



GTE SERVICE CORPORATION

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ORIGINAL

November 22, 1999

Ms. Blanca S. Bayo, Director
Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. *991749-TP*
Petition of GTE Florida Incorporated for Approval of Supplemental
Interconnection Agreement with BlueStar Networks, Inc.

Dear Ms. Bayo:

Please find enclosed for filing an original and five copies of GTE Florida Incorporated's
Petition for Approval of Supplemental Interconnection Agreement with BlueStar
Networks, Inc. The supplemental agreement consists of a total of 31 pages. Service
has been made as indicated on the Certificate of Service. If there are any questions
regarding this matter, please contact me at (813) 483-2617.

Very truly yours,

Kim Kimberly Caswell

KC:tas
Enclosures

A part of GTE Corporation

DOCUMENT NUMBER-DATE
~~14399~~ NOV 22 89
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

In re: Petition of GTE Florida Incorporated) Docket No.
for approval of Supplemental Interconnection) Filed: November 22, 1999
Agreement with BlueStar Networks, Inc.)
_____)

**PETITION OF GTE FLORIDA INCORPORATED FOR APPROVAL
OF SUPPLEMENTAL INTERCONNECTION AGREEMENT
WITH BLUESTAR NETWORKS, INC.**

GTE Florida Incorporated (GTEFL) files this petition before the Florida Public Service Commission seeking approval of a supplemental interconnection agreement which GTEFL has entered with BlueStar Networks, Inc. (BlueStar). In support of this petition, GTEFL states:

On August 16, 1999, GTEFL and BlueStar filed a notice of adoption of an approved interconnection agreement between GTEFL and AT&T Communications of the Southern States, Inc., which was approved by the Commission on August 31, 1999 in Docket No. 991106-TP. The agreement attached hereto as Attachment A supplements the adopted terms of the original agreement to reflect FCC collocation rules.

GTEFL respectfully requests that the Commission approve the attached supplemental interconnection agreement and that GTEFL be granted all other relief proper under the circumstances.

Respectfully submitted on November 22, 1999.

By: *Kimberly Caswell*
gc Kimberly Caswell
P. O. Box 110, FLTC0007
Tampa, Florida 33601-0110
Telephone No. (813) 483-2617

Attorney for GTE Florida Incorporated

DOCUMENT NUMBER-DATE

14399 NOV 22 99

FPSC-RECORDS/REPORTING

**AGREEMENT
BETWEEN
GTE FLORIDA INCORPORATED
AND
BLUESTAR NETWORKS, INC.
SUPPLEMENTING ADOPTED TERMS**

THIS AGREEMENT is by and between GTE Florida Incorporated ("GTE") and BlueStar Networks, Inc. ("BlueStar"), GTE and BlueStar being referred to collectively as the "Parties" and individually as a "Party". This Agreement covers services in the state of Florida (the "State").

WHEREAS, BlueStar has previously adopted terms (the "Adopted Terms") of the Interconnection Agreement between GTE and AT&T of the Southern States ("Underlying Agreement") pursuant to Section 252(i) of the Telecommunications Act of 1996 (the "Act");

WHEREAS, the Underlying Agreement was approved by the Commission's Order in Docket No. PSC-97-0864 and BlueStar's adoption of the Adopted Terms filed with the Commission.

WHEREAS, subsequent to the approval of the Underlying Agreement and the adoption of the Adopted Terms, BlueStar notified GTE that it desired to supplement the Terms with this Agreement because the Federal Communications Commission ("FCC") issued new rules regarding collocation on March 31, 1999 in the proceeding captioned as *In the Matters of Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket No. 98-147, FCC 99-48 (the "FCC Collocation Rules"); and

WHEREAS, pursuant to Section 252(a)(1) of the Act, and without waiving any of their rights to challenge the legality of the Adopted Terms, the Parties now wish to supplement the Adopted Terms to reflect the FCC Collocation Rules as follows.

NOW, THEREFORE, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Except as provided in Section 2, the Parties agree that the terms and conditions in Attachments 1 and 2 to this Agreement shall govern the provision of collocation services, pending possible future amendments.

2. BlueStar shall have the right to continue to order collocation services offered pursuant to GTE tariffs following the effective date of this Agreement. However, new collocation services ordered outside of said tariffs on or after said effective date will be provided pursuant to Attachments 1 and 2.

3. For administrative ease, and without waiving their rights to challenge the legality of the Adopted Terms, the Parties have agreed to apply the Adopted Terms to the provision of collocation, except to the extent inconsistent with any terms and conditions contained herein or in Attachments 1 and 2.¹ Specifically, the Parties have agreed that this Agreement, including Attachments 1 and 2, shall supersede any provisions for collocation in the Adopted Terms. If a Party disputes the application of a specific term or condition in Attachments 1 and 2, that Party may exercise any and all legal rights available to it to resolve the dispute, subject to the requirements of the Adopted Terms.

4. Prices for collocation are identified in Attachment 2 and the GTE tariffs described in Section 2 above. The Parties acknowledge that the prices in Attachment 2 may be superseded by prices contained in future regulatory orders or as otherwise required by legal requirements (the "Final Prices"). To the extent the Final Prices, or the terms and conditions for application of the Final Prices, are different than the prices in Attachment 2, the Final Prices will be applied retroactively to the effective date of this Agreement. The Parties will true-up any resulting over or under billing.

IN WITNESS WHEREOF, each Party has executed this Agreement and it shall be effective upon execution by both Parties.*

GTE FLORIDA INCORPORATED

BLUESTAR NETWORKS, INC.

By: Connie Nicholas

By: Norton Cutler

APPROVED BY LEGAL DEPT.	11-3-99	DATE
	TBP	ATTORNEY

Name: Connie Nicholas

Name: Norton Cutler

Title: Assistant Vice President
Wholesale Markets-Negotiations

Title: VP Regulatory and
General Counsel

Date: November 5, 1999

Date: _____

*GTE has agreed to allow this Agreement to become effective upon execution in order to permit BlueStar to proceed with implementation of its competitive business strategies and plans prior to the approval of the Agreement by the Commission. In light of this, BlueStar hereby agrees that its obligations regarding indemnification, confidentiality and insurance set forth in Attachment 1 shall remain in effect notwithstanding the Commission's possible rejection of this Agreement.

¹ The Parties' reservation of rights and positions regarding the Terms set forth in the Adoption Letter, dated August 4, 1999, a copy of which is attached hereto as Attachment 3, are incorporated by reference and restated as if fully set forth herein. Furthermore, notwithstanding this Agreement, the Parties do not waive, and hereby expressly reserve, the right to challenge the FCC Collocation Rules and/or whether this Agreement meets the requirements of those Rules. Finally, the Parties further expressly reserve their rights pursuant to the Adopted Terms, in the event that such Rules are later modified or eliminated due to changes in legal requirements.

ATTACHMENT 1
COLLOCATION SERVICES

1. General

- (a) Collocation provides for access to central office cross connect points that may serve as a point of interconnection for the exchange of traffic with GTE or for purposes of accessing unbundled network elements in those GTE wire centers or access tandems listed in the National Exchange Carrier Association, Inc., Tariff FCC 4.
- (b) Collocation may be accomplished through Caged or Cageless Collocation, except in those instances where Caged or Cageless Collocation is not practical for technical reasons or due to space limitations. GTE shall provide Adjacent Collocation or other methods of interconnection to the extent technically feasible.
- (c) Collocation is subject to the General Regulations as put forth in the "Adopted Terms" unless otherwise stated herein.

2. Service Description

- (a) Caged or Cageless Collocation will be provided where technically feasible and space is available within a GTE wire center or access tandem to locate the telecommunications equipment of BLUESTAR and interconnect with the facilities of GTE for purposes of accessing unbundled network elements or for the exchange of traffic.
- (b) Adjacent Collocation arrangements will be made available when Caged and Cageless Collocation is not available due to technical reasons or because Collocation space in the wire center is justifiably exhausted.
- (c) Collocation will be available via microwave services where reasonably feasible via the BFR process.
- (d) GTE will make Collocation space available within its premises to requesting CLECs on a first-come, first-served basis. GTE will not be required to lease or construct additional space to provide for Caged, Cageless and Adjacent Collocation when available Collocation space has been exhausted.
- (e) GTE shall not guarantee contiguous space to CLECs that seek to expand their existing Collocation space.
- (f) GTE will retain and reserve a limited amount of vacant floor space within its wire centers and access tandems for its own specific future uses. If the remaining vacant floor space within a wire center or access tandem is reserved for GTE's own specific future use, the wire center or access tandem will be exempt from future Caged and Cageless Collocation requests.
- (g) BLUESTAR may lease transport from GTE to connect to their Collocation equipment instead of constructing their own facility to the GTE premises.
- (h) GTE is not responsible for the design, engineering, or performance of BLUESTAR's designated termination equipment and BLUESTAR provided facilities for Caged and Cageless Collocation. GTE is not responsible for testing and maintenance of Caged and Cageless Collocation arrangements.
- (i) GTE's obligation to provide Collocation is contingent upon GTE's receipt of all applicable fees, rates, charges, application forms and required permits.
- (j) Where BLUESTAR shares a common entrance to the wire center or access

tandem with GTE, the reasonable use of shared building facilities, i.e., elevators, unrestricted corridors, etc., will be permitted. However, access to such facilities may be restricted by security requirements, and a GTE employee may be required to accompany BLUESTAR's personnel.

- (k) BLUESTAR agrees that its employees/vendors with access to the GTE premises shall at all times adhere to the rules of conduct established by GTE for GTE personnel and vendors. GTE reserves the right to make changes to such procedures and rules to preserve the integrity and operation of GTE's network or facilities or to comply with applicable laws and regulations. GTE will provide BLUESTAR with written notice of such changes.
- (l) BLUESTAR's facilities shall not physically, electronically, or inductively interfere with or impair the service of GTE's or other CLEC's facilities; create hazards or cause physical harm to any individual or the public.
- (m) BLUESTAR does not receive, as a result of entering into a Collocation arrangement hereunder, any right, title or interest in the GTE wire center facility, the multiplexing node, multiplexing node enclosure, cable space, cable racking, vault space or conduit space other than as expressly provided herein.
- (n) To the extent that BLUESTAR requires use of GTE local exchange line, BLUESTAR must order a Local Exchange Access Line (B1). BLUESTAR may not use GTE official lines.
- (o) GTE may use reasonable security measures to protect its equipment, including enclosing its equipment in its own cage or other separation, utilizing monitored card reader systems, digital security cameras, badges with computerized tracking systems, identification swipe cards, keyed access and/or logs, as deemed appropriate by GTE.

3. Responsibilities of GTE

- (a) GTE will provide Collocation, within the limitations of space and facilities.
- (b) The emergency provisioning and restoration of interconnection service shall be in accordance with Part 64, Subpart D, Paragraph 64.401, of the FCC's Rules and Regulations, which specifies the priority for such activities.
- (c) GTE will provide, at BLUESTAR's request, at least two separate points of entry to the wire center or access tandem where there are two entry points for GTE's cable facilities. The exception to this situation is where one entry of a two-entry office is filled to capacity.
- (d) GTE will not purchase BLUESTAR designated termination equipment from a vendor for BLUESTAR's use. If BLUESTAR chooses, GTE will assist BLUESTAR in the purchase of terminating equipment by establishing a contact point with GTE Supply.
- (e) GTE will coordinate with BLUESTAR to ensure that services are installed in accordance with the service request. If GTE fails to install such equipment in accordance with the service request, GTE will correct the installation at its own expense.
- (f) GTE retains ownership of wire center or access tandem floor space, adjacent land and equipment used to provide all forms of Collocation.
- (g) GTE reserves the right to refuse use of BLUESTAR's equipment or BLUESTAR

designated termination equipment which does not meet GTE's network reliability standards and fire and safety codes.

- (h) GTE reserves the right, with 24 hours prior notice to BLUESTAR, to access BLUESTAR's collocated partitioned space to perform periodic inspections to ensure compliance with GTE's installation, safety and security practices.
- (i) GTE reserves the right, without prior notice, to access BLUESTAR's Collocation space in an emergency, such as fire or other unsafe conditions, or for purposes of averting any threat of harm imposed by BLUESTAR or BLUESTAR's equipment upon the operation of GTE's equipment, facilities and/or employees located outside BLUESTAR's Collocation space. GTE will notify BLUESTAR as soon as possible when such an event has occurred.
- (j) GTE reserves the right to remove and dispose of BLUESTAR's collocated equipment and improvements located on GTE premises and adjacent land. If BLUESTAR fails to remove and dispose of the equipment within the 30-day period following discontinuance of service whether the discontinuance was ordered by BLUESTAR, or by GTE.
- (k) GTE reserves for itself and its successors and assignees, the right to utilize the wire center(s) or access tandem(s) space in such a manner as will best enable it to fulfill GTE's service requirements.
- (l) GTE shall have the right, for good cause shown, and upon six (6) months' notice, to reclaim any Collocation space, cable space or conduit space in order to fulfill its obligation under Public Service law and its tariffs to provide telecommunication services to its end users. In such cases, GTE will reimburse BLUESTAR for reasonable direct costs and expenses in connection with such reclamation. GTE will make every reasonable effort to find other alternatives before attempting to reclaim any such space.

4. Responsibilities of BLUESTAR

- (a) BLUESTAR is responsible for providing and installing its own equipment and equipment bay(s) in the Caged or Cageless Collocation area. GTE will designate floor space location for each bay of equipment installed.
- (b) BLUESTAR is responsible for coordinating with GTE to ensure that services are installed in accordance with the service request. BLUESTAR agrees to meet with GTE, if requested by GTE, to review design and work plans for installation of BLUESTAR's designated equipment within GTE's premises. BLUESTAR agrees to install all its equipment within its designated Caged or Cageless area in contiguous line-ups in order to optimize the utilization of space within GTE's premises.
- (c) In case of a GTE work stoppage, BLUESTAR's employees, contractors or agents will comply with the emergency operation procedures established by GTE. Such emergency procedures should not directly affect BLUESTAR's access to its premises, or ability to provide service. BLUESTAR will notify the GTE BLUESTAR point of contact of any work stoppages by BLUESTAR employees.
- (d) BLUESTAR is responsible for providing a contact number that is readily accessible 24 hours a day, 7 days a week. BLUESTAR will provide access to BLUESTAR's Collocation space at all times to allow GTE to react to emergencies, to maintain the building operating systems (where applicable and necessary) and to ensure compliance with OSHA/GTE regulations and standards related to fire, safety, health and environment safeguards. GTE will attempt to notify BLUESTAR in advance of any such emergency access. If advance notification is not possible GTE will provide notification of any such entry to BLUESTAR as soon as possible following

the entry, indicating the reasons for the entry and any actions taken which might impact BLUESTAR's facilities or equipment and its ability to provide service. GTE will restrict access to BLUESTAR's Collocation space to persons necessary to handle such an emergency.

- (e) BLUESTAR's employee, agent, or contractor with access to a GTE wire center(s) or access tandem(s) shall adhere at all times to all applicable laws, regulations and ordinances and to rules of conduct established by GTE for the wire center or access tandem and GTE's employees, agents and contractors. GTE reserves the right to make changes to such procedures and rules to preserve the integrity and operation of GTE's network or facilities or to comply with applicable laws and regulations. GTE will provide written notification 30 days in advance of such changes.
- (f) BLUESTAR is responsible for payment of all charges. Failure to make payment will result in disconnection of service.
- (g) BLUESTAR will be responsible to obtain appropriate insurance coverage, including but not limited to, fire, theft and liability as described in Section 8 of this Attachment , for all Collocation arrangements.
- (h) BLUESTAR will be held liable for the actions and inactions of its employees, vendors or contractors having access to a GTE wire center or access tandem equipment and facilities.
- (i) For Caged and Cageless Collocation arrangements, BLUESTARs shall have the right to use the designated staging area, a portion of the wire center(s) or access tandem(s) and loading areas, if available, on a temporary basis during BLUESTAR's equipment installation work in the Collocation space. BLUESTAR is responsible for protecting GTE's equipment and wire center or access tandem walls and flooring within the staging area and along the staging route. BLUESTAR will store equipment and materials within the Collocation space when work is not in progress (i.e., overnight). No storing of equipment and materials overnight will be permitted in the staging areas. BLUESTAR will meet all GTE fire, safety, security and environmental requirements. The temporary staging area will be vacated and delivered to GTE in an acceptable condition upon completion of the installation work.
- (j) BLUESTAR may also utilize a staging trailer, which can be located on the exterior premises of GTE's wire center or access tandem. GTE may assess BLUESTAR A market value lease rate for the area occupied by the trailer.

5. Claims and Demands for Damage

- (a) In addition to the provisions in Section 4 of this Attachment , BLUESTAR shall defend, indemnify and save harmless GTE from and against any and all suits, claims and demands by third persons caused by, arising out of or in any way related to the installation, maintenance, repair, replacement, presence, use or removal of BLUESTAR's equipment or by the proximity of such equipment to the equipment of other parties occupying space in GTE's wire center(s) or access tandem(s) or caused by, arising out of or in any way related to BLUESTAR's failure to comply with any of the terms of this Agreement.
- (b) GTE shall be liable to BLUESTAR only for and to the extent of any damage directly and primarily caused by the negligence of GTE's agents or employees to BLUESTAR-designated facilities or equipment occupying GTE's wire center or access tandem. GTE shall not be liable to BLUESTAR or its customers for any interruption of BLUESTAR's service or for interference with the operation of BLUESTAR's designated facilities arising in any manner out of BLUESTAR's presence in GTE's wire center(s) or access tandem(s), unless such interruption or

interference is caused by GTE's willful misconduct.

- (c) BLUESTAR shall indemnify, defend and hold harmless GTE from and against any and all losses, claims, demands and causes of action and costs, including attorneys' fees, whether suffered, made, instituted or asserted by BLUESTAR or by any other party or person for damages to property and injury or death to persons, including payments made under Workers' Compensation Law or under any plan for employees' disability and death benefits, which may arise out of or be caused by the installation, maintenance, repair, replacement, presence, use or removal of BLUESTAR-designated equipment or facilities or by their proximity to the equipment or facilities of all parties occupying space in GTE's wire center(s) or access tandem(s), or by any act or omission of GTE, its employees, agents, former or striking employees or contractors in connection therewith. The provisions of this Section shall survive the termination, cancellation, modification or rescission of the Agreement.
- (d) In no event shall GTE or any of its directors, officers, employees or agents be liable for any loss of profit or revenue by BLUESTAR or for any loss of AC or DC power, HVAC interruptions, consequential, incidental, special, punitive or exemplary damages incurred or suffered by BLUESTAR, even if GTE has been advised of the possibility of such loss or damage. BLUESTAR shall indemnify, defend and hold harmless GTE, its directors, officers, employees, servants, agents, affiliates and parent from and against any and all claims, costs, expenses or liability arising out of the installation and engineering of Collocation equipment.
- (e) BLUESTAR represents, warrants and covenants that BLUESTAR shall not cause or permit any other party to cause any environmental conditions in, at or affecting GTE wire center or access tandem which violate any Federal, State or Local law, ordinance, rule or regulation. BLUESTAR shall indemnify, defend and hold harmless GTE from all liability, damage, claim or cost of any kind, including reasonable attorneys' fees, resulting from or arising out of any breach of the foregoing sentence. The provisions of this paragraph shall survive the termination, cancellation, modification, or rescission and the termination of any Collocation arrangement with BLUESTAR.
- (f) If the Collocation equipment location in GTE's wire center(s) or access tandem(s) is partially damaged or rendered partially unusable by fire or other casualty not caused, directly or indirectly, by BLUESTAR, the damages thereto but not BLUESTAR equipment contained therein shall be repaired by and at the expense of GTE.
- (g) BLUESTAR shall be responsible to ensure that all persons under its control work in compliance herewith, satisfactorily and in harmony with all others working in GTE's wire center or access tandem.
- (h) If fire or other casualty thereof shall damage the Collocation equipment location in GTE's wire center(s) or access tandem(s) or any part, BLUESTAR shall give immediate notice thereof to GTE, and the regulations in this Agreement shall continue in full force and effect.
- (i) If the Collocation equipment location in GTE's wire center(s) or access tandem(s) is rendered wholly unusable through no fault of BLUESTAR, or if the building shall be so damaged that GTEany shall decide to demolish it, rebuild it, or abandon it for wire center or access tandem purposes (whether or not the demised premises are damaged in whole or in part), then, in any of such events, GTE may elect to terminate the Collocation arrangements in the damaged building by providing written notification to BLUESTAR as soon as practicable but no later than 180 days after such fire or casualty specifying a date for the termination of the Collocation

arrangements, which shall not be more than 60 days after the giving of such notice. Upon the date specified in such notice, the term of this Attachment shall expire as fully and completely as if such date were the date set forth above for the termination of this Agreement. BLUESTAR shall forthwith quit, surrender and vacate the premises without prejudice. However, GTE's rights and remedies against BLUESTAR in effect prior to such termination, and any fees owing, shall be paid up to such date. Any payments of fees made by BLUESTAR which were because any period after such date shall be returned to BLUESTAR. Unless GTE shall serve a termination notice as provided for herein, GTE shall make the repairs and restorations under the conditions in the paragraphs preceding, with all reasonable expedition subject to delays due to adjustment of insurance claims, labor troubles and causes beyond GTE's reasonable control. After any such casualty, BLUESTAR shall cooperate with GTE's restoration by removing from the Collocation space, as promptly as reasonably possible, all of BLUESTAR's salvageable inventory and movable equipment, furniture and other property. GTE will work cooperatively with BLUESTAR to minimize any disruption to service, resulting from any damage. GTE will provide written notification to BLUESTAR as soon as practicable detailing its plans to rebuild the Collocation building. GTE will restore service to BLUESTAR as soon as practicable.

6. Confidentiality

- (a) BLUESTAR shall not use or disclose and shall hold in confidence all information of a competitive nature provided to BLUESTAR by GTE in connection with Collocation or known to BLUESTAR as a result of BLUESTAR's access to GTE's wire center(s) or access tandem(s) or as a result of the interconnection of BLUESTAR's equipment to GTE's facilities. Similarly, GTE shall not use or disclose and shall hold in confidence all information of a competitive nature provided to it by BLUESTAR in connection with Collocation or known to GTE as a result of the interconnection of BLUESTAR's equipment to GTE's facilities. Such information is to be considered proprietary and shared within GTE and BLUESTAR on a need to know basis only. Neither GTE nor BLUESTAR shall be obligated to hold in confidence information that:
- Was already known to BLUESTAR free of any obligation to keep such information confidential;
 - Was or becomes publicly available by other than unauthorized disclosure; or
 - Was rightfully obtained from a third party not obligated to hold such information in confidence.

7. Network Outage, Damage and Reporting

- (a) BLUESTAR shall be responsible for any damage or network outage occurring as a result of termination of BLUESTAR owned or BLUESTAR designated termination equipment in GTE wire center or access tandem.
- (b) BLUESTAR is responsible for providing trouble report status when requested.
- (c) BLUESTAR is responsible for providing a contact number that is readily accessible 24 hours a day, 7 days a week.
- (d) BLUESTAR shall be responsible for notifying GTE of significant outages which could impact or degrade GTE's switches and services and provide estimated clearing time for restoral.
- (e) BLUESTAR is responsible for testing its equipment to identify and clear a trouble

report when the trouble has been sectionalized (isolated) to a BLUESTAR service.

8. Insurance & Liability Requirements

- (a) BLUESTAR shall, at its sole cost and expense, obtain, maintain, pay for and keep in force insurance as specified following and underwritten by an insurance company(s) having a best insurance rating of at least AA-12.
- (b) GTE shall be named as an Additional Insured and a Loss Payee on all applicable policies as specified following:
 - (1) Comprehensive general liability coverage on an occurrence basis in an amount of \$2,000,000 combined single limit for bodily injury and property damage with a policy aggregate of \$4,000,000. This coverage shall include the contractual, independent contractors products/completed operations, broad form property and personal injury endorsements.
 - (2) Umbrella/Excess Liability coverage in an amount of \$10,000,000 excess of coverage specified in 8(a)(1) above.
 - (3) All Risk Property coverage on a full replacement cost basis insuring all of BLUESTAR's real and personal property located on or within GTE wire centers. BLUESTAR may also elect to purchase business interruption and contingent business interruption insurance, knowing that GTE has no liability for loss of profit or revenues should an interruption of service occur.
 - (4) Statutory Workers Compensation coverage.
 - (5) Contractual Liability coverage.
 - (6) Automobile Liability coverage.
 - (7) Employers Liability coverage in an amount of \$2,000,000.
- (c) All policies purchased by BLUESTAR shall be deemed to be primary and not contributing to or in excess of any similar coverage purchased by GTE.
- (d) All insurance must be in effect on or before GTE authorizes access by BLUESTAR employees or placement of BLUESTAR equipment or facilities within GTE premises and such insurance shall remain in force as long as BLUESTAR's facilities remain within any space governed by this tariff. If BLUESTAR fails to maintain the coverage, GTE may pay the premiums and seek reimbursement from BLUESTAR. Failure to make a timely reimbursement will result in disconnection of service.
- (e) BLUESTAR shall submit certificates of insurance and copies of policies reflecting the coverage specified in 8(b) above with the check for 50% of the NRCs. Commencement of work by GTE will not begin until these are received.
- (f) BLUESTAR shall arrange for BLUESTAR's insurance company to GTE with thirty-(30) days' advance written notice of cancellation, non-renewal or termination.
- (g) BLUESTAR must also conform to the recommendation(s) made by GTE's fire insurance company, which GTE has already agreed, shall hereafter agree to.

Failure to comply with the provisions of this Section 8 of this Attachment will be deemed a material breach of the terms of this Agreement.

9. Security Requirements for CLEC Access to GTE Buildings

- (a) GTE will permit BLUESTAR's employees, agents, and contractors approved by GTE to have direct access to BLUESTAR's Caged or Cageless collocated equipment twenty-four (24) hours a day, seven (7) days a week. BLUESTAR's employees, agents, or contractors must comply with the policies and practices of GTE pertaining to fire, safety, and security as described in GTE's Security Procedures and Requirements Guidelines ("CSP").

- (b) All employees, agents and contractors must meet certain minimum requirements as established in GTE's CSP. At the time BLUESTAR places the Collocation ASR for Caged or Cageless Collocation, BLUESTAR must submit a Background Investigation Form for all employees, agents and contractors that will require access to GTE wire centers and/or access tandems. The information will be submitted to GTE's Security Department for approval.

GTE will be solely responsible for determining the appropriate level of security in each wire center or access tandem.

- (c) Access cards or keys will be provided to no more than six individuals per CLEC for each GTE wire center or access tandem.
- (d) All BLUESTAR employees, agents and contractors requesting access to the wire center or access tandem are required to have a photo identification card, which identifies the person by name and the name of BLUESTAR. The ID must be worn on the individual's exterior clothing while on GTE premises. GTE will provide BLUESTAR with instructions and necessary access cards or keys to obtain access to GTE buildings.
- (e) GTE reserves the right to deny access to GTE buildings for any BLUESTAR employee, agent or contractor who cannot meet GTE's established security standards. Employees, agents or contractors of BLUESTAR are required to meet the same security requirements and adhere to the same work rules that GTE's employees and contractors are required to follow.
- (f) GTE also reserves the right to deny access to GTE buildings for any BLUESTAR employee, agent and contractor for falsification of records, violation of fire, safety or security practices and policies or other just cause.
- (g) BLUESTAR is required to immediately notify GTE by the most expeditious means, when any BLUESTAR employee, agent or contractor with access privileges to GTE buildings is no longer in its employ, or when keys, access cards or other means of obtaining access to GTE buildings are lost, stolen or not returned by an employee, agent or contractor no longer in its employ.
- (h) BLUESTAR is responsible for the immediate retrieval and return to GTE of all keys, access cards or other means of obtaining access to GTE buildings if lost, stolen or upon termination of employment of BLUESTAR's employee and/or discontinuance of service. BLUESTAR shall be responsible for the replacement cost of keys, access cards or other means of obtaining access when lost, stolen or failure of BLUESTAR or BLUESTAR's employee, agent or contractor to return to GTE.

GTE reserves the right to provide a GTE employee, agent or contractor to accompany and observe BLUESTAR's employee, agent or contractor at no cost to BLUESTAR.

BLUESTAR agrees that its employees/vendors with access to GTE wire center(s) or access tandem(s) shall at all times adhere to the rules of conduct established by GTE for the wire center or access tandem and GTE's personnel and vendors. GTE reserves the right to make changes to such procedures and rules to preserve the integrity and operation of GTE's network or facilities or to comply with applicable laws and regulations. GTE will provide BLUESTAR with written notice of such changes.

Where applicable, GTE will provide information to BLUESTAR on the specific type of security training required so BLUESTAR's employees can complete such training.

10. Technical Specifications

- (a) BLUESTAR interconnection equipment installed with GTE's wire center or access tandem facilities shall be subject to and comply with GTE practices for ac/dc bonding and grounding requirements. This information will be provided to BLUESTAR in the CSP.
- (b) BLUESTAR equipment must conform to the same specific risk/safety/hazard standards which GTE imposes on its own wire center and access tandem equipment. All BLUESTAR equipment must be Network Equipment Building Systems (NEBS) 3 compliant, or enclosed in a cabinet that meets Telephone Company NEBS requirements.
- (c) Upon installation of BLUESTAR's equipment, with prior notice, GTE will schedule time to work with BLUESTAR during the turn-up phase of the equipment to ensure proper functionality between BLUESTAR's equipment and the connections to GTE equipment. The time period for this to occur will correspond to GTE's maintenance window installation requirements.
- (d) All equipment installed within GTE wire center or access tandem facilities shall also meet the industry standard requirements as shown in the following publications:
 - TR-NWT-000499
 - TR-NWT-000063
 - TR-TSY-000191
 - TR-TSY-000487
 - TR-NPL-000320
 - Part 15.109 47 C.F.R. FCC Rules and Regulations
 - ANSI T1.102
 - UL 94
- (e) GTE reserves the right to remove facilities and equipment from its list of approved products if such products, facilities and equipment are determined to be no longer compliant with NEBS standards or Electromagnetic Compatibility and Electrical Safety Generic Criteria for Network Telecommunication Equipment (GR-1089-CORE).

11. BLUESTAR Terminating Equipment Requirements – General Regulations

- (a) BLUESTAR shall be responsible for servicing, supplying, repairing and maintaining the equipment located within the wire center or access tandem that is required for Caged or Cageless Collocation.
- (b) BLUESTAR is required to provide proper cabling, based on circuit type (VF, DS0, xDSL, DS1, DS3, etc.) to ensure adequate shielding. GTE cable standards are required to reduce the possibility of interference within the wire center. Refer to the CSP, Addendum "B" for GTE standard cabling requirements.
- (c) BLUESTAR shall be required to provide DS1 cable facilities to support BLUESTAR equipment installed to its capacity. GTE will wire DS1 services in multiples of 28 or DS0 cable facilities in sufficient capacity for GTE to wire DS0 services in multiples of 24.
- (d) The interconnection point for Caged and Cageless Collocation is the point where BLUESTAR-owned cable facilities connect to GTE termination equipment.
- (e) BLUESTAR will not be allowed access to GTE's DSX line-ups, MDF or any other GTE facility termination points. The DSX and MDF are to be considered GTE demarcation points only. Only GTE employees, agents or contractors will be allowed access to the MDF or DSX to terminate facilities, test connectivity, run jumpers and/or hot patch in-service circuits. The demarcation point for BLUESTAR is BLUESTAR's terminal

equipment or interconnect/cross connect panel within BLUESTAR's cage, bay/frame or cabinet. It is solely the responsibility of BLUESTAR to provide their own monitor and test points, if required, or connection directly to their terminal equipment.

- (f) If BLUESTAR provides their own fiber optic facility then BLUESTAR shall be responsible for bringing its fiber optic cable to the wire center or access tandem manhole and leave sufficient cable length for GTE to be able to fully extend such cable through to BLUESTAR's space. No splicing will be permitted in the manhole. Upon discontinuance of Collocation, BLUESTAR relinquishes all rights, title and ownership of cable to GTE.
- (g) GTE is responsible for installing BLUESTAR provided fiber optic cable in the cable space or conduit from the manhole to the wire center or access tandem. This may be shared conduit with dedicated inner duct. BLUESTAR shall not be permitted to reserve wire center or access tandem cable space or conduit. If new conduit is required, GTE will determine the specific location of the new entrance facilities. GTE reserves the right to manage its own wire center and access tandem conduit requirements and to reserve vacant space for planned facility additions.
- (h) GTE is responsible for installing a cable splice where BLUESTAR provided fiber optic cable meets BLUESTAR provided fire retardant riser cable within the wire center or access tandem cable vault or designated splicing chamber. GTE will provide space and racking for the placement of the splice enclosure. GTE will tag all entrance facilities to indicate ownership. GTE is responsible for placing BLUESTAR's fire retardant riser cable from the cable vault to the partitioned space. BLUESTAR is responsible for providing fire retardant riser cable that meets GTE standards.
- (i) Prior to BLUESTAR beginning the installation of its equipment in a cage, bay or cabinet, BLUESTAR and GTE must conduct a walk through of the designated Collocation space. Upon acceptance of the arrangement by BLUESTAR, access cards will be issued and BLUESTAR may begin installation of its equipment.
- (j) BLUESTAR is permitted to place in its Collocation space, BLUESTAR provided equipment necessary for interconnection or access to unbundled network elements.
- (k) BLUESTAR shall not place in its Collocation space equipment that is designed exclusively for switching or enhanced services and that are not necessary for interconnection or access to unbundled network elements.
- (l) A standard GTE wire center or access tandem environment is provided for BLUESTAR equipment deployed in a GTE wire center. Costs for incremental Environmental Conditioning required due to a Collocation request will be allocated to BLUESTAR based on their pro-rata share as defined in Section 21(i) of this Attachment .
- (m) BLUESTAR may place in its Collocation space ancillary equipment such as cross connect frames, as well as metal storage cabinets and work surfaces (e.g., tables). Metal storage cabinets and work surfaces must meet GTE wire center environmental standards. Cageless Collocation bays may not be reserved for future use or used solely for the purpose of storing BLUESTAR equipment.

12. Application Form for Caged, Cageless and Adjacent Collocation

- (a) BLUESTARs requesting Caged, Cageless and Adjacent Collocation will be required to submit the applicable Engineering Fee(s) as set forth in this Attachment for each wire center(s) or access tandem(s) location ordered.
- (b) Receipt of a completed Application Form and Engineering Fee(s) will determine the order of priority for processing BLUESTAR's request for Caged, Cageless and Adjacent Collocation. Receipt of 50% of the applicable nonrecurring charges for a

Collocation application will determine the order of priority for reservation of Collocation space within GTE's premises.

- (c) The Application Form will require BLUESTAR to provide all engineering, floor space, power, environmental and other requirements necessary for the function of the service. GTE will notify BLUESTAR in writing following receipt of the completed application if BLUESTAR's requirements cannot be accommodated as specified. Any changes, modifications or additions to the Application Form by BLUESTAR will be considered a new application and will restart the project timeline to the date the revised Application Form was submitted.
- (d) GTE will provide an information packet containing a list of engineering and technical specifications, fire, safety, security policies and procedures.
- (e) BLUESTARs initiating an Application Form must have the capability of terminating transmission facilities at the GTE wire center or access tandem within a reasonable period of time, not to exceed six (6) months from the date BLUESTAR accepts the Caged or Cageless arrangement. If BLUESTAR does not terminate transmission equipment within the established time period, GTE may reclaim the designated Collocation space if it is required to accommodate another CLEC's request or GTE future space requirements.
- (f) If BLUESTAR elects to collocate equipment in non-environmental conditioned space, BLUESTAR will be responsible for its pro-rata share of all costs associated with the environmental conditioning of space. The total costs associated with the environmental conditioning of space will be rated on an Individual Case Basis (ICB) as specified in Section 20(i) of this Attachment .

13. Relocation Within the Same Wire Center or Access Tandem

- (a) BLUESTAR requests for relocation of the termination equipment from one location to a different location within the same wire center or access tandem will be handled on an individual case basis. BLUESTAR will be responsible for all costs associated with the relocation of its equipment.

14. Availability of Service

- (a) Caged and Cageless Collocation will be made available where there is existing suitable space in GTE wire centers or access tandems on a first-come, first-served basis.
- (b) If GTE is unable to accommodate Caged and Cageless Collocation requests at a wire center of access tandem due to space limitations or other technical reasons, GTE will post a list of all such sites on its Website and will update the list within ten (10) business days of any known changes. This information will be listed at the following public Internet URL:

<http://www.gte.com/Regulatory>

15. Existing Suitable Space

- (a) Existing suitable space is defined as space in which ac/dc power, heat and air conditioning, battery and/or generator back-up power and other requirements necessary for provisioning Collocation in a wire center or access tandem and is not required space and facilities designated for use by GTE.
- (b) GTE and BLUESTAR will work cooperatively to determine proper space requirements, and efficient use of space. BLUESTAR agrees to install all of its equipment within its designated Caged or Cageless area in contiguous line-ups in order to optimize the utilization of space within GTE's premises.

- (c) The minimum amount of floor space available to each CLEC at the time of the initial application will be 25 square feet of Caged Collocation space or one (1) single bay and surrounding common area of Cageless Collocation space.
- (d) BLUESTAR is permitted to apply for additional floor space when their existing floor space is being used efficiently. The maximum amount of space available to each CLEC will be limited only by the amount of existing suitable space available and supporting technical viability to support the Collocation arrangement requested in a specific wire center or access tandem and subject to GTE's internal space forecasting requirements.
- (e) BLUESTAR shall use the Collocation space solely for the purposes of installing, maintaining and operating BLUESTAR's equipment to interconnect for the exchange of traffic with GTE or for purposes of accessing unbundled network elements and for no other purposes.
- (f) BLUESTAR shall not construct improvements or make alterations or repairs to the Collocation space without the prior written approval of GTE.

16. Expansion of Existing Space

- (a) BLUESTAR requests for expansion of existing space within a specific wire center or access tandem will require the submission of a Collocation Application Form and an Augment Fee.

17. Environmental Conditioning of Space

- (a) GTE will use its best efforts to minimize the additional time required to condition Collocation space, and will inform BLUESTAR of the time estimates as soon as possible. Environmental Conditioning of unconditioned floor space requiring major system (i.e., HVAC, DC Power, etc.) modifications may fall outside the standard intervals and are to be negotiated on an individual case basis with the site preparation vendor(s), BLUESTAR and GTE.

18. Power, Environmental Conditioning and dc Power

- (a) GTE will provide, at rates set forth following, -48V dc power with generator and/or battery back-up, AC convenience outlet, heat, air conditioning and other environmental support to BLUESTAR's equipment in the same standards and parameters required for GTE equipment within that wire center or access tandem.

Standard -48V DC power shall be provided in 40 amp increments. GTE will be responsible for the installation of the AC convenience outlets, overhead lighting and equipment superstructure.

- (b) BLUESTAR will provide GTE with specifications for any non-standard or special requirements at the time of application. GTE reserves the right to assess the customer any additional charges on an individual case basis associated with complying with the requirements or to refuse an application where extensive modifications are required.

19. Discontinuance of Service

General

- (a) Upon discontinuance of Caged, and Cageless Collocation service BLUESTAR shall disconnect and remove its equipment from the designated Collocation space. GTE reserves the right to remove BLUESTAR's equipment if BLUESTAR fails to remove and dispose of the equipment within the 30 days of discontinuance. BLUESTAR will be

charged the appropriate Additional Labor charge in this Attachment for the removal of such equipment.

- (b) Upon removal by BLUESTAR of all its equipment from the Collocation space, BLUESTAR will reimburse GTE for the cost to restore the Collocation space to its original condition at time of occupancy. The cost will be applied based on the Additional Labor Charges as set forth in this Attachment. Due to physical and technical constraints, removal of cable will be at GTE's option.
- (c) GTE will make every effort to contact BLUESTAR in the event BLUESTAR's equipment disrupts the network. If GTE is unable to make contact with BLUESTAR, GTE shall temporarily disconnect BLUESTAR's service as set forth in 20(d) of this Attachment. GTE will notify BLUESTAR as soon as possible after any disconnects of BLUESTAR's equipment.
- (d) GTE reserves the right to terminate Collocation with 30 days notice, in the event BLUESTAR is not in conformance with GTE standards and requirements and/or in the event BLUESTAR imposes continued disruption and threat of harm to GTE employees and/or network, or GTE's ability to provide service to other CLECs.

20. Ordering Caged and Cageless Collocation

- (a) BLUESTARs requesting Caged and Cageless Collocation at a wire center or access tandem will be required to complete the Application Form and submit the Engineering Fee as set forth in 13(b) of this Attachment. GTE will verbally notify BLUESTAR within 15 days from the receipt of a completed Application Form and Fee if space is available at the selected wire center or access tandem. If space is not available, GTE will notify BLUESTAR in writing. Upon notification of available space, BLUESTAR will be required to send a completed Access Service Request (ASR) to GTE's Collocation point of contact. Engineering Fees are non-refundable.
 - 1) Should BLUESTAR submit ten (10) or more applications within a 10 day period, the response interval will be increased by 10 days for every 10 additional applications or fraction thereof.
- (b) GTE will provide BLUESTAR with a quote for the Collocation services required to accommodate BLUESTAR's request within thirty (30) days of BLUESTAR's application date providing that no ICB rates are included in the quote. The quote will be honored for ninety (90) days from the date of receipt. If the quote is not accepted by BLUESTAR within ninety (90) days of BLUESTAR's receipt, BLUESTAR will be required to submit a new Application Form and Engineering Fee and a new quote will be provided based on the new Application Form.
- (c) Receipt of the 50% check for the applicable Non-Recurring Charges (NRCs) will be used to establish the first-come, first-serve order for Collocation space availability in the wire center or access tandem.
- (d) Upon receipt of the ASR and 50% of the applicable NRCs, including but not limited to, Building Modification, Environmental Conditioning and dc Power charges by GTE, GTE will:
 - 1) Schedule a meeting with BLUESTAR to determine engineering and network requirements.
 - 2) Initiate the necessary modifications to the wire center or access tandem to accommodate BLUESTAR's request.
 - 3) Work cooperatively with BLUESTAR to ensure that services are installed in accordance with the service requested.
- (e) BLUESTAR is responsible to have all cables and other equipment to be furnished by

BLUESTAR, ready for installation on the date scheduled. If BLUESTAR fails to notify GTE of a delay in the installation date, BLUESTAR will be subject to the appropriate Additional Labor Charge.

- (f) The balance of the NRCs and all related monthly recurring services ordered by BLUESTAR will be billed to BLUESTAR when GTE provides BLUESTAR access to the Caged, Cageless or Adjacent Collocation arrangement.
- (g) GTE and BLUESTAR must meet and begin implementation of the request within six (6) months of receipt of the Application Form and Engineering Fee(s) for Caged, Cageless or Adjacent Collocation, otherwise, the identified space becomes available for use by other CLECs.
- (h) Collocation Space Preparation Charges, which are rated, on an ICB basis will be shared by GTE and other Collocators based on the following algorithm:

$$\text{Collocator Share} = \frac{\text{Total ICB Collocation Space Preparation Cost}}{\text{State ICB Fill Factor}}$$

The State ICB Fill Factor will equal the average number of Collocators based on completed, pending and forecasted applications plus GTE's share (one). The same State ICB Fill Factor will be assigned to all wire centers or access tandems with an ICB charge in the State and will be included with the ICB quote. Collocation projects for which an ICB charge is necessary include the following: major environmental conditioning, major power plant upgrades, equipment rearrangements, major conduit and cable vault additions and asbestos removal.

21. Augmentations

- (a) All requests for augmentation to an existing Collocation arrangement will require the submission of a Collocation Application and the applicable Engineering Fee. Engineering Fees are non-refundable. Augments may include adding telecommunication equipment that requires additional electrical power; HVAC modifications, changes in the configuration or size of the cage, adding bays of equipment that do not impact the existing/proposed electrical systems and adding light fixtures and outlets which do not exceed the capacity of the existing/proposed electrical system.

22. Collocation Arrangements

A. Single Caged

- (1) A Single Caged arrangement is a form of Caged Collocation, which allows a single CLEC to lease, caged floor space to house their equipment within a GTE wire center(s) or access tandem(s). Single Caged Collocation is not available where the only unoccupied space in a wire center or access tandem has been reserved by GTE for its own future use or not technically feasible.
- (2) The minimum size of Collocation space for a Single Caged space will be 25 square feet of segregated secure space per wire center or access tandem per CLEC. Additional space will be provided on a per request basis, where feasible, and where space is being efficiently used. Additional space can be requested by BLUESTAR by completing and submitting a new Application Form and the applicable Engineering Fee.
- (3) GTE will construct the cage with a standard enclosure or BLUESTAR may subcontract this work to a GTE approved contractor.
- (4) BLUESTAR will be responsible for accepting delivery, installation and maintenance

of its equipment within the leased Collocator's Caged arrangement.

- (5) The Caged space may not be used for administrative purposes and may not be used as BLUESTAR's employee(s) work location, office or retail space, or storage. The Caged space shall not be used as BLUESTAR's mailing or shipping address.

B. Shared Caged

- (1) A Shared Caged arrangement is a Caged Collocation space jointly applied for and shared by two or more CLECs within a GTE wire center or access tandem pursuant to terms and conditions agreed to by those CLECs. CLECs which request this arrangement must limit their Collocation activities to those permitted under the provisions specified herein.
- (2) When two or more CLEC's request establishment and jointly apply for a new Caged Collocation arrangement to be used as a Shared Caged arrangement, one of the participating CLECs must agree to be the Host and the other(s) to be the Guest(s). The Host CLEC and Guest(s) are GTE's customers and have all the rights and obligations applicable under this Agreement to CLECs purchasing Collocation-related services, including, without limitation, the obligation to pay all applicable charges, whether or not the Host is reimbursed for all or any portion of such charges by the Guest(s). Neither this Agreement, nor any actions taken by GTE or Host in compliance with this Agreement, shall create a contractual, agency or any other type of relationship between GTE and the Guest(s) in a sharing arrangement; and GTE does not assume any liability or obligation to the Guest(s) for any actions of the Host CLEC. The Host CLEC and the Guest CLEC(s) are solely responsible for determining whether to share a Shared Caged Collocation arrangement and if so, upon what terms and conditions.
- (3) All terms and conditions for Caged Collocation as described in this Attachment will apply. In addition, the following terms and conditions will apply to Shared Caged Collocation arrangements.
- (4) The Host CLEC and the Guest CLEC(s) must each be independently collocated within the Caged space for the purpose of interconnecting to GTE services or for purposes of accessing unbundled network elements.
- (5) GTE will not split bill any of the rate elements associated with the Shared Caged Collocation arrangement between the Host and its Guest(s). The Host will be responsible for ordering and payment of all Collocation applicable services ordered by the Host and Guest CLECs.
- (6) The Host CLEC will assume all responsibility for the actions and inactions of all guest CLECs.
- (7) Should the Host elect to terminate its participation in the Shared Caged Collocation arrangement, the Host and the Guest(s) agree to designate one of the remaining Guest(s) as the new Host 60 days prior to the termination of the current Host CLEC.

C. Subleased Caged

(1) Description

- (a) Vacant space available in a CLEC's (Host CLEC) Caged Collocation arrangement ordered after June 1, 1999, may be made available to a third party (Guest CLEC) for the purpose of interconnection or for access to Unbundled Network Elements (UNEs) in GTE's wire center(s) or access tandem(s) via a subleasing Collocation arrangement. The Host would

sublease the floor space to the Guest pursuant to terms and conditions agreed to by the Host and Guest CLECs involved. The Guest CLEC(s) must each be independently collocated within the Subleased Caged space for the purpose of interconnecting to GTE services or for purposes of accessing unbundled network elements.

(2) Terms and Conditions

- (a) All subleased floor space arrangements will be for space located within an existing Host's cage.
- (b) GTE will not be responsible for the notification of the surplus floor space in the existing Host's cage.
- (c) GTE will not be involved in negotiating the terms and conditions between the sharing parties.
- (d) The Host cannot warehouse space for the purposes of subleasing.
- (e) GTE will not issue separate billing for any of the rate elements associated with the Subleased Caged Collocation arrangement between the Host and its Guest(s). The Host will be responsible for ordering and payment of all Collocation applicable services ordered by the Host and on behalf of the Guest CLEC(s).
- (f) The Host CLEC will assume all responsibility for the actions and inactions of all guest CLEC(s).
- (g) Should the Host elect to terminate its participation in the Subleased Caged Collocation arrangement, the Host and the Guest(s) agree to designate one of the remaining Guest(s) as the new Host 60 days prior to the termination of the current Host CLEC.

(3) Responsibilities of the Host and Guest CLECs

The Host will be responsible for the following, as required to provision Subleased Collocation:

- (a) Submit all pertinent Collocation applications and fees as required for a standard caged Collocation arrangement on behalf of the Guest;
- (b) Provide to GTE, a Letter of Authorization (LOA) signed by both the Host and Guest verifying that this arrangement is acceptable to both parties and allows the Guest to order UNEs via an Access Service Request (ASR);
- (c) The Host will be responsible for ordering and payment of all tariffed Collocation to GTE, just as in a Single Caged Collocation arrangement; and,
- (d) The Host will be responsible for insuring that all equipment in the subleased arrangement is installed in compliance with GTE standards.

The Guest CLEC will be responsible for the following, as required to provision Subleased Collocation:

- (a) The Guest must have a network interconnection agreement with GTE. The Guest cannot sublease the Host's space solely to connect to another

Collocation CLEC; and,

- (b) The Guest is responsible for submitting its own ASRs to GTE to order UNEs.

Rate elements for subleasing are consistent with those proposed for Single Caged Collocation. All services required by the Guest will be ordered and billed through the Host via GTE's established ordering and billing processes for Collocation, with the exception of ASR related orders. The Guest will order and be billed directly for services ordered via an ASR. No Collocation elements in this Agreement are to be ordered by or billed directly to the Guest.

D. Entrance Facility and Entrance Facility Termination – Caged Collocation

- (1) GTE reserves the right to prohibit all equipment and facilities, other than fiber optic cable, from its entrance manholes. No splicing will be permitted in Manhole "1" by BLUESTAR. Where BLUESTAR is providing underground fiber optic cable in Manhole "1", it must be of sufficient length as specified by GTE to be pulled through the wire center or access tandem conduit and into the wire center or access tandem conduit and to BLUESTAR's Collocation arrangement.
- (2) BLUESTAR will not be permitted to reserve space in the wire center or access tandem conduit. If new conduit is required, GTE will negotiate with BLUESTAR to determine a further arrangement to deal with the specific location.
- (3) GTE reserves the right to manage its own wire center or access tandem conduit requirements and to reserve vacant space for facility additions planned within three (3) years as its primary use.
- (4) The splice in the wire center or access tandem cable vault must be a mechanical splice. To avoid safety hazards, no fusion splicing will be permitted. GTE will provide space and racking for the placement of an approved secured fire retardant splice enclosure.
- (5) BLUESTAR must tag all entrance facilities to indicate ownership.

E. Cageless Collocation

- (1) Description
 - (a) Cageless Collocation is a form of Collocation in which BLUESTAR can place their equipment in a GTE wire center(s) or access tandem(s) conditioned space. This arrangement is available on a first come, first served basis in all wire centers where interconnection or access to UNEs is requested by BLUESTAR. Cageless Collocation is not available where the only unoccupied space in a wire center or access tandem has been reserved by GTE for its own use or where technically feasible.
 - (b) All terms and conditions for Caged and Cageless Collocation as described in Sections 20 of this Attachment will apply, except as set forth following.
- (2) Terminating Equipment Requirements
 - (a) A Cageless Collocation arrangement allows BLUESTAR, using GTE approved vendors, to install equipment in single bay increments in an area designated by GTE. This space will be in a separate lineup, if available. If a separate bay lineup is not available, BLUESTAR's bay will be segregated by at least one vacant bay from GTE's own equipment. The equipment location will be designated by GTE and will vary based on individual wire

center or access tandem configurations. BLUESTAR equipment will not share the same equipment bays with GTE equipment.

- (b) BLUESTAR must install a minimum of one shelf of working equipment equipped with plug-ins when installing a Cageless Collocation equipment bay. Equipment bays must be fully equipped with common plug-ins before adding subsequent equipment bays.
- (c) BLUESTAR is permitted to place in its Cageless Collocation arrangement BLUESTAR-provided equipment as described in Section 11 of this Attachment .
- (d) BLUESTAR shall not use the equipment bay for the storage of any ancillary equipment within the Cageless Collocation area. Only equipment that is used for interconnection purposes or access to UNEs may be permanently mounted within the bay.
- (e) BLUESTAR is responsible for the identification of all equipment in its Cageless Collocation arrangement. All equipment must be clearly identified with BLUESTAR's name, emergency reach number, CLLI code and relay rack number. GTE will assign the CLLI code and relay rack designation number.

- (f) BLUESTAR equipment bay should conform to GTE's Technical Engineering Specifications and NEBS requirements for a standard equipment bay height, width and depth. Non-standard equipment configurations will be evaluated on a case-by-case basis.
- (g) All BLUESTAR equipment to be installed in the GTE wire center(s) or access tandem(s) must be either on GTE's list of compliant products, or equipment that is demonstrated as complying with the Technical Specifications specified in Section 10 of this Attachment. Upon receipt of a Cageless Collocation request, GTE will make available, at BLUESTAR's expense, any GTE technical specification documentation required by BLUESTAR to comply with this provision.
- (h) BLUESTAR must perform all work using GTE approved contractors. Such contractors must comply with GTE's Network Equipment Installation Standards including providing GTE with documentation (e.g., drawings and record updates) per GTE standards prior to service activation.
- (i) GTE and BLUESTAR agree to work cooperatively to develop an equipment layout that complies with the equipment specification and to minimize space requirements. GTE reserves the right to designate the specific location within the wire center or access tandem for installation.
- (j) BLUESTAR is responsible to demonstrate that its equipment meets all GTE installation standards prior to turn-up of equipment.
- (k) BLUESTAR shall not use the equipment bay for the storage of any ancillary equipment within the Cageless Collocation area. Only equipment that is used for interconnection purposes or access to UNEs may be permanently mounted within the bay.
- (l) BLUESTAR is responsible for the identification of all equipment in its Cageless Collocation arrangement. All equipment must be clearly identified with BLUESTAR's name, emergency reach number, CLLI code and relay rack number. GTE will assign the CLLI code and relay rack designation number.
- (m) BLUESTAR designated personnel will be permitted to access their equipment for provisioning, maintenance and repair. BLUESTAR must adhere to all entrance and exit requirements as specified by GTE for each Cageless Collocation arrangement. BLUESTAR access is restricted to direct access to the arrangement including wire center or access tandem space housing the Cageless Collocation equipment.

F. Adjacent Collocation

(1) Description

- (a) Adjacent Collocation permits BLUESTAR to construct or procure a structure on GTE property for the purpose of accessing wire center or access tandem cross connect points that may serve as a point of interconnection for the exchange of traffic with GTE or for purposes of accessing unbundled network elements in those GTE wire centers or access tandems listed in the NECA Tariff FCC 4. GTE property must be on the same premises as the wire center or access tandem for which interconnection or access to unbundled network elements is intended. Adjacent Collocation is an option when (1) any form of Caged or Cageless

Collocation arrangements cannot be accommodated due to space limitations or technical reasons; (2) the placement of a Remote Equipment Building (REB) meets local building code, GTE Standards and zoning requirements; and (3) the interconnection with GTE equipment is technically feasible.

(2) Responsibilities of GTE

GTE will be responsible for the following, as required to provision Adjacent Collocation:

- (a) Cable Pull - Pull BLUESTAR provided cable (copper/fiber/coax) into the wire center or access tandem;
- (b) Cable Splice - Any splicing of the cable required inside the zero manhole, wire center or access tandem;
- (c) Cable Termination - All cable terminations on the MDF and patch panels;
- (d) Cable Racking - Provide materials for and installation required for overhead cable racking;
- (e) Entrance Facility Space - Space in GTE's wire center or access tandem entrance facilities (zero manhole/conduit system) for BLUESTAR provided cables, if available;
- (f) Entrance Cable Route - Determining route of BLUESTAR's cable from BLUESTAR hut/REB and/or GTE zero manhole;
- (g) Cable Terminations - Cable Terminations on MDF/CDF or DSX;
- (h) Adjacent Structure Location - Determine if real estate is available to locate structure and where that structure is to be located, if space is available;
- (i) Real Estate Lease Space - GTE will provide a Right of Way easement or License Agreement to grant the use of the property to BLUESTAR;
- (j) Structure Design Approval - All construction design plans proposed for structures/entrance facilities on GTE property must be approved by GTE prior to the start of construction;
- (k) Final Inspection - Perform final inspection of adjacent facilities to insure compliance with GTE standards; and,
- (l) Adjacent Structure Access - GTE will be allowed access to the adjacent structure with 24 hours' notification to inspect the structure for hazardous materials, etc. and will allowed access in case of an emergency.
- (m) Exterior Storage and Parking - BLUESTAR will not be allowed to store any material outside of its adjacent structure. Parking will be available in designated parking areas only.

(3) Responsibilities of BLUESTAR

BLUESTAR will be responsible for the following, as required to provision Adjacent Collocation:

- (a) Cables - Provide cables (copper/fiber/coax) of sufficient length with

**GTE Network Services
Caged Collocation Rates (8/1/99)**

Elements	Increment	NRC / MRC	FL
<u>Non-Recurring Prices</u>			
Engineering Costs			
Engineering Fee	per occurrence	NRC	\$1,169.68
Augment/Change Current Svc Arrangements	per occurrence	NRC	\$199.42
Access Card Administration (New/Replacement)	per card	NRC	\$20.62
Building Modification			
Site Modifications (for Construction inside GTE CO only)			
Demolition and Site Work	per request	NRC	\$596.38
Exterior Door	per request	NRC	\$2,638.13
Concrete Work	per request	NRC	\$369.00
Steel/Metals Work	per request	NRC	\$984.75
Painting/Finishes	per request	NRC	\$657.80
Interior Door	per request	NRC	\$1,644.94
Flooring Work	per request	NRC	\$902.59
HVAC - Minor (Heating, Ventilating & Air Condit'g)	per occurrence	NRC	\$2,011.88
Dust Partition	per request	NRC	\$1,815.48
Hardware - Lockset for Door	per unit	NRC	\$159.95
Electrical			
Lighting	per unit	NRC	\$790.54
Electrical Outlet	per outlet	NRC	\$716.84
Floor Grounding Bar	per bar	NRC	\$1,077.71
Cage Grounding Bar	per bar	NRC	\$1,266.05
Cable Racking - Dedicated			
Engineering	per project	NRC	\$71.44.
Installation and Materials - Racking	per linear foot	NRC	\$32.40
Cage Enclosure			
Cable Fencing	per sq. ft. fencing	NRC	\$8.77
Cage Gate	per gate	NRC	\$497.41
DC Power Facility			
Termination	per pwr run	NRC	\$56.43
Power Cable Pull - Labor	per linear foot	NRC	\$9.41
Engineering	per project	NRC	\$71.44
Fiber Cable Pull			
Engineering Costs	per project	NRC	\$806.30
Place Innerduct	per linear foot	NRC	\$1.40
Pull Cable	per linear foot	NRC	\$0.58
Cable Fire Retardant	per occurrence	NRC	\$37.62
Fiber Cable Splice	per fiber	NRC	\$41.80
Facility Pull			
Engineering Costs	per project	NRC	\$33.82
Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber	per linear foot	NRC	\$0.94
Per DSO Cable Termination (Connectorized)	per 100 pr	NRC	\$3.76
Per DS1 Cable Termination (Connectorized)	per 28 pr	NRC	\$0.94
Per DS3 (coaxial) Termination			
Per Termination (Preconnectorized)	per DS3	NRC	\$0.94
Per Termination (Unconnectorized)	per DS3	NRC	\$9.41
BITS Timing			
Engineering Costs	per project	NRC	\$34.76
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.08
<u>Monthly Recurring Prices</u>			
Cage Floor Space including Shared Access Area	1 sq ft	MRC	\$2.17
Cable Space (Subduct Space)			
Manhole	per project	MRC	\$5.61
Subduct	per linear foot	MRC	\$0.03
DC Power Facility and Utility			
Utility, Power Supply, Fuse Panels and Fuses	40 amps	MRC	\$777.63
Facility Termination			
DSO Cable - Material	per 100 pr.	MRC	\$3.00
DS1 Cable - Material	per 28 pr.	MRC	\$12.70
DS3 Cable - Material	per DS3	MRC	\$16.24
Cable Vault Splice			
Fiber Cable - 48 fiber			
Material	per splice	MRC	\$9.03
Space Utilization in Cable Vault	per subduct	MRC	\$0.82
Fiber Cable - 96 fiber			
Material	per splice	MRC	\$25.71
Space Utilization in Cable Vault	per subduct	MRC	\$0.82
Cable Rack - Common			
Metallic DSO Cable - Space Utilization	per linear foot	MRC	\$0.01
Metallic DS1 Cable - Space Utilization	per linear foot	MRC	\$0.01
Fiber Cable - Space Utilization	per innerduct ft.	MRC	\$0.01
BITS Timing	per port	MRC	\$9.38
<u>Individual Case Basis (ICB)</u>			
Major Environmental Conditioning (HVAC)	per project	ICB	ICB
Major Power Plant Upgrades	per project	ICB	ICB
Equipment Rearrangement	per project	ICB	ICB
Major Conduit & Cable Vault Additions	per project	ICB	ICB
Asbestos Removal	per project	ICB	ICB

**GTE Network Services
Cageless Collocation Rates (8/1/99)**

Elements	Increment	NRC / MRC	FL
<u>Non-Recurring Prices</u>			
Engineering Costs			
Engineering Fee	per occurrence	NRC	\$1,169.68
Augment/Change Current Svc Arrangements	per occurrence	NRC	\$199.42
Access Card Administration (New/Replacement)	per card	NRC	\$20.62
Building Modification			
Site Modifications (for Construction inside GTE CO only)			
Demolition and Site Work	per request	NRC	\$596.37
Exterior Door	per request	NRC	\$2,638.13
Concrete Work	per request	NRC	\$369.00
Steel/Metals Work	per request	NRC	\$984.75
Painting/Finishes	per request	NRC	\$657.80
Interior Door	per request	NRC	\$1,644.94
Flooring Work	per request	NRC	\$902.59
HVAC - Minor (Heating, Ventilating & Air Condit'g)	per occurrence	NRC	\$2,011.88
Dust Partition	per request	NRC	\$1,815.48
Hardware - Lockset for Door	per unit	NRC	\$159.95
Electrical			
Lighting	per unit	NRC	\$790.54
Electrical Outlet	per outlet	NRC	\$716.84
Floor Grounding Bar	per bar	NRC	\$1,077.71
Cable Racking - Dedicated			
Engineering	per project	NRC	\$71.44
Installation and Materials - Racking	per linear foot	NRC	\$32.40
DC Power Facility			
Termination	per pwr run	NRC	\$56.43
Power Cable Pull - Labor	per linear foot	NRC	\$9.41
Engineering	per project	NRC	\$71.44
Fiber Cable Pull			
Engineering Costs	per project	NRC	\$606.30
Place Innerduct	per linear foot	NRC	\$1.40
Pull Cable	per linear foot	NRC	\$0.58
Cable Fire Retardant	per occurrence	NRC	\$37.62
Fiber Cable Splice	per fiber	NRC	\$41.80
Facility Pull			
Engineering Costs	per project	NRC	\$33.82
Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber	per linear foot	NRC	\$0.94
Per DSO Cable Termination (Connectorized)	per 100 pr	NRC	\$3.76
Per DS1 Cable Termination (Connectorized)	per 28 pr	NRC	\$0.94
Per DS3 (coaxial) Termination			
Per Termination (Preconnectorized)	per DS3	NRC	\$0.94
Per Termination (Unconnectorized)	per DS3	NRC	\$9.41
BITS Timing			
Engineering Costs	per project	NRC	\$34.76
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.08
<u>Monthly Recurring Prices</u>			
Relay Rack Floor Space including Shared Access Area	per linear foot	MRC	\$9.23
Cabinet Floor Space including Shared Access Area	per linear foot	MRC	\$12.49
Cable Space			
Subduct Space			
Manhole	per project	MRC	\$5.61
Subduct	per linear foot	MRC	\$0.03
DC Power Facility and Utility			
Utility, Power Supply, Fusa Panels and Fuses	40 amps	MRC	\$777.63
Facility Termination			
DSO Cable - Material	per 100 pr.	MRC	\$3.00
DS1 Cable - Material	per 28 pr.	MRC	\$12.70
DS3 Cable - Material	per DS3	MRC	\$16.24
Cable Vault Splice			
Fiber Cable - 48 fiber			
Material	per splice	MRC	\$9.03
Space Utilization in Cable Vault	per subduct	MRC	\$0.82
Fiber Cable - 96 fiber			
Material	per splice	MRC	\$25.71
Space Utilization in Cable Vault	per subduct	MRC	\$0.82
Cable Rack - Common			
Metallic DSO Cable - Space Utilization	per linear foot	MRC	\$0.01
Metallic DS1 Cable - Space Utilization	per linear foot	MRC	\$0.01
Fiber Cable - Space Utilization	per innerduct ft.	MRC	\$0.01
BITS Timing	per port	MRC	\$9.38
<u>Individual Case Basis (ICB)</u>			
Major Environmental Conditioning (HVAC)	per project	ICB	ICB
Major Power Plant Upgrades	per project	ICB	ICB
Equipment Rearrangement	per project	ICB	ICB
Major Conduit & Cable Vault Additions	per project	ICB	ICB
Asbestos Removal	per project	ICB	ICB

**GTE Network Services
Adjacent Collocation Rates (8/1/99)**

Elements	Increment	NRC / MRC	FL
<u>Non-Recurring Prices</u>			
Engineering Fee	per occurrence	NRC	\$958.00
Fiber Cable Pull			
Engineering Costs	per project	NRC	\$606.30
Place Innerduct	per linear foot	NRC	\$1.40
Pull Cable	per linear foot	NRC	\$0.58
Cable Fire Retardant	per occurrence	NRC	\$37.62
Metallic Cable Pull			
Engineering Costs	per project	NRC	\$606.30
Pull Cable	per linear foot	NRC	\$0.51
Cable Fire Retardant	per occurrence	NRC	\$37.62
Cable Splice			
Metallic DSO, DS1 or Fiber			
Engineering Costs	per project	NRC	\$30.32
Splicing (greater than 200 pair)	per DSO/DS1 pair	NRC	\$0.55
Splicing (less than 200 pair)	per DSO/DS1 pair	NRC	\$1.25
Splicing Fiber Cable	per fiber	NRC	\$41.80
Facility Pull			
Engineering Costs	per project	NRC	\$33.82
Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber	per linear foot	NRC	\$0.94
Per DSO Cable Termination			
Per Termination (C)	per 100 pr	NRC	\$3.76
Per Termination (UC)	per 100 pr	NRC	\$37.62
Per DS1 Cable Termination			
Per Termination (C)	per 28 pr	NRC	\$0.94
Per Termination (UC)	per 28 pr	NRC	\$28.22
Per DS3 (coaxial) Termination			
Per Termination (Preconnectorized)	per DS3	NRC	\$0.94
Per Termination (Unconnectorized)	per DS3	NRC	\$9.41
Per Fiber Cable Termination			
Per Termination	per fiber	NRC	\$41.80
BITS Timing			
Engineering Costs	per project	NRC	\$34.76
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.08
<u>Monthly Recurring Prices</u>			
Cable Space			
Subduct Space			
Manhole	per project	MRC	\$5.61
Subduct	per linear foot	MRC	\$0.03
Conduit Space - 4" Duct - Metallic Cable			
Manhole	per project	MRC	\$9.64
Conduit	per linear foot	MRC	\$0.04
Facility Termination			
DSO Cable - Material	per 100 pr.	MRC	\$3.00
DS1 Cable - Material	per 28 pr.	MRC	\$12.70
DS3 Cable - Material	per DS3	MRC	\$16.24
Cable Vault Splice			
Metallic DSO Cable per 1200 pair			
Material	per splice	MRC	\$458.62
Space Utilization in Cable Vault	per cable	MRC	\$3.03
Metallic DSO Cable per 900 pair			
Material	per splice	MRC	\$335.84
Space Utilization in Cable Vault	per cable	MRC	\$2.75
Metallic DSO Cable per 600 pair			
Material	per splice	MRC	\$223.26
Space Utilization in Cable Vault	per cable	MRC	\$1.96
Metallic DS1 Cable			
Material	per splice	MRC	\$46.47
Space Utilization in Cable Vault	per cable	MRC	\$0.44
Fiber Cable - 48 fiber			
Material	per splice	MRC	\$9.03
Space Utilization in Cable Vault	per subduct	MRC	\$0.82
Fiber Cable - 96 fiber			
Material	per splice	MRC	\$25.71
Space Utilization in Cable Vault	per subduct	MRC	\$0.82
Cable Rack - Common			
Metallic DSO Cable - Space Utilization	per linear foot	MRC	\$0.01
Metallic DS1 Cable - Space Utilization	per linear foot	MRC	\$0.01
Fiber Cable - Space Utilization	per innerduct ft.	MRC	\$0.01
BITS Timing	per port	MRC	\$9.38
<u>Individual Case Basis (ICB)</u>			
Major Environmental Conditioning (HVAC)	per project	ICB	ICB
Major Power Plant Upgrades	per project	ICB	ICB
Equipment Rearrangement	per project	ICB	ICB
Major Conduit & Cable Vault Additions	per project	ICB	ICB
Asbestos Removal	per project	ICB	ICB

**GTE Network Services
Miscellaneous Collocation Services (8/1/99)**

Elements	Increment	NRC / MRC	FL
Labor:			
Overtime Installation Labor	per rates below		
Overtime Repair Labor	per rates below		
Additional Installation Testing Labor	per rates below		
Standby Labor	per rates below		
Testing & Maintenance with Other Telcos, Labor	per rates below		
Other Labor	per rates below		
Labor Rates:			
Basic Time, Business Day, Per Technician			
First Half Hour or Fraction Thereof		NRC	\$41.66
Each Additional Half Hour or Fraction Thereof		NRC	\$20.83
Overtime, Outside the Business Day			
First Half Hour or Fraction Thereof		NRC	\$100.00
Each Additional Half Hour or Fraction Thereof		NRC	\$75.00
Prem. Time, Outside Business Day, Per Tech			
First Half Hour or Fraction Thereof		NRC	\$150.00
Each Additional Half Hour or Fraction Thereof		NRC	\$125.00
GTE Provided Cable Rates:			
Facility Cable			
DS-0 Cable (Connectorized) 100 pair	100 ft.	NRC	\$157.69
DS-1 Cable (Connectorized)	100 ft.	NRC	\$165.77
DS-3 Coax Cable	per linear foot	NRC	\$0.42
Shielded Cable (Orange jacket)	per linear foot	NRC	\$0.16
Power Cable			
Wire Power 1/0	per linear foot	NRC	\$0.77
Wire Power 2/0	per linear foot	NRC	\$1.11
Wire Power 3/0	per linear foot	NRC	\$1.24
Wire Power 4/0	per linear foot	NRC	\$1.52
Wire Power 350 MCM	per linear foot	NRC	\$2.60
Wire Power 500 MCM	per linear foot	NRC	\$3.63
Wire Power 750 MCM	per linear foot	NRC	\$5.58
Wire Ground #6	per linear foot	NRC	\$0.15
Collocation Space Report	per premise	NRC	\$1,637.25

ATTACHMENT 3

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection



GTE Network
Services

HQE03828
600 Hidden Ridge
P.O. Box 152092
Irving, TX 75038
972/718-4586
FAX 972/719-1523

August 4 1999

Mr. Norton Cutler
BlueStar Networks, Inc.
131 Second Avenue North
Nashville TN 37201

Dear Mr. Cutler:

GTE has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996, BlueStar Networks, Inc. (BlueStar) wishes to adopt the terms of the arbitrated Interconnection Agreement between AT&T of the Southern States (AT&T) and GTE that was approved by the Commission as an effective agreement in the State of Florida in Order No. PSC-97-0864-FOF-TP (Terms)¹.

Please be advised that our position regarding the adoption of the Terms is as follows.

On January 25, 1999, the Supreme Court of the United States ("Court") issued its decision on the appeals of the Eighth Circuit's decision in *Iowa Utilities Board*. Specifically, the Supreme Court vacated Rule 51.319 of the FCC's First Report and Order, FCC 96-325, 61 Fed. Reg. 45476 (1996) and modified several of the FCC's and the Eighth Circuit's rulings regarding unbundled network elements and pricing requirements under the Act. *AT&T Corp. v. Iowa Utilities Board*, No. 97-826, 1999 U.S. LEXIS 903 (1999).

Three aspects of the Court's decision are worth noting. First, the Court upheld on statutory grounds the FCC's jurisdiction to establish rules implementing the pricing provisions of the Act. The Court, though, did not address the substantive validity of the FCC's pricing rules. This issue will be decided by the Eighth Circuit on remand.

¹ These interconnection agreements in the generally accepted understanding of that term. GTE was required to accept these agreements which were required to reflect the then-effective FCC rules.

Second, the Court held that the FCC, in requiring ILECs to make available all UNEs, had failed to implement section 251(d)(2) of the Act, which requires the FCC to apply a "necessary" or "impair" standard in determining the network elements ILECs must unbundle. The Court ruled that the FCC had improperly failed to consider the availability of alternatives outside the ILEC's network and had improperly assumed that a mere increase in cost or decrease in quality would suffice to require that the ILEC provide the UNE. The Court therefore vacated in its entirety the FCC rule setting forth the UNEs that the ILEC is to provide. The FCC must now promulgate new UNE rules that comply with the Act. As a result, any provisions in the Terms requiring GTE to provide UNEs are nullified.

Third, the Court upheld the FCC rule forbidding ILECs from separating elements that are already combined (Rule 315(b)), but explained that its remand of Rule 319 "may render the incumbents' concern on [sham unbundling] academic." In other words, the Court recognized that ILEC concerns over UNE platforms could be mooted if ILECs are not required to provide all network elements: "If the FCC on remand makes fewer network elements unconditionally available through the unbundling requirement, an entrant will no longer be able to lease every component of the network."

The Terms which BlueStar seeks to adopt do *not* reflect the Court's decision, and any provision in the Terms that is inconsistent with the decision is nullified.

GTE anticipates that after the FCC issues new final rules on UNEs, this matter may be resolved. In the interim, GTE would prefer not to engage in the arduous task of reforming agreements to properly reflect the current status of the law and then to repeat the same process later after the new FCC rules are in place. Without waiving any rights, GTE proposes that the parties agree to hold off amending (or incorporating the impact of the decision into) the Terms and let the section 252(i) adoption proceed by maintaining the status quo until final new FCC rules are implemented (the "New Rules"); subject to the following package of interdependent terms:

1. GTE will continue to provide all UNEs called for under the Terms until the FCC issues the New Rules even though it is not legally obligated to do so.
2. Likewise, BlueStar agrees not to seek UNE "platforms," or "already bundled" combinations of UNEs.
3. If the FCC does not issue New Rules prior to the expiration of the initial term of the Terms, GTE will agree to extend any new interconnection arrangement between the parties to the terms of this proposal until the FCC issues its New Rules.

4. By making this proposal (and by agreeing to any settlement or contract modifications that reflect this proposal), GTE does not waive any of its rights, including its rights to seek recovery of its actual costs and a sufficient, explicit universal service fund. Nor does GTE waive its position that, under the Court's decision, it is not required to provide UNEs unconditionally. Moreover, GTE does not agree that the UNE rates set forth in any agreement are just and reasonable and in accordance with the requirements of sections 251 and 252 of Title 47 of the United States Code.
5. The provisions of the contract that might be interpreted to require reciprocal compensation or payment as local traffic from GTE to the telecommunications carrier for the delivery of traffic to the Internet are not available for adoption and are not a part of the 252(i) adoption of the Terms pursuant to FCC Rule 809 and paragraphs 1317 and 1318 of the First Report and Order.

GTE believes that the first four conditions above are adequately explained by the first part of this letter. The reason for the last condition is the FCC gave the ILECs the ability to except 252(i) adoptions in those instances where the cost of providing the service to the requesting carrier is higher than that incurred to serve the initial carrier or there is a technical incompatibility issue. The issue of reciprocal compensation for traffic destined for the Internet falls within FCC Rule 809. GTE never intended for Internet traffic passing through a telecommunications carrier to be included within the definition of local traffic and the corresponding obligation of reciprocal compensation. Despite the foregoing, some forums have interpreted the issue to require reciprocal compensation to be paid. This produces the situation where the cost of providing the service is not cost based under Rule 809 or paragraph 1318 of the First report and Order. As a result, that portion of the contract pertaining to reciprocal compensation is not available under this 252(i) adoption. In its place are provisions that exclude ISP Traffic from reciprocal compensation. Specifically, the definition of "Local Traffic" includes this provision: "Local Traffic excludes information service provider ("ISP") traffic (i.e. Internet 900 - 976, etc)".

In sum, GTE believes its proposal as described above would maintain the status quo until the legal landscape is settled.

BlueStar's adoption of the AT&T Terms shall become effective upon filing of this letter with the Florida Public Service Commission and remain in effect no longer than the date the AT&T Terms are terminated. The AT&T agreement is currently scheduled to expire on June 1, 2001.

Norton Cutler
August 4, 1999
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As these Terms are being adopted by BlueStar pursuant to your statutory rights under section 252(i), GTE does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by GTE of the Terms does not in any way constitute a waiver by GTE of its position as to the illegality or unreasonableness of certain Arbitrated Provisions or a portion thereof, nor does it constitute a waiver by GTE of all rights and remedies it may have to seek review of the Arbitrated Provisions, or to petition the Commission, other administrative body, or court for reconsideration or reversal of any determination made by the Commission pursuant with respect to the Arbitrated Provisions, or to seek review in any way of any provisions included in these Terms as a result of BlueStar's 252(i) election.

Nothing herein shall be construed as or is intended to be a concession or admission by either GTE or BlueStar that any Arbitrated Provisions comply with the rights and duties imposed by the Telecommunications Act of 1996, the decision of the FCC and the Commissions, the decisions of the courts, or other law, and both GTE and BLUESTAR expressly reserve their full right to assert and pursue claims arising from or related to the Arbitrated Provisions. GTE contends that certain provisions of the Terms may be void or unenforceable as a result of the Court's decision of January 25, 1999 and the remand of the pricing rules to the United States Eighth Circuit Court of Appeals.

Should BlueStar attempt to apply such conflicting provisions, GTE reserves its rights to seek appropriate legal and/or equitable relief. Should any provision of the Terms be modified, such modification would likewise automatically apply to this 252(i) adoption.

By your countersignature on this letter, BlueStar is indicating its understanding and agreement with the following three points:

- (A) BlueStar adopts the Terms of the AT&T agreement for interconnection with GTE and in applying the Terms, agrees that BlueStar be substituted in place of AT&T in the Terms wherever appropriate.
- (B) BlueStar requests that notice to BlueStar as may be required under the Terms shall be provided as follows:

To BlueStar Networks, Inc.
Attention: Fred Joseph Goldner
President
131 Second Avenue North
Nashville, TN 37201
Telephone number: 615/255-2106

Norton Cutler
August 4 1999
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(C) BlueStar represents and warrants that it is a certified provider of local dialtone service in the State of Florida and that its adoption of the Terms will cover services in the State of Florida only.

Sincerely

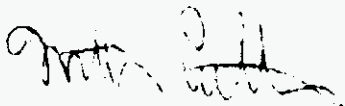
GTE Florida Incorporated



Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection

Reviewed and countersigned as to points A, B, and C.:

BlueStar Networks, Inc



For BlueStar Networks, Inc

c: R Bates - NC999142 - Durham, NC
A Lowery - NC999142 - Durham, NC
D Robinson - HQE03B73 - Irving, TX

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of GTE Florida Incorporated's Petition For Approval of Supplemental Interconnection Agreement with BlueStar Networks, Inc. was sent via overnight delivery on November 19, 1999 to:

Staff Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

BlueStar Networks, Inc.
Attention: Fred Joseph Goldner, President
131 Second Avenue North
Nashville, TN 37201


for Kimberly Caswell