

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by BellSouth Telecommunications, Inc. for approval of amendment to interconnection agreement with KMC Telecom Inc. pursuant to Sections 251, 252, and 271 of the Telecommunications Act of 1996.

DOCKET NO. 981382-TP
ORDER NO. PSC-99-0014-FOF-TP
ISSUED: January 4, 1999

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 EXISTING
INTERCONNECTION AGREEMENT

BY THE COMMISSION:

On October 21, 1998, BellSouth Telecommunications, Inc. (BellSouth) and KMC Telecom Inc. (KMC) filed a request for approval of an amendment to the existing interconnection agreement under 47 U.S.C. §252(e) of the Telecommunications Act of 1996 (the Act). The amendment to the existing 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 must be submitted to the state commission for approval. Section 252(e)(4) requires the state to reject or approve the agreement within 90 days after submission or it shall be deemed approved.

DOCUMENT NUMBER-DATE

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This amendment to the existing agreement governs the relationship between the companies regarding local interconnection and the exchange of traffic pursuant to 47 U.S.C. § 251. Upon review of the proposed amendment to the existing agreement, we believe 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 KMC 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).

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the amendment to the existing interconnection agreement between BellSouth Telecommunications, Inc. and KMC Telecom Inc., 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 this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 4th day of January, 1999.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

By: _____

Kay Flynn
Kay Flynn, Chief
Bureau of Records

(S E A L)

CBW

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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).

ATTACHMENT A

**Amendment III to Master Interconnection Agreement between
 KMC Telecom, Inc. and
 BellSouth Telecommunications, Inc.**

Pursuant to this Agreement (the "Amendment"), KMC Telecom, Inc. ("KMC") and BellSouth Telecommunications, Inc. ("BellSouth") hereinafter referred to collectively as the "Parties" hereby agree to amend that certain Master Interconnection Agreement between the Parties dated February 24, 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, KMC and BellSouth hereby covenant and agree as follows:

1. Section 9.1 (Local Loop Transmission Types) and Attachment C-15 of the Interconnection Agreement is hereby revised to include DSO Service at the specified rates for the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, South Carolina, and Tennessee, effective with the execution of this Amendment as follows:

	4-Wire 56 or 64 Kbps Digital Grade Loop	Non Recurring Charges						Order Coord Specific Time Convrs
		Connect		Manual Svc Order		Disconnect		
		First	Add'l	First	Add'l	First	Add'l	
AL	45.00	245.00	105.00	22.00	22.00	NA	NA	NA
FL	31.90	275.00	105.00	22.00	22.00	NA	NA	NA
GA	29.92	348.55	241.20	18.94	8.42	NA	NA	34.22
KY	45.00	260.00	105.00	22.00	22.00	NA	NA	NA
LA	35.58	333.28	230.50	NA	NA	87.99	44.24	32.77
MS	45.00	255.00	110.00	22.00	22.00	NA	NA	NA
SC	50.00	280.00	115.00	22.00	22.00	NA	NA	NA
TN	45.00	240.00	110.00	22.00	22.00	NA	NA	NA

2. DSO Cross Connect for cross connect to KMC virtual collocation facilities will be provided to KMC in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, South Carolina, and Tennessee at the following rates:

DSO Cross Connect	2-Wire	\$0.30 Recurring Charge (per cross connect)
DSO Cross Connect	4-Wire	\$0.50 Recurring Charge (per cross connect)
DSO Cross Connect	2-Wire	\$19.20 Non Recurring Charge (first and add'l)
DSO Cross Connect	4-Wire	\$19.20 Non Recurring Charge (first and add'l)

ATTACHMENT A

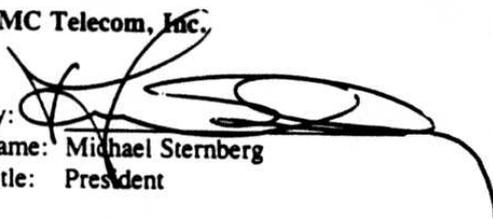
KMC Amendment III

3. The rates reflected in 1. and 2. above shall be interim rates and subject to true-up, either up or down, based on final prices determined either by further agreement between the Parties, or by a final order (including any appeals). All of the other provisions of the Interconnection Agreement, dated February 24, 1997, shall remain in full force and effect.

4. Either or both of the Parties is authorized to submit this Amendment to each Public Service Commission for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

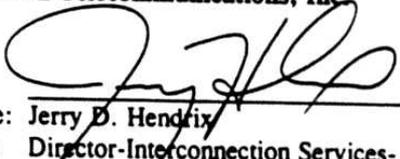
IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives on the date indicated below.

KMC Telecom, Inc.

By: 
Name: Michael Sternberg
Title: President

Date: 6/8/98

BellSouth Telecommunications, Inc.

By: 
Name: Jerry D. Hendrix
Title: Director-Interconnection Services-Pricing

Date: 6/3/98