate School of Business, University of Texas at Austin, October 5, 1987.

"The Sources and Exercise of Market Power in the Market for Interexchange Telecommunications Services"

Presented at the Nineteenth Annual Conference — "Alternatives to Traditional Regulation: Options for Reform" — Institute of Public Utilities, Michigan State University, Williamsburg, VA, December, 1987.

"Assessing Market Power and Competition in The Telecommunications Industry: Toward an Empirical Foundation for Regulatory Reform"



Federal Communications Law Journal, Vol. 40 Num. 2, April 1988.

"A Perspective on Price Caps as a Substitute for Traditional Revenue Requirements Regulation"

Presented at the Twentieth Annual Conference — "New Regulatory Concepts, Issues and Controversies" — Institute of Public Utilities, Michigan State University, Williamsburg, VA, December, 1988.

"The Sustainability of Competition in Light of New Technologies" (with D. N. Townsend and P. D. Kravtin)

Presented at the Twentieth Annual Conference — Institute of Public Utilities Michigan State University, Williamsburg, VA, December, 1988.

"Adapting Telecom Regulation to Industry Change: Promoting Development Without Compromising Ratepayer Protection" (with S. C. Lundquist) *IEEE Communications Magazine*, January, 1989.

"The Role of Cost Based Pricing of Telecommunications Services in the Age of Technology and Competition" *Presented at National Regulatory Research Institute Conference*, Seattle, July 20, 1990.

"A Public Good/Private Good Framework for Identifying POTS Objectives for the Public Switched Network" (with Patricia D. Kravtin and Paul S. Keller) Columbus, Ohio: *National Regulatory Research Institute*, September 1991.

"Telecommunications Regulation and Infrastructure Development: Alternative Models for the Public/Private Partnership"

Prepared for the Economic Symposium of the International

Telecommunications Union Europe Telecom '92 Conference, Budapest,

Hungary, October 15, 1992.

"Efficient Infrastructure Development and the Local Telephone Company's Role in Competitive Industry Environment" Presented at the Twenty-Fourth Annual Conference, Institute of Public Utilities, Graduate School of Business, Michigan State University, "Shifting Boundaries between Regulation and Competition in Telecommunications and Energy", Williamsburg, VA, December 1992.

"Measurement of Telecommunications Productivity: Methods, Applications and Limitations" (with Françoise M. Clottes)



Presented at Organisation for Economic Cooperation and Development, Working Party on Telecommunication and Information Services Policies, '93 Conference "Defining Performance Indicators for Competitive Telecommunications Markets", Paris, France, February 8-9, 1993.

"Telecommunications Investment and Economic Development: Achieving efficiency and balance among competing public policy and stakeholder interests"

Presented at the 105th Annual Convention and Regulatory Symposium, National Association of Regulatory Utility Commissioners, New York, November 18, 1993.

"The Potential for Competition in the Market for Local Telephone Services" (with David N. Townsend and Paul S. Keller), presented at Organization for Economic Cooperation and Development Workshop on Telecommunication Infrastructure Competition, December 6-7, 1993.

"Market Failure in Open Telecommunications Networks: Defining the new natural monopoly," *Utilities Policy*, Vol. 4, No. 1, January 1994.

"The Enduring Local Bottleneck: Monopoly Power and the Local Exchange Carriers," (with Susan M. Gately, et al) report prepared by ETI and Hatfield Associates, Inc. for AT&T, MCI and CompTel, February 1994.

"Commercially Feasible Resale of Local Telecommunications Services: An Essential Step in the Transition to Effective Local Competition," (Susan M. Gately, et al) a report prepared by ETI for AT&T, July 1995.

"Efficient Public Investment in Telecommunications Infrastructure" Land Economics, Vol 71, No.3, August 1995.

"Market Failure in Open Telecommunications Networks: Defining the new natural monopoly," in *Networks, Infrastructure, and the New Task for Regulation*, by Werner Sichel and Donal L. Alexander, eds., University of Michigan Press, 1996.

Dr. Selwyn has been an invited speaker at numerous seminars and conferences on telecommunications regulation and policy, including meetings and workshops sponsored by the National Telecommunications and Information Administration, the National Association of Regulatory Utility Commissioners, the U.S. General Services Administration, the Institute of Public Utilities at Michigan State University, the National Regulatory Research Institute at Ohio State University, the Harvard University Program



on Information Resources Policy, the Columbia University Institute for Tele-Information, the International Communications Association, the Tele-Communications Association, the Western Conference of Public Service Commissioners, at the New England, Mid-America, Southern and Western regional PUC/PSC conferences, as well as at numerous conferences and workshops sponsored by individual regulatory agencies.



EXHIBIT LLS-2 Dr. Lee L. Selwyn Docket No. 991267-TP

Attachment 2

bellsouth.net dial-in access numbers for Florida



@ BELLSOUTH

| BellSouth Products | Become A Member! |

Become a Member! | BellSouth Buzz +

About The Service

About Us & Special Promos | Shooping

Main

Features

Pricing

What's New

Olty Availability

BellSouth.net Dial-in Access Numbers

Click on your local area to get the local dial-in number The number to dial in to will be displayed on another page so you can easily print it out.



Before dialing any number, check with your phone company to find out if you will incur any toll charges. BellSouth will not reimburse customers for any long distance toll charges associated with conecting to BellSouth.net service.

@ **BELL**SOUTH

BellSouth Telecommunications, Inc. All Rights Reserved. - Questions and Comments. feedback@bellsouth.net - Help/Technical Support: call 1-800-4DOTNET (1-800-436-8638). Legal info.

EXHIBIT LLS-3 Dr. Lee L. Selwyn Docket No. 991267-TP

Attachment 3

bellsouth.net dial-in instructions for a hypothetical customer in St. Augustine





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A Home

BELLSOUTH net



BellSouth.net Dial-in Numbers for Your Neighborhood

The dial-in numbers provided are for BellSouth.net members only. If you are not a BellSouth.net member, but would like to become one, you can sign up now.

Results:

(904) 829- is not local to any dial-in site, but there may be an optional plan that can be purchased to make it local to Jacksonville, FL at (904) 350-1090 (ISDN dailup available at (904) 353-1333). Please contact your local telephone company's business office for further information.

Before dialing any number, check with your phone company to find out if you will incur any toll charges. BellSouth will not reimburse customers for any long distance toll charges associated with connecting to BellSouth.net service.

Find out how to Change Your Dialer

Windows 95 Windows NT Windows 3.1 Macintosh

Note: Only members with ISDN equipment installed at their location will be able to use the ISDN dial-in numbers.

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feedback@belisouth.net - Help/Technical Support: call 1-800-4DOTNET (1-800-436-8638). Legal Info.



ONE WASHINGTON MALL BOSTON, MASSACHUSETTS 02108-2617

State	Florida
Month	April
Year	1999
Billed Name	Global NAPS Inc.

Of INP, Percent that is Local

Of INP, Percent that is Intralata

Of INP, Percent that is Interstate

Total INP MOU



		Average Call				2.50
Data	Total	hold time	Local	Intralata	Intrastate	Interstate
Sum of Cellular Type I Messages						
Sum of Cellular Type I MOU		N/A	0			
Sum of Cellular Type II Messages	160					
Sum of Cellular Type II MOU	49	0.3	49			40
Sum of Local Messages	10,930					
Sum of Local MOU	16,328	1.5	16,328			
Sum of Local ISP Messages	27,807					
Sum of Local ISP MOU	796,473	28.6	796,473			
Sum of INP Local Messages						6)
Sum of INP Local MOU		N/A	0			
Sum of INP Local ISP Messages						10
Sum of INP Local ISP MOU		N/A	0			•
Sum of Intralata Toll Messages	376					¥
Sum of Intralata Toll MOU	150	0.4		150		
Sum of Intralata Toll ISP Messages	67					
Sum of Intralata Toll ISP MOU	1,686	25.2		1,686		
Sum of INP Intralata Toll Messages						
Sum of INP Intralata Toll MOU		N/A			0	
Sum of INP Intralata Toll ISP Messages						
Sum of INP Intralata Toll ISP MOU		N/A			0	
Sum of INP Interstate Toll Messages						
Sum of INP Interstate Toll MOU		N/A				
Sum of INP Interstate Toll ISP Messages						
Sum of INP Interstate Toll ISP MOU		N/A				
Total Messales	39,340					
Total Mou	814,686	20.7	812,850	16361		
Total Mou Factors		\$100 P	99.77%	0.23%	0.00%	0.000
ISP Percent/MOU to back out		90%	731,565	1,652		
Billable			81 285	18411		
Total Percent INP	0.0%		in ecoung on	ray'a sa sa		

N/A

N/A N/A 991247-TP 7 7 7 610bal NAPS

O 1 1 3 8 JAN 26 8

EPSC-RECORDS/REPORTING

State	Florida
Month	May
Year	1999
Billed Name	Global NAPS Inc.

Of INP, Percent that is Local

Of INP, Percent that is Intralata
Of INP, Percent that is Interstate

Total INP MOU

		Average Call				
Data	Total	hold time	Local	Intralata	Intrastate	Interstate
Sum of Cellular Type I Messages	8					
Sum of Cellular Type I MOU	1	0.1	1			
Sum of Cellular Type II Messages	4,550					
Sum of Cellular Type II MOU	1,074	0.2	1,074			
Sum of Local Messages	32,803					
Sum of Local MOU	195,469	6.0	195,469			
Sum of Local ISP Messages	322,274					
Sum of Local ISP MOU	9,394,984	29.2	9,394,984			
Sum of INP Local Messages						
Sum of INP Local MOU		N/A	0			
Sum of INP Local ISP Messages						
Sum of INP Local ISP MOU		N/A	0			
Sum of Intralata Toll Messages	4,461					
Sum of Intralata Toll MOU	1,118	0.3		1,118		
Sum of Intralata Toll ISP Messages	1,414					
Sum of Intralata Toll ISP MOU	29,936	21.2		29,936		
Sum of INP Intralata Toll Messages						
Sum of INP Intralata Toll MOU		N/A			0	
Sum of INP Intralata Toll ISP Messages						
Sum of INP Intralata Toll ISP MOU		N/A			0	
Sum of INP Interstate Toll Messages						
Sum of INP Interstate Toll MOU		N/A				
Sum of INP Interstate Toll ISP Messages						
Sum of INP Interstate Toll ISP MOU		N/A				
Total Messages	365,510	4				
Total Mou	9,622,582	26.3	9,591,528	31,054		
Factors			99,68%	0.32%	0.00%	. 00
ISP Percent/MOU to back out		90%	8,632,375	27,949		
Billable		· 元 据 不可谓	959,153	3 105		
Total Percent INP	0.0%	KAN STATE OF THE PARTY OF THE P		3800 00 00 00 00 00		

N/A N/A

N/A

State	Florida
Month	June
Year	1999
Billed Name	Global NAPS Inc.

Of INP, Percent that is Intralata
Of INP, Percent that is Interstate

Total INP MOU

2	T. ()	Average Call			To form I also	1-44-4-
Data	Total	hold time	Local	Intralata	Intrastate	Interstate
Sum of Cellular Type I Messages	15					
Sum of Cellular Type I MOU	2	0.1	2			
Sum of Cellular Type II Messages	5,150					
Sum of Cellular Type II MOU	3,591	0.7	3,591			
Sum of Local Messages	49,406					
Sum of Local MOU	1,027,551	20.8	1,027,551			
Sum of Local ISP Messages	229,340					
Sum of Local ISP MOU	10,501,800	45.8	10,501,800			
Sum of ILNP Local Messages						
Sum of ILNP Local MOU		N/A	0			
Sum of ILNP Local ISP MOU						
Sum of ILNP Local ISP Messages		N/A	0			
Sum of Intralata Toll Messages	8,215					
Sum of Intralata Toll MOU	80,231	9.8		80,231		
Sum of Intralata Toll ISP Messages	615					
Sum of Intralata Toll ISP MOU	20,202	32.8		20,202		
Sum of ILNP Intralata Toll Messages						
Sum of ILNP Intralata Toll MOU		N/A			0	
Sum of ILNP Intralata Toll ISP Messages						
Sum of ILNP Intralata Toll ISP MOU		N/A			0	
Sum of ILNP Interstate Toll Messages						
Sum of ILNP Interstate Toll MOU		N/A				
Sum of ILNP Interstate Toll ISP Messages						
Sum of ILNP Interstate Toll ISP MOU		N/A				
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Total Percent INP	0.0%	CONTRACTOR OF THE STREET HOUSE	The second of th	A STATE OF THE PARTY OF THE PAR	Security and Committee (1997) and the second of the second	MATERIAL PROPERTY.
Of INP, Percent that is Local	N/A					
Of IND Persont that is Introleta				341		

Date:

March 5, 1998

To:

Allan Price Bill Stacy

Copy to: Bill McNair Scott Schaefer Jim Childress Leo Shoemaker Fred Hamff

From:

Dave Hollett

Subject: North Carolina and Florida Orders Concerning ISP

We understand that the North Carolina commission issued an order related to ISP calls between BellSouth and US LEC, and the Florida commission issued a similar order for WorldCom. To my knowledge, CBS has not been notified formally of the NC ruling, though billing is impacted by the order. We did receive a copy of the FL ruling.

We need to know who will be responsible for coordinating implementation of these orders. We are currently facing serious resource constraints in the CABS billing area of IT, so any necessary billing changes will need to be submitted soon to even be a candidate for Release 98.3, currently scheduled for implementation in 4th quarter, 1998. We also have a pending request for bill format changes related to ISP. That work request is based on the assumption that ISP is not billable. If the ISP billing policy is likely to be changing because of the North Carolina and Florida orders, we should probably defer this current bill format request to allow other critical billing work to be done instead.

Attached are concerns and questions specific to the billing of ISP that we believe need to be addressed by someone in ICS and/or Regulatory.

Please let me know as soon as possible how you assess the impact of these rulings on billing for local interconnection. If you have questions, please call me

at 205-321-3736.

BELLSOUTH MEMO OF MARCH 5, 1998 FROM DAVE HOLLETT TO ALLAN PRICE AND BILL STACY

C# , Jun >

FLORIDA PUBLIC SERVICE COMMISSION 191267-7P EXHIBIT NO. 8 COMPANY/

ISS/ALEDAL

DOCUMENT NUMBER-DATE

01139 JAN 268

ISP Issues to be Addressed

- Do the rulings apply to all CLECs or only to US LEC in North Carolina and WorldCom in Florida?
- 2. We quit billing for calls terminated to an ISP, but we held that usage. Should that held usage be billed? If so, would billing guarantee apply, and should the usage be billed or should a debit adjustment be made to the bill?
- 3. Does the pending billing change request submitted by the local interconnection project team need to be suspended? This request, to detail the non-billed ISP usage on the bill, is currently targeted for CABS Release 98.2, which has serious resource jeopardies.
- 4. Does a new request to begin billing ISP usage in North Carolina and Florida need to be submitted? If so, what is the priority in light of the resource contention in CABS?
- 5. Will BellSouth change the policy regarding billing for ISP on a state by state basis, or is it likely we will change the policy for all states at the same time?

MESSAGE

Subject: procedures

Sender: Larry E. Glover /AL, BRHM06

Jim needs to Dated: 10/24/97 at 9:

- me jet with Jim to Ensure he is including

Item 1

FROM: Larry E. Glover /AL, BRHM06

TO: Susan H. Claytor /AL, BRHM07 { Undisplayable address parts } finded is an analysis of the surface of the su

Susan

This process has some big holes but I can not offer an alternative at this time. Just because a number shows up on one of these directories does not mean that it is actually an ISP. Wayne has not documented any part of the verification process. I will talk to Bob Cunningham about documenting this area.

The Source IV section has the word "guarantee" and I am not sure we will ever get in a position to say the list is 100% accurate and complete. If that is the expectation we should set the record straight now. Do we need to draft a letter to legal on the accuracy of the process and the affect on any PSC/FCC testimony?

On your service order proposal - can we expect the customer to tell us how he plans to use the line? Some customers would tell us that it is none of our business.

Thanks.

Larry G.

10/24/97 BELLSOUTH E-MAIL REGARDING CABS

Coul # 3

Item 3

MESSAGE

Subject: procedures

Creator: Susan H. Claytor /AL, BRHM07

Item 3.1

TO: Larry E. Glever /AL, BRHM06 { Undisplayable address parts } David L. Mallett /AL, BRHM07

Item 3.2

Larry,

Per our discussion today, attached is an Email I just received. My concern with these procedures is that it seems to recognize there are st: gaps, it seems that it could change daily as the internet changes (how would you ever know what is on the Directory. Com vs other places), and it leaves potentially big unknown in procedure IV.

I also have questions about a call to an 800 number. I would think the 800 FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 991247-TP EXHIBIT NO. 9 COMPANY/ Global NAPS

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C-RECORDS/REPORTING

DOCUMENT NUMBER-DATE

Dated: 10/23/97 at 1

Content

terminations for billing would need the associated POTS number. It also focuses totally on Internet providers but does not address other ESP like 976 calling or N11. To me the procedure needs to have rationale included which gets blessed by those who decided to pursue this process. I would have a tough time if put on the witness stand to testify to the accuracy and completeness. Any thoughts or concerns from you? Item 3.3 MESSAGE Dated: 10/23/97 at 12 Subject: procedures Contents Creator: James H. Childress /AL, BRHM07 Item 3.3.1 TO: Susan H. Claytor /AL, BRHM07 { Undisplayable address parts } Item 3.3.2 Susan, Attached are the procedures that Wayne Fleming provided for determining ISP/E numbers. Your thoughts? Jim Item 3.3.3 Dated: 10/20/97 at 1: MESSAGE Content: Subject: procedures Creator: Wayne N. Fleming /AL, BRHM03 Item 3.3.3.1 FROM: Wayne N. Fleming /AL, BRHM03 { Undisplayable address parts } TO: Bob J. Cunningham /AL, BRHM09 { Undisplayable address parts } CC: Barbara Z. Bradley /AL, BRHM07 { Undisplayable address parts } James H. Childress /AL, BRHM07 Item 3.3.3.2 see attachment for your copy. Item 3.3.3.3

they are including originating to-

11.30.00 B

BellSouth Telecommunications, Inc. FPSC Dkt No. 991267-TP Global NAPs 1st Set of Interrogatories December 17, 1999 Item No. 23 Page 1 of 1

REQUEST:

Did Beth Shiroishi have any involvement of any kind, direct or indirect, in the discussions leading up to Global NAPs "opting into" the DeltaCom agreement? If the answer is anything other than an unequivocal "no," please explain in detail the precise nature of her involvement.

RESPONSE: No.

RESPONSE PROVIDED BY:

Beth Shiroishi

Manager 675 West Peachtree Street

Atlanta, GA 30375

FLORIDA PUBLIC SERVICE COMMISSION

NO. 991247-TP EXHIBIT NO LO

WITNESS: Global NAPS
DATE 1-25-2000

BELLSOUTH'S RESPONSE TO GLOBAL NAPS INTERROGATORY #23

Conf. # 4

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

BellSouth Telecommunications, Inc. FPSC Dkt No. 991267-TP Global NAPs 1st Set of Interrogatories December 17, 1999 Item No. 24 Page 1 of 1

REOUEST:

Is Beth Shiroishi familiar with Section 252(i) of the Telecommunications Act of 1996? If not, please expressly so state. If so, please provide a brief description of her understanding of the purpose of that provision in the law.

RESPONSE: Yes. Section 252(i), as amended, states that "a local exchange carrier shall make available any interconnection, service, or network element provided under an agreement approved under this section to which it is a party to any other requesting telecommunications carrier upon the same terms and conditions as those provided in the agreement." Although Ms. Shiroishi is not an attorney, she believes that the purpose of that provision is plain from the language of the provision—to require a local exchange company to make any interconnection service or network element provided under an agreement approved under Section 252 available to all telecommunications carriers on the same terms and conditions that it is available under the approved agreement.

RESPONSE PROVIDED BY:

Beth Shiroishi Manager 675 West Peachtree Street Atlanta, GA 30375

> BELLSOUTH'S RESPONSE TO GLOBAL NAPS **INTERROGATORY #24**

FLORIDA PUBLIC SERVICE COMMISSION

NO. 991267-7P EXHIBIT NO 11

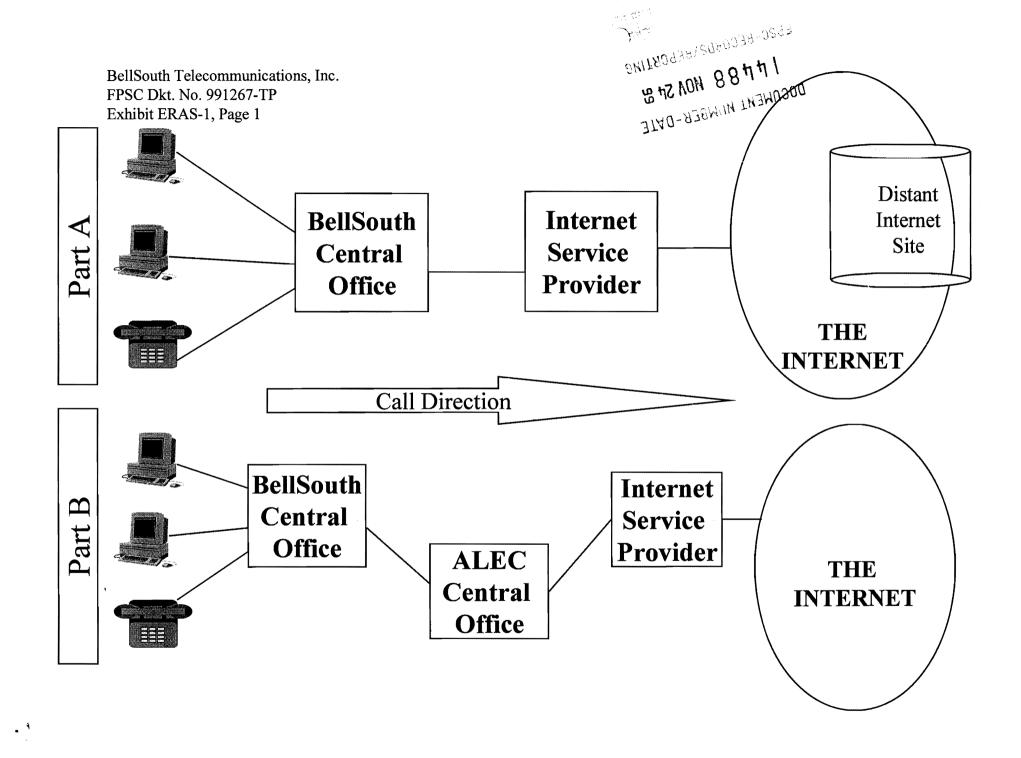
DOCUMENT NUMBER-DATE

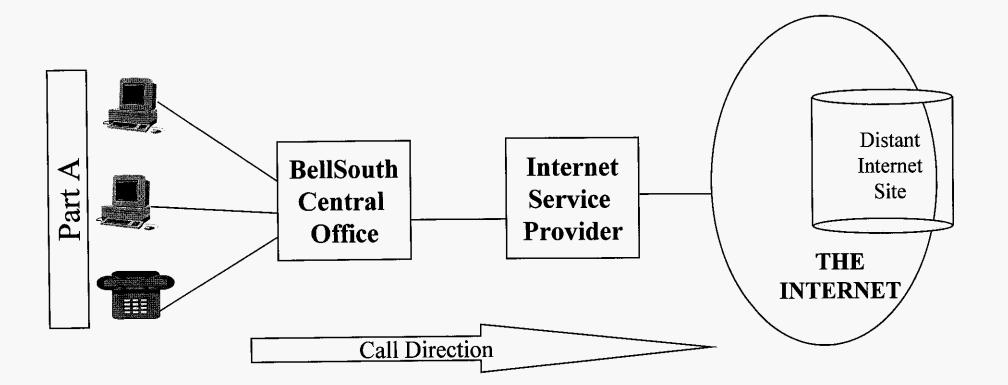
Conf. # 5

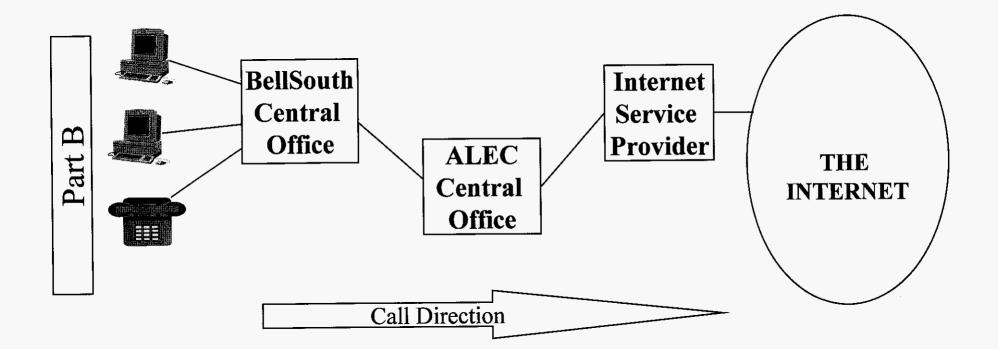
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FPSC-RECORDS/REPORTING

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FLORIDA PUBLIC SERVICE COMMISSION	
90CKET 191267-JP EXHIBIT NO 13	
COMPANY/ 0/	
WITNESS: Shuorshi	
DATE	

Local Traffic is defined as any telephone call that originates in one exchange and terminates in either the same exchange, or other local calling area associated with the originating exchange as defined and specified in Section A3 of BellSouth's General Subscriber Service Tariff. As clarification of this definition and for reciprocal transport and termination compensation, Local Traffic does not include traffic that originates from or is directed to or through an enhanced service provider or information service provider. As further clarification, Local Traffic does not include calls that do not transmit information of the user's choosing. In any event, neither Party will pay reciprocal compensation to the other if the "traffic" to which such reciprocal compensation would otherwise apply was generated, in whole or in part, for the purpose of creating an obligation on the part of the originating carrier to pay reciprocal compensation for such traffic.

Message Distribution is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate.

Multiple Exchange Carrier Access Billing ("MECAB") means the document prepared by the Billing Committee of the Ordering and Billing Forum ("OBF:), which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions ("ATIS") and by Telcordia (formerly BellCore) as Special Report SR-BDS-000983, Containing the recommended guidelines for the billing of Exchange Service access provided by two or more LECs and/or CLECs or by one LEC in two or more states within a single LATA.

Network Element is defined to mean a facility or equipment used in the provision of a telecommunications service. Such term may include, but is not limited to, features, functions, and capabilities that are provided by means of such facility or equipment, including but not limited to, subscriber numbers, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a telecommunications service. BellSouth offers access to the Network Elements, unbundled loops; network interface device; sub-loop elements; local switching; transport; tandem switching; operator systems; signaling; access to call-related databases; dark fiber as set forth in Attachment 2 of this Agreement.

Non-Intercompany Settlement System (NICS) is the Telcordia (formerly BellCore) system that calculates non-intercompany settlements amounts due from one company to another within the same RBOC region. It includes credit card, third number and collect messages.

Percent of Interstate Usage (PIU) is defined as a factor to be applied to terminating access services minutes of use to obtain those minutes that should be rated as interstate access services minutes of use. The numerator includes all interstate "non-intermediary" minutes of use, including interstate minutes of use that are forwarded due to service provider number portability less any interstate minutes of use for Terminating Party Pays services, such as 800 Services. The denominator includes all "non-intermediary", local, interstate, intrastate, toll and access minutes of use adjusted for service provider number portability less all minutes attributable to terminating Party pays services.



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DATE: 7-25-1	looo

CROER NO. PSC-98-0045-FOF-TP DOCKET NO. 971238-TP

: By: GLOBAL NAPS;

Beth Shirochi # 2

Global MAS / Delta Com PAGE 5

> The Parties agree to delete in its entirety Section VI(B) of the Interconnection Agreement and substitute the following Section VI(B):

> > With the exception of the local traffic specifically identified in subsection (C) hereafter, each party agrees to terminate local traffic originated and routed to it by the other party. Each Party will pay the other for terminating its local traffic on the other's network the local interconnection rate of \$.009 per minute of use in all states. Each Party will report to the other a Percent Local Usage ("PLU") and the application of the PLU will determine the amount of local minutes to be billed to the other party. Until such time as actual usage data is available, the parties agree to utilize a mutually acceptable surrogate for the PLU factor. For purposes of developing the PLU, each party shall consider every local call and every long distance call. Effective on the first of January, April, July and October of each year, the parties shall update their PLU.

The Parties agree to delete in its entirety Section VI(C) of the Interconnection Agreement and substitute the following Section VI(C):

> If either party provides intermediary tandem switching and transport services for the other party's connection of its end user to a local end user of: (1) a CLEC other than DeltaCom; (2) an ILEC other than BellSouth; or (3) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a \$0.0015 per minute charge. However, BellSouth agrees that DeltaCom may cross-connect directly to such third Parties at the POI. In such an event, tariffed crossconnection non recurring charges will apply, and no transiting charge will apply

- Except for Number Services Intercept Access Service provided by BellSouth in the state of Georgia, the Parties agree to amend Attachment C-11 of the Interconnection Agreement to delete the rate of \$0.30 per intercept query and replace said rate with a rate of \$0.25 per intercept query.
- The Parties agree to amend the Interconnection Agreement to include Attachment I attached to this Amendment and incorporated herein by this reference.
- Amendment 1 to the Interconnection Agreement relating to resale, executed on March 12, 1997, is deleted in its entirety and replaced with Attachment 2, attached hereto and incorporated herein by this reference.
- The Parties agree that all of the other provisions of the Interconnection Agreement shall remain in full force and effect.
- The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate state public service commission or other regulatory body





FLORIDA PUBLIC SERVICE COMMISSIO	N
NO. 79/267-7P EXHIBIT NO.	14
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COMPANY/ Shuaishi	
DATE 1-25-2000	

Beth Shiroshi # 2

CRDER NO. PSC-98-0045-FOF-TP DOCKET NO. 971238-TP PAGE 5

3. The Parties agree to delete in its entirety Section VI(B) of the Interconnection Agreement and substitute the following Section VI(B):

With the exception of the local traffic specifically identified in subsection (C) hereafter, each party agrees to terminate local traffic originated and routed to it by the other party. Each Party will pay the other for terminating its local traffic on the other's network the local interconnection rate of \$.009 per minute of use in all states. Each Party will report to the other a Percent Local Usage ("PLU") and the application of the PLU will determine the amount of local minutes to be billed to the other party. Until such time as actual usage data is available, the parties agree to utilize a mutually acceptable surrogate for the PLU factor. For purposes of developing the PLU, each party shall consider every local call and every long distance call. Effective on the first of January, April, July and October of each year, the parties shall update their PLU.

4. The Parties agree to delete in its entirety Section VI(C) of the Interconnection Agreement and substitute the following Section VI(C):

If either party provides intermediary tandem switching and transport services for the other party's connection of its end user to a local end user of: (1) a CLEC other than DeltaCom; (2) an ILEC other than BellSouth; or (3) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a \$0.0015 per minute charge. However, BellSouth agrees that DeltaCom may cross-connect directly to such third Parties at the POI. In such an event, tariffed cross-connection non recurring charges will apply, and no transiting charge will apply

- 5 Except for Number Services Intercept Access Service provided by BellSouth in the state of Georgia, the Parties agree to amend Attachment C-11 of the Interconnection Agreement to delete the rate of \$0.30 per intercept query and replace said rate with a rate of \$0.25 per intercept query.
- 6. The Parties agree to amend the Interconnection Agreement to include Attachment I attached to this Amendment and incorporated herein by this reference.
- 7 Amendment 1 to the Interconnection Agreement relating to resale, executed on March 12, 1997, is deleted in its entirety and replaced with Attachment 2, attached hereto and incorporated herein by this reference
- 8 The Parties agree that all of the other provisions of the Interconnection Agreement shall remain in full force and effect.
- 9 The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate state public service commission or other regulatory body





C. Eline

E.17 BellSouth will provide and update an electronic copy of their Switch Network ID Database with a complete list of features and functions by switch, i.e., NPA/NXXs, rate centers, etc.

F. Local Number Assignment

ACSI will assign telephone numbers to its customers using at least one NXX per BellSouth tariffed local exchange metropolitan area; provided, that sufficient quantities of numbering resources are made available to ACSI.

G. Cross-Connection to Other Collocators

Where one Party collocates in the wire center of the other Party, the Party operating the wire center shall allow the Party collocated at the wire center to directly interconnect to any other entity which maintains a collocation facility at that same wire center. The Party operating the wire center shall enable such interconnection by effecting a cross-connection between those collocation facilities, as jointly directed by the Party collocated at the wire center and the other collocated entity. For each such cross-connection, the Party operating the wire center shall charge the otherwise applicable standard tanff or contract special access cross-connect rate to the collocated Party. No other charges shall apply for such cross-connection. ACSI reserves its right to petition for state commission arbitration of the pricing of such cross-connections.

VI. LOCAL TRAFFIC EXCHANGE

A. Exchange of Traffic

The Parties agree for the purpose of this Agreement only that local interconnection is defined as the delivery of local traffic to be terminated on each party's local network so that customers of either party have the ability to reach customers of the other party, without the use of any access code or delay in the processing of the call. The Parties further agree that the exchange of traffic on BellSouth's Extended Area Service (EAS) shall be considered local traffic and compensation for the termination of such traffic shall be pursuant to the terms of this section.

B. <u>Compensation</u>

With the exception of the local traffic specifically identified in subsection (C) hereafter, each party agrees to terminate local traffic originated and routed to it by the other party. The Parties agree that BellSouth will track the usage for both companies for the period of the Agreement. BellSouth will provide copies of such usage reports to ACSI on a monthly basis. For purposes of this Agreement, the Parties agree that there will be no cash compensation exchanged by the parties



during the term of this Agreement unless the difference in minutes of use for terminating local traffic exceeds 2 million minutes per state on a monthly basis. In such an event, the Parties will thereafter negotiate the specifics of a traffic exchange agreement which will apply on a going-forward basis.

C. Transit Traffic

If either party provides intermediary tandem switching and transport services, for the other party's connection of its end user to a local end user of: (1) a CLEC other than ACSI; (2) an ILEC other than BellSouth; or (3) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a \$0.002 per minute charge. However, BellSouth agrees that ACSI may cross-connect directly to such third Parties at the POI. In such an event, tariffed cross-connection non-recurring charges will apply, and no transitting charge will apply.

VII. MEET-POINT BILLING ARRANGEMENTS

Both Parties hereto provide interexchange access transport services to IXCs and other access service customers. Pursuant to the terms of this Agreement, ACSI will interconnect at selected BellSouth switches of its choosing for the purposes of providing certain Switched Access Services. On such occasions, a portion of the access transport service will be provided by each of the Parties hereto. This section establishes arrangements intended to enable each of the Parties hereto to serve and bill their mutual Switched Access Service customers, on an accurate and timely basis. The arrangements discussed in this section apply to the provision of both interLATA and intraLATA Switched Access Services. It is understood and agreed that ACSI is not obligated to provide any of its Switched Access Service(s) through any specific access tandem switch or access tandem provider, and may at its sole discretion, with due notice to those affected, modify its serving arrangements on its own initiative.

A. Applicability of OBF Guidelines

Meet-point billing (MPB) arrangements shall be established between the Parties to enable ACSI to provide, at its option, Switched Access Services to third Parties via specified LEC switches, in accordance with the Meet-Point Billing guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents, except as modified herein. These arrangements are intended to be used to provide Switched Access Service that originates and/or terminates on an ACSI-provided Exchange Service, where the transport component of the Switched Access Service is routed through specified BellSouth switches.

		ICE COMMISSI	
No 99	1267-TP	EXHIBIT NO.	15
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DATE	1-25-	2000	AND THE PROPERTY OF THE PARTY O

1		EARIBII A
2		ALBERT HALPRIN
3		EDUCATIONAL BACKGROUND AND WORK EXPERIENCE
4		
5	Q.	WHAT IS YOUR EDUCATIONAL BACKGROUND?
6		
7	A.	I earned a law degree from The Harvard Law School in 1974. Prior to that, I
8		graduated from Western Washington State College with a Bachelor of Arts
9		degree in 1971.
10		″ .
11	Q.	PLEASE OUTLINE YOUR WORK EXPERIENCE.
12		
13	Α.	I am a partner at the law firm of Halprin, Temple, Goodman & Maher, located
L 4		in Washington, D.C., and an adjunct professor of telecommunications law in
15		the graduate law program at Georgetown University Law Center.
16		Since 1987, I have been engaged in the practice of law and consulting in the
17		telecommunications field. From 1984 to 1987, I served as Chief of the Federal
18		Communications Commission's Common Carrier Bureau, where I was
19		responsible for the regulation of all interstate telecommunications services in the
20		United States. Between 1980 and 1983, I was a Senior Attorney and Chief of

1

DOCUMENT HUMBER-DATE

the Bureau's Policy and Program Planning Division.

I have lectured extensively and advised numerous clients on regulatory issues related to the Internet and Internet access services. For instance, at the International Telecommunication Union's recent "Inter@ctive '97" conference, the first global policy forum on Internet issues, I chaired the panel on Internet legal issues, and I participated on another panel on Internet regulation. 1/

Q.

HAVE YOU PREVIOUSLY FILED TESTIMONY AND/OR APPEARED AS A WITNESS BEFORE THIS COMMISSION?

A: Yes. I have filed testimony with and appeared as a witness in the matter of Request for Arbitration concerning Complaint of American Communications Services of Jacksonville, Inc., d/b/a e.spire Communications, Inc., and ACSI Local Switched Services, d/b/a e.spire Communications, Inc., against BellSouth Telecommunications, Inc., regarding reciprocal compensation for traffic terminated to Internet service providers (Docket No. 981008-TP).

The International Telecommunication Union is a United Nations agency charged with the regulation and coordination of international communications services.

1	Q.	HAVE YOU TESTIFIED BEFORE OTHER PANELS ON ISSUES SIMILAR
2		TO THOSE IN THIS PROCEEDING, OR ON OTHER
3		TELECOMMUNICATIONS POLICY ISSUES?
4		
5	A.	Yes. I have testified before the U.S. Congress, the Federal Communications
6		Commission, Canadian Radio-television and Telecommunications Commission
7		(CRTC), and numerous courts and panels.
8		
9		Among other cases, I have testified in nine state commission proceedings
10		regarding reciprocal compensation for ISP Internet traffic: Complaint of
11		ITC^DeltaCom Communications, Inc., Against BellSouth Telecommunications,
12		Inc., for Breach of Interconnection Terms, and Request for Immediate Relief,
13		Docket No. 1999-033-C (South Carolina); Petition of KMC Telecom, Inc.,
14		against BellSouth Telecommunications, Inc., To Enforce Reciprocal
15		Compensation Provisions of the Parties' Interconnection Agreement, Docket
16		No. U-23839 (Louisiana); Complaint of AVR of Tennessee L.P. d/b/a
17		Hyperion of Tennessee L.P. against BellSouth Telecommunications, Inc., To
18		Enforce Reciprocal Compensation and "Most-favored Nation" Provision of the
19		Parties' Interconnection Agreement, Docket No. 98-00530 (Tennessee);
20		Complaint of MFS Intelenet of Georgia, Inc., Against BellSouth

1	Telecommunications, Inc. and Request for Immediate Relief, Docket No. 8196-
2	U (Georgia); Emergency Petitions of ICG Telecom Group Inc., and ITC
3	DeltaCom Communications, Inc., for a Declaratory Ruling, Docket No. 26619
4	(Alabama); Connect Communications Corp. v. Southwestern Bell Telephone
5	Co., Docket No. 98-167-C (Arkansas); Application of Brooks Fiber for an
6	Order Concerning Internet Traffic, Cause No. PUD 970000548 (Oklahoma);
7	Complaint and Request for Expedited Ruling of Time Warner, Docket No.
8	18082 (Texas); and Petition of Birch Telecom for Arbitration of the Rates,
9	Terms, Conditions and Related Arrangements for Interconnection With
10	Southwestern Bell Telephone Company, Case No. TO-98-278 (Missouri).
11	
12	In addition, I have been deposed as an expert witness in the following:
13	Public Hearing: CCB 80-286(Amendment to Part 36 of the Commission's
14	Rules), FCC (9/8/97); Clifford S. Heinz v. Catherine E. Havelock, et al.,
15	O.C.S.C. Case X635521: Teleconnect Company v. U S West Communication,
16	Inc. et al., LA 16330 (Iowa Dist. Ct.); Interferometrics, Inc. v. Mobile
17	Communications Holdings, Inc., et al., C.A. No. 92-1211-A; Public Hearing:
18	TPN CRTC 92-78, APT CRTC 92-78, Review of Regulatory Framework,
19	CRTC (11/18/93); and Linda Davis et al. v. Southern Bell Telephone &
20	Telegraph Company, Case No. 89-2839-CIV-NESBITT (S.D. Fl.).

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Global NAPs, Inc. 10 Merrymount Road Quincy, MA 62169

elephone: l'acsimile:

(617) 507-5100

(617) 507-5200

RECEIVE

APR 141999

FCC MAIL ROOM

210 N. Park Ave. Winter Park, FL

32789

VIA OVERNIGHT DELIVERY April 13, 1999

P.O. Drawer 200

Winter Park, FL 32790-0200

Transmittal No. 1

Ms. Magalie Roman Salas, Secretary Federal Communications Commission

Tel: 407-740-8575 Fax: 407-740-0613

The Portals 445 12th Street, SW

tmi@tminc.com 12 Street Lobby, TW-A325 Washington, D.C. 20554

Attention Common Carrier Bureau

Disk Filed

Dear Ms. Salas:

The accompanying tariff material is sent to you for filing on behalf of Global NAPs, Inc. In compliance with the Commission's requirements, this filing is being made on 3.5" diskette in WordPerfect 5.1 format. This material consists of tariff pages as indicated on the following check sheets:

Tariff FCC No. 1 - Original Page 1 (Access) Tariff FCC No. 2 - Original Page 1 (Interstate)

Global NAPs respectfully requests this revision to become effective April 15, 1999.

This filing introduces Global NAPs' Access and Interstate tariffs.

In accordance with Section 61.20(b) of the Commission's Rules, this original letter, FCC Remittance Form and the appropriate fee were sent via overnight delivery on this date to the FCC in care of the Mellon Bank of Pittsburgh, PA. And in accordance with Section 61.20(c) of the Commission's Rules, copies of this letter and the underlying tariff pages on disk were also sent this date via overnight delivery to the Chief-Tariff Review Branch and the FCC Contractor.

ţ

Global NAPs, Inc. Transmittal No. 1 Ms. Magalie Roman Salas Page 2 of 2

Please acknowledge receipt of this application and filing fee by returning a date-stamped copy of the enclosed cover letter duplicate in the return envelope provided for that purpose.

Fetitions pertaining to this filing may be served by facsimile to:

Regulatory Contact:

William J. Rooney, General Counsel

Telephone:

(617) 507-5100

Facsimile:

(617) 507-5200

I'lease address any other inquiries or further correspondence regarding this filing to my attention.

Sincerely,

Connie Wightman

Consultant to

Global NAPs, Inc.

CW/ig.

cc: Mellon Bank

ITS, Inc. (disk)

Chief, Tariff Review Branch, FCC (disk)

William J. Rooney, Global NAPs

File: Glo

Global NAPs - FCC 1 - Access

Global NAPs - FCC 2 - Interstate

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TECHNOLOGIES MANAGEMENT, INC.

P.O. BOX 200 210 N. PARK AVE. WINTER PARK, FL 32789-0200 (4/17) 740-8575 NATIONSBANK WINTER PARK, FL 32789 63-27/531 22806

4/13/1999

PAY TO THE Federal Communications Commission

\$ **630.00

Federal Communications Commission

The Portals
445 Twelfih Street S.W.

Washington, DC 20554

MEMO___ Filing fee for Gloval Naps

TECHNOLOGIES MANAGEMENT, INC.

TECHNOLOGIES MANAGEMENT, INC.

Federal Communications Commission 04/13/1999

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SECTION 7A - ISP TRAFFIC DELIVERY SERVICE

7A.1 Scope Of Tariff.

This 'Tariff applies to telecommunications delivered to the Company by a local exchange carrier (the "Delivering LEC") for further delivery to an Internet Service Provider ("ISP") which obtains connections to the public switched network from the Company. This tariff applies to all ISP-bound traffic for which the Company does not receive compensation from the Delivering LEC under the terms of an interconnection agreement entered into pursuant to Sections 251 and 252 of the Communications Act of 1934, as amended (an "Interconnection Agreement").

7A.2 Delivering LEC Election To Obtain Service Pursuant To This Tariff.

A Delivering LEC with which Company has an Interconnection Agreement may avoid charges under this Tariff by agreeing to treat ISP-bound calls delivered to Company as "local traffic" subject to reciprocal compensation under Section 251(b)(5) and applicable terms of the Interconnection Agreement. Failure by a such a carrier to actually compensate Company for ISP-bound traffic as local traffic under the terms of an Interconnection Agreement shall constitute an election to compensate Company under the terms of this Tariff.

7A.3 Application Of Tariff.

This Tariff applies to all ISP-bound traffic that is subject to the jurisdiction of the Federal Communications Commission. To the extent that a Delivering LEC asserts that the terms of an Interconnection Agreement do not apply to some or all ISP-bound traffic due to the jurisdictionally interstate nature of such traffic, that assertion shall constitute a binding election to treat all ISP-bound traffic not subject to an Interconnection Agreement as jurisdictionally interstate and subject to this Tariff.

ISSUED: April 14, 1999

EFFECTIVE: April 15, 1999

William J. Rooney, Secretary and General Counsel
10 Merrymount Road
Quincy, Massachusetts 02169

FCC9901

SECTION 7A - ISP TRAFFIC DELIVERY SERVICE, (cont'd.)

7A.4 Rates

This Tariff establishes a switching rate which relates to the function Company undertakes in directing a call dialed by a Delivering LEC's end user to the ISP (served by the Company) that the end user wants to reach. This rate applies per minute of use.

Rate:

\$0.008/minute

7A.5 Billing

Billing for charges under this tariff shall normally be monthly in arrears. Failure to render a bill shall not constitute a waiver of Company's right to payment for any services provided, as long as the bill for any such period is rendered no later than two years following the expiration of that period.

Payment shall be due in immediately available funds no later than 30 days after the date of the bill.

ISSUED: April 14, 1999

EFFECTIVE: April 15, 1999

William J. Rooney, Secretary and General Counsel
10 Merrymount Road
Quincy, Massachusetts 02169

FCC9901

SECTION 8 - PROMOTIONS

8.1 Promotions - General

From time to time the Company shall, at its option, promote subscription or stimulate network usage by offering to waive some or all of the nonrecurring or recurring charges for the Customer (if eligible) of target services for a limited duration. Such promotions shall be made available to all similarly situated Customers in the target market area.

8.2 Demonstration of Service

From time to time the Company shall demonstrate service by providing free channels for a limited period of time.

ISSUED: April 14, 1999

EFFECTIVE: April 15, 1999

William J. Rooney, Secretary and General Counsel
10 Merrymount Road
Quincy, Massachusetts 02169

FCC9901

SECTION 9 - CUSTOMER SPECIFIC CONTRACTS

9.1 General

The Company may provide any of the services offered under this tariff, or combinations of services, to Customers on a contractual basis. The terms and conditions of each contract offering are subject to the agreement of both the Customer and Company. Such contract offerings will be made available to similarly situated Customers in substantially similar circumstances. Rates in other sections of this tariff do not apply to Customers who agree to contract arrangements, with respect to services within the scope of the contract.

Services provided under this tariff are not eligible for any promotional offerings which may be offered by the Company from time to time.

Contracts in this section are available to any similarly situated Customer that places and order within 90 days of their effective date.

ISSUED: April 14, 1999

EFFECTIVE: April 15, 1999

William J. Rooney, Secretary and General Counsel
10 Merrymount Road
Quincy, Massachusetts 02169

FCC9901

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)
Bell Atlantic-Delaware, Inc., Bell Atlantic-Maryland, Inc., Bell Atlantic-New Jersey, Inc., Bell Atlantic-Pennsylvania, Inc., Bell Atlantic-Virginia, Inc., Bell Atlantic-Washington, D.C., Inc., Bell Atlantic-West Virginia, Inc., New York Telephone Company, and New England Telephone and Telegraph Company,))))) File No. E-99-22
Complainants,)
v.	FLORIDA PUBLIC SERVICE COMMISSION DOCKET
Global NAPs, Inc.,) COMPANY/ ALONGO
Defendant,) WITNESS: ———————————————————————————————————

MEMORANDUM OPINION AND ORDER

Adopted: December 2, 1999

Released: December 2, 1999

By the Commission:

I. INTRODUCTION

1. In this Memorandum Opinion and Order, we resolve a formal complaint brought by various Bell Atlantic companies (collectively, Bell Atlantic) against a competitive local exchange carrier (CLEC), Global NAPs, Inc. (Global NAPs), pursuant to section 208 of the Communications Act of 1934, as amended (Act or Communications Act). The complaint challenges the lawfulness and application of certain Global NAPs tariff provisions that purport to charge a per-minute interstate rate for Internet calls, specifically, calls originated by Bell Atlantic customers that are handed off to Global NAPs for delivery to Internet service providers (ISPs).²

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^{1 47} U.S.C. § 208.

² Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff, E.C.C.A. (Tariff)

2. As explained below, we conclude that the challenged provisions of Global NAPs' tariff, as applied to ISP-bound traffic delivered by Bell Atlantic to Global NAPs in Massachuserts, are unjust and unreasonable under section 201(b) of the Act,' because those tariff provisions condition the imposition of charges on circumstances that were indeterminate when the tariff took effect and remain indeterminate today. In particular, the challenged tariff provisions purport to apply only to ISP-bound traffic for which Global NAPs receives no compensation from Bell Atlantic under the parties' existing interconnection agreement; however, the Massachusetts Department of Telecommunications and Energy (Massachusetts DTE) has yet to make a final determination whether and how the parties' existing interconnection agreement provides for inter-carrier compensation for ISP-bound traffic. Moreover, we conclude that the challenged tariff provisions violate section 61.74(a) of our rules, because they refer to a document other than the Tariff itself, i.e., an interconnection agreement. Accordingly, we hereby grant Bell Atlantic's complaint and hold that Sections 7 and 7A of Global NAPs' Tariff F.C.C. No. 1 are unlawful.

II. BACKGROUND

A. Events Preceding the Commission's Reciprocal Compensation Order

3. On April 15, 1997, Global NAPs and New England Telephone and Telegraph Company for Massachusetts (Bell Atlantic) entered into an interconnection agreement that continues until April 15, 2000. Pursuant to this agreement, Bell Atlantic carries traffic from its end user customers in Massachusetts to a point of interconnection with Global NAPs in Massachusetts; then Global NAPs delivers the traffic from the point of interconnection to its ISP customers in Massachusetts.

at \$2-83, Sections 7, 7A.1, 7A.2, 7A.3, 7A.4 (effective April 15, 1999).

^{3 47} U.S.C. § 201(b).

⁴⁷ C.F.R. § 61.74(a).

See Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996, by and between New England Telephone and Telegraph Company and Global NAPs for Massachusetts (April 15, 1997) (Bell Atlantic-Global NAPs Interconnection Agreement), attached to Letter from Karlyn D. Stanley to Magalie Roman Salas, dated August 10, 1999, File No. E-99-22. The agreement will automatically renew and remain in effect unless (1) either party gives notice of termination at least 60 days before April 15, 2000, or (2) after that date, either party gives a 90-day notice of termination. Id. at 36. Section 21; see also Global NAPs Answer, File No. E-99-22 (filed July 28, 1999) (Global NAPs Answer) at Attachment C.

⁶ See Bell Atlantic-Global NAPs Interconnection Agreement at 14, Section 5.7.2; see also Joint Statement of Stipulated Facts, Disputed Facts and Key Legal Issues Pursuant to Section 1.732(h) and Joint Statement Pursuant to Section 1.733(7)(b)(2), File No. E-99-22 (filed August 10, 1999) (Joint Statement) at 2.

- 4. The parties' interconnection agreement provides that "[r]eciprocal compensation only applies to the transport and termination of Local Traffic billable by NYNEX [now Bell Atlantic] which a Telephone Exchange Service Customer originates on NYNEX's or Global NAPs' network for termination on the other Party's network." "Local Traffic" is defined as "a call which is originated and terminated within a given LATA, in the Commonwealth of Massachusetts. . . ." The interconnection agreement further provides that the parties "shall compensate each other for the transport and termination of Local Traffic in an equal and symmetrical manner at the rate provided in the Pricing Schedule." According to the Pricing Schedule, reciprocal compensation for "Local Traffic" is \$.008 per-minute. 10
- The parties executed their interconnection agreement despite their inability to reach a consensus on whether the above-quoted language in the interconnection agreement requires payment of reciprocal compensation for traffic that is delivered to ISPs, i.e., calls made by one carrier's customers that are handed off to the other carrier for delivery to the latter carrier's ISP customers. In place of such a consensus, the parties agreed to interpret the applicable language in their agreement in the same manner in which identical language in other Bell Atlantic/CLEC interconnection agreements was ultimately interpreted by the Massachusetts DTE. 12
- 6. On June 26, 1998, MCI WorldCom Technologies, Inc. (MCI WorldCom), which provides competitive local exchange service in Massachusetts, filed a complaint against Bell Atlantic before the Massachusetts DTE regarding Bell Atlantic's failure to pay reciprocal compensation for ISP-bound traffic pursuant to their interconnection agreement.¹³ On October

⁷ Bell Atlantic-Global NAPs Interconnection Agreement at 14, Section 5.7.1. According to section 252 of the Act, "reciprocal compensation" arrangements must (1) provide for the "mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other earrier," and (2) "determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls." 47 U.S.C. § 252(d)(2)(A).

Bell Atlantic-Global NAPs Interconnection Agreement at 5, Section 1.38.

⁹ Bell Atlantic-Global NAPs Interconnection Agreement at 14, Section 5.7.2.

¹⁰ Bell Atlantic-Global NAPs Interconnection Agreement at 8, Pricing Schedule.

¹¹ See Chronology of Events Submitted Pursuant to Staff Request of August 3, 1999, File No. 99-22 (filed August 11, 1999) (Chronology of Events) at 11-12.

¹² Chronology of Events at 11-12.

¹³ Complaint of MCI WorldCom, Inc. v. New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts, Commonwealth of Massachusetts Department of Telecommunications and Energy, D.T.E. 97-116-C

21, 1998, the Massachusetts DTE ruled in favor of MCI WorldCom, holding that the parties' agreement requires Bell Atlantic to pay reciprocal compensation for ISP-bound traffic. The Massachusetts DTE noted that other CLECs' interconnection agreements (including Global NAPs') with Bell Atlantic contain identical provisions and directed Bell Atlantic to pay the applicable reciprocal compensation rate contained in those agreements, as well. The express and exclusive basis for the Massachusetts DTE's decision was that: (a) the link between the caller and the ISP in ISP-bound traffic is jurisdictionally severable from the continuing link from the ISP to the target Internet site; (b) ISP-bound traffic is a "local" call under federal law and the interconnection agreement; and (c) ISP-bound traffic is subject to the Massachusetts DTE's jurisdiction as an intrastate call. In essence, the Massachusetts DTE viewed an Internet call as effectively two calls: a local call from the end user to the ISP, and a non-local call from the ISP to the Internet, i.e., the "two-call" theory.

B. The Commission's Reciprocal Compensation Order

7. On February 26, 1999, in response to a number of requests to clarify whether reciprocal compensation applies to ISP-bound traffic, we released the *Reciprocal Compensation Order*. In that *Order*, we concluded that ISP-bound traffic "is jurisdictionally mixed and appears to be largely interstate in nature." In reaching this conclusion, we "analyze[d] ISP traffic for jurisdictional purposes as a continuous transmission from the end user to a distant Internet site." Applying this analysis, we found that ISP-bound traffic "do[es] not terminate at

(filed June 26, 1998), attached to Letter from Karlyn D. Stanley to Magalie Roman Salas, dated August 10, 1999, File No. E-99-22.

[&]quot;See Complaint of MCI WorldCom, Inc. v. New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts, Commonwealth of Massachusetts Department of Telecommunications and Energy, D.T.E. 97-116 (Mass. D.T.E. rel. October 21, 1998) (Massachusetts DTE October 21, 1998 Order) at 12, attached to Letter from Karlyn D. Stanley to Magalje Roman Salas, dated August 10, 1999, File No. E-99-22.

¹⁵ See Massachusetts DTE October 21, 1998 Order at 14.

¹⁶ See Massachusetts DTE October 21, 1998 Order Bt 6, 11-13.

¹⁷ See Massachusetts DTE October 21, 1998 Order at 11-12.

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Inter-Carrier Compensation for ISP-Bound Traffic, CC Docket Nos. 96-98, 99-68, Declaratory Ruling and Notice of Proposed Rulemaking, 14 FCC Rcd 3689, 3703, 3707, ¶¶ 1, 23, 28 (Feb. 26, 1999) (Reciprocal Compensation Order).

¹⁹ Reciprocal Compensation Order, 14 FCC Red at 3689-90, ¶ 1; see also id. at 3697, 3701-3, 3704-5, ¶¶ 12, 18, 20, 23, 24.

²⁰ Reciprocal Compensation Order, 14 FCC Rcd at 3698-9, ¶ 13.

the ISP's local server, . . . but continues to the ultimate destination or destinations, specifically at an Internet website that is often located in another state."²¹ We expressly rejected the argument - on which the Massachusetts DTE had heavily relied in its October 21, 1998 order — that ISP-bound calls consist of severable local and non-local components, reasoning that "this argument is inconsistent with Commission precedent . . . holding that communications should be analyzed on an end-to-end basis, rather than by breaking the transmission into component parts."²²

- 8. We emphasized, however, that our conclusion that ISP-bound traffic is largely interstate "does not in itself determine whether reciprocal compensation is due in any particular instance." As we explained, there currently is no federal rule governing inter-carrier compensation for ISP-bound traffic. Consequently, whether such compensation is due in any particular instance hinges on the parties' contractual intent in entering into their interconnection agreement, or on the state commission's application of other legal or equitable principles to the parties' compensation dispute.²⁴

²¹ Reciprocal Compensation Order, 14 FCC Rcd at 3697, ¶ 12.

Reciprocal Compensation Order, 14 FCC Red at 3700, ¶ 15.

²¹ Reciprocal Compensation Order, 14 FCC Rcd at 3689, ¶ 1.

²⁶ Reciprocal Compensation Order, 14 FCC Rcd at 3689, 3690, 3695, 3703, 3704-5, ¶¶ 1, 9, 22, 24, 25, 26; see also Joint Statement at 2.

²⁵ Reciprocal Compensation Order, 14 FCC Rcd at 3703-4, 3706, ¶ 22, 24, 27.

²⁶ Reciprocal Compensation Order, 14 FCC Rcd at 3703, ¶ 22; see also id. at 3703-4, ¶¶ 21, 24.

²⁷ Reciprocal Compensation Order, 14 FCC Rcd at 3703, ¶ 22 (emphasis added); see also id. at 3689-90, 3703-4, ¶ 1, 21, 24.

Reciprocal Compensation Order, 14 FCC Red at 3703-4, ¶ 24 ("Nothing in this Declaratory Ruling, therefore, necessarily should be construed to question any determination a state commission has made, or may make in the

We went on to explain that, even where a state commission concludes that the 10. parties did not voluntarily agree on an inter-carrier compensation mechanism for ISP-bound traffic, "state commissions nonetheless may determine in their arbitration proceedings at this point that reciprocal compensation should be paid for this traffic. . . . By the same token, in the absence of governing federal law, state commissions also are free not to require the payment of reciprocal compensation for this traffic and to adopt another compensation mechanism."29 Indeed, we observed that, "[i]n the absence of a federal rule, state commissions that have had to fulfill their statutory obligation under section 252 to resolve interconnection disputes between incumbent LECs and CLECs have had no choice but to establish an inter-carrier compensation mechanism and to decide whether and under what circumstances to require the payment of reciprocal compensation."26 We, therefore, concluded that "[u]ntil adoption of a final [federal] rule, state commissions will continue to determine whether reciprocal compensation is due for this traffic," pursuant to their authority to approve interconnection agreements under sections 251 and 252 of the Act. 31 In sum, "in the absence of a federal rule, state commissions have the authority under section 252 of the Act to determine inter-carrier compensation for ISP-bound traffic," even where the parties' existing interconnection agreement is silent on the subject. 32

C. Events After the Commission's Reciprocal Compensation Order

11. On April 14, 1999, Global NAPs filed with this Commission the federal tariff at issue here.³³ Global NAPs filed the Tariff on one day's notice pursuant to section 61.23(c) of our

future, that parties have agreed to treat ISP-bound traffic as local traffic under existing interconnection agreements.") (emphasis added); see also id. at 3707, ¶ 28 ("[T]he Commission's holding that parties' agreements, as interpreted by state commissions, should be hinding also applies to those state commissions that have not yet addressed the issue.").

²⁹ Reciprocal Compensation Order, 14 FCC Rcd at 3704-5, ¶§ 25, 26 (footnotes omitted).

⁵⁰ Reciprocal Compensation Order, 14 FCC Red at 3705-6, ¶ 26.

¹¹ Reciprocal Compensation Order, 14 FCC Rcd at 3707, ¶ 28.

Reciprocal Compensation Order, 14 FCC Rcd at 3706, n.87. In the Reciprocal Compensation Order, the Commission also issued a notice of proposed rulemaking (NPRM) in which the Commission "tentatively conclude[d] that, as a matter of federal policy, the inter-carrier compensation for this interstate telecommunications traffic should be governed prospectively by interconnection agreements negotiated and arbitrated under sections 251 and 252 of the Act." Id. at 3707, ¶ 30. The comment cycle for this NPRM has concluded, and the Commission expects to issue an order resolving that proceeding in the near future.

¹³ Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1 (effective April 15, 1999).

rules.34 The Tariff purports to charge an interstate rate of \$.008 per minute for all ISP-bound calls for which Global NAPs does not receive compensation under an interconnection agreement.35 Towards that end, the Tariff states:

This tariff applies to telecommunications delivered to the Company [i.e., Global NAPs] by a local exchange carrier (the "Delivering LEC") for further delivery to an Internet Service Provider ("ISP") which obtains connections to the public switched network from the Company. This tariff applies to all ISP-bound traffic for which the Company does not receive compensation from the Delivering LEC under the terms of an interconnection agreement entered into pursuant to Sections 251 and 252 of the Communications Act of 1934, as amended (an "Interconnection Agreement").³⁶

12. On May 19, 1999, the Massachusetts DTE vacated its October 21, 1998 decision, concluding that our *Reciprocal Compensation Order* had invalidated the "two-call" theory on which the Massachusetts DTE had asserted jurisdiction over, and required reciprocal compensation for, ISP-bound traffic.¹⁷ The Massachusetts DTE ruled, therefore, that Bell Atlantic is not presently required to pay reciprocal compensation for ISP-bound traffic, retroactive to February 26, 1999.³⁸ The Massachusetts DTE expressly preserved the possibility,

^{44 47} C.F.R. § 61.23(c).

³⁵ Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1, at \$2-83, Sections 7A.1, 7A.4 (effective April 15, 1999); see also Joint Statement at 1-2.

Section 7A.1 (effective April 15, 1999). Moreover, section 7A.2 of Global NAPs, Inc., Tariff F.C.C. No. 1, at 82, Section 7A.1 (effective April 15, 1999). Moreover, section 7A.2 of Global NAPs' tariff provides that "[a] delivering LEC with which Company has an Interconnection Agreement may avoid charges under this Tariff by agreeing to treat ISP-bound calls delivered to Company as 'local traffic' subject to reciprocal compensation under Section 251(b)(5) and applicable terms of the Interconnection Agreement. Failure by such a carrier to actually compensate Company for ISP-bound traffic as local traffic under the terms of an Interconnection Agreement shall constitute an election to compensate Company under the terms of this Tariff." Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1, at 82, Section 7A.2 (effective April 15, 1999). In addition, Section 7A.3 of Global NAPs' tariff provides that "[t]his tariff applies to all ISP-bound traffic that is subject to the jurisdiction of the Federal Communications Commission. To the extent that a Delivering LEC asserts that the terms of an Interconnection Agreement do not apply to some or all ISP-bound traffic due to the jurisdictionally interstate nature of such traffic, that assertion shall constitute a binding election to treat all ISP-bound traffic not subject to an Interconnection Agreement as jurisdictionally interstate and subject to this tariff." Id. at 82, Section 7A.3.

³⁷ See Complaint of MCI WorldCom, Inc. v. New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts, Commonwealth of Massachusetts Department of Telecommunications and Energy, D.T.E. 97-116-C (Mass. D.T.E. rel. May 19, 1999) (Massachusetts DTE May 19, 1999 Order), attached to Bell Atlantic Complaint, Attachment A at 24-25.

¹⁸ See Massachusetts DTE May 19, 1999 Order at 28.

however, that provisions within existing interconnection agreements not inextricably bound to the "two-call" theory might require the payment of some compensation for the delivery of ISP-bound traffic. ³⁵ Indeed, the Massachusetts DTE repeatedly acknowledged that, notwithstanding its vacation of its October 21, 1998 Order, the issue of whether existing interconnection agreements between Bell Atlantic and CLECs require some form of compensation for ISP-bound traffic remains a live dispute. ⁴⁰ Accordingly, in express reliance on the directives contained in our Reciprocal Compensation Order, the Massachusetts DTE stated that Bell Atlantic and applicable CLECs, including Global NAPs, should negotiate about the appropriate compensation mechanism for inter-carrier delivery of ISP-bound traffic pursuant to section 252 of the Act. ⁴¹

During negotiations, the parties to this agreement may determine that adequate pricing and other terms for these transactions are already governed by other contract provisions (and, certainly, arguments along these lines have been advanced in the CLECs' comments...). Or else, accepting or at least acquiescing in our view of Section 5.8 of the interconnection agreement, they may jointly conclude that the present agreement is silent on the point and needs to be supplemented to provide new terms for these mutual services. They are free to arrive at either judgment in coming to terms over the present dispute. The best outcome is for Bell Atlantic and MCI WorldCom (or other CLECs where other interconnection agreements are concerned) to arrive at a resolution themselves. A far less satisfactory outcome is for the Department to have to interpret, or even to supply, terms, because the parties cannot agree. Massachusetts DTE May 19, 1999 Order at 29 (emphases added).

40 The Massachusetts DTE stated, for example:

Although MCI WorldCom and Bell Atlantic may still disagree about reciprocal compensation obligations under their interconnection agreement, there is - post February 26, 1999 - no valid and effective D.T.E. order still in place to resolve their dispute. Unsatisfying as it may be to say so, all that remains is a now-unresolved dispute.

Massachusetts DTE May 19. 1999 Order at 25-26 (emphases added). See also, Massachusetts DTE May 19, 1999 Order at 27 ("MCI WorldCom may choose to renew its complaint upon some claim that Massachusetts contract law or 'other legal or equitable considerations' give rise to mutual obligation on its and Bell Atlantic's parts to pay reciprocal compensation for ISP-bound traffic, even despite the FCC's jurisdictional pronouncement.") (emphasis added); Massachusetts DTE May 19, 1999 Order at 27 n.29 ("We do not, at this point, hazard a judgment whether such an alternative basis exists in the Bell Atlantic-MCI WorldCom interconnection agreement before us. If such a basis can be convincingly shown, then it would not be the Department's role to save contracting parties from later-regretted commercial judgments."); Massachusetts DTE May 19, 1999 Order at 28 n.30 (declining to rule whether MCI WorldCom must refund reciprocal compensation payments made by Bell Atlantic prior to the Reciprocal Compensation Order, because "[1]0 do so now would be premature," given the continuing possibility that the existing interconnection agreement might be construed to have required such payments by Bell Atlantic.); n. 39, supra.

¹⁹ In this regard, the Massachusens DTE stated:

⁴¹ See Massachusetts DTE May 19, 1999 Order at 30 ("[W]e expect carriers to begin the voluntary negotiation process provided in section 252 of the 1996 Act, in order to establish insofar as may be warranted, an inter-carrier compensation mechanism that would apply to compensation for all ISP-bound traffic that was not disbursed as of February 26, 1999, as well as all later-occurring ISP-bound traffic.").

The Massachusetts DTE also offered to provide a mediator pursuant to section 252(a)(2) to facilitate the parties' negotiations.⁴² The Massachusetts DTE further observed:

If these negotiations do not resolve the present interconnection agreement dispute, the Department can arbitrate the matter under section 252(b). At that time, consistent with the discretion we have been given by the FCC (at least until the NPRM is settled), the Department would resolve whatever issues are put before it.⁴³

- 13. On May 27, 1999, Global NAPs forwarded a bill to Bell Atlantic pursuant to Sections 7 and 7A of its FCC Tariff No. 1, in which it sought payment, in the amount of \$1,726,679, for ISP-bound traffic that Bell Atlantic delivered to Global NAPs in Massachusetts between April 15, 1999 and April 30, 1999.⁴⁴ Bell Atlantic has refused to pay this bill.⁴⁵ Subsequent to April 30, 1999, Global NAPs has forwarded to Bell Atlantic additional similar bills pursuant to its FCC Tariff No. 1, which Bell Atlantic has also not paid.⁴⁶
- of the Act challenging the lawfulness of Sections 7 and 7A of Global NAPs' F.C.C. Tariff No. 1. In its complaint, Bell Atlantic seeks a Commission finding that those tariff provisions are unjust and unreasonable under section 201(b) of the Act for the following reasons. First, Bell Atlantic claims that Global NAPs' tariff violates the so-called "ESP exemption," because said exemption allegedly precludes any carrier from assessing any per-minute interstate charges on ISP-bound traffic. Second, Bell Atlantic argues that, if the ESP exemption does not apply, then Global

⁴² See Massachusetts DTE May 19, 1999 Order at 30 ("If need be, we would be willing to provide a Department mediator to facilitate agreement, pursuant to the mediation provision of section 252(a)(2).").

⁴⁾ See Massachuseiis DTE May 19, 1999 Order at 30.

⁴⁴ Bell Atlantic Complaint at Attachment B; see also Joint Statement at 2.

⁴⁵ See Global NAPs Answer, Proposed Findings of Fact, at 2-3.

⁴⁶ See Global NAPs Answer, Proposed Findings of Fact, at 2-3.

⁴⁷ Bell Atlantic Complaint at 3, 8-9, 15 (citing Reciprocal Compensation Order, 14 FCC Red at 3700, ¶ 16; GTE Telephone Operating Cos., GTOC Tariff No. 1 GTOC Transmittal No. 1148, CC Docket No. 98-79, Memorandum Opinion and Order, 13 FCC Red 22466 (1998) (GTE ADSL Order)); Bell Atlantic's Brief on Non-Cost Issues, File No. E-99-22 (Bell Atlantic Non-Cost Brief) at 2, 6, 7-8 (filed Sept. 2, 1999) (citing GTE ADSL Order, 13 FCC Red at 22469-70, ¶ 7; MTS and WATS Market Structure, CC Docket No. 78-72, Memorandum Opinion and Order, Phase 1, 97 F.C.C. 2d 682, 721 (1983) (MTS and WATS Market Structure Order)); Bell Atlantic Reply Brief on Non-Cost Issues, File No. E-99-22 (Bell Atlantic Non-Cost Reply Brief) at 2, 13-15 (filed Sept. 15, 1999) (citing MTS and WATS Market Structure Order, 97 FCC 2d 682, 721; Reciprocal Compensation Order, 14 FCC Red at 3705-6, ¶ 26.).

NAPs' tariff violates our rules governing inter-carrier shared access arrangements, because said rules allegedly preclude carriers that jointly provide access service from charging each other for such service, and may even require Global NAPs to reimburse Bell Atlantic for a portion of the fees that Global NAPs receives from its ISP customers. Third, Bell Atlantic asserts that Global NAPs' tariff violates our decision in the Reciprocal Compensation Order that, until a federal rule is adopted, the issue of compensation for inter-carrier delivery of ISP-bound traffic must be addressed exclusively through negotiations and state arbitrations under sections 251 and 252 of the Act. Fourth, Bell Atlantic maintains that Global NAPs' tariff constitutes "cramming," because Bell Atlantic allegedly has not agreed to subscribe to the tariffed services at issue; and finally, Bell Atlantic claims that Global NAPs' tariffed rates are unreasonably high. For the reasons described below, we find that Global NAPs' tariff is unlawful, but for reasons other than those asserted by Bell Atlantic.

IIL DISCUSSION

15. The parties do not dispute one principle: the Reciprocal Compensation Order holds that carriers whose interconnection agreements include an inter-carrier compensation

Bell Atlantic Complaint at 3, 9-10 (citing Access Billing Requirements for Joint Service Provision, CC Docket No. 87-579, Memorandum Opinion and Order, 4 FCC Red 7183, 7185-86 (1989); Waiver of Access Billing Requirements and Investigation of Permanent Modifications, CC Docket No. 86-104, Memorandum Opinion and Order, 2 FCC Red 4518, 4519 (1987); Investigation of Access and Divestiture Related Tariffs, CC Docket No. 83-1145, Memorandum Opinion and Order, Phase I, 97 F.C.C. 2d 1082, 1176-77 (1984)); Bell Atlantic Non-Cost Brief, at 2, 8-9 (citing Reciprocal Compensation Order, 14 FCC Red at 3695, ¶ 9; Access Billing Requirements for Joint Service Provision, 4 FCC Red 7183, ¶ 22-24; Waiver of Access Billing Requirements and Investigation of Permanent Modifications, 2 FCC Red 4518, ¶ 39-40; Investigation of Access and Divestiture Related Tariffs, 97 F.C.C. 2d 1082, 1176-77); Bell Atlantic Non-Cost Reply Brief, at 2, 12-15 (citing Reciprocal Compensation Order, 14 FCC Red at 3695, 3705-6, ¶ 9, 26).

⁴⁹ Bell Atlantic Complaint at 3-4, 10 (citing Reciprocal Compensation Order, 14 FCC Red at 3705-6, 3707-10, ¶¶ 26, 28-36); Bell Atlantic Non-Cost Brief, at 2, 9-13 (citing Reciprocal Compensation Order, 14 FCC Red at 3704-6, ¶¶ 25-27); Bell Atlantic Non-Cost Reply Brief, at 1-2, 3-7 (citing Reciprocal Compensation Order, 14 FCC Red at 3705-6, 3707, ¶¶ 26, 28).

Bell Atlantic Complaint at 4, 10-13; Bell Atlantic Non-Cost Brief at 1-2, 3-4, 14; Bell Atlantic Non-Cost Reply Brief, at 2, 10-12 (citing United Artists Payphone Corp. v. New York Telephone Company, Memorandum Opinion and Order, File Nos. E-90-181, E-90-182, 8 FCC Red 5563 (1993); MGC Communications Inc. v. AT&T Corp., DA 99-1395 (rel. July 16, 1999)).

Bell Atlantic Complaint at 13, 15-16; Bell Atlantic's Brief on Cost Issues, at 1-2, 8; Bell Atlantic Reply Brief on Cost Issues, at 2, 5.

³⁷ Given our determination that Global NAPs' tariff violates the *Reciprocal Compensation Order*, we need not, and do not, reach the other issues raised in Bell Atlantic's complaint.

mechanism for ISP-bound traffic must abide by the state commission's determination regarding the existence and meaning of the mechanism.²³

- determination whether the existing interconnection agreement between Bell Atlantic and MCI WorldCom -- and by extension, other CLECs, including Global NAPs -- provides for any intercarrier compensation for ISP-bound traffic. ⁵⁴ Not only did the Massachusetts DTE state repeatedly in its May 19, 1999 Order that this issue remains live and disputed, but the May 19, 1999 Order itself (from which 2 of the 5 Commissioners partially dissented) is the subject of several pending petitions for reconsideration. ⁵⁵ Moreover, on April 16, 1999, Global NAPs filed with the Massachusetts DTE a complaint against Bell Atlantic regarding this very issue, and the Massachusetts DTE has not yet resolved Global NAPs' complaint. ⁵⁶ Indeed, in its briefs here, Global NAPs acknowledges (albeit in passing) that the Massachusetts DTE still could decide that the existing interconnection agreement between the parties requires Bell Atlantic to compensate Global NAPs in some way for the delivery of ISP-bound traffic. ⁵⁷
- 17. Sections 251 and 252 of the Act create, *inter alia*, negotiation and arbitration procedures for CLECs to interconnect with incumbent LECs in order to provide competing communications services. Congress gave exclusive authority over those processes to state commissions, even though the interconnection matters encompassed by sections 251 and 252

[&]quot;See ¶ 9, supra; see also US West Communications v. MFS Intelenet, Inc., _____F.3d ____, 1999 WL 799082 (9th Cir. (Wash.)) ("The FCC has held parties are bound by interconnection agreements that include ISP-Bound Traffic in their reciprocal compensation provisions and are approved by a state commission."); Illinois Bell Telephone Company v. WorldCom Technologies, Inc., 179 F.3d 566, 574 (7th Cir. 1999) (stating that "[t]he Commission could not have made clearer [in the Reciprocal Compensation Order] its willingness -- at least until a federal rule is promulgated — to let state commissions make the call [regarding the appropriate compensation mechanism for ISP-bound traffic.]").

³⁴ See ¶ 12, supra.

⁵⁵ See, e.g., MCI WorldCom Technologies, Inc. Order, D.T.E., 97-116-D, Motions for Reconsideration filed by Global NAPs, Sprint Communications, and RCN Telecom (July 13, 1999).

³⁶ See Complaint of Global NAPs, Inc. v. Bell Atlantic, Commonwealth of Massachusetts Department of Telecommunications and Energy, D.T.E. 99-39 (filed April 16, 1999), attached to Letter from Karlyn D. Stanley to Magalic Roman Salas, dated August 10, 1999, File No. E-99-22; see also initial Brief of Global NAPs on Non-Cost Issues, at 41 n.32.

¹⁷ Initial Brief of Global NAPs on Non-Cost Issues, at 41; Reply Brief of Global NAPs, at 20. Global NAPs characterizes this possibility as remote, at best, but we must accept at face value the Massachusetts DTE's repeated assertions that it still could construe the existing interconnection agreement as requiring inter-carrier compensation for ISP-bound traffic.

have both interstate and intrastate aspects.⁵⁸ Thus, the fact that ISP-bound traffic is largely interstate does not necessarily mean that such traffic cannot fall within the state-supervised negotiation and arbitration processes set forth in sections 251 and 252.⁵⁹

- A careful reading of sections 251 and 252 reveals, in fact, that ISP-bound traffic 18. may fall within the state-supervised negotiation and arbitration processes set forth therein. 60 It is beyond debate that the rates, terms, and conditions under which carriers will exchange traffic may be essential terms of some interconnection agreements. Moreover, sections 252(b)(1), (b)(4)(C), and (c)(1) require a state commission to resolve any "open issues" between the parties negotiating an interconnection agreement, and, in doing so, to ensure that such resolution meets the requirements of section 251.61 Section 251(d)(3) specifically preserves state authority to impose any "access and interconnection obligations" that are not either inconsistent with or disruptive of the requirements and purposes of the Act. 42 Thus, it was within our discretion to direct in the Reciprocal Compensation Order that, on an interim basis, inter-carrier compensation for ISP-bound traffic should be treated as an "open issue" subject to the state-supervised negotiation/mediation/arbitration processes set forth in sections 251 and 252 of the Act. Accordingly, whether the existing interconnection agreement between Bell Atlantic and Global NAPs does or should provide for inter-carrier compensation for ISP-bound traffic is an appropriate area of inquiry for the Massachusetts DTE under sections 251 and 252 of the Act, even though ISP-bound traffic is largely interstate.
- 19. Global NAPs does not appear to argue otherwise. In fact, Global NAPs (along with other Intervenors) filed a brief in the appeal of the *Reciprocal Compensation Order* contending (consistent with our analysis here) that state commissions do have authority under

Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket Nos. 96-98, 95-185, First Report and Order, 11 FCC Red 15499, 15520, ¶41 (1996) (Local Competition Order), aff'd in part and vacated in part sub nom. Competitive Telecommunications Ass'n v, FCC, 117 F.3d 1068 (8th Cir. 1997) (CompTel), aff'd in part and vacated in part sub nom. lowa Utils. Bd. v. FCC, 120 F.3d 753 (8th Cir. 1997) (lowa Utils. Bd), aff'd in part and rev'd in part sub nom. AT&T Cos. v. lowa Utils. Bd., 119 S. Ct. 721 (1999); Order on Reconsideration, 11 FCC Red 13042 (1996); Second Order on Reconsideration, 11 FCC Red 19738 (1996); Third Order on Reconsideration and Further Notice of Proposed Rulemaking, 12 FCC Red 12460 (1997); further reconpending; see also Reciprocal Compensation Order, 14 FCC Red at 3704-5, ¶25.

⁵⁹ Reciprocal Compensation Order, 14 FCC Red at 3704-5, ¶ 25.

⁶⁰ In conducting arbitration procedures under section 252 of the Act, however, state commissions still must comply with our rules and our interpretation of the Act. Thus, when we adopt federal rules for inter-carrier compensation for ISP-bound traffic, state commissions conducting arbitrations must abide by these rules.

^{41 47} U.S.C. §§ 252(b)(1), 252(b)(4)(C), and 252(c)(1).

⁴⁷ U.S.C. § 251(d)(3).

sections 251 and 252 of the Act to determine whether interconnection agreements do or should contain inter-carrier compensation mechanisms for ISP-bound traffic.⁶³

- Order to support its position that, until we adopt a federal rule on the subject, state commissions have concurrent, not exclusive, authority to establish inter-carrier compensation for ISP-bound traffic. This means, in Global NAPs' view, that its federal tariff properly invokes the Commission's concurrent jurisdiction. The Commission, however, speaks through its orders, and nothing in our Reciprocal Compensation Order changes the analysis herein.
- 21. We need not decide here in the abstract whether Global NAPs may file any tariff addressing compensation for terminating ISP-bound traffic, because we find the tariff before us to be unjust and unreasonable. Section 7A.1 of the tariff provides that the tariff applies "to all ISP-bound traffic for which the Company does not receive compensation from the Delivering LEC under the terms of an interconnection agreement entered into pursuant to sections 251 and 252 of the Communications Act. . . . "65 As first explained above, however, the parties do not know at this time whether compensation is due pursuant to their agreement, and will not know until the Massachusetts DTE makes its final determination. Indeed, they have apparently been unsure of the answer to this question even since the agreement was signed. Thus, the parties are unable today to determine whether this tariff is actually applicable. We find that Global

The ILECs assert that the Commission has no authority to "authorize" state commissions to impose reciprocal compensation obligations to calls beyond the scope of Section 251(b)(5).... In this case, the Commission is not affirmatively authorizing the state commissions to impose reciprocal compensation obligations; the Commission is rendering an interpretation that imposing such obligations is not inconsistent with the Act or with existing federal rules, and therefore is not prohibited. The Commission issued a declaratory ruling to remove uncertainty and to settle a controversy, rather than an order authorizing, mandating, or prohibiting any particular action. Thus, the issue is not whether the Commission improperly authorized the state commissions to take a particular action, but whether the Commission correctly determined that state commissions have authority to take that action in the absence of contrary federal law. Id.

See Joint Brief of Intervenors in Support of Respondents in Opposition to the LEC Petitioners, Bell Atlantic Telephone Companies, Inc. et al. v. FCC, Nos. 99-1094, et al. (filed August 5, 1999).

⁶⁴ See Initial Brief of Global NAPs on Non-Cost Issues, at 4, 34-35; Reply Brief of Global NAPs, at 18-19; see also Brief for Federal Communications Commission, Bell Atlantic Telephone Companies, et al v. FCC, Nos. 99-1094 et al, at 47 (filed July 22, 1999). The portion of the Commission's D.C. Circuit brief to which Global NAPs refers states:

⁶⁵ Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1, at 82, Section 7A,1 (effective April 15, 1999).

[&]quot; See ¶ 4, supra.

NAPs has acted unreasonably in implementing tariff provisions under which the purported customer cannot readily discern whether it is incurring the tariffed charges at the time that they are allegedly incurred. We find that Global NAPs cannot reasonably bill Bell Atlantic under this tariff when the very applicability of the tariff has yet to be determined.

- 22. The contingent and unclear applicability of the tariff defies the Commission's longstanding interpretation of section 201(b) of the Act, as reflected in section 61.2 of our rules.⁶⁷ Those authorities require that the applicability of the tariff rate, and its terms, be clear and explicit.
- 23. Moreover, it seems evident that any federal tariff purporting to govern intercarrier compensation for ISP-bound traffic could be reasonable only if it mirrors any applicable terms of the party's interconnection agreement, as construed by the appropriate state commission. Using the tariff process to circumvent the section 251 and 252 processes cannot be allowed. In this regard, we find the tariff to be unreasonable in another respect. Section 7A.1 purports to apply the tariff even when a valid interconnection agreement could be in place. That is, the tariff by its terms applies not simply where no agreement addresses compensation for the traffic at issue, but in any circumstance where Global NAPs does not receive compensation. It is certainly possible that parties could have addressed ISP-bound traffic in their agreements without requiring payment to the terminating carrier, e.g., by agreeing to a bill and keep arrangement. This tariff provision seems to purport to override any such agreement.
- 24. Finally, in addition to the above findings, Global NAPs' tariff is unlawful on independent grounds. In particular, its tariff is not self-contained, but instead cross references, impermissibly, "an interconnection agreement." This violates section 61.74(a) of our rules, "which provides that, in the absence of a waiver granted under sections 61.151, 61.152, and 61.153 of the Commission's rules, "no tariff publication filed with the Commission may make reference to any other tariff publication or to any other document or instrument." As the Commission has declared previously,

⁶⁷ 47 U.S.C. § 201(b). Section 61.2 of the Commission's rules states that "[i]n order to remove all doubt as to their proper application, all tariff publications must contain clea[r] and explicit explanatory statements regarding the rates and regulations." 47 C.F.R. § 61.2.

⁶⁸ Specialized Common Carrier Service Regulations and Rates of Global NAPs, Inc., Tariff F.C.C. No. 1, at 82, Section 7A.1.

^{49 47} C.F.R. § 61.74(a).

^{70 47} C.F.R. §§ 61.151, 61.152, 61.153.

^{71 47} C.F.R. § 61.74(a).

"a tariff should be complete when filed. Confusion may result if references to other tariffs [or documents] are allowed since all important information will not be consolidated in one place and references may be incomplete. In addition, referenced documents may not be easily accessible to the public."⁷²

Global NAPs' improper cross-referencing of an exogenous document renders the challenged tariff provisions unlawful and is an independent and sufficient basis for granting Bell Atlantic's complaint.

IV. CONCLUSION

- 25. For the foregoing reasons, we grant Bell Atlantic's complaint and hold that Sections 7 and 7A of Global NAPs' tariff are unlawful under section 201(b) of the Act. In addition, we find that Sections 7 and 7A of Global NAPs' tariff are unlawful, because they do not comply with Part 61 of our rules.
- 26. Having found that the Tariff is unlawful for the reasons set forth above, we need not reach each of the other grounds asserted by Bell Atlantic in its complaint. We caution that this does not, however, constitute a conclusion that the Tariff is reasonable with respect to issues not raised or discussed here.

Amendment of Paris 1 and 61 of the Commission's Rules, Report and Order, 98 F.C.C.2d 855, 876 at ¶80 (1984).

⁷³ See Revisions to Southwestern Bell Telephone Company Tariff F.C.C. No. 68, Order, 4 FCC Rcd 2624 (1988); AT&T Communications Revisions to Tariff F.C.C. No. 15, Competitive Pricing Plan No. 12, DA 93-383, Order, 1993 WL 756821 (Com. Car. Bur. rel. April 2, 1993); Lincoln Telephone and Telegraph, Memorandum Opinion and Order, 78 F.C.C. 2d 1219 (1998).

V. ORDERING CLAUSE

27. Accordingly, IT IS ORDERED, pursuant to sections 4(i), 4(j), 201(b), and 208 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 154(j), 201(b), and 208 and sections 61.2 and 61.74 of the Commission's rules, 47 C.F.R. §§ 61.2, 61.74, that Bell Atlantic's complaint is GRANTED, to the extent indicated herein.

FEDERAL COMMUNICATIONS COMMISSION

Magalie Roman Salas Secretary

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET 9/2/7-7 EVHIBIT NO 17
COMPANY/ Banaries WITNESS:
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Dr. Banerjee is a Senior Consultant with the Communications Practice at NERA. He is responsible for providing analysis of, and expert witness testimony on, regulatory and economic issues of concern to telecommunications companies, preparing and responding to interrogatories in regulatory proceedings, and conducting econometric/statistical analysis to support marketing and market research activities of telecommunications companies. Dr. Banerjee works on a range of issues including Internet economics, price cap and incentive regulation, local and long distance competition, pricing of interconnection and unbundled services, reciprocal compensation, resale and avoided cost, benchmark and proxy cost models, and universal service. His market research activities are carried out, as needed, in collaboration with leading providers of telecommunications data or directly with telecommunications companies.

Before coming to NERA, Dr. Banerjee was a Research Economist (and internal economic consultant) at BellSouth Telecommunications where he was responsible for providing economic policy guidelines to key decision-makers and the Officer Body, preparing testimony and cross-examination questions, responding to interrogatories, and building econometric models to answer business questions. He provided quantification support on BellSouth's design of a price cap regulatory framework, and contributed to BellSouth's policies on local and toll imputation, universal service, interconnection pricing, rate rebalancing, and per use pricing of vertical services. He also represented BellSouth's participation in the National Telecommunications Demand Study, an ongoing study of demand trends in the telecommunications industry.

Prior to BellSouth, Dr. Banerjee was an economic consultant as a Member of the Technical Staff at Bell Communications Research and a Staff Supervisor at AT&T. Dr. Banerjee has several years of experience teaching graduate and undergraduate courses in economic theory, statistics, econometrics, industrial organization, and public finance. He has conducted research on the dynamics of futures markets and various aspects of time series econometrics. He has presented a number of papers on telecommunications economics issues at national business and academic conferences.

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EMPLOYMENT

NATIONAL ECONOMIC RESEARCH ASSOCIATES, INC.

1995-

Senior Consultant, Communications Practice. Responsible for applying economic theory, regulatory economics, and econometric analysis to a variety of tasks: supporting telecommunications firms in litigation and regulatory matters, market research, and strategic planning. Provide expert witness testimony and strategic advice.

BELLSOUTH TELECOMMUNICATIONS

1992-1995

Research Economist, Statistics and Econometrics Group.

Developed, led, and disseminated economic and econometric research on issues of concern to BellSouth Telecommunications in particular and the telecommunications industry in general.

Contributed to each of the following areas: regulatory economics, demand analysis (growth and elasticities), market potential, diffusion, pricing, cost, new product planning, forecasting, market research, competitive analysis, and the development of strategy/policy positions for BellSouth. Supervised and collaborated with other BellSouth economists and strategic planners and outside consultants.

BELL COMMUNICATIONS RESEARCH

1989-1992

Member of Technical Staff, Regulatory Economics and Pricing Theory, Demand Response Analysis Group. Developed various statistical and econometric methods and models that are applicable to the study of demand for various types of telephone service. The focus was on analysis, forecasting, and rate design support to client companies including BellSouth, U S West, NYNEX, and Bell Atlantic. Developed software for demand and

market potential analysis using advanced mathematical/statistical languages. Transformed original techniques research into business tools for analysts within client companies.

AT&T COMMUNICATIONS

1988-1989

<u>Staff Supervisor</u>, Market Analysis and Forecasting, Consumer Markets and Services. Assisted and contributed to demand analysis and forecasting efforts of the group. The focus was on demand issues related to AT&T's business and residential long distance telephone services.

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1985-1988

Assistant Professor, Department of Economics. Developed and taught undergraduate and graduate courses in economics and econometrics. Conducted personal research in economics and econometrics. Supervised graduate student research leading to M.S. and Ph.D. degrees in economics. Developed the econometrics component of a new graduate program in policy analysis at Penn State. And, advised undergraduate economics students on their curriculum and course selection. Taught courses on introductory macro-economic theory, introductory and intermediate micro-economic theory, industrial organization, public sector economics, statistics, and introductory econometrics. Developed and taught advanced graduate econometrics and time series courses (frequency-domain econometrics and spectral analysis, dynamic simultaneous equations systems and state space models, causality, model testing and validation, nonlinear time series, and asymptotic theory.

1982-1985

<u>Instructor</u>, Department of Economics. Taught a number of undergraduate economics courses including macro-economic theory, micro-economic theory, public sector economics, and statistical foundations of econometrics.

1979-1982

Research Assistant, Department of Agricultural Economics & Rural Sociology. Assisted in research activities of Professor Robert D. Weaver of the Department of Agricultural Economics. Research areas included: stabilization of prices of internationally traded agricultural commodities; choice under risk-aversion by a firm faced with multiple sources of uncertainty; impacts of public policy on risk-averse firms; market efficiency, role of information, distribution of asset returns, and market equilibrium; and productivity and cost relations in the wheat, corn, and soybean producing areas of the U.S. using crop survey data from the U.S. Department of Agriculture. Most of the work consisted of literature

research, writing computer programming, and econometric data analysis.

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1977-1979

<u>Lecturer</u>, Department of Economics, Shri Ram College of Commerce. Taught undergraduate economics courses including micro-economic theory, public finance, and economic planning and policy.

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Marquis' Who's Who in the South and Southwest, 1995-96 Gamma Sigma Delta Honor Society of Agriculture, inducted 1983 Phi Kappa Phi, inducted 1982

Department Head Award, BellSouth Telecommunications, 1993 Department Head Commendation, Bell Communications Research, 1992 Vice President's Award, Bell Communications Research, 1990

PAPERS AND PUBLICATIONS

CONTRIBUTIONS TO NERA REPORTS

"An Economic and Policy Analysis of Efficient Intercarrier Compensation Mechanisms for ISP-Bound Traffic," (with Agustin Ros and William E. Taylor), exparte with FCC on behalf of U S WEST Communications, Inc., November 12, 1999.

"Determining Fair and Reasonable Rates Under Competition: Response to Major Themes at the FPSC Workshop," for BellSouth Telecommunications, Inc., November 1998.

"Costing and Pricing Principles for Determining Fair and Reasonable Rates Under Competition," for BellSouth Telecommunications, Inc., September 1998.

"Local Telecommunications Competition: An Evaluation of a Proposal by the Communications Staff of the Florida Public Service Commission," with William E. Taylor, for BellSouth Telecommunications, Inc., November 1997.

"Costing and Pricing Principles for Competitive Telecommunications: A Critique of David Gabel's Recommendations," for BellSouth Telecommunications, March 1997.

"Comments (on Universal Service and the Hatfield Model)," with William E. Taylor, for BellSouth Telecommunications, Inc. (filed with the Federal Communications Commission for CC Docket No. 96-45), August 1996.

"Telephone Company Provision of Broadband Services: Economies of Scope, Competition, and Public Policy," for BellSouth Interactive Media Services, 1995.

"Economic Welfare Benefits from Rate Rebalancing," for Stentor Resource Centre Inc., 1995.

TESTIMONY

Affidavit, on behalf of the United States Telephone Association, Review of the Depreciation Requirements for Incumbent Local Exchange Carriers, CC Docket No. 98-137, November 23, 1998 (with William Taylor).

Affidavit supporting BellSouth Telecommunications Inc.'s motion to dismiss liability case brought by Public Storage Inc. of California because of lack of personal jurisdiction, before the U.S. District Court of the Central District of California, Case No. 90-3943 R (RZX), September 1998.

Affidavit and Reply Affidavit supporting the application by BellSouth Corporation for provision of in-region, interLATA services in Louisiana, Round 2, CC Docket No. 98-121, July-August 1998.

Affidavit and Reply Affidavit supporting the application by BellSouth Corporation for provision of in-region, interLATA services in Louisiana, CC Docket No. 97-231, October-December 1997.

Testimony critiquing the Hatfield Cost Model for setting unbundled network element rates for GTE in Alabama, on behalf of GTE South and Contel of the South in Arbitration with AT&T, Alabama Public Service Commission, Docket No. 25704, November 1996. [Testified at Hearings, December 1996]

Testimony critiquing the Hatfield Cost Model for setting unbundled network element rates for GTE in Texas, on behalf of GTE Southwest in Arbitration with ASCI, Texas Public Utility Commission, Docket No. 16,473, November 1996. [Testified at Hearings, December 1996]

Testimony critiquing the Hatfield Cost Model for setting unbundled network element rates for GTE in Oklahoma, on behalf of GTE Southwest in Arbitration with AT&T, Oklahoma Corporation Commission, Cause No. PUD 960000242, November 1996. [Testified at Hearings, November 1996]

Direct Testimony critiquing the use of the Benchmark Cost Model for setting the unbundled loop rate for BellSouth in Georgia, on behalf of BellSouth

Telecommunications, to Georgia Public Service Commission, Docket 6759-U, October 1996. [Testified at Hearings, October 1996]

Consolidated Direct and Rebuttal Testimony critiquing bill and keep compensation for interconnection, on behalf of BellSouth Telecommunications, to Florida Public Service Commission, Docket 950985-TP (Petitions by Continental Cablevision, Metropolitan Fiber Systems of Florida, and MCI Metro Access Transmission Services), November 1995. [Testified at Hearings, January 1996]

Direct Testimony on unbundling by local exchange carriers and related cost issues, on behalf of BellSouth Telecommunications, to Florida Public Service Commission, Docket 950984-TP (Petitions by Metropolitan Fiber Systems of Florida, and MCI Metro Access Transmission Services), November 1995. [Testified at Hearings, January 1996]

Rebuttal Testimony critiquing bill and keep compensation for interconnection, on behalf of BellSouth Telecommunications, to Florida Public Service Commission, Docket 950985-TP (Petition by Teleport Communications Group), September 1995.

Direct Testimony addressing interconnection rate structure design, on behalf of BellSouth Telecommunications, to Florida Public Service Commission, Docket 950985-TP (Petition by Teleport Communications Group), September 1995.

Testified on behalf of BellSouth Telecommunications in Universal Service Proceeding, Tennessee Public Service Commission, Docket 95-02499, October 1995.

Wrote significant sections of NERA testimony/comments/affidavits presented to:

- · state regulatory commissions on
 - Price cap, local competition, interconnection, and unbundling issues (Connecticut, Kentucky, Louisiana, Mississippi, Pennsylvania, New Mexico, Vermont)
 - 2. Universal service issues (Alabama, Florida, Kentucky, Louisiana, Mississippi, New Jersey, New Mexico, North Carolina, South Carolina, Tennessee)
 - 3. Resale and avoided cost (Alabama, Louisiana, Tennessee)
 - 4. Cost models (Alabama, Georgia, Massachusetts, Missouri, New Jersey, New York, Oklahoma, Pennsylvania, Texas)
 - Local company entry into interLATA long distance (Alabama, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee)
 - 6. TELRIC pricing of unbundled elements (Alabama, Delaware, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, Washington DC, West Virginia)
 - 7. Access charge reform (Nebraska, Pennsylvania)

- 8. Rate rebalancing and welfare impacts (Ohio)
- 9. Pricing flexibility under price caps (New Mexico, North Carolina, Wyoming)
- 10. Cost recovery for Operations Support Systems and service quality measurement (Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee)
- 11. Reciprocal compensation for cellular, paging, and internet service providers (Alabama, Colorado, Florida, Georgia, Idaho, Kentucky, Louisiana, Massachusetts, Mississippi, New Mexico, North Carolina, Oregon, South Carolina, Tennessee, Washington)
- 12. Payphone rates and new services test (South Carolina)
- Federal Communications Commission in dockets or ex partes on
 - 1. CMRS interconnection (for NYNEX)
 - 2. Benchmark and proxy cost models (for BellSouth, Southwestern Bell, and NYNEX)
 - 3. Universal service (for BellSouth)
 - 4. InterLATA authority (for BellSouth)
 - 5. Access reform (for BellSouth)
 - 6. Regulatory forbearance for hicap services (for BellSouth)
 - 7. Depreciation reform (for USTA)
 - 8. Inter-carrier compensation for Internet-bound traffic (for U S WEST)
- Canadian Radio-television and Telecommunications Commission in price cap proceeding (for Manitoba Telephone System)
- Telefonica Spain, on matters of reciprocal compensation
- Civil Action No. 94-324 (GK), FreBon International Corp. v. Bell Atlantic Corp., et al., Defendant's Expert Disclosure Statement

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- "The Internet: Market Characteristics and Regulatory Conundrums," 1999. Co-authored with Agustin Ros.
- "Telecommunications Privatization and Tariff Rebalancing: Evidence from Latin America," 1999. Co-authored with Agustin Ros. Forthcoming in Telecommunications Policy.
- "Using Covariances of Share Changes to Determine Substitutability" (an application to media advertising), 1997. Co-authored with Michael Salinger.

- "The Case Against Imputation of Access Charges in IntraLATA Toll Prices: Economic Efficiency and Fairness Reconsidered," BellSouth Telecommunications, 1994.
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