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Tallahassee, Florida 32301-1556

Marshall M. Criser III
Regulatory Vice President

ORIGINAL

RECORDS AND REPORTING

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May 5, 2000

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

000535 -TP

Re: Approval of an Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. ("BellSouth") and KMC, II, III, and IV pursuant to Sections 251, 252 and 271 of the Telecommunications Act of 1996

Dear Mrs. Bayo:

Pursuant to section 252(e) of the Telecommunications Act of 1996, BellSouth and KMC, II, III, and IV are submitting to the Florida Public Service Commission an amendment to their negotiated agreement for the interconnection of their networks, the unbundling of specific network elements offered by BellSouth and the resale of BellSouth's telecommunications services to KMC, II, III, and IV. The Commission approved the initial agreement between the companies in Order No. 97-0857-FOF-TP issued July 16, 1997 in Docket 970454-TP.

Pursuant to section 252(e) of the Act, the Commission is charged with approving or rejecting the negotiated agreement between BellSouth and KMC, II, III, and IV within 90 days of its submission. The Act provides that the Commission may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity. Both parties aver that neither of these reasons exist as to the agreement they have negotiated and therefore, are very hopeful that the Commission shall approve their agreement.

Very truly yours,

Marshall M. Criser III
Regulatory Vice President
(22)

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Mrs
FPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

05669 MAY-58

FPSC-RECORDS/REPORTING

ATTACHMENT TO TRANSMITTAL LETTER

The Agreement entered into by and between KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., KMC Telecom IV, Inc. and BellSouth Telecommunications, Inc., dated 4/14/00, for the state Florida, consists of the following:

ITEM	NO. PAGES
Amendment	4
Exhibit 1	1
Exhibit 2	1
TOTAL	6

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

Pursuant to this Agreement, (the "Amendment"), KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., and KMC Telecom IV, Inc. (collectively KMC), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated April 14, 2000 ("Agreement").

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Attachment 1, Table 1 of the Interconnection Agreement is hereby revised to include 4 Wire DS0 Digital Grade Loop rates for the state of Florida effective with the execution of this Amendment as follows:

4 Wire 56 or 64 Kbps Digital Grade Loop Recurring Charges	Non Recurring Charges						Order Coord Specific Time Convrs
	Connect		Manual Svc Order		Disconnect		
	First	Add'l	First	Add'l	First	Add'l	
31.90	275.00	105.00	22.00	22.00	NA	NA	NA

2. DS0 Cross Connect for cross connect to KMC virtual collocation facilities will be provided to KMC in Florida at the following rates:

DS0 Cross Connect	2 Wire	\$0.30 Recurring Charge (per cross connect)
DS0 Cross Connect	4 Wire	\$0.50 Recurring Charge (per cross connect)
DS0 Cross Connect	2 Wire	\$19.20 Non Recurring Charge (first and add'l)
DS0 Cross Connect	4 Wire	\$19.20 Non Recurring Charge (first and add'l)

3. The Parties agree that BellSouth will, upon request, provide and KMC will accept and pay for Acceptance of Fiber Cross-Connects in accordance with the schedule of prices set forth in Exhibit 1, incorporated herein by this reference.

4. Section 2.5 of Attachment V of the Interconnection Agreement is modified to now include 2.5.A, as follows:

Demarcation Point. BellSouth will designate the point(s) of interconnection between KMC's equipment and/or network and BellSouth's network. Each party will be responsible for maintenance and operation of all equipment/facilities on its side of the demarcation point. For 2-wire and 4-wire connections to BellSouth's network, the demarcation point shall be a common block on the BellSouth designated conventional distributing frame. KMC shall be responsible for providing, and KMC's BellSouth Certified Vendor shall be responsible for installing and properly labeling/stenciling, the common block, and necessary cabling pursuant to construction and provisioning interval requirements. For all other terminations BellSouth shall designate a demarcation point on a per arrangement basis. KMC or its agent must perform all required maintenance to equipment/facilities on its side of the demarcation point, pursuant to the subsection following, and may self-provision cross-connects that may be required within the

collocation space to activate service requests. At KMC's option, a Point of Termination (POT) bay or frame may be placed in the Collocation Space.

KMC's Equipment and Facilities. KMC, or if required by this Agreement, KMC's BellSouth certified vendor, is solely responsible for the design, engineering, installation, testing, provisioning, performance, monitoring, maintenance and repair of the equipment and facilities used by KMC. Such equipment and facilities may include but are not limited to cable(s); equipment; and point of termination connections.

5. Sections 2.3 and 2.3A of Attachment V of the Interconnection Agreement is deleted in its entirety and substituted in its place is a new section 2.3, including the rates in Exhibit 1, Attachment A, as follows:

Access. Pursuant to Security and Safety requirements below, KMC shall have access to the Collocation Space twenty-four (24) hours a day, seven (7) days a week. KMC agrees to provide the name, social security number, and date of birth of each employee, contractor, or agents provided with Access Keys or cards ("Access Keys") prior to the issuance of said Access Keys. KMC must submit to BellSouth the completed Access Control Request Form (RF-2906-A) for all employees or agents requiring access to the BellSouth Central Office a minimum of 30 calendar days prior to the date KMC desires access to the Collocation Space. Access Keys shall not be duplicated under any circumstances. KMC agrees to be responsible for all Access Keys and for the return of all said Access Keys in the possession of KMC employees, contractors, guests, or agents after termination of the employment relationship, contractual obligation with KMC or upon the termination of this Agreement or the termination of occupancy of an individual collocation arrangement.

Lost or Stolen Access Keys. KMC shall notify BellSouth in writing immediately in the case of lost or stolen Access Keys. KMC will pay BellSouth \$250.00 per Access Key(s) lost or stolen. Should it become necessary for BellSouth to re-key buildings as a result of a lost Access Key(s) or for failure to return an Access Key(s), KMC shall pay for all reasonable costs associated with the re-keying.

Security and Safety Requirements. Only BellSouth employees, BellSouth certified vendors and authorized employees, or authorized agents of KMC will be permitted in the BellSouth Central Office. KMC shall provide its employees and agents with picture identification, which must be worn and visible at all times while in the Collocation Space or other areas in or around the Central Office. The photo Identification card shall bear, at a minimum, the employee's name and photo, and the KMC name. BellSouth reserves the right to remove from its premises any employee of KMC not possessing identification issued by KMC. KMC shall hold BellSouth harmless for any damages resulting from such removal of its personnel from BellSouth premises.

KMC will be required, at its own expense, to conduct a statewide investigation of criminal history records for each KMC employee being considered for work on the BellSouth Central Office, for the states/counties where the KMC employee has worked and lived for the past five years. Where state law does not permit statewide collection or reporting, an investigation of the applicable counties is acceptable.

KMC will be required to administer to their personnel assigned to the BellSouth Central Office security training either provided by BellSouth, or meeting criteria defined by BellSouth.

KMC shall not assign to the BellSouth Central Office any personnel with records of felony criminal convictions. KMC shall not assign to the BellSouth Central Office any personnel with records of misdemeanor convictions, without advising BellSouth of the nature and gravity of the

offense(s). BellSouth reserves the right to refuse building access to any KMC personnel who have been identified to have misdemeanor criminal convictions.

For each KMC employee requiring access to a BellSouth Central Office pursuant to this agreement, KMC shall furnish BellSouth, prior to an employee gaining such access, a notarized affidavit certifying that the aforementioned background check and security training were completed. The affidavit will contain a statement certifying no felony convictions were found and certifying that the security training was completed by the employee. If the employee's criminal history includes misdemeanor convictions, KMC will disclose the nature of the convictions to BellSouth at that time.

At BellSouth's request, KMC shall promptly remove from the BellSouth's premises any employee of KMC BellSouth does not wish to grant access to its premises pursuant to any investigation conducted by BellSouth.

Notification to BellSouth. BST reserves the right to interview KMC's employees, agents, or contractors. KMC and its contractors shall cooperate fully with BellSouth's investigation into allegations of wrongdoing or criminal conduct committed by or involving KMC's employees, agents, or contractors. Additionally, BellSouth reserves the right to bill KMC for all costs associated with investigations involving its employees, agents, or contractors if it can be reasonably established that KMC's employees, agents, or contractors are responsible for the alleged act. BellSouth shall bill KMC for BellSouth property which is stolen or damaged where an investigation determines the culpability of KMC's employees, agents, or contractors. KMC shall notify BellSouth in writing immediately in the event that KMC discovers one of its employees already working on the BellSouth premises is a possible security risk. BellSouth reserves the right to permanently remove from its premises any employee of KMC identified as posing a security risk to BellSouth or any other CLEC, or having violated BellSouth policies set forth in the BellSouth CLEC Security Training. KMC shall hold BellSouth harmless for any damages resulting from such removal of its personnel from BellSouth premises.

Use of BellSouth Supplies by KMC Employees. Use of any BellSouth supplies by a KMC employee, whether or not used routinely to provide telephone service (e.g. plug-in cards,) will be considered theft and will be handled accordingly. Costs associated with such unauthorized use of BellSouth property may be charged to KMC as may be all associated investigative costs. At BellSouth's request, KMC shall promptly and permanently remove from BellSouth's Central Office any employee of KMC found to be in violation of this rule.

Use of Official Lines by KMC Employees. Except for local calls necessary in the performance of their work, KMC employees shall not use the telephones on BellSouth Central Office. Charges for unauthorized telephone calls made by a KMC's employees may be charged to KMC as may be all associated investigative costs. At BellSouth's request, KMC shall promptly and permanently remove from BellSouth's premises any employee of KMC found to be in violation of this rule.

Accountability. Full compliance with the Security requirements of this section shall in no way limit the accountability of KMC for the improper actions of its employees.

6. Section 1A of Attachment IV of the Interconnection Agreement is modified to now include 1.3 as provided in Exhibit 2, incorporated herein by this reference.

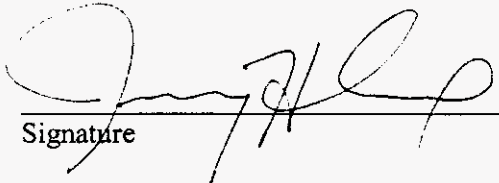
7. All of the other provisions of the Agreement, dated April 14, 2000, shall remain in full force and effect.

8. Either or both of the Parties is authorized to submit this Amendment to the Florida 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.

BellSouth Telecommunications, Inc.

**KMC Telecom, Inc., KMC Telecom II, Inc.
KMC Telecom III, Inc., KMC Telecom IV, Inc.**



Signature



Signature

Jerry D. Hendrix

Name

~~Michael Sternberg~~

Name
EVP, BUSINESS DEVELOPMENT
~~President & CEO~~

Senior Director

President & CEO

4-14-00

Date

4-10-00

Date

® Registered Service Mark of the BellSouth Corporation

Fiber Cross Connects

<u>Rate Element Description</u>	<u>Type of Charge</u>	<u>Charge</u>
PHYSICAL COLLOCATION		
2-Fiber Cross-Connect	RC	\$15.90
4-Fiber Cross-Connect	RC	\$28.50
		<u>First/Add'l</u>
2-Fiber Cross-Connect	NRC	\$73.00/\$52.00
4-Fiber Cross-Connect	NRC	\$88.00/\$67.00
VIRTUAL COLLOCATION (Note 1)		
2-Fiber Cross-Connect	RC	\$3.00
4-Fiber Cross-Connect	RC	\$6.00
		<u>First/Add'l</u>
2-Fiber Cross-Connect	NRC	\$73.00/\$52.00
4-Fiber Cross-Connect	NRC	\$88.00/\$67.00

Notes
 NRC: Non-recurring Charge – one-time charge
 RC: Recurring Charge – charged monthly

(1) Rates for Virtual Collocation may be subject to true-up based upon rates filed in the BellSouth F.C.C. #1 Tariff.

Multiple Tandem Access

1.3 Multiple Tandem Access

BellSouth Multiple Tandem Access (MTA) provides for LATA wide BellSouth transport and termination of KMC originated intraLATA toll and local traffic, that is transported by BellSouth, by establishing a Point of Interconnection at a BellSouth access tandem with routing through multiple BellSouth access tandems as required. However, KMC must still establish Points of Interconnection at all BellSouth access tandems where KMC NXXs are "homed". If KMC does not have NXXs homed at a BellSouth access tandem within a LATA and elects not to establish Points of Interconnection at such BellSouth access tandem, KMC can order MTA in each BellSouth access tandem within the LATA where it does have a Point of Interconnection and BellSouth will terminate traffic to end users served through those BellSouth access tandems where KMC does not have a Point of Interconnection. MTA shall be provisioned in accordance with BellSouth's Ordering Guidelines.

MTA does not include switched access traffic that transits the BellSouth network to an Interexchange Carrier (IXC). Switched Access traffic will be delivered to and by IXCs based on KMC's NXX Access Tandem homing arrangement as specified by KMC in the national Local Exchange Routing Guide (LERG).

For KMC originated local and intraLATA toll traffic that BellSouth transports but is destined for termination by a third Party network (transit traffic), BellSouth MTA is required if multiple BellSouth access tandems are necessary to deliver the call to the third Party network.

The Parties agree that compensation for the BellSouth transport and/or termination of KMC's local and intraLATA toll traffic will be billed on a statewide basis at the applicable rates specified in Attachment 1 for local traffic and at the BellSouth intrastate switched access tariff rates for intraLATA toll traffic.

To the extent KMC does not purchase MTA in a calling area that has multiple access tandems serving the calling area as defined by BellSouth, KMC must establish Points of Interconnection to every access tandem in the calling area in order to serve the entire calling area. To the extent KMC does not purchase MTA and provides intraLATA toll service to its customers, it may be necessary for it to establish a Point of Interconnection to additional BellSouth access tandems that serve end offices outside the local calling area. To the extent KMC routes its traffic in such a way that utilizes BellSouth's MTA service without properly ordering MTA service, KMC agrees to pay BellSouth the associated transport and termination charges.