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ORIGINAL

July 17, 2000

Mrs. Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 000761-TP (Sprint PCS Arbitration)

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of BellSouth Telecommunications, Inc.'s Answer to Petition for Arbitration of Sprint Spectrum, L.P. d/b/a Sprint PCS, which we ask that you file in the captioned docket.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,

Lisa Foshee

Lisa S. Foshee

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re:	)	
	)	
Petition by Sprint PCS for Arbitration	)	Docket No. 000761-TP
Of Certain Terms and Conditions of a	)	
Proposed Agreement with BellSouth	)	Filed: July 17, 2000
Pursuant to Section 252 of the	)	
Communications Act	)	

BELLSOUTH TELECOMMUNICATIONS, INC.'S RESPONSE TO SPRINT PCS' PETITION FOR ARBITRATION

Pursuant to 47 U.S.C. § 252(b)(3), BellSouth Telecommunications, Inc. ("BellSouth") hereby responds to Sprint Spectrum L.P. d/b/a Sprint PCS' ("Sprint PCS") Petition for Arbitration and shows as follows:

INTRODUCTION

A. Background for an Arbitration Petition

Sections 251 and 252 of the Telecommunications Act of 1996 ("1996 Act") encourage negotiations between parties to reach local interconnection agreements. Section 251(c)(1) of the 1996 Act requires incumbent local exchange companies to negotiate the particular terms and conditions of agreements to fulfill the duties described in Sections 251(b) and 251(c)(2-6).

Since passage of the 1996 Act on February 8, 1996, BellSouth has successfully conducted negotiations with numerous alternative local exchange companies ("ALECs") and CMRS providers in Florida. To date, the Florida Public Service Commission ("Commission") has approved numerous agreements between BellSouth and Commercial Mobile Radio Services ("CMRS") providers and between BellSouth and ALECs resulting from those negotiations. The nature and extent of these agreements vary depending on the individual needs of the companies, but the conclusion is inescapable – BellSouth has

a record of embracing competition and displaying willingness to compromise and interconnect on fair and reasonable terms.

As part of the negotiation process, the 1996 Act allows a party to petition a state commission for arbitration of unresolved issues.[1] The petition must identify the issues resulting from the negotiations that are resolved, as well as those that are unresolved.[2] The petitioning party must submit along with its petition "all relevant documentation concerning: (1) the unresolved issues; (2) the position of each of the parties with respect to those issues; and (3) any other issue discussed and resolved by the parties."[3] A non-petitioning party to a negotiation under this section may respond to the other party's petition and provide such additional information as it wishes within 25 days after the Commission receives the petition.[4] The 1996 Act limits the Commission's consideration of any petition (and any response thereto) to the unresolved issues set forth in the petition and in the response.[5]

BellSouth and Sprint PCS entered into a 1-year Interconnection Agreement on April 1, 1997, that expired on March 31, 1998. The agreement had a six month automatic renewal provision; thus, the parties have continued to operate under the April 1, 1997 agreement pending conclusion of negotiations. BellSouth and Sprint PCS agreed to continue to operate pursuant to the terms of the April 1, 1997 agreement until such time

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1 47 U.S.C. § 252(b)(2).

2 *See generally,* 47 U.S.C. §§ 252 (b)(2)(A) and 252 (b)(4).

3 47 U.S.C. § 252(b)(2).

4 47 U.S.C. § 252(b)(3).

5 47 U.S.C. § 252(b)(4).

as a new interconnection agreement is approved. Although BellSouth and Sprint PCS negotiated in good faith, the parties have been unable to reach agreement on two issues. As a result, Sprint PCS filed its Petition for Arbitration.

Through the arbitration process, the Commission must resolve the unresolved issues ensuring that the requirements of Sections 251 and 252 of the 1996 Act are met. The obligations contained in those sections of the 1996 Act are the obligations that form the basis for negotiation, and if negotiations are unsuccessful, then form the basis for arbitration. Issues or topics not specifically related to these areas are outside the scope of an arbitration proceeding. Once the Commission has provided guidance on the unresolved issues, the parties must incorporate those resolutions into a final agreement to be submitted to the Commission for approval.[6]

B. Summary of BellSouth's Position

The primary basis for Sprint PCS' Petition is Sprint PCS' contention that the entire network of CMRS providers (excluding handsets) are "additional costs" that should be included in calculating the reciprocal compensation to be paid by ILECs to CMRS providers. As BellSouth will demonstrate to the Commission, Sprint PCS' proposal is contrary to sound public policy, and the analyses relied upon by Sprint PCS are highly misleading and do not justify the relief sought by Sprint PCS. In brief summary, BellSouth's position is as follows:

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[6] 47 U.S.C. § 252(a).

1. *Sprint PCS' proposal is contrary to sound public policy.*

In the *Local Competition First Report and Order*[7] *(Order)*, the FCC established rules to implement the market-opening requirements of Sections 251-252 of the Telecommunications Act of 1996. The *Order* defined the statutory terms "transport and termination of traffic" [8] and "additional cost" in Section 252(d)(2) of the 1996 Act. The FCC specifically found that "transport" and "termination" describe distinct uses of the network (*Order* ¶¶ 1039, 1040) and that the term "additional cost" in Section 252(d)(2)(A)(ii) includes only those costs that vary "in proportion to the number of calls terminated over these facilities." (*Order* ¶ 1057) The FCC expressly held "only that portion of the forward-looking, economic cost of end-office switching that is recovered on a usage sensitive basis constitutes an 'additional cost' to be recovered through termination charges." (*Id.*). Importantly for purposes of this proceeding, the local loop and line ports associated with local switching were excluded from the definition of "additional costs" that are included in the development of reciprocal compensation rates.[9] In an accompanying footnote, the FCC stated that any costs that result from inadequate loop capacity are not considered "additional costs."[10] Thus, the FCC fully recognized

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[7] *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, 11 FCC Rcd 15499 (1996).

[8] *See* 47 C.F.R. Sec. 51.701(c) and (d).

[9] Paragraph 1057 of the *Order* provides: "We find that, once a call has been delivered to the incumbent LEC end office serving the called party, the 'additional cost' to the LEC of terminating a call that originates on a competing carrier's network primarily consists of the traffic-sensitive component of local switching. The network elements involved with the termination of traffic include the end-office switch and local loop. The costs of local loops and line ports associated with local switches do not vary in proportion to the number of calls terminated over these facilities. We conclude that such non-traffic sensitive costs should not be considered "additional costs" when a LEC terminates a call that originated on the network of a competing carrier. For the purposes of setting rates under Section 252(d)(2), only that portion of the forward-looking, economic cost of end-office switching that is recovered on a usage-sensitive basis constitutes an "additional cost" to be recovered through termination charges." (Emphasis added.)

[10] *Order*, ¶ 1057, fn. 2532: "The duty to terminate calls that originate on the network of a competitor does not directly affect the number of calls routed to a particular end user and any costs that result from

that it was defining the statutory term "additional costs" in a more restrictive manner than a true economic definition of "forward looking economic cost."

Furthermore, the FCC expressed a strong preference favoring symmetrical reciprocal compensation rates based on the additional costs incurred by the ILEC to transport and terminate traffic. (*Order* ¶ 1085 et seq.) Indeed, in the absence of an extraordinary showing by the connecting carrier, symmetrical rates are mandatory.[11] The FCC found that a symmetrical rate "gives the competing carrier correct incentives to minimize its own costs of termination because its termination revenues do not vary directly with changes in its own costs." (*Order* ¶ 1086) In line with this conclusion, the FCC directed the states to establish a strong presumption favoring symmetrical rates, and provided standards for connecting carriers to follow when asking the state commission to establish asymmetric rates.[12] (*Order* ¶ 1089) The rules require a carrier seeking asymmetrical reciprocal compensation rates to submit to the state commission a forward-looking economic cost study. The very nature of a rule that provides other carriers (carriers other than the ILEC) with the option, but not the obligation, to estimate its forward-looking economic costs, creates a disadvantage for the ILEC. If the other carrier has costs that are below the ILEC, then the other carrier has no incentive to produce cost estimates showing this lower cost. In such a case each carrier does not receive "the

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inadequate loop capacity are, therefore, not considered 'additional costs'." The FCC did not distinguish between the ILEC network and that of connecting carriers in making this holding.

[11] *See* 47 C.F.R. § 51.711.

[12] 47 C.F.R. § 51.711 (b) provides, in pertinent part: "A state commission may establish asymmetrical rates for transport and termination of local telecommunications traffic only if the carrier other than the incumbent LEC ... proves to the state commission on the basis of a cost study using forward-looking economic cost based pricing methodology described in §§ 51.505 and 51.511, that the forward looking costs for a network efficiently configured and operated by the carrier other than the incumbent LEC ... exceed the costs incurred by the incumbent LEC ... and, consequently, that such a higher rate is justified." Indeed, the Executive Summary of the Interconnection Order states: The 1996 Act requires that charges for transport and termination of traffic set based on 'additional cost.' The Commission concludes that state

mutual and reciprocal recovery...of costs associated with the transport and termination on [its] network facilities of calls that originate on the network facilities of the other carrier."[13] Rather, the other carrier would receive recovery of the higher costs of the ILEC that it did not incur.[14] The very nature of this asymmetric rule allowing discretion on the part of the other carrier, but not the ILEC, creates an especially strong presumption that reciprocal compensation be symmetrical.

Also, this requirement clearly implies that the portion of the two carriers' networks used in the cost calculation will be defined consistently. Indeed, the definitions of both "transport" and "termination" refer to the incumbent LEC's end office switch and the "equivalent facility" of the connecting carrier.[15]

It is against this background that Sprint PCS claims that a CMRS provider should be allowed to charge an ILEC asymmetrical reciprocal compensation rates that include the entire cost of its network (excluding the handset) plus the cost of obtaining spectrum. Sprint PCS largely ignores the policy implications of its proposal. Sprint PCS seeks an unearned competitive advantage for CMRS providers as well as a competitive advantage for itself vis a vis other CMRS providers who receive and pay symmetrical reciprocal compensation. Its proposal would eliminate the incentive in the current system for both carriers to minimize their costs. It would also favor one technology over another. Wherever the FCC draws the line in determining the additional costs of transport and termination , the line should be drawn at the same place in ILEC and CMRS networks. So long as the FCC draws the line at the ILEC end office switch, it should draw the line

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commissions, during arbitrations, should set symmetrical prices based on the local telephone company's forward-looking economic costs." (*Order*, ¶ 35).

[13] 47 U.S.C. § 252(d)(2)(1)

at the mobile switching center in the CMRS provider's network. A different line for different providers will result in a dangerous competitive imbalance between Sprint PCS and wireline providers offering services in competition with Sprint PCS.

Sprint PCS is asking that ILEC customers bear the cost of not only the loop plant in the ILEC network, but the loop-equivalent plant in the CMRS provider's network. These CMRS expenses are not currently included in BellSouth's local rate structure or design in Florida, and would raise numerous cost recovery and wireless surcharge issues.[16] Sprint PCS is seeking a reciprocal compensation rate of 6.6 cents per minute of use, a rate that is 18 times higher than the rate that BellSouth receives for terminating Sprint PCS traffic. Such a differential in reciprocal compensation rates would likely necessitate the implementation of a specific cost recovery mechanism, possibly including a surcharge on calls by BellSouth customers to Sprint PCS customers.

By contrast, the customer of the CMRS provider would be relieved of responsibility to cover the cost of the loop-equivalent facilities in the CMRS network. These costs are currently recovered in the CMRS provider's prices for their end-users. Allowing CMRS providers to recover these costs from BellSouth and/or BellSouth's customers would result either in double recovery or an unearned competitive advantage for the CMRS provider. There is no sound policy reason to tilt the competitive playing field so flagrantly in favor of Sprint PCS.

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[14] Another carrier may have lower costs due to choosing a different market niche or footprint from that of the larger ILEC.

[15] *See* 47 C.F.R. § 51.701(c) and (d).

[16] *See* In re Calling Party Pays Service Offering in Commercial Mobile Radio Services, WT Docket No. 97-207, Declaratory Ruling and Notice of Proposed Rulemaking, released July 7, 1999 at ¶¶ 69-73 (discussing the need for rule changes and cost recovery mechanisms, and recognizing that existing interconnection agreements would "need to be renegotiated if wireless carriers sought to establish asymmetrical rates for compensation.")

If the Commission establishes asymmetrically higher termination rates for Sprint PCS on the basis of a technology choice, then the Commission will have introduced a peculiar market incentive. Firms will have the incentive to choose a technology or a business practice that creates costs that can be categorized in a manner that allows the costs to be included in termination rates, even if the overall costs of using the technology or business practice are higher than some other option. The magnitude of the difference between the termination rates for BellSouth and those proposed by Sprint PCS will make this perverse incentive for choosing among technologies and business practices especially strong. Sound public policy mandates that this Commission promote competition, not use regulation to favor the interests of one set of competitors at the expense of others. The Commission must interpret the statutory term "additional costs" in a consistent manner for both wireline and wireless providers if regulatory parity is to be maintained. The existing rules do just that.

2. *Sprint PCS' analysis is misleading and should not be relied upon by the Commission.*

Sprint PCS' analysis (as set forth in its Petition and the accompanying attachments) appear to start with the premise that the statutory term "additional costs" is synonymous with the economic concept of "traffic sensitive" costs. Sprint PCS then proceeds to argue that the entire CMRS provider's network (except handsets) is "traffic sensitive" and therefore constitutes "additional costs" that should be recovered through reciprocal compensation rates charged to the ILECs. Contrary to the Sprint PCS' premise, the FCC knowingly defined the statutory term "additional costs" more restrictively than an economic definition of "traffic sensitive" costs. By assuming that all costs that Sprint PCS considers to be "traffic sensitive" are entitled to be recovered as

"additional costs" from BellSouth, Sprint PCS simply ignores the FCC's rulings on this issue.

Sprint PCS' analysis can be reduced to a frequently misunderstood economic dictum—in the long run all costs are variable. First, while all costs may be avoidable or controllable in the long run (the appropriate interpretation of the term "variable" in the dictum), this phenomenon does not make such costs volume sensitive or traffic sensitive.[17] It is inappropriate to define the term "additional costs" using the misguided notion that all costs are "traffic sensitive" in the long run.

In essence, Sprint PCS is asking the Florida Commission to define the statutory term "additional costs" differently than the FCC has defined the term. The Supreme Court has made it clear that the FCC has the legal authority to define the terms of the statute and that the FCC's definition binds both carriers and state commissions unless and until it is overturned on direct appeal to the federal appellate courts. No such federal decision has been rendered. Thus, while Sprint PCS may believe that the FCC has defined the statutory term "additional costs" too restrictively, neither it nor the Florida Commission is at liberty to redefine the term.

Second, even if misinterpretation of economic theory were allowed, such misinterpretation can be applied equally to the ILEC network. All of the costs of the ILEC network would be considered traffic sensitive in the long run (and thus "additional costs" subject to reciprocal compensation) following the Sprint PCS thread of logic. However, contrary to Sprint PCS' stream of logic, the FCC held that the ILEC loop and

[17] For example, in 1996 the California Public Utilities Commission adopted a set of nine cost principles created under industry consensus to estimate Total Service Long-Run Incremental Costs. Principle 1 states that in the long run all costs are avoidable, while Principle 3 (and the definition of terms) notes the

line port costs may not be included in determining reciprocal compensation rates, and the FCC has drawn the line at the end office switch for reciprocal compensation purposes. This Commission should draw the same line at the mobile switching center in the CMRS provider's network. By applying a broader definition of "additional costs" than that adopted by the FCC, Sprint PCS seeks to obtain compensation for elements of its network that are functionally equivalent to facilities in the wireline carrier network that the FCC expressly excluded from reciprocal compensation.

If one applies the same logic and arguments to the wireline network as employed by Sprint PCS regarding the CMRS network, the result is inconsistent with the FCC's *Interconnection Order*. Sprint PCS argues, for example, that the capacity of radio spectrum is not unlimited, and that as demand increases CMRS providers must either acquire additional spectrum or add additional cells. A similar situation occurs with a wireline carrier's local loop. As usage by a wireline busines customer grows, that business customer will need to add trunks or lines to the location because each line has limited capacity. Similar circumstances can exist for residential customers. As everyone with teenagers knows, when coincident demand for use of a local loop exceeds a certain level, additional line(s) must be obtained in order to keep service quality high. The explosive demand for second and third lines by residential customers is clear evidence of this fact. Both the wireline local loop and the wireless loop equivalent exhibit the "lumpy" economic cost characteristics that the FCC has declined to treat as "additional costs" for purpose of reciprocal compensation.

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distinction between costs that are volume sensitive and those that are volume insensitive. Appendix C, adopted in CA PUC decision 95-12-016.

Sprint PCS also appears to rely on a notion that "shared" facilities create traffic sensitive costs. However, in the wireline network trenches, poles, and conduits are "shared" facilities (in the way the term is used by Sprint PCS). With fiber optic-fed feeder, the glass and the electronics along the feeder route are not dedicated to individual customers (i.e. they are shared facilities in the way the term is used by Sprint PCS). Sprint PCS' logic, when applied to the wireline network, implies that loop costs should be included in the costs of termination because loops have limited capacity (like spectrum) and because fiber optic-fed feeder and loop structure represent shared facilities. However, the result of Sprint PCS' logic is inconsistent with the FCC's *Order* which excludes loop costs from the costs to be recovered in reciprocal compensation.

The strained attempt by Sprint PCS to characterize all of its costs (other than the handset) as "traffic sensitive" ignores the real issue, i.e., that this Commission, consistent with the FCC, should treat costs with similar economic characteristics consistently between carriers and technologies. That is why the FCC's rules require a comparative analysis if CMRS providers seek asymmetrical compensation. This requirement is totally ignored in the analysis submitted by Sprint PCS.

3. *Many of the cost components categorized as "traffic sensitive" by Sprint PCS are analogous to wireline loop facilities.*

In evaluating the costs eligible for reciprocal compensation, it is critical that wireline and wireless cost components be treated consistently and symmetrically. However, many of the cost components characterized as "traffic sensitive" by Sprint PCS are analogous to the wireline loop. This can be illustrated in at least two ways.

First, consider the minimal or base network investments that must exist simply for Sprint PCS customers to have the ability to place and receive a call. For example, what

costs would be incurred if a Sprint PCS customer placed and received only one call per month anywhere in the Sprint PCS service territory? In a wireline network, with a BellSouth customer placing and receiving only one call per month, many of the same costs would be incurred in the feeder and distribution portions of the network in order to provide facilities necessary to create a telecommunications pathway from the customer premises to the serving central office. Similarly, in order for Sprint PCS to offer customers the opportunity to place and receive calls, it must connect them to the mobile switch. These costs are incurred to establish network coverage (for a specific geographic area) and they do not vary "in proportion to the number of calls terminated over these facilities."(*Order* ¶ 1057) For both the landline and CMRS provider, these investments must be made even if customers were only offered the option to use the network for emergency purposes.[18]

Second, each network (wireline and CMRS) is likely to make additional investments as traffic increases and additional customers are added to the network. For the wireline company, additional loops are needed as the number of customers grows and as usage on existing loops reaches the level that customers demand an additional line. Additional switching capacity is needed as usage grows, in part driven by additional customers. Similarly, in a CMRS network, additional costs may be incurred as the number of customers grows and as existing customers make additional use of the service. In both networks, additional costs may be the result of additional customers, additional usage by existing customers, or both. However, the FCC has already held that additional costs that result from inadequate loop plant are not included in the statutory definition of

[18] Indeed, CMRS providers offer pricing packages with lower monthly rates and relatively high usage rates that are targeted to customers who purchase the service largely for emergency purposes or other infrequent

"additional costs" for reciprocal compensation purposes.[19] Certainly Sprint PCS should not be allowed to include the costs analogous to inadequate loop plant in its additional cost calculations for reciprocal compensation. Based on the FCC's decision to exclude the costs of loops and line ports from the cost of transport and termination for wireline carriers, the costs of spectrum, structure and antennae, and base transceiver systems should likewise be excluded from the cost of transport and termination for CMRS carriers.

In conclusion, it is axiomatic that this Commission should not define the same statutory terms associated with reciprocal compensation differently for different carriers regardless of the type of technology each carrier chooses to deploy to provide its services. If the Commission chooses to open the question of what constitutes "additional costs" for CMRS providers, it must do the same for wireline providers. Sprint PCS has put forth no sustainable argument as to why the Commission should undertake such an analysis.

RESPONSE TO SPECIFIC ALLEGATIONS

1. On information and belief, BellSouth admits the allegations set forth in the first sentence of Paragraph 1 of the Petition. The federal and state laws to which Sprint refers in the remaining allegations in Paragraph 1 speak for themselves and thus require neither admission nor denial by BellSouth.

2. BellSouth admits the allegations in Paragraph 2 of the Petition.

3. BellSouth admits the allegations in Paragraph 3 of the Petition.

4. BellSouth admits that Sprint PCS and BellSouth representatives have conducted negotiations, and that the negotiations have resulted in a proposed

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use.
[19] *Order*, ¶ 1057, fn. 2532.

interconnection agreement. BellSouth denies that the document attached to Sprint PCS' Petition as Tab 2 is an accurate reflection of the parties' most current negotiations. Thus, BellSouth has attached hereto as Exhibit "A" the proposed interconnection agreement upon which the Commission should rely in its deliberations. BellSouth admits that there are only two unresolved issues between the parties, and that the parties need Commission resolution of such issues. BellSouth denies any remaining allegations in Paragraph 4 of the Petition.

5. BellSouth admits that the FCC issued a Public Notice on May 11, 2000, seeking comment on the issue of asymmetrical compensation raised to the FCC by Sprint PCS on February 2, 2000. BellSouth further admits that the FCC in its *Local Competition Order* provided the states with guidance over how to apply the Act's reciprocal compensation provisions, but denies that such guidance was limited to ILEC and/or wireline networks. BellSouth also admits that it has filed comments and reply comments with the FCC in opposition to Sprint PCS' position that its entire network (excluding handsets) constitutes "additional costs" for purposes of reciprocal compensation. Finally, BellSouth admits that the matter is still pending before the FCC. BellSouth denies the remaining allegations in Paragraph 5 of the Petition.

6. BellSouth is without sufficient knowledge or information to admit or deny the allegations regarding Sprint PCS' positions in Paragraph 6 of the Petition, and therefore denies the same.

7. BellSouth denies the allegations in the first sentence of Paragraph 7 of the Petition. By way of further response, BellSouth states that the issue, which is an issue of law and fact, is as follows: Is Sprint PCS entitled to asymmetrical reciprocal

compensation rates pursuant to FCC Rule 51.711(b) given that it has failed to demonstrate that it incurs any "additional costs" as defined by the FCC in providing service to its end users? BellSouth admits that Sprint PCS attached a cost study to its Petition, but denies that the cost study is a "cost-study using the forward-looking economic costs." BellSouth denies the remaining allegations in Paragraph 7 of the Petition.

8. BellSouth states that the issue, which is an issue of law and fact, is as follows: Is Sprint PCS entitled to asymmetrical reciprocal compensation rates pursuant to FCC Rule 51.711(b) given that it has failed to demonstrate that it incurs any "additional costs" as defined by the FCC in providing service to its end users? BellSouth denies the remaining allegations in Paragraph 8 of the Petition.

9. BellSouth admits that the parties have been unable to agree on the appropriate terms and conditions to implement a meet point billing arrangement. BellSouth denies the remaining allegations in Paragraph 9 of the Petition.

10. In response to the allegations in Paragraph 10, BellSouth states that the Act speaks for itself and thus requires neither an admission nor a denial. BellSouth specifically denies that Sprint PCS has any "additional costs" of terminating BellSouth's traffic as the FCC has defined the term "additional costs." BellSouth denies the remaining allegations in Paragraph 10 of the Petition.

11. In response to the allegations in Paragraph 11, BellSouth states that the terms of the FCC's *Local Competition Reconsideration Order* and FCC Rules 51.711(b) speak for themselves and thus require neither an admission nor a denial. BellSouth denies the remaining allegations in Paragraph 11 of the Petition.

12. BellSouth denies that Sprint PCS' cost study is a TELRIC-compliant cost study and that it is "consistent" with FCC rules. BellSouth further denies that Sprint PCS is entitled to a reciprocal compensation rate of $0.066 per minute of use. BellSouth admits that Sprint PCS proposed the specified language to be included in the parties' Agreement, but denies that such language is appropriate or legally sustainable. By way of further response, BellSouth states that the Commission should adopt BellSouth's proposed rates for reciprocal compensation as set forth in Attachment B-1 to Exhibit "A" hereto. BellSouth denies the remaining allegations in Paragraph 12 of the Petition.

13. BellSouth disagrees with the characterization of BellSouth's position contained in Paragraph 13 of the Petition and therefore denies the allegations contained therein. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

14. BellSouth disagrees with the characterization of BellSouth's position contained in Paragraph 14 of the Petition and therefore denies the allegations contained therein. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

15. BellSouth disagrees with the characterization of BellSouth's position contained in Paragraph 15 of the Petition and therefore denies the allegations contained therein. By way of further response, BellSouth refers the Commission to the summary of

BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

16. BellSouth disagrees with the characterization of BellSouth's position contained in Paragraph 16 of the Petition and therefore denies the allegations contained therein. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

17. BellSouth denies the allegations contained in Paragraph 17 of the Petition. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

18. BellSouth states that the terms of FCC Rule 51.711(b) and the *Local Competition Order* speak for themselves and therefore require neither an admission nor a denial. BellSouth further admits, as summarized in the "Introduction" section above, that Sprint PCS' proposal is anticompetitive and contrary to sound public policy. BellSouth denies the remaining allegations in Paragraph 18 of the Petition.

19. BellSouth denies the allegations in the first sentence of Paragraph 19 of the Petition. By way of further response, BellSouth states that the provisions of the Act, FCC Rule 51.711(b), and the *Local Competition Order* speak for themselves and therefore require neither an admission nor a denial. BellSouth also specifically denies

that Sprint PCS is entitled to asymmetrical reciprocal compensation rates. BellSouth denies the remaining allegations in Paragraph 19 of the Petition.

20. BellSouth denies the allegations in Paragraph 20 of the Petition. Specifically, BellSouth denies the allegation that it wants the Commission to "disregard" the requirements of Section 252(d) and the FCC rules. As set forth in the "Introduction" section above, BellSouth believes that the Commission should follow the FCC's direction in the area of asymmetrical rates for reciprocal compensation. Furthermore, while BellSouth admits it made the comments cited in Paragraph 20, it denies that the comments are quoted in appropriate context by Sprint PCS.

21. BellSouth denies the allegations in Paragraph 21 of the Petition. By way of further response, BellSouth states that contrary to Sprint PCS' representation, BellSouth does not seek to have the Commission "disregard" the statutory requirements but rather, as evidenced by the summary of BellSouth's position in the "Introduction," to comply with appropriate policy and statutory holdings. By way of further response, BellSouth states that Section 252(d)(2)(A)(ii) speaks for itself and therefore requires neither an admission nor a denial.

22. BellSouth disagrees with the characterization of BellSouth's position contained in Paragraph 22 of the Petition and therefore denies the allegations contained therein. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

23. BellSouth denies the allegations in Paragraph 23 of the Petition. By way of further response, BellSouth states that the terms of FCC Rule 51.711(b) and the *Local Competition Order* speak for themselves and therefore require neither an admission nor a denial.

24. In response to the allegations in Paragraph 24 of the Petition, BellSouth states that the *Local Competition Reconsideration Order* speaks for itself and therefore requires neither an admission nor a denial. BellSouth denies the remaining allegations in Paragraph 24 of the Petition.

25. BellSouth denies the allegations in Paragraph 25 of the Petition. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

26. BellSouth denies the allegation in Paragraph 26 of the Petition that a "comparison of the features associated with wireless networks and landline networks is simply inappropriate." BellSouth further denies that Sprint PCS is entitled to asymmetrical reciprocal compensation rates from BellSouth. BellSouth admits that landline and wireless networks have different attributes for the end user customer. BellSouth denies the remaining allegations in Paragraph 26 of the Petition.

27. BellSouth denies the allegations in the first sentence of Paragraph 27 of the Petition. BellSouth admits that it provides asymmetrical reciprocal compensation rates to Sprint ILEC, but denies that such agreement has any relevance to the current proceeding. BellSouth denies the remaining allegations in Paragraph 27 of the Petition.

28. BellSouth denies the allegations in Paragraph 28 of the Petition. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

29. BellSouth denies the allegations in the first two sentences in Paragraph 29 of the Petition, and specifically denies that Sprint PCS has traffic sensitive costs past the mobile switching center. BellSouth admits that the FCC has drawn the line at the ILEC end office switch for reciprocal compensation purposes and that the same line should be drawn at the mobile switching center in the CMRS provider's network. BellSouth denies the remaining allegations in Paragraph 29 of the Petition.

30. BellSouth denies the allegations in Paragraph 30 of the Petition. By way of further response, BellSouth states that the decision in Docket No. 971194-TP speaks for itself and therefore requires neither an admission nor a denial.

31. BellSouth denies the allegations in Paragraph 31 of the Petition. By way of further response, BellSouth states that the decision in Docket No. 971194-TP speaks for itself and therefore requires neither an admission nor a denial.

32. BellSouth denies the allegations in Paragraph 32 of the Petition. By way of further response, BellSouth states that Rule 51.701(d) speaks for itself and therefore requires neither an admission nor a denial.

33. BellSouth denies the allegations in Paragraph 33 of the Petition. By way of further response, BellSouth states that Section 252(d)(2)(A) of the Act speaks for itself and therefore requires neither an admission nor a denial.

34. In response to Paragraph 34 of the Petition, BellSouth states that the cases of *US West v. Minnesota PSC* and *Western Wireless v. US West Arbitration Order* speak for themselves and thus require neither an admission nor a denial. BellSouth denies the remaining allegations in Paragraph 34 of the Petition, and specifically denies that such cases support Sprint PCS' position in this matter.

35. BellSouth denies the allegations in Paragraph 35 of the Petition. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

36. BellSouth denies the allegations in Paragraph 36 of the Petition. BellSouth specifically denies that Sprint PCS is entitled to an asymmetrical compensation rate for transport and termination of land-to-mobile traffic, and that Sprint PCS is entitled to a per minute rate of $0.066 for the transport and termination of land-to-mobile calls. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

37. BellSouth denies the allegations in Paragraph 37 of the Petition. By way of further response, BellSouth refers the Commission to the summary of BellSouth's position contained in the "Introduction" section of this Response. Furthermore, BellSouth will provide the Commission with prefiled testimony fully supporting its position at the appropriate time.

38. BellSouth admits that Section VII of one of the parties' draft agreements contains language relevant to "Records Exchange." BellSouth further admits that Sprint PCS has proposed alternative language for Section VII, but denies that such language is appropriate to include in the parties' agreement. BellSouth denies the remaining allegations in Paragraph 38 of the Petition.

39. BellSouth denies the allegations in Paragraph 39 of the Petition. By way of further response, BellSouth states that BellSouth's billing systems will provide billing records in industry standard formats for calls identified in "ATIS/OBF-MECAB-006, Multiple Exchange Carrier Access Billing (MECAB), Issue 6, February 1998, Preface" for all calls which transit its network.

40. BellSouth admits that Sprint PCS has proposed alternative language for Section VII, but denies that such language is "consistent with industry standards." BellSouth denies the remaining allegations in Paragraph 40 of the Petition.

41. BellSouth admits that Sprint PCS attached the testimony and exhibits of the identified individuals to its Petition, but denies that the testimony supports the positions identified in Paragraph 41 of the Petition.

42. Any allegations contained herein not specifically admitted are hereby denied.

WHEREFORE, BellSouth respectfully requests that the Commission enter an order in favor of BellSouth on each of the issues set forth herein, and grant BellSouth such other relief as the Commission deems just and proper.

Respectfully submitted, this 17th day of July, 2000.

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EXHIBIT A

AGREEMENT

THIS AGREEMENT is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and Sprint Spectrum L.P., a Delaware limited partnership, as agent and General Partner for WirelessCo, L.P., a Delaware limited partnership, and SprintCom, Inc., a Kansas corporation, all foregoing entities jointly d/b/a Sprint PCS ("Carrier") with offices at 4900 Main, Kansas City, MO 64112 and shall be deemed effective as of July 1, 2000, (the "Effective Date"). This Agreement may refer to either BellSouth or Carrier or both as a "party" or "parties."

WITNESSETH

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

WHEREAS, Carrier is a Commercial Mobile Radio Service ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide CMRS in the states of _____, _____, and _____; and

WHEREAS, the parties wish to interconnect their facilities and exchange traffic for the purposes of fulfilling their obligations pursuant to sections 251, 252 and 271 of the Telecommunications Act of 1934 as amended by the Telecommunications Act of 1996 and to replace any and all other prior agreements, both written and oral;

NOW THEREFORE, in consideration of the mutual agreements contained herein, BellSouth and Carrier agree as follows:

I. Definitions

A. Commission is defined as the appropriate regulatory agency in each of BellSouth's nine state region: Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.

B. Intermediary function is defined as the delivery, pursuant to this agreement or Commission directive, of local or toll (using traditional landline definitions) traffic to or from a local exchange carrier other than BellSouth; an ALEC; or another telecommunications company such as a CMRS provider other than Carrier through the network of BellSouth or Carrier from or to an end user of BellSouth or Carrier.

C. **Local Traffic** is defined for purposes of reciprocal compensation under this Agreement as: (1) any telephone call that originates on the network of Carrier within a Major Trading Area ("MTA") and terminates on the network of BellSouth in the same MTA and within the Local Access and Transport Area ("LATA") in which the call is handed off from Carrier to BellSouth, and (2) any telephone call that originates on the network of BellSouth that is handed off to Carrier in the same LATA in which the call originates and terminates on the network of Carrier in the MTA in which the call is handed off from BellSouth to Carrier. For purposes of this Agreement, LATA shall have the same definition as that contained in the Act, and MTA shall have the same definition as that contained in the FCC's rules.

D. **Local Interconnection** is defined for purposes of this Agreement as 1) the delivery of Local Traffic to be terminated on each party's local network so that end users of either party have the ability to reach end users of the other party without the use of any access code or substantial delay in the processing of the call; and 2) the LEC unbundled network features, functions, and capabilities set forth in this Agreement.

E. **Percent of Interstate Usage (PIU)** is defined as a factor to be applied to that portion of Non-Local Traffic comprised of interstate interMTA minutes of use in order to designate those minutes that should be rated as interstate access services minutes of use. The numerator includes all interstate interMTA minutes of use. The denominator includes all interMTA minutes of use.

F. **Percent Local Usage (PLU)** is defined as a factor to be applied to terminating minutes of use. The numerator is all "nonintermediary" Local minutes of use. The denominator is the total minutes of use including Local and Non-Local.

G. **Telecommunications Act ("Act')** means the Communications Act of 1934 (47, U.S.C. Section 1 et. seq.) as amended by Public Law 104-104 of the United States Congress effective February 8, 1996.

H. **Non-Local Traffic** is defined as all traffic that is not Local Traffic or access services, as described in section VI of this Agreement.

II. Purpose

The parties desire to enter into this Agreement consistent with all applicable federal, state and local statutes, rules and regulations in effect as of the date of its execution including, without limitation, the Act at Sections 251, 252 and 271. The access and interconnection obligations contained herein enable Carrier to provide CMRS in those areas where it is authorized to provide such services within the nine state region of BellSouth.

III. Term of the Agreement

The term of this Agreement shall be one year, beginning on the Effective Date and shall automatically renew for additional six (6) month terms unless either party provides written notice of termination to the other party at least sixty (60) days prior to the end of the then-current term.

IV. Local Interconnection and Compensation

A. The exchange of the parties' traffic on BellSouth's interLATA EAS routes shall be considered Local Traffic and compensation for the termination of such traffic shall be pursuant to the terms of this section. EAS routes are those exchanges within an exchange's Basic Local Calling Area, as defined in Section A3 of BellSouth's General Subscriber Services Tariff.

B. Each party will pay the other for terminating its Local Traffic on the other's network the local interconnection rates as set forth in Attachment B-1. Charges for terminating traffic will be in accumulated conversation minutes, whole and partial, measured from receipt of answer supervision to receipt of disconnect supervision and rounded up to the next whole minute at the close of the billing period. The charges for local interconnection are to be billed and paid monthly. Late payment fees, not to exceed 1 1/2% per month (or a lower percent as specified by an appropriate state regulatory agency or state law) after the due date may be assessed, if undisputed interconnection charges are not paid, within thirty (30) days after the due date of the monthly bill. All charges under this agreement shall be billed within one year from the time the charge was incurred, previously unbilled charges more than one year old shall not be billed by either party.

V. Methods of Interconnection

A. There are three appropriate methods of interconnecting facilities: (1) interconnection via purchase of facilities from either party or a third party; (2) physical collocation; and (3) virtual collocation where physical collocation is not practical for technical reasons or because of space limitations. Type 1, Type 2A and Type 2B interconnection arrangements described in BellSouth's General Subscriber Services Tariff, Section A35, or, **(FOR FLORIDA CONTRACT BST WILL REMOVE THE FOLLOWING NORTH CAROLINA LANGUAGE)** in the case of North Carolina, in the North Carolina Connection and Traffic Interchange Agreement effective June 30, 1994, as amended, may be purchased pursuant to this Agreement provided, however, that such interconnection arrangements shall be provided at the rates, terms and conditions set forth in this Agreement. Rates and charges for both virtual and physical collocation may be provided in a separate collocation agreement. Rates for virtual collocation will be based on BellSouth's Interstate Access Services Tariff, FCC #1, Section 20 and/or BellSouth's Intrastate Access Services Tariff, Section E20. Rates for physical collocation will be negotiated on an individual case basis.

B. The parties will accept and provide any of the preceding methods of interconnection. Reciprocal connectivity shall be established to at least one BellSouth access tandem within every LATA Carrier desires to serve, or Carrier may elect to interconnect directly at an end office for interconnection to end users served by that end office. Such interconnecting facilities shall conform, at a minimum, to the telecommunications industry standard of DS-1 pursuant to Telcordia Standard No. TR-NWT-00499. Signal transfer point, Signaling System 7 ("SS7") connectivity is required at each interconnection point after Carrier implements SS7 capability within its own network. Carrier may use a third party provider for its SS7 requirements. BellSouth will provide out-of-band signaling using Common Channel Signaling Access Capability where technically and economically feasible, in accordance with the technical specifications set forth in the BellSouth Guidelines to Technical Publication, TR-TSV-000905. The parties facilities' shall provide the necessary on-hook, off-hook answer and disconnect supervision and shall hand off calling party number ID when technically feasible. In the event a party interconnects via the purchase of facilities and/or services from the other party, the appropriate intrastate tariff, as amended from time to time will apply. In the event that such facilities are used for two-way interconnection, the appropriate recurring charges for such facilities will be shared by the parties based upon percentages equal to the estimated or actual percentage of traffic on such facilities.

C. Nothing herein shall prevent Carrier from utilizing existing collocation facilities, purchased from the interexchange tariffs, for local interconnection; provided, however, that if Carrier orders new facilities for interconnection or rearranges any facilities presently used for its alternate access business in order to use such facilities for local interconnection hereunder and a BellSouth charge is applicable thereto, BellSouth shall only charge Carrier the lower of the interstate or intrastate tariffed rate or promotional rate.

D. The parties will establish trunk groups from the interconnecting facilities of subsection (A) of this section such that each party provides a reciprocal of each trunk group established by the other party. Notwithstanding the foregoing, each party may construct its network, including the interconnecting facilities, to achieve optimum cost effectiveness and network efficiency. BellSouth's treatment of Carrier as to said charges shall be consistent with BellSouth treatment of other local exchange carriers for the same charges. Unless otherwise agreed, BellSouth will provide or bear the cost of all trunk groups for the delivery of traffic from BellSouth to Carrier's Mobile Telephone Switching Offices within BellSouth's service territory, and Carrier will provide or bear the cost of all trunk groups for the delivery of traffic from Carrier to each BellSouth access tandem and end office at which the parties interconnect.

E. The parties will use an auditable PLU factor as a method for determining whether traffic is Local or Non-Local. The PLU factor will be used for traffic delivered by either party for termination on the other party's network.

F. When the parties provide an access service connection between an interexchange carrier ("IXC") and each other, each party will provide its own access services to the IXC. If access charges are billed, each party will bill its own access service rates to the IXC.

G. The ordering and provision of all services purchased from BellSouth by Carrier shall be as set forth in the BellSouth Telecommunications Wireless Customer Guide as that guide is amended by BellSouth from time to time during the term of this Agreement.

H. Nothing in this Agreement shall prohibit Sprint PCS from enlarging its CMRS network through management contracts with third parties for the construction and operation of a CMRS system under the SPCS brand name and license. Traffic originating on such extended networks shall be treated as Sprint PCS traffic under the terms and conditions of this Agreement. All billing for such traffic will be in the name of Sprint PCS, and subject to the terms and conditions of this Agreement.

VI. Non-Local Traffic Interconnection

A. The delivery of Non-Local Traffic by a party to the other party shall be reciprocal and compensation will be mutual. For terminating its Non-Local Traffic on the other party's network, each party will pay either the access charges described in paragraph (B) hereunder or the Non-Local Intermediary Charges described in paragraph (D) hereunder, as appropriate.

B. For originating and terminating intrastate or interstate interMTA Non-Local Traffic, each party shall pay the other BellSouth's intrastate or interstate, as appropriate, switched network access service rate elements on a per minute of use basis, which are set out in BellSouth's Intrastate Access Services Tariff or BellSouth's Interstate Access Services Tariff as those tariffs may be amended from time to time during the term of this Agreement.

C. Actual traffic measurements in each of the appropriate categories is the preferred method of classifying and billing traffic. If, however, either party cannot measure traffic in each category, then the parties shall agree on a surrogate method of classifying and billing traffic, taking into consideration territory served (e.g. MTA boundaries, LATA boundaries and state boundaries) and traffic routing of the parties.

D. If Non-Local Traffic originated by Carrier is delivered by BellSouth for termination to the network of a nonparty telecommunications carrier ("Nonparty Carrier"), then BST will bill Carrier and Carrier shall pay a $.002 per minute intermediary charge in addition to any charges that BellSouth may be obligated to pay to the Nonparty Carrier (collectively called "Non-Local Intermediary Charges"). The charges that BST may be obligated to pay to the Nonparty Carrier may change during the term of this Agreement and that the appropriate rate shall be the rate in effect when the

traffic is terminated. The parties shall agree for purposes of this section, and subject to verification by audit what percentage of the Non-Local Traffic delivered to BellSouth by Carrier shall be subject to Non-Local Intermediary Charges. None of the Non-Local Traffic delivered to Carrier by BellSouth shall be subject to the Non-Local Intermediary Charges.

VII. Meet Point Billing

BellSouth Proposed Language:

A. For purposes of this Agreement, Meet Point Billing, as supported by Mechanized Exchange Carrier Access Billing (MECAB) guidelines, shall mean the exchange of billing data relating to calls transiting BellSouth's network from an originating telecommunications carrier other than BellSouth and terminating to a telecommunications carrier other than BellSouth or the originating telecommunications carrier. Subject to Carrier providing all necessary information, BellSouth agrees to participate in Meet Point Billing for traffic which transits it's network when both the originating and terminating parties participate in Meet Point Billing with BellSouth. Traffic from a network which does not participate in Meet Point Billing will be delivered by BellSouth, however, call records for traffic originated and/or terminated by a non-Meet Point Billing network will not be delivered to the originating and/or terminating network. Parties participating in Meet Point Billing with BellSouth are required to provide information necessary for BellSouth to identify the parties to be billed. Information required for Meet Point Billing includes Regional Accounting Office code (RAO), and Operating Company Number (OCN) per state. The following information is required for billing in a Meet Point Billing environment includes, but is not limited to; (1) a unique Access Carrier Name Abbreviation (ACNA), (2) Percent Interstate Usage, (3) Percent Local Usage, (4) 800 Service Percent Interstate Usage or default of 50% and (5) Billing Interconnection Percentage. A default Billing Interconnection Percentage of 95% BellSouth and 5% Carrier will be used if Carrier does not file with NECA to establish a Billing Interconnection Percentage other than default. Carrier must support meet point billing for all intermediary calls in accordance with Mechanized Exchange Carrier Access Billing (MECAB) guidelines.

B. Meet Point Billing will be provided for traffic which transits BellSouth's network at the access tandem level only. Parties desiring Meet Point Billing will subscribe to access tandem level interconnections with BellSouth and will deliver all transit traffic to BellSouth over such access tandem level interconnections. Additionally exchange of records will necessitate both the originating and terminating networks to subscribe to dedicated NXX codes, which can be identified as belonging to the originating and terminating network. When the access tandem, in which interconnection occurs, does not have the capability to record messages and either surrogate or self reporting of messages and minutes of use occur, Meet Point Billing will not be possible and will not occur.

C. In a Meet Point Billing environment, the parties desiring to participate in Meet Point Billing with BellSouth, will be billed for miscellaneous usage charges, as defined in BellSouth's FCC No.1 and appropriate state access tariffs, (i.e. Local Number Portability queries and 800 Data Base queries) necessary to deliver certain types of calls. Should Carrier desire to avoid such charges Carrier may perform the appropriate data base query prior to delivery of such traffic to BellSouth.

D. Participation in Meet Point Billing is outside the reciprocal compensation requirements of this agreement. Meet Point Billing under this Section will result in the originating carrier compensating BellSouth at the intermediary rate in Section VI. D of this Agreement for traffic delivered to BellSouth's network which terminates to a third party network.

E. Commencement of exchange of records will begin no earlier than sixty days from the later date of, the date the contact is signed or the date that all necessary information as defined in Section VII. A above is provided.

Sprint PCS Proposed Language:

A. When the parties jointly provide switched access services to an interexchange carrier ("IXC") the parties will establish industry standard Meet Point Billing (MPB) access arrangements to support the exchange of traffic with the IXC. Pursuant to the procedures described in the most current Multiple Exchange Carrier Access Billing ("MECAB") document, the parties shall provide to each other the Switched Access Detail Usage Data and the Switched Access Summary Usage Data to bill for jointly provided switched access service, such as switched access Feature Groups B and D. The parties agree to provide this data to each other at no charge. Such exchange of data shall commence on the effective date of this Agreement.

B. If the procedures in the MECAB document are amended or modified, the parties shall implement such amended or modified procedures within a reasonable period of time. Each party shall provide the other party the billing name, billing address, and carrier identification ("CIC") of the IXCs that may utilize any portion of either party's network in a MPB arrangement in order to comply with the MPB notification process as outlined in the MECAB document. Each party shall implement "Multiple Bill Alternative Implementation Option One" wherein each party bills the IXC for its portion of the jointly provided switched access services.

VIII. Provision of Network Elements

A. BellSouth shall, upon request of Carrier, and to the extent technically feasible, provide to Carrier access to its Network Elements for the provision of a Carrier telecommunications service. Any request by Carrier for access to a BellSouth Network Element that is not already available shall be treated as a Network Element bona fide request. Carrier will pay BellSouth the cost associated with the bona fide request if

Carrier cancels the request or fails to purchase the service once completed. Carrier shall provide BellSouth access to its Network Elements as mutually agreed by the parties or as required by the Commission or the FCC.

B. A Network Element obtained by one party from the other party under this section may be used in combination with the facilities of the requesting party only to provide a telecommunications service, including obtaining billing and collection, transmission, and routing of the telecommunications service.

C. A separate agreement or an amendment to this Agreement may be required for utilization of the above referenced Network Elements.

IX. Access To Poles, Ducts, Conduits, and Rights of Way

BellSouth will provide to Carrier, pursuant to 47 U.S.C. § 224, as amended by the Act, nondiscriminatory access to any pole, duct, conduit, or right-of-way owned or controlled by BellSouth.

X. Access to 911/E911 Emergency Network

A. BellSouth and Carrier recognize that 911 and E911 services were designed and implemented primarily as methods of providing emergency services to fixed location subscribers. While BellSouth and Carrier recognize the need to provide "911-like" service to mobile subscribers, both parties recognize that current technological restrictions prevent an exact duplication of the services provided to fixed location customers. BellSouth will route "911-like" calls received from Carrier to the emergency agency designated by Carrier for such calls. Carrier will provide the information necessary to BellSouth so that each call may be properly routed.

B. BellSouth and Carrier recognize that the technology and regulatory requirements for the provision of "911-like" service by CMRS carriers are evolving and agree to modify or supplement the foregoing in order to incorporate industry accepted technical improvements that Carrier desires to implement and to permit Carrier to comply with applicable regulatory requirements.

XI. Directory Listings

A. Subject to execution of an agreement between Carrier and BellSouth's affiliate, BellSouth Advertising & Publishing Corporation, ("BAPCO"), (1) listings shall be included in appropriate White Pages or alphabetical directories; (2) Carrier's business subscribers' listings shall also be included in appropriate Yellow Pages, or classified directories; and (3) copies of such directories shall be delivered to Carrier's subscribers.

B. BellSouth will include Carrier's subscriber listings in BellSouth's directory assistance databases and BellSouth will not charge Carrier to maintain the Directory

Assistance database. The parties will cooperate with each other in formulating appropriate procedures regarding lead time, timeliness, format and content of listing information.

C. BellSouth will provide Carrier a magnetic tape or computer disk containing the proper format for submitting subscriber listings. Carrier will provide BellSouth with its directory listings and daily updates to those listings, including new, changed, and deleted listings, in an industry-accepted format.

D. BellSouth and BAPCO will accord Carrier's directory listing information the same level of confidentiality which BellSouth and BAPCO accords its own directory listing information, and BellSouth shall limit access to Carrier's customer proprietary confidential directory information to those BellSouth or BAPCO employees who are involved in the preparation of listings.

E. Additional listings and optional listings may be provided by BellSouth at the rates set forth in the General Subscriber Services Tariff as the tariff is amended from time to time during the term of this Agreement.

XII. Access to Telephone Numbers

Carrier is responsible for interfacing with the North American Numbering Plan administrator for all matters dealing with dedicated NXXs. BellSouth will cooperate with Carrier in the provision of shared NXXs where BellSouth is the service provider.

XIII. Local Number Portability

The Permanent Number Portability (PNP) database supplies routing numbers for calls involving numbers that have been ported from one local service provider to another. PNP is currently being worked in industry forums. The results of these forums will dictate the industry direction of PNP. BellSouth will provide access to the PNP database at rates, terms and conditions as set forth by BellSouth and in accordance with an effective FCC or Commission directive.

XIV. Access to Signaling and Signaling Databases

A. BellSouth will offer to Carrier use of its signaling network and signaling databases on an unbundled basis at BellSouth's published tariffed rates or at unbundled rates that may be available through non-tariffed arrangements. Signaling functionality will be available with both A-link and B-link connectivity.

B. Where interconnection is via B-link connections, charges for the SS7 interconnection elements are as follows: 1) Port Charge - BellSouth shall not bill an STP port charge nor shall BellSouth pay a port charge; 2) SS7 Network Usage - BellSouth shall bill its tariffed usage charge and shall pay usage billed by the Carrier at

rates not to exceed those charged by BellSouth; 3) SS7 Link - BellSouth will bill its tariffed charges for only two links of each quad ordered. Application of these charges in this manner is designed to reflect the reciprocal use of the parties' signaling networks. Where interconnection is via A-link connections, charges for the SS7 interconnection elements are as follows: 1) Port Charge - BellSouth shall bill its tariffed STP port charge but shall not pay a termination charge at the Carrier's end office; 2) SS7 Network Usage - BellSouth shall bill its tariffed usage charge but shall not pay for any usage; 3) SS7 Link - BellSouth shall bill its tariffed charges for each link in the A-link pair but shall not pay the Carrier for any portion of those links.

XV. Network Design and Management

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

B. The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria.

C. The parties will work cooperatively to apply sound network management principles by invoking appropriate network management controls.

D. Neither party intends to charge rearrangement, reconfiguration, disconnection, termination or other non-recurring fees that may be associated with the initial reconfiguration of either party's network interconnection arrangement contained in this Agreement. However, the interconnection reconfigurations will have to be considered individually as to the application of a charge. Notwithstanding the foregoing, the parties do intend to charge non-recurring fees for any additions to, or added capacity to, any facility or trunk purchased. Parties who initiate SS7 STP changes may be charged authorized non-recurring fees from the appropriate tariffs.

E. The parties will provide Common Channel Signaling (CCS) information to one another, where available and technically feasible, in conjunction with all traffic in order to enable full interoperability of CLASS features and functions except for call return. All CCS signaling parameters will be provided, including automatic number identification (ANI), originating line information (OLI) calling party category, charge number, etc. All privacy indicators will be honored, and the parties agree to cooperate on the exchange of Transactional Capabilities Application Part (TCAP) messages to facilitate full interoperability of CCS-based features between the respective networks.

F. For network expansion, the parties will review engineering requirements on a quarterly basis and establish forecasts for trunk utilization as required by Section V

of this Agreement. New trunk groups will be implemented as stated by engineering requirements for both parties.

G. The parties will provide each other with the proper call information, including all proper translations for routing between networks and any information necessary for billing where BellSouth provides recording capabilities. This exchange of information is required to enable each party to bill properly.

XVI. Auditing Procedures

A. Upon thirty (30) days written notice, each party must provide the other the ability and opportunity to conduct an annual audit to ensure the proper billing of traffic between the parties. The parties will retain records of call detail for a minimum of nine months from which the PLU, the percent intermediary traffic, the percent interMTA traffic, and the PIU can be ascertained. The audit shall be accomplished during normal business hours at an office designated by the party being audited. Audit request shall not be submitted more frequently than one (1) time per calendar year. Audits shall be performed by a mutually acceptable independent auditor paid for by the party requesting the audit. The PLU shall be adjusted based upon the audit results and shall apply to the usage for the quarter the audit was completed, the usage for the quarter prior to the completion of the audit, and to the usage for the two quarters following the completion of the audit.

B. Should Carrier in the future provide toll services through the use of network switched access services, then all jurisdictional report requirements, rules and regulations specified in E2.3.14 of BellSouth's Intrastate Access Services Tariff will apply to Carrier. After the Local Traffic percentage has been determined by use of the PLU factor for application and billing of Local Interconnection, the PIU factor will be used for application and billing of interstate and intrastate access charges, as appropriate.

XVII. Liability and Indemnification

A. EXCEPT AS OTHERWISE PROVIDED FOR IN THIS AGREEMENT OR IN THIS SECTION XVI, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, PUNITIVE, OR SPECIAL DAMAGES SUFFERED BY THE OTHER PARTY (INCLUDING WITHOUT LIMITATION DAMAGES FOR HARM TO BUSINESS, LOST REVENUES, LOST SAVINGS, OR LOST PROFITS SUFFERED BY THE OTHER PARTY), REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY, OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE OF ANY KIND WHETHER ACTIVE OR PASSIVE, AND REGARDLESS OF WHETHER THE PARTIES KNEW OF THE POSSIBILITY THAT SUCH DAMAGES COULD RESULT.

B. Neither party shall be liable to the other for any act or omission of any other telecommunications company providing a portion of a service under this Agreement, nor shall either party hold liable any other telecommunications company providing a portion of a service under this Agreement for any act or omission of BellSouth or Carrier.

C. Neither party is liable for damages to the other party's terminal location, POI nor customer's premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, unless the damage is caused by a party's gross or willful negligence or intentional misconduct.

D. Each party shall be indemnified, defended and held harmless by the other party against any claim, loss or damage arising from the other party's acts or omissions under this Agreement, including without limitation: 1) Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the other party's own communications; 2) Claims for patent infringement arising from combining or using the service furnished by either party in connection with facilities or equipment furnished by either party or either party's customer; 3) any claim, loss, or damage claimed by a customer of either party arising from services provided by the other party under this Agreement; or 4) all other claims arising out of an act or omission of the other party in the course of using services provided pursuant to this Agreement. Each Party's liability to the other for any loss, cost, claim, injury or liability or expense, including reasonable attorney's fees relating to or arising out of any negligent act or omission in its performance of this Agreement whether in contract or in tort, shall be limited to a credit for the actual cost of the services or functions not performed or improperly performed.

E. A Party may, in its sole discretion, provide in its tariffs and contracts with its Customer and third parties that relate to any service, product or function provided or contemplated under this Agreement, that to the maximum extent permitted by Applicable Law, such Party shall not be liable to Customer or third Party for (i) any Loss relating to or arising out of this Agreement, whether in contract, tort or otherwise, that exceeds the amount such Party would have charged that applicable person for the service, product or function that gave rise to such Loss and (ii) Consequential Damages. To the extent that a Party elects not to place in its tariffs or contracts such limitations of liability, and the other Party incurs a Loss as a result thereof, such Party shall indemnify and reimburse the other Party for that portion of the Loss that would have been limited had the first Party included in its tariffs and contracts the limitations of liability that such other Party included in its own tariffs at the time of such Loss.

F. Neither BellSouth nor Carrier shall be liable for damages to the other's terminal location, POI or other company's customers' premises resulting from the furnishing of a service, including, but not limited to, the installation and removal of equipment or associated wiring, except to the extent caused by a company's negligence or willful misconduct or by a company's failure to properly ground a local loop after disconnection.

G. Under no circumstance shall a Party be responsible or liable for indirect, incidental, or consequential damages, including, but not limited to, economic loss or lost business or profits, damages arising from the use or performance of equipment or software, or the loss of use of software or equipment, or accessories attached thereto, delay, error, or loss of data. In connection with this limitation of liability, each Party recognizes that the other Party may, from time to time, provide advice, make recommendations, or supply other analyses related to the Services, or facilities described in this Agreement, and, while each Party shall use diligent efforts in this regard, the Parties acknowledge and agree that this limitation of liability shall apply to provision of such advice, recommendations, and analyses.

H. The Party providing services hereunder, its affiliates and its parent company, shall be indemnified, defended and held harmless by the Party receiving services hereunder against any claim, loss or damage arising from the receiving company's use of the services provided under this Agreement pertaining to (1) claims for libel, slander or invasion of privacy arising from the content of the receiving company's own communications, or (2) any claim, loss or damage claimed by the customer of the Party receiving services arising from such company's use or reliance on the providing company's services, actions, duties, or obligations arising out of this Agreement.

I. Notwithstanding any other provision of this Agreement, claims for damages by Carrier or Carrier's clients or any other person or entity resulting from the gross negligence or willful misconduct of BellSouth shall not be subject to such limitation of liability.

J. Notwithstanding any other provision of this Agreement, claims for damages by BellSouth or any other person or entity resulting from the gross negligence or willful misconduct of Carrier shall not be subject to such limitation of liability.

K. Neither party assumes liability for the accuracy of the data provided to it by the other party.

L. No license under patents (other than the limited license to use) is granted by either party or shall be implied or arise by estoppel, with respect to any service offered pursuant to this Agreement.

M. Each party's failure to provide or maintain services offered pursuant to this Agreement shall be excused by labor difficulties, governmental orders, civil commotion, criminal actions taken against them, acts of God and other circumstances beyond their reasonable control.

N. EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR

WARRANTIES TO THE OTHER PARTY CONCERNING THE SPECIFIC QUALITY OF ANY SERVICES, OR FACILITIES PROVIDED UNDER THIS AGREEMENT. THE PARTIES DISCLAIM, WITHOUT LIMITATION, ANY WARRANTY OR GUARANTEE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR FROM USAGES OF TRADE.

O. The obligations of the parties contained within this section shall survive the expiration of this Agreement.

XVIII. More Favorable Provisions

A. BellSouth shall make available, pursuant to 47 USC § 252 and the FCC rules and regulations regarding such availability, to Carrier any interconnection, service, or network element provided under any other agreement filed and approved pursuant to 47 USC § 252. The Parties shall adopt all rates, terms and conditions concerning such other interconnection, service or network element and any other rates, terms and conditions that are interrelated or were negotiated in exchange for or in conjunction with the interconnection, service or network element being adopted. The adopted interconnection, service, or network element and agreement shall apply to the same states as such other agreement and for the identical term of such other agreement.

B. If Carrier changes its name or makes changes to its company structure or identity due to a merger, acquisition, transfer or any other reason, it is the responsibility of Carrier to notify BellSouth of said change and request that an amendment to this Agreement, if necessary, be executed to reflect said change.

C. No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties.

D. Execution of this Agreement by either Party does not confirm or infer that the executing Party agrees with any decision(s) issued pursuant to the Telecommunications Act of 1996 and the consequences of those decisions on specific language in this Agreement. Neither Party waives its rights to appeal or otherwise challenge any such decision(s) and each Party reserves all of its rights to pursue any and all legal and/or equitable remedies, including appeals of any such decision(s).

E. In the event that any effective legislative, regulatory, judicial or other legal action materially affects any material terms of this Agreement, or the ability of Carrier or BellSouth to perform any material terms of this Agreement, Carrier or BellSouth may, on thirty (30) days' written notice require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within ninety (90) days after such

notice, the Dispute shall be referred to the Dispute Resolution procedure set forth in Section XX.

F. If any provision of this Agreement, or the application of such provision to either Party or circumstance, shall be held invalid, the remainder of the Agreement, or the application of any such provision to the Parties or circumstances other than those to which it is held invalid, shall not be effective thereby, provided that the Parties shall attempt to reformulate such invalid provision to give effect to such portions thereof as may be valid without defeating the intent of such provision.

XIX. Taxes and Fees

A. Definition. For purposes of this section, the terms "taxes" and "fees" shall include but not be limited to federal, state or local sales, use, excise, gross receipts or other taxes or tax-like fees of whatever nature and however designated (including tariff surcharges and any fees, charges or other payments, contractual or otherwise, for the use of public streets or rights of way, whether designated as franchise fees or otherwise) which are imposed, or sought to be imposed, on or with respect to the services furnished hereunder or measured by the charges or payments therefor.

B. Taxes And Fees Imposed Directly On Either Providing Party Or Purchasing Party.

1. Taxes and fees imposed on the providing party, which are neither permitted nor required to be passed on by the providing party to its customer, shall be borne and paid by the providing party.

2. Taxes and fees imposed on the purchasing party, which are not required to be collected and/or remitted by the providing party, shall be borne and paid by the purchasing party.

C. Taxes And Fees Imposed On Purchasing Party But Collected And Remitted By Providing Party.

1. Taxes and fees imposed on the purchasing party shall be borne by the purchasing party, even if the obligation to collect and/or remit such taxes or fees is placed on the providing party.

2. To the extent permitted by applicable law, any such taxes and fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing party at the time that the respective service is billed.

3. If the purchasing party determines that in its opinion any such taxes or fees are not payable, the providing party shall not bill such taxes or fees to the purchasing party if the purchasing party provides written certification, reasonably satisfactory to the providing party, stating that it is exempt or otherwise not subject to the tax or fee, setting forth the basis therefor, and satisfying any other requirements under applicable law. If any authority seeks to collect any such tax or fee that the purchasing party has determined and certified not to be payable, or any such tax or fee that was not billed by the providing party, the purchasing party shall have the right, at its own expense, to contest the same in good faith, in its own name or on the providing party's behalf. In any such contest, the purchasing party shall promptly furnish the providing party with copies of all filings in any proceeding, protest, or legal challenge, all rulings issued in connection therewith, and all correspondence between the purchasing party and the governmental authority.

4. In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing party during the pendency of such contest, the purchasing party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

5. If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing party shall pay such additional amount, including any interest and penalties thereon.

6. Notwithstanding any provision to the contrary, the purchasing party shall protect, indemnify and hold harmless (and defend at the purchasing party's expense) the providing party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing party in connection with any claim for or contest of any such tax or fee.

7. Each party shall notify the other party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a governmental authority; such notice to be provided at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

8. The Purchasing Party shall have the right, at its own expense, to claim a refund or credit, in its own name or on the Providing Party's behalf, of any such tax or fee that it determines to have paid in error, and the Purchasing Party shall be entitled to any recovery thereof.

D. Taxes And Fees Imposed On Providing Party But Passed On To Purchasing Party.

1. Taxes and fees imposed on the providing party, which are permitted or required to be passed on by the providing party to its customer, shall be borne by the purchasing party.

2. To the extent permitted by applicable law, any such taxes and fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing party at the time that the respective service is billed.

3. If the purchasing party disagrees with the providing party's determination as to the application or basis of any such tax or fee, the Parties shall consult with respect to the imposition and billing of such tax or fee and with respect to whether to contest the imposition of such tax or fee. Notwithstanding the foregoing, the providing party shall retain ultimate responsibility for determining whether and to what extent any such taxes or fees are applicable, and the purchasing party shall abide by such determination and pay such taxes or fees to the providing party. The providing party shall further retain ultimate responsibility for determining whether and how to contest the imposition of such taxes or fees; provided, however, that any such contest undertaken at the request of the purchasing party shall be at the purchasing party's expense.

4. In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing party during the pendency of such contest, the purchasing party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

5. If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing party shall pay such additional amount, including any interest and penalties thereon.

6. Notwithstanding any provision to the contrary, the purchasing party shall protect, indemnify and hold harmless (and defend at the purchasing party's expense) the providing party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing party in connection with any claim for or contest of any such tax or fee.

7. Each party shall notify the other party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a governmental authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

E. Mutual Cooperation. In any contest of a tax or fee by one Party, the other Party shall cooperate fully by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. Further, the other Party shall be reimbursed for any reasonable and necessary out-of-pocket copying and travel expenses incurred in assisting in such contest.

XX. Treatment of Proprietary and Confidential Information

A. The parties acknowledge that it may be necessary to provide each other, during the term of this Agreement, with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data, call detail records and like information (hereinafter collectively referred to as "Information"). All Information shall be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and that the Information will be returned to the owner within a reasonable time. The Information shall not be copied or reproduced in any form. The parties shall not disclose any Information received. Both parties will protect the Information received from distribution, disclosure or dissemination to anyone except employees of the parties with a need to know such Information and which employees agree to be bound by the terms of this Section. Both parties will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.

B. Visually disclosed information shall be deemed Confidential Information only if contemporaneously identified as such and reduced to writing and delivered to the other Party with a statement or marking of confidentiality within thirty (30) calendar days after oral or visual disclosure. To the extent negotiations between Parties are communicated orally, the substance of such negotiations such as proposals and counter proposals, shall be considered Confidential Information, whether or not marked as such: orders for services, usage information in any form, and Customer Proprietary Network Information ("CPNI") as that term is defined by the Act and the rules and regulations of the FCC ("Confidential and/or Proprietary Information").

C. Notwithstanding the foregoing, both parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a nonparty to this Agreement; 2) lawfully obtained from any source other than the owner of the Information; 3) previously known to the receiving party without an obligation to keep it confidential; or 4) requested by a governmental agency, provided that the party upon whom the request is made shall notify the party who originally provided the confidential Information at least seven (7) days prior to its release to the agency.

D. The obligations of this Section XIX shall survive the expiration of this Agreement for a period of two (2) years.

XXI. Resolution of Disputes

Except as otherwise stated in this Agreement, if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, the parties will initially refer the issue to the appropriate company representatives . If the issue is not resolved within 30 days, either party may petition the Commission for a resolution of the dispute. However, each party reserves the right to seek judicial review of any ruling made by the Commission concerning this Agreement.

XXII. Limitation of Use

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

XXIII. Waivers

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

XXIV. Assignment

No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party, which will not be unreasonably withheld.

XXV. Amendment

This Agreement may not be amended in any way except upon written consent of the parties.

XXVI. Severability

In the event that any provision of this Agreement shall be held invalid, illegal, or unenforceable, it shall be severed from the Agreement and the remainder of this Agreement shall remain valid and enforceable and shall continue in full force and effect; provided however, that if any severed provisions of this Agreement are essential to any party's ability to continue to perform its material obligations hereunder, the parties shall immediately begin negotiations of new provisions to replace the severed provisions.

XXVII. Survival

Any liabilities or obligations of a party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a party under the provisions regarding indemnification, confidential information, limitations of liability and any other provisions of this Agreement which, by their terms, are contemplated to survive (or be performed after) termination of this Agreement, shall survive cancellation or termination thereof.

XXVIII. Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia, without regard to its conflict of laws principles, and the Communications Act of 1934 as amended by the Act.

XXIX. Arm's Length Negotiations

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

XXX. Filing of Agreement

Upon execution of this Agreement it shall be filed with the appropriate state regulatory agency pursuant to the requirements of Section 252 of the Act. If the regulatory agency imposes any filing or public interest notice fees regarding the filing or approval of the Agreement, Carrier shall be responsible for publishing the required notice and the publication and/or notice costs shall be borne by Carrier.

XXXI. Notices

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

BellSouth Telecommunications, Inc.
675 W. Peachtree St. N.E.
Suite 4300
Atlanta, Georgia 30375
Attn: Legal Dept. "Wireless" Attorney

Sprint PCS
Mailstop: MOKCMM1101
4900 Main
Kansas City, MO 64112
Attn: Legal Regulatory Dept.

Copy to:
Sprint PCS
Mailstop: KSOPAM0101
11880 College Blvd.
Overland Park, KS 66210
Attn: Director-National Network Eng.

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

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

XXXII. Entire Agreement

This Agreement and its Attachments, incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the party to be bound thereby. In the event of any conflict between the term(s) of this Agreement and those of an applicable tariff, the terms of this Agreement shall control.

BellSouth Telecommunications, Inc.	**Carrier**
By: _____	By: _____
Jerry D. Hendrix	
Name	Name
Senior Director	
Title	Title
Date	Date

Attachment B-1

CMRS Local Interconnection Rates
(All rates are Per Minute of Use)

Florida	
Type 1 (End Office Switched):	$.003776
Type 2A (Tandem Switched):	$.003776
Type 2B (Dedicated End Office):	$.002

CERTIFICATE OF SERVICE
Docket No. 000761-TP

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via U.S. Mail this 17th day of July, 2000 to the following:

Staff Counsel
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Florida Public Service Commission
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Tallahassee, FL 32399-0850

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Lisa Foshee

Lisa S. Foshee