

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of amendment to interconnection, unbundling, and resale agreement negotiated by BellSouth Telecommunications, Inc. with US LEC of North Carolina L.L.C. pursuant to Section 252(e) of the Telecommunications Act of 1996.

DOCKET NO. 971413-TP
ORDER NO. PSC-98-0271-FOF-TP
ISSUED: February 11, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

ORDER APPROVING AMENDMENT TO
INTERCONNECTION, UNBUNDLING, AND
RESALE AGREEMENT

BY THE COMMISSION:

On October 24, 1997, BellSouth Telecommunications, Inc., (BellSouth) and US LEC of North Carolina L.L.C., (US LEC) filed a request for approval of an amendment to their resale, interconnection agreement under the Telecommunications Act of 1996, 47 U.S.C. §252(e) of the Telecommunications Act of 1996 (the Act). The amendment to the agreement is attached to this Order as Attachment A and incorporated by reference herein.

Both the Act and Chapter 364, Florida Statutes, encourage parties to enter into negotiated agreements to bring about local exchange competition as quickly as possible. Under the requirements of 47 U.S.C. § 252(e), negotiated agreements and amendments thereto must be submitted to the state commission for approval. Section 252(e)(4) requires the state to reject or

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approve the agreement within 90 days after submission or it shall be deemed approved.

This amended agreement covers a two-year period and governs the relationship between the companies regarding local interconnection and the exchange of traffic pursuant to 47 U.S.C. § 251. Under 47 U.S.C. § 252(a)(1), the agreement shall include a detailed schedule of itemized charges for interconnection and each service or network element included in the agreement.

Upon review of the proposed amendment to the agreement, we find that it complies with the Telecommunications Act of 1996; thus, we hereby approve it. The Commission's approval of this agreement should not be construed as a determination that BellSouth has met the requirements of Section 271 of the Act. BellSouth and US LEC are also required to file any subsequent supplements or modifications to their agreement with the Commission for review under the provisions of 47 U.S.C. § 252(e). We note that US LEC does not currently hold a Florida certificate to provide alternative local exchange telecommunications services, and therefore, it cannot provide alternative local exchange telecommunications services under this agreement until it obtains a certificate from this Commission.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the amendment to the interconnection, unbundling, and resale agreement between BellSouth Telecommunications, Inc. and US LEC of North Carolina L.L.C., as set forth in Attachment A and incorporated by reference in this Order, is hereby approved. It is further

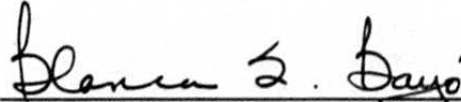
ORDERED that any supplements or modifications to this agreement must be filed with the Commission for review under the provisions of 47 U.S.C. § 252(e). It is further

ORDERED that US LEC of North Carolina L.L.C. shall not provide alternative local exchange telecommunication services under this agreement until it obtains a certificate to provide alternative local exchange telecommunications services services from this Commission. It is further

ORDERED that this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 11th
day of February, 1998.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

JRB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review in Federal district court pursuant to the Federal Telecommunications Act of 1996, 47 U.S.C. § 252(e)(6).

AMENDMENT NO. 1 TO AGREEMENT

This Amendment No. 1 ("Amendment") is made as of September 22, 1997, to that certain Agreement dated November 12, 1996 between BELLSOUTH TELECOMMUNICATIONS, INC., a Georgia corporation ("BellSouth"), and US LEC OF NORTH CAROLINA L.L.C., a North Carolina limited liability company ("US LEC-NC"), (as clarified by various communications, the "Existing Agreement").

A. The following affiliates of US LEC-NC have been organized for the purpose of becoming certified as ALECs in the following states where BellSouth has ILEC operations:

<u>Affiliate</u>	<u>State</u>
US LEC of Tennessee L.L.C.	Tennessee
US LEC of South Carolina L.L.C.	S. Carolina
US LEC of Georgia L.L.C.	Georgia
US LEC of Florida Inc.	Florida

B. US LEC-NC and BellSouth desire to extend the Existing Agreement and admit US LEC of Tennessee L.L.C., a Delaware limited liability company ("US LEC-TN"), US LEC of South Carolina L.L.C., a Delaware limited liability company ("US LEC-SC"), US LEC of Georgia L.L.C., a Delaware limited liability company ("US LEC-GA"), and US LEC of Florida, Inc., a North Carolina corporation ("US LEC-FL"), as parties to the Existing Agreement with the same rights and obligations thereunder as US LEC-NC, except as otherwise provided in this Amendment.

In consideration of the premises and intending to be legally bound hereby, the parties hereto agree as follows:

1. The Existing Agreement is hereby amended to add each of US LEC-TN, US LEC-SC, US LEC-GA and US LEC-FL to the Existing Agreement as a party thereto and to include each of them within the definition of "party" and all of them with in the definition of "parties".

2. From and after the date of this Agreement, the term "US LEC" as used in the Existing Agreement shall refer to US LEC-NC, US LEC-TN, US LEC-SC, US LEC-GA and US LEC-FL, and any of them; it being the intent of the parties that the Existing Agreement as amended hereby shall be interpreted and construed with respect to all matters related to North Carolina such that the Existing Agreement shall be construed and interpreted as being severally between BellSouth and US LEC-NC, and with respect to all matters related to Tennessee such that the Existing Agreement shall be construed and interpreted as being severally between BellSouth and US LEC-TN, and with respect to all matters related to South Carolina such that the Existing Agreement shall be construed and interpreted as being severally between BellSouth and US LEC-SC, with respect to all matters related to Georgia such that the Existing Agreement shall be construed and interpreted as being severally between BellSouth and US LEC-GA and with respect to all matters related to Florida such that the Existing Agreement shall be construed and interpreted as being severally between BellSouth and US LEC-FL.

3. BellSouth further acknowledges and agrees that US LEC-NC, US LEC-TN, US LEC-SC, US LEC-GA and US LEC-FL shall not be jointly liable to BellSouth with respect to the performance of their respective duties and obligations under the Agreement; it being the intent that (a) each of US LEC-NC, US LEC-TN, US LEC-SC, US LEC-GA and US LEC-FL shall only be severally obligated under the Existing Agreement and severally liable to BellSouth under the Existing Agreement for its own performance thereunder and not for the performance of any of its affiliates, and (b) US LEC-TN shall have duties and obligations under the Agreement only with respect to Tennessee, US LEC-SC shall have duties and obligations under the Agreement only with respect to South Carolina, US LEC-GA shall have duties and obligations under the Agreement only with respect to Georgia, US LEC-FL shall have duties and obligations under the Agreement only with respect to Florida and US LEC-NC shall have duties and obligations under the Agreement only with respect to North Carolina and Alabama, Kentucky, Louisiana, and Mississippi.

4. The term of the Agreement shall not be extended by this Amendment, and the parties confirm that it will terminate with respect to all parties effective as of November 1, 1998.

5. The 90 day period for adopting an implementation plan shall begin on the date hereof with respect to each of US LEC-TN, US LEC-SC, US LEC-GA and US LEC-FL or, if later, the date on which the applicable entity has filed its application for certification as an ALEC with the appropriate state commissioner.

6. The address for notices in Article XXVIII of the Existing Agreement for US LEC-NC may be used for US LEC-TN, US LEC-SC, US LEC-GA and US LEC-FL as well as for US LEC-NC.

7. Terms beginning with capital letters which are not otherwise defined in this Amendment shall be interpreted and construed with the same definition(s) and meaning(s) as set forth in the Existing Agreement.

8. BellSouth acknowledges that that US LEC-NC, US LEC-TN, US LEC-SC and US LEC-GA may be reorganized as corporations by merging such entities with corporations organized under Delaware or North Carolina law, and hereby agrees that such mergers shall not effect the Existing Agreement as modified by this Amendment so long as the surviving entities in such mergers shall be controlled by US LEC L.L.C. or its successor by merger. US LEC-NC shall notify BellSouth promptly following each such merger of the name of the successor entity and its state of incorporation.

9. In all other respects, the terms and conditions of the Existing Agreement shall remain in full force and effect.

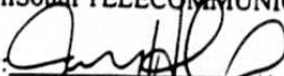
10. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

11. This Amendment contains the final, complete and exclusive statement of the agreements between the parties relating to the amendment of the Existing Agreement contemplated by this Amendment, and all prior and contemporaneous written or oral agreements relating to the extension of the Existing Agreement to US LEC-TN, US LEC-SC, US LEC-GA and/or US LEC-FL are merged herein and superseded.

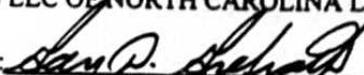
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IN WITNESS WHEREOF, the parties hereto have executed this Amendment in duplicate originals as of the date first set forth above, and by executing this Amendment each of US LEC-TN, US LEC-SC, US LEC-GA and US LEC-FL agree to be bound by the terms of the Existing Agreement, as amended by this Amendment, effective as of the date hereof.

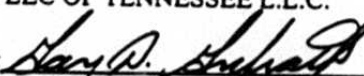
BellSouth TELECOMMUNICATIONS, INC.

By: 
Printed Name: Jerry D. Henderson
Title: Director

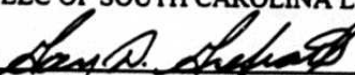
US LEC OF NORTH CAROLINA L.L.C.

By: 
Printed Name: Gary D. Grefrath
Title: Executive Vice President,
Regulatory & Administration

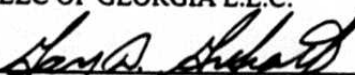
US LEC OF TENNESSEE L.L.C.

By: 
Printed Name: Gary D. Grefrath
Title: Executive Vice President,
Regulatory & Administration

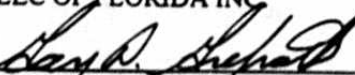
US LEC OF SOUTH CAROLINA L.L.C.

By: 
Printed Name: Gary D. Grefrath
Title: Executive Vice President,
Regulatory & Administration

US LEC OF GEORGIA L.L.C.

By: 
Printed Name: Gary D. Grefrath
Title: Executive Vice President,
Regulatory & Administration

US LEC OF FLORIDA INC

By: 
Printed Name: Gary D. Grefrath
Title: Executive Vice President,
Regulatory & Administration