

991267-TP

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF FLORIDA

BELLSOUTH  
TELECOMMUNICATIONS, INC.

Plaintiff,

v.

Civil Action No. 99

GLOBAL NAPS, INC.;  
THE FLORIDA PUBLIC SERVICE  
COMMISSION;  
J. TERRY DEASON, in his  
Official capacity as  
Chairman of the Florida  
Public Service Commission;  
BRAULIO L. BAEZ, in his  
Official capacity as  
Commissioner of the Florida  
Public Service Commission;  
LILA A. JABER, in her  
Official capacity as  
Commissioner of the Florida  
Public Service Commission;  
and E. LEON JACOBS, JR., in  
his Official capacity as  
Commissioner of the Florida  
Public Service Commission;

Defendants.

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FLORIDA PUBLIC SERVICE COMMISSION  
DIVISION OF APPEALS

**COMPLAINT**

**Nature of the Action**

1. Plaintiff BellSouth Telecommunications, Inc. ("BellSouth") brings this action seeking relief from a decision of the Florida Public Service Commission ("PSC") that is contrary to federal law.

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2. This case involves a decision of the PSC interpreting an "interconnection agreement" between BellSouth and defendant Global NAPs, Inc. ("GNAPs"). BellSouth and GNAPs are telecommunications carriers that are authorized to provide competing local telephone services in Florida. The federal Telecommunications Act of 1996 (the "1996 Act") imposes various duties on incumbent local telephone companies like BellSouth; these duties are implemented through state-supervised interconnection agreements such as the one at issue here.

3. At issue here are interconnection agreement provisions pertaining to "reciprocal compensation." The 1996 Act, as definitively interpreted by the FCC, requires competing local telephone companies to pay reciprocal compensation only for local calls that originate on one carrier's network but terminate on the other carrier's network. Local telephone companies are not required to pay reciprocal compensation for interstate or interexchange calls. The key reciprocal compensation provision in the agreement at issue in the case precisely tracks the requirements of federal law — that is, it requires the payment of reciprocal compensation exclusively for local calls, defined as those calls that "originate[] in one exchange or LATA and terminate[] in either the same exchange or LATA, or a corresponding Extended Area Service ("EAS") exchange. GNAPs Agreement, attached as Exhibit 1, Attachment B, at 8.

4. The FCC has long explained that calls routed to the Internet through an Internet Service Provider ("ISP") are not local because they do not "terminate" at the ISP's premises, which are sometimes located in a local calling area. Rather, as a matter of law and fact, these calls involve a single communication from the end-user to an Internet site, which is normally located outside the local calling area. Under the plain terms of the interconnection agreement at issue, therefore, BellSouth has no obligation to pay reciprocal compensation when it hands off Internet calls to competing companies (or vice versa). Moreover, to the extent there is any

question about the plain meaning of that language, it is undisputed that BellSouth made GNAPs specifically aware of its refusal to pay or to seek reciprocal compensation for ISP-bound traffic under the terms of the agreement at issue here.

5. In spite of these facts, the PSC has ordered BellSouth to pay reciprocal compensation on ISP-bound calls that originate on BellSouth's network, are passed to GNAPs, and that GNAPs then hands off to its ISP customers for completion. That decision is based on a misunderstanding of federal law and violates the 1996 Act. Indeed, the PSC decision rests squarely on the mistaken belief that Internet-bound traffic is local as a matter of law. For that reason, and because the PSC's decision is arbitrary and capricious, inconsistent with the agency record, and results from a failure to engage in reasoned decisionmaking, it should be reversed.

#### **Parties, Jurisdiction, and Venue**

6. Plaintiff BellSouth is a Georgia corporation with its principal place of business in Georgia. BellSouth provides local telephone service throughout much of the State of Florida, and it is a Local Exchange Carrier under the 1996 Act.

7. Defendant GNAPs is a Virginia corporation with its principal place of business in Massachusetts. On information and belief, GNAPs is a common carrier that is authorized to provide local telephone service in Florida and is a Local Exchange Carrier under the 1996 Act.

8. Defendant PSC is an agency of the State of Florida. The PSC is a "State commission" within the meaning of the 1996 Act.

9. Defendant J. Terry Deason is Chairman of the PSC. Chairman Deason is sued in his official capacity for declaratory and injunctive relief only.

10. Defendant Braulio L. Baez is a Commissioner of the PSC. Commissioner Baez is sued in his official capacity for declaratory and injunctive relief only.

11. Defendant Lila A. Jaber is a Commissioner of the PSC. Commissioner Jaber is sued in her official capacity for declaratory and injunctive relief only.

12. Defendant E. Leon Jacobs, Jr., is a Commissioner of the PSC. Commissioner Jacobs is sued in his official capacity for declaratory and injunctive relief only.

13. This Court has subject matter jurisdiction over the action pursuant to the judicial review provision of the 1996 Act, 47 U.S.C. § 252(e)(6), and pursuant to 28 U.S.C. § 1331.

14. Venue is proper in this district under 28 U.S.C. § 1391. Venue is proper under section 1391(b)(1) because the Commission resides in this District. Venue is proper under section 1391(b)(2) because a substantial part of the events giving rise to this action occurred in this District, in which the PSC sits.

#### **Reciprocal Compensation Under the 1996 Act**

15. The 1996 Act imposes certain obligations on incumbent local telephone companies to encourage competition in local markets. One of the obligations placed on incumbent carriers is the duty to "interconnect[]" their facilities with those of new entrants into the local telephone market, known as competing local exchange carriers or "CLECs." *See* 47 U.S.C. § 251(c)(2). Interconnection allows subscribers to a CLEC's service to make calls to, and receive calls from, subscribers to an incumbent's service.

16. Closely related to this interconnection obligation is the 1996 Act's requirement that all local telephone companies "establish reciprocal compensation arrangements for the transport and termination of telecommunications." 47 U.S.C. § 251(b)(5). In simple terms, reciprocal compensation works as follows. When a customer of Carrier A places a call to a customer of Carrier B in the same local calling area, Carrier A must pay Carrier B for

terminating the call. By the same token, when a customer of Carrier B places a local call to a customer of Carrier A, Carrier B must pay Carrier A.

17. Under the terms of the 1996 Act, as definitively construed by the FCC, the duty to pay reciprocal compensation arises *only* in the case of local calls. See First Report and Order, *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, 11 FCC Rcd 15499, 16013, ¶ 1034 (1996). In the case of interstate and intrastate interexchange calls, other rules govern, and no reciprocal compensation obligations apply. *Id.*

### **The Nature of Internet Calls**

18. The Internet is "the international computer network of both Federal and non-Federal interoperable packet switched data networks." 47 U.S.C. § 230(f)(1). The Internet includes the now familiar World Wide Web.

19. An individual usually accesses the Internet through an ISP — a company such as America Online. Thus, a BellSouth customer who logs on to the Internet ordinarily uses a modem to dial a local telephone number to connect with the ISP's facilities, which may or may not be located in the same local calling area. Crucially, however, the call does not terminate there. Rather, the customer uses the ISP as a conduit to receive information from (and transmit information to) Internet sites located all over the country and the world. The ISP connects the customer to the Internet site the customer selects and routes information from that site through the ISP and back to the customer.

20. Precisely because the Internet allows individuals to obtain information stored in other States and in other countries, the FCC has squarely determined that Internet traffic "typically . . . does not originate and terminate within an exchange." Order on Remand, *Deployment of Wireline Services Offering Advanced Telecommunications Capability*, 15 FCC

Rcd 385, 392, ¶ 16 (1999) ("*Advanced Services Remand Order*"). Rather, the FCC has ruled that an ISP-bound call consists of a single end-to-end communication — a communication that is not local, but is instead interexchange in nature. *See id.*; *see also id.* at 400-06, ¶¶ 33-45.

21. Accordingly, under existing FCC precedent, ISP-bound traffic is not subject to the reciprocal compensation obligation in the 1996 Act. *See id.* at 403, ¶ 38.<sup>1</sup>

### **The Interconnection Agreement**

22. GNAPs first sought to enter into an interconnection agreement with BellSouth in August 1998. As a starting point for negotiations, *see* 47 U.S.C. § 252(a)(1), BellSouth mailed GNAPs a copy of its standard interconnection agreement, which expressly states that ISP-bound calls are neither local nor subject to reciprocal compensation.

23. Rather than pursuing negotiations with BellSouth, however, GNAPs decided to exercise its right under 47 U.S.C. § 252(I) to adopt the terms and conditions of a pre-existing agreement, entered into on July 1, 1997, between BellSouth and ITC^DeltaCom Communications, Inc. (the "DeltaCom Agreement"). On January 18, 1999, GNAPs and BellSouth entered into an interconnection agreement (the "GNAPs Agreement") based on the DeltaCom Agreement.

24. The GNAPs Agreement provides that "[e]ach Party will pay the other for terminating its *local traffic* on the other's network." Fourth Amendment to GNAPs Agreement,

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<sup>1</sup> Although the D.C. Circuit vacated and remanded for further explanation an earlier FCC Order that, among other things, reached the same conclusion, *see* Declaratory Ruling in CC Docket No. 96-98 and Notice of Proposed Rulemaking in CC Docket No. 99-68, *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Inter-Carrier Compensation for ISP-Bound Traffic*, 14 FCC Rcd 3689 (1999) ("*ISP Declaratory Ruling*"), *vacated and remanded*, *Bell Atlantic Tel. Cos. v. FCC*, 206 F.3d 1 (D.C. Cir. 2000), the FCC's conclusion in the *Advanced Services Remand Order* remains valid and binding and may not be collaterally attacked in this proceeding.

at 2 (emphasis added). The Agreement defines "local traffic" as "any telephone call that originates in one exchange or LATA and terminates in either the same exchange or LATA, or a corresponding Extended Area Service ('EAS') exchange." GNAPs Agreement, Attachment B, at 8.

25. The language of the relevant provision of the GNAPs Agreement is indistinguishable from the language of the relevant FCC regulations for these purposes. Given that the FCC has confirmed that Internet-bound traffic is exchange access and not local traffic, because it terminates at websites that are generally located outside of the exchange in which the traffic originates, the only appropriate legal conclusion is that the Agreement does not require reciprocal compensation for such traffic.

26. Moreover, before the Agreement was signed and repeatedly thereafter, BellSouth explicitly informed GNAPs that ISP-bound traffic is interstate, not local, in nature and that BellSouth would neither pay nor seek reciprocal compensation for such traffic.

27. GNAPs itself recognized that ISP-bound traffic is interstate, not local, by filing a federal tariff with the FCC for such traffic in April 1999.

### **The PSC Proceedings**

28. On August 31, 1999, GNAPs filed a complaint with the PSC alleging that BellSouth had breached the terms of the Agreement by failing to pay for Internet-bound traffic under the reciprocal compensation clause.

29. On November 15, 1999, DeltaCom filed a petition to intervene in the proceeding on the ground that the DeltaCom Agreement was the same as the GNAPs Agreement and, therefore, that the PSC's interpretation of the reciprocal compensation clause in the GNAPs Agreement would control the interpretation of that same clause in the DeltaCom Agreement.

30. On December 23, 1999, Commissioner Jacobs, acting as pre-hearing officer, denied DeltaCom's motion. He explained that no provision of the Act provides for intervenor participation in complaints arising from state-approved interconnection agreements. *See* Order Denying Intervention, at 4-5 (attached as Exhibit 2). Further, he explained that section 252(I) "is simply a shortening of the negotiation process" and that, although "many or all of the terms in the agreement may be the same as those found in the ITC[DeltaCom]/BellSouth agreement, our decision in this case will consider only the GNAPs/BellSouth agreement and evidence relevant to that agreement." *Id.* at 5.

31. On April 24, 2000, the PSC issued a decision holding that "the plain language of the Agreement shows that the parties intended the payment of reciprocal compensation for all local traffic, including traffic bound for ISPs." PSC Order at 7 (attached as Exhibit 3). The PSC's decision thus rests squarely on its understanding that the plain meaning of local traffic includes Internet-bound traffic.

32. On May 9, 2000, BellSouth filed a motion for reconsideration of the PSC's decision. The PSC denied that motion on August 21, 2000. *See* Order Denying Rehearing (attached as Exhibit 4). In that order, the PSC again emphasized that the sole basis for its decision was that the plain meaning of "local" traffic encompasses Internet-bound communications and thus that the agreement mandated reciprocal compensation for such calls. As the PSC explained, as a matter of law, Internet-bound communications will be treated as local unless there is "some indication in the agreement that traffic to ISPs was intended to be treated differently or somehow segregated from 'local traffic,' although dialed by the customer as a local call." *Id.* at 14.



33. The PSC's analysis is contrary to federal law and to the plain language of the GNAPs Agreement. As a matter of federal law, Internet calls are interstate, not local. The PSC's contrary understanding, and its contrary reading of the GNAPs Agreement, is unlawful.

34. The PSC's decision is unlawful for other reasons as well. First, the PSC's decision is inconsistent with its own prior determinations under the 1996 Act. While the PSC has previously found that identical interconnection agreement language was ambiguous, thus requiring evaluation of extrac contractual evidence of intent, in this case it determined that the same language was clear on its face. While BellSouth argued here that the agreement was in fact unambiguous, consistent with federal law, it contended that the agreement unambiguously *excluded* reciprocal compensation, not that it required such payments. Moreover, the PSC has an obligation to explain how its order is consistent with its prior decision. The unexplained inconsistency with the PSC's own prior precedent renders this decision arbitrary and contrary to federal law.

35. The PSC also misapplied section 252(I) of the 1996 Act in two separate ways. First, in its original order, the PSC suggested that BellSouth could have inserted clarifying language into the GNAPs Agreement to make plain the treatment of Internet-bound traffic. That argument ignores the fact that section 252(I) gives GNAPs the right to opt into existing agreements *in toto* and without the addition of such language. Second, the PSC indicated that it would interpret any ambiguities in the GNAPs Agreement by reference to the intent of the parties to the DeltaCom Agreement that GNAPs opted into (that is, BellSouth and DeltaCom), not the parties to the GNAPs Agreement. That analysis disregards the fact that, as a matter of federal law, GNAPs created its own agreement with BellSouth, and it is that agreement that is at issue

here. In addition, that analysis is, as the PSC admitted, contrary to the decision denying DeltaCom's motion to intervene. *See* Order Denying Rehearing at 11.

### **CLAIM**

36. BellSouth incorporates paragraphs 1-35 of this complaint as if set forth completely herein.

37. The PSC's decision that BellSouth must pay GNAPs reciprocal compensation for ISP-bound traffic is inconsistent with the 1996 Act and implementing FCC determinations and violates established principles of law. The PSC's decision is also arbitrary and capricious, inconsistent with the evidence presented to the PSC, and results from a failure to engage in reasoned decision-making.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff BellSouth prays that the Court enter an order:

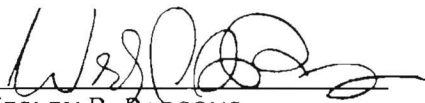
1. Declaring that the PSC's decision is unlawful.
2. Enjoining all the Defendants, and all parties acting in concert therewith, from seeking to enforce that unlawful decision against BellSouth, and enjoining GNAPs to return any moneys unlawfully received as a result of that order.
3. Granting BellSouth such further relief as the Court may deem just and reasonable.

Respectfully submitted,

NANCY WHITE  
BELLSOUTH TELECOMMUNICATIONS, INC.  
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Tallahassee, Florida 32301  
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(305) 858-5555

September 18, 2000

**AGREEMENT**

This Agreement, which shall become effective as of the 18th day of January, 1999, is entered into by and between Global Naps South, Inc. ("Global Naps") a Virginia corporation on behalf of itself, and BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, having an office at 675 W. Peachtree Street, Atlanta, Georgia, 30375, on behalf of itself and its successors and assigns.

**WHEREAS**, the Telecommunications Act of 1996 (the "Act") was signed into law on February 8, 1996; and

**WHEREAS**, section 252(l) of the Act requires BellSouth to make available any interconnection, service, or network element provided under an agreement approved by the appropriate state regulatory body to any other requesting telecommunications carrier upon the same terms and conditions as those provided in the agreement in its entirety; and

**WHEREAS**, Global Naps has requested that BellSouth make available the interconnection agreement in its entirety executed between BellSouth and DeltaCom, Inc. dated July 1, 1997 in the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.

**NOW, THEREFORE**, in consideration of the promises and mutual covenants of this Agreement, Global Naps and BellSouth hereby agree as follows:

1. Global Naps and BellSouth shall adopt in its entirety the DeltaCom, Inc. Interconnection Agreement dated July 1, 1997 and any and all amendments to said agreement executed and approved by the appropriate state regulatory commission as of the date of the execution of this Agreement. The DeltaCom, Inc. Interconnection Agreement and all amendments are attached hereto as Exhibit 1 and incorporated herein by this reference.

2. The term of this Agreement shall be from the effective date as set forth above and shall expire on July 1, 1999, unless an alternate expiration date is mutually agreed to by the Parties or ordered by a Commission, the FCC or a court of competent jurisdiction.

3. Global Naps shall accept and incorporate any amendments to the DeltaCom, Inc. Interconnection Agreement executed as a result of any final judicial, regulatory, or legislative action.

10/09/98

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

BellSouth Telecommunications, Inc.

CLEC Account Team  
9th Floor  
600 North 19<sup>th</sup> Street  
Birmingham, Alabama 35203

and

General Attorney - COU  
Suite 4300  
675 W. Peachtree St.  
Atlanta, GA 30375

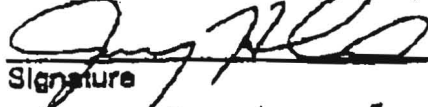
Global Naps South, Inc.  
William Rooney, Jr.  
10 Merrymount Road  
Quincy, Massachusetts 02169

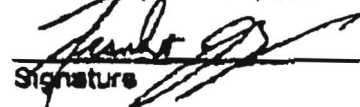
or at such other address as the intended recipient previously shall have designated by written notice to the other Party. Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially 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.

IN WITNESS WHEREOF, the Parties have executed this Agreement through their authorized representatives.

BellSouth Telecommunications, Inc.

Global Naps South, Inc.

  
Signature

  
Signature

Jerry D. Hendrix  
Name

Name

1/18/99  
Date

Date

**INTERCONNECTION AGREEMENT  
BETWEEN DELTACOM, INC. AND BELLSOUTH  
TELECOMMUNICATIONS, INC.**

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**INTERCONNECTION AGREEMENT  
BETWEEN DELTACOM AND BELL SOUTH TELECOMMUNICATIONS**

Pursuant to this Interconnection Agreement (Agreement), DeltaCom, Inc. (collectively "DeltaCom"), and BellSouth Telecommunications, Inc. (collectively, "BellSouth") (collectively, "the Parties") agree to extend certain interconnection arrangements to one another within each LATA in which they both operate. This Agreement is an integrated package that reflects a balancing of interests critical to the Parties and is not inconsistent with Sections 251, 252 and 271 of the Telecommunications Act of 1996. The Agreement represents a negotiated compromise and is entered without prejudice to any positions which either party has taken, or may take in the future, before any legislative, regulatory, judicial or other governmental body.

**I. RECITALS AND PRINCIPLES**

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

WHEREAS, DeltaCom is a competitive local exchange telecommunications company (CLEC) which is authorized or plans to become authorized to provide local telecommunications services in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee; and

WHEREAS, the interconnection and interoperability of the Parties' respective local networks is required to facilitate the introduction of local exchange service competition and fulfill the objectives of the Telecommunications Act of 1996 (Telecommunications Act); and

WHEREAS, universal connectivity and interoperability between competing telecommunications carriers is necessary for the termination of traffic on each carrier's network; and

WHEREAS, the Parties intend that BellSouth should unbundle certain basic network elements and make them available for purchase by DeltaCom; and

WHEREAS, the Parties agree that this Agreement shall be filed with the appropriate state commissions in compliance with Section 252 of the Telecommunications Act;

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

## **II. SCOPE OF THE AGREEMENT**

This Agreement will govern the interconnection arrangements between the Parties to facilitate the interconnection of their facilities and the connection of local and interexchange traffic initially in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. This agreement will further govern the unbundling of BellSouth network elements in the same states.

## **III. DEFINITIONS**

The definitions contained in Attachment B are intended to define and govern how the technical terms included therein are used in this Agreement. However, except as provided herein, the inclusion or exclusion of any particular definition is not intended by either party to limit, or to define technical interface, reliability, performance or throughput parameters for the network elements that both Parties expect to interconnect and interoperate.

The minimum performance, reliability, throughput and operational characteristic of elements identified herein, as well as physical and logical interface standards utilized, unless otherwise specifically provided herein, are according to generally accepted industry standards as defined by the ITU (ISO/CCITT), ANSI, or the Network Management Forum, whichever is more specific. Where standards are not yet fully defined, the Parties agree to take reasonable steps to insure that interface designs are modularized and retrofitable to any pending standard at the least cost to the interconnecting Parties.

## **IV. ACCESS TO UNBUNDLED NETWORK ELEMENTS**

BellSouth shall unbundle Network Elements used in the provision of a telecommunications service and offer them for resale to DeltaCom as provided hereafter. DeltaCom shall be entitled to request, and BellSouth shall provide, access to any such unbundled Network Element(s). BellSouth shall unbundle and separately price and offer those elements such that DeltaCom will be able to lease and interconnect to whichever of these unbundled Network Elements DeltaCom requires, and combine the BellSouth-provided Network Elements with any facilities and services that DeltaCom may itself provide or obtain from other telecommunications

carriers, in order to offer telecommunications services to other telecommunications carriers and end users. Such Network Elements shall be offered as provided hereafter.

**A. General Requirements**

A.1 The Parties hereto mutually understand and agree that the array of Network Elements is steadily evolving and expanding. The initial set of Network Elements and attendant services to be made available by BellSouth hereunder is included as Attachment C hereto. Network Elements will be provided subject to the rules, terms and conditions expressed in this Article and in Attachment C. It is understood, however, that either Party may add Network elements to the listing contained in Attachment C as the BellSouth network changes or additional Network Elements are identified. It is especially acknowledged, without limitation, that the list of Network Elements may be expanded by either Party to include Network Elements identified in relevant FCC or state commission regulations or orders, or made available by BellSouth to other telecommunications carriers pursuant to other interconnection agreements. The addition or inclusion of additional Network Elements shall be made in accordance with subsection IV.I hereof.

A.2 Without limitation, BellSouth agrees to provide DeltaCom access to all Network Elements identified in Attachment C hereto. Wherever technically feasible, interconnection shall be offered at both the line and trunk side of each discrete Network Element. It is agreed that interconnection will be made available by BellSouth to DeltaCom at any technically feasible point. BellSouth must implement physical and logical interconnection points consistent with generally accepted industry standards.

A.3 The initial pricing of the initial unbundled Network Elements shall be as set forth in Attachment C, except that initial pricing of unbundled loops, switch ports and other network elements will be established through state commission arbitration as provided in Article XXV hereof and Attachment C hereto. The initial pricing may be revised by mutual agreement or at DeltaCom's election pursuant to Article XXII hereof.

A.4 It is agreed that DeltaCom may combine network elements purchased hereunder as required to provide any local, toll or access service. If DeltaCom recombines network elements to mirror existing retail service, as defined by the applicable state commission, the resale rate shall apply.

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**B. Interconnection with Network Elements**

- B.1** Interconnection shall be achieved via collocation arrangements DeltaCom shall maintain at a BellSouth wire center or other BellSouth network point.
- B.2** At DeltaCom's discretion, each unbundled loop or port element shall be delivered to the DeltaCom collocation arrangement over an individual 2-wire hand-off, in multiples of 24 over a digital DS-1 hand-off in any combination or order DeltaCom may specify, in multiples of 672 over a digital DS-3 hand-off in any combination or order DeltaCom may specify, or through other technically feasible and economically comparable hand-off arrangements requested by DeltaCom (e.g., SONET STS-1 hand-off). Economically comparable as used in this section refers to an economically comparable effect upon DeltaCom and is not meant to ensure an equivalent revenue stream or contribution level to BellSouth.
- B.3** BellSouth will permit DeltaCom to collocate DLC systems in conjunction with collocation arrangements DeltaCom maintains at a BellSouth wire center, for the purpose of interconnecting to unbundled loop elements. DeltaCom will have the option of purchasing BellSouth unbundled transport (at any transmission level) between placed equipment and the DeltaCom network.
- B.4** DeltaCom shall access BellSouth's unbundled loops via collocation at the BellSouth wire center where those elements exist. Each loop or port shall be delivered to DeltaCom's collocation by means of a cross connection.
- B.5** BellSouth shall provide DeltaCom access to its unbundled loops at each of BellSouth's Wire Centers. In addition, if DeltaCom requests one or more loops serviced by Integrated Digital Loop Carrier or Remote Switching technology deployed as a loop concentrator, BellSouth shall, where available, move the requested loop(s) to a spare, existing physical loop at no charge to DeltaCom. If, however, no spare physical loop is available, BellSouth shall within seventy-two (72) hours of DeltaCom's request notify DeltaCom of the lack of available facilities. DeltaCom may then, at its discretion, make a network element request for BellSouth to provide the unbundled loop through the demultiplexing of the integrated digitized

loop(s). Special constructions may apply in this situation. DeltaCom may also make a network element request for access to unbundled loops at the loop concentration site point. Attachment D hereto shall not apply to unbundled loops provided pursuant to this subsection.

- B.6** Where BellSouth utilizes digital loop carrier (DLC) technology to provision the loop element of an unbundled exchange service to an end user customer who subsequently determines to assign the loop element to DeltaCom and receive Exchange Service from DeltaCom via such loop, BellSouth shall deliver such loop to DeltaCom on an unintegrated basis, pursuant to DeltaCom's chosen hand-off architecture, without a degradation of end user service or feature availability as supported by DeltaCom's chosen hand-off architecture.
- B.7** Except as otherwise specified herein, all dedicated transport-based features, functions, service attributes, grades-of-service, install, maintenance, and repair intervals which apply to BellSouth's bundled local exchange service shall apply to unbundled loops.
- B.8** Except as otherwise specified herein, all switch-based features, functions, service attributes, grades-of-service, and install, maintenance, and repair intervals which apply to BellSouth's bundled local exchange service shall apply to unbundled ports.
- B.9** BellSouth will permit any customer to convert its bundled local service to an unbundled element or service and assign such unbundled element or service to DeltaCom with no penalties, rollover, termination or conversion charges to DeltaCom or the customer, except as specifically provided in Attachment C-2 hereto or pursuant to the terms of a specific customer service agreement, if BellSouth waives like charges and penalties for any other telecommunications carrier (unless superceded by government action).
- B.10** BellSouth will permit DeltaCom to collocate remote switching modules and associated equipment in conjunction with collocation arrangements DeltaCom maintains at a BellSouth wire center, for the purpose of interconnecting to unbundled loop or link elements.
- B.11** When available to any other telecommunications carrier or other customer, BellSouth shall provide DeltaCom with an appropriate on-line electronic file transfer arrangement by which DeltaCom may place, verify, and receive



- E.9 BellSouth will adopt any multi-ILEC trouble management procedures and escalation processes developed by the NOF.
- E.10 The Parties will work cooperatively to plan and implement coordinated repair procedures for the local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner.
- E.11 The Parties will provide each other with a trouble reporting number that is readily accessible and available 24 hours a day, 7 days a week. In addition, the Parties will provide each other test-line numbers and access to test lines.
- E.12 The quality of interconnection services should be no less than that provided by BellSouth for its own services.
- E.13 Installation and restoration of interconnection circuits by BellSouth for DeltaCom will be given equal priority as is given by BellSouth to similar services performed by BellSouth for any other telecommunications carrier.
- E.14 The time interval for installation of POIs by BellSouth will be negotiated on an ICB basis, subject to an agreement that installation of such POI's will be completed within a target of sixty (60) calendar days.
- E.15 Completion confirmation shall be provided to ensure that all necessary translation work is completed on newly installed facilities.
- E.16 The Parties shall periodically exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.
- E.17 BellSouth will provide and update an electronic copy of their Switch Network ID Database with a complete list of features and functions by switch, NPA/NXXs, business/residence counts and identification, rate centers, etc.

**F. Local Number Assignment**

DeltaCom will assign telephone numbers to its customers using at least one NXX per BellSouth tariffed local exchange metropolitan area; provided, that sufficient quantities of numbering resources are made available to DeltaCom.

**G. Cross-Connection to Other Collocators**

Where one Party collocates in the wire center of the other Party, the Party operating the wire center shall allow the Party collocated at the wire center to directly interconnect to any other entity which maintains a collocation facility at that same wire center. The Party operating the wire center shall enable such interconnection by effecting a cross-connection between those collocation facilities, as jointly directed by the Party collocated at the wire center and the other collocated entity. For each such cross-connection, the Party operating the wire center shall charge one-half the otherwise applicable standard tariff or contract special access cross-connect rate to the collocated Party, and the identical rate to the other collocated entity. No other charges shall apply for such cross-connection.

**VI. LOCAL TRAFFIC EXCHANGE**

**A. Exchange of Traffic**

The Parties agree for the purpose of this Agreement only that local interconnection is defined as the delivery of local traffic to be terminated on each party's local network so that customers of either party have the ability to reach customers of the other party, without the use of any access code or delay in the processing of the call. Local traffic for these purposes shall include any telephone call that originates and terminates in the same LATA and is billed by the originating exchange outside of BellSouth's service area with respect to which BellSouth has a local interconnection arrangement with an independent LEC, with which DeltaCom is not directly connected. The Parties further agree that the exchange of traffic on BellSouth's Extended Area Service (EAS) 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. Compensation**

With the exception of the local traffic specifically identified in subsection (C) hereafter, each party agrees to terminate local traffic originated and routed to it by the other party. The Parties agree that BellSouth will track the usage for both companies for the period of the Agreement. BellSouth will provide copies of such usage reports to DeltaCom on a monthly basis. For purposes of this Agreement, the Parties agree that there will be no cash compensation exchanged by the parties

during the term of this Agreement unless the difference in minutes of use for terminating local traffic exceeds 2 million minutes per state on a monthly basis. In such an event, the Parties will thereafter negotiate the specifics of a traffic exchange agreement which will apply on a going-forward basis.

**C. Transitted Traffic**

If either party provides intermediary tandem switching and transport services for the other party's connection of its end user to a local end user of: (1) a CLEC other than DeltaCom; (2) an ILEC other than BellSouth; or (3) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a \$0.002 per minute charge. However, BellSouth agrees that DeltaCom may cross-connect directly to such third Parties at the POI. In such an event, tariffed cross-connection non-recurring charges will apply, and no transitting charge will apply.

**VII. MEET-POINT BILLING ARRANGEMENTS**

Both Parties hereto provide interexchange access transport services to IXCs and other access service customers. Pursuant to the terms of this Agreement, and to the extent DeltaCom requires meet-point arrangements, DeltaCom will interconnect at selected BellSouth switches of its choosing for the purposes of providing certain Switched Access Services. On such occasions, a portion of the access transport service will be provided by each of the Parties hereto. This section establishes arrangements intended to enable each of the Parties hereto to serve and bill their mutual Switched Access Service customers, on an accurate and timely basis. The arrangements discussed in this section apply to the provision of both interLATA and intraLATA Switched Access Services. It is understood and agreed that DeltaCom is not obligated to provide any of its Switched Access Service(s) through any specific access tandem switch or access tandem provider, and may at its sole discretion, with due notice to those affected, modify its serving arrangements on its own initiative.

- B.5** DeltaCom may establish CCS interconnections either directly or through a third-party. The Parties will exchange TCAP messages to facilitate full interoperability of CCIS-based features between their respective networks, including all CLASS features and functions to its own end users. The Parties will provide all CCIS signaling, Billing Number, originating line information (OLI) and any other such similar service. For terminating FGD, BellSouth will pass CPN if it receives CPN from FGD carriers. All privacy indicators will be honored. Where available, network signaling information, such as Transit Network Selection (TNS) parameter (CCIS platform) and OZZ/CIC information (non-CCIS environment) will be provided whenever such information is needed for call routing or billing. The Parties will follow all OBF adopted standards pertaining to TNS and OZZ/CIC codes.
- B.6** All originating Toll Free Service calls for which BellSouth performs the Service Switching Point (SSP) function (e.g., performs the database query) shall be delivered by DeltaCom using GR-394 format over a trunk group designated for Toll Free Service. Carrier Code "0110" and Circuit Code of "08" shall be used for all such calls. In the event DeltaCom becomes a toll free service provider, BellSouth shall deliver traffic using the GR-394 format over a trunk group designated for Toll Free Service.
- B.7** All originating Toll Free Service calls for which DeltaCom performs the SSP function, if delivered to BellSouth, shall be delivered by DeltaCom using GR-394 format over the meet point trunk group for calls destined to IXCs, or shall be delivered by DeltaCom using GR-317 format over the Local Interconnection Trunk Group for calls destined to end offices that directly subtend BellSouth access tandems.
- B.8** Originating Feature Group B calls shall be delivered to BellSouth's tandem using the interLATA trunk groups.

**C. Tariffs**

DeltaCom and BellSouth will use their best reasonable efforts, individually and collectively, to maintain provisions in their respective federal and state access tariffs sufficient to reflect this MPB arrangement, including appropriate MPB percentages consistent with applicable industry standard practice and in accordance with Section VII.F hereafter.

**D. Billing and Data Exchange**

**D.1 Each Party shall implement the "Multiple Bill/Multiple Tariff" option in order to bill an IXC for the portion of the jointly provided telecommunications service provided by that Party. For all traffic carried over the MPB arrangement, each Party shall only bill the rate elements identified for it in this Agreement. For transport elements subject to billing percentages, each Party shall utilize the billing percentages discussed in Section III.C preceding and Section VII.F hereafter. The actual rate values for each element shall be the rates contained in that Party's own effective federal and state access tariffs. The Parties shall utilize complementary monthly billing periods for meet-point billing.**

**D.2 BellSouth may charge the IXC for use of the entrance facility, the tandem switching and the mutually agreed portion of non-interconnection transport charges. BellSouth will not include an element for the Residual Interconnection Charge (RIC) and DeltaCom will be entitled to bill and collect the appropriate RIC and/or any other applicable rate elements.**

**D.3 Each party will provide to the other access records sufficient to enable billing to the IXCs. Records shall be provided in the Exchange Message Record format, Bellcore Standard BR 010-200-010, as amended.**

**D.4 BellSouth shall provide to DeltaCom the billing name, billing address, and CIC of the IXCs and copies of relevant IXC Access Service Requests (ASRs), in order to comply with the MPB notification process as outlined in the MECAB document, on an electronic medium basis using the EMR format.**

**D.5 BellSouth shall provide DeltaCom, on a daily basis, switched access detail usage data (EMR Category 1101XX records) on magnetic tape or via electronic file transfer using EMR format, for calls from IXCs that have transited BellSouth's tandems and terminated to DeltaCom's switching center(s).**

**D.6 DeltaCom shall provide BellSouth, on a monthly basis, switched access summary usage data (EMR Category 1150XX records) on magnetic tape or via electronic file transfer using EMR format, for calls to IXCs which originate at DeltaCom's switching center(s).**

D.7 The Parties will exchange test files to support the initial implementation of the meet point billing processes provided for in this Agreement. Exchange of test data will commence one week after AMA certification begins. These data shall be actual recorded usage records.

D.8 Each Party shall coordinate and exchange the billing account reference (BAR) and billing account cross reference (BACR) numbers for the MPB Service. Each Party shall notify the other if the level of billing or other BAR/BACR elements change, resulting in a new BAR/BACR number.

D.9 If access usage data is not processed and delivered by either Party and sent to the other in a timely manner and in turn such other Party is unable to bill the DXC, the delivering Party will be held liable for the amount of lost billing.

D.10 Errors may be discovered by DeltaCom, the DXC or BellSouth. Both BellSouth and DeltaCom agree to provide the other Party with notification of any discovered errors within seven (7) business days of the discovery. In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data and if such reconstruction is not possible, shall accept a reasonable estimate of the lost data based upon three (3) to twelve (12) months of prior usage data.

D.11 The Parties shall not charge one another for the services rendered or information provided pursuant to this Section VII of this Agreement.

**E. Toll Free DXC Traffic**

MPB will apply for all traffic bearing the 800, 888, or any other non-geographic NPA which may be likewise designated for such traffic in the future, where the responsible party is an DXC. In those situations where the responsible party for such traffic is a LEC, full switched access rates will apply.

**F. MPB Billing Percentages**

The MPB billing percentage for each DeltaCom Rating Point shall be calculated according to the following formulas:

In any service jointly provided by BellSouth and DeltaCom for which meet point billing arrangements are adopted, the meet point billing percentages shall be based on the relative distances (i.e., airline mileage) between the meet point and the two rating points as follows:

$$\text{BellSouth percentage} = \frac{\text{DeltaCom percentage} \cdot a}{a+b} \qquad \frac{b}{a+b}$$

where "a" is the airline mileage between the relevant DeltaCom rating point (e.g., serving switch) and the meet point and "b" is the airline mileage between the BellSouth rating point and the meet point.

**G. Special Arrangements**

- G.1 In a few instances, the involvement of yet a third provider of switched access may be needed for particular traffic. For purposes of customer billing, when three or more LECs are involved in the transmission of a particular message, the intermediate carriers will have no rating point, and the relevant mileage measurement is between the two end points.
- G.2 In the case of IXC traffic terminating to DeltaCom ported numbers, the Parties will, unless IXC actual minutes of use can be measured, account for access revenue on a state-by-state basis by using verifiable BellSouth/DeltaCom interstate and intrastate minutes of use reported on the applicable ARMIS report at the total IXC access rates applicable to BellSouth less the BellSouth/DeltaCom meet point access minutes at the meet point billing access rates applicable to BellSouth, with no other subtractions.
- G.3 If either Party provides intermediary functions for network access service connection between an IXC and another Party, each Party will provide their own network access services to the IXC on a meet-point basis. The meet-point billing arrangement will be through the multiple bill. Each Party will bill its own network access services rates to the IXC with the exception of the residual interconnection charge. Each Party shall bill 50% of its residual interconnection charges in such case.

## **VIII. TOLL TRAFFIC INTERCONNECTION**

- A. The delivery of interexchange toll traffic by a Party to the other Party shall be reciprocal and compensation will be mutual. For terminating its toll traffic on the other Party's network, each Party will pay the other Party's tariffed terminating switched access rate, inclusive of the interconnection charge and the carrier common line rate elements of the switched access rate. The Parties agree that their terminating switched rate shall be the rate in effect when the traffic is terminated.



- B. For originating and terminating interexchange toll traffic, each Party shall pay the other Party's tariffed switched network access service rate elements on a per minute of use basis. Said rate elements shall be as set out in the Parties' respective access services tariffs as those tariffs are amended from time to time during the term of this Agreement. The appropriate charges will be determined by the routing of the call. If DeltaCom is the BellSouth end user's presubscribed interexchange carrier or if the BellSouth end user uses DeltaCom as an interexchange carrier on a 10XXX basis, BellSouth will charge DeltaCom the appropriate tariff charges for originating network access services. If BellSouth is serving as the DeltaCom end user's presubscribed interexchange carrier or if the DeltaCom end user uses BellSouth as an interexchange carrier on a 10XXX basis, DeltaCom will charge BellSouth the appropriate BellSouth tariff charges for originating network access services.

**IX. NUMBER RESOURCE ARRANGEMENTS**

- A. Nothing in this Agreement shall be construed to in any manner limit or otherwise adversely impact either Party's right to request and be assigned any North American Numbering Plan (NANP) number resources including, but not limited to, central office (NXX) codes pursuant to the Central Office Code Assignment Guidelines (last published by the Industry Numbering Committee (INC) as INC 95-0407-008, Revision 4/7/95, formerly ICCF 93-0729-010), or to independently, and in a technically compatible manner, establish and publish in any and all switched telecommunications industry routing and rating databases, by tariff or otherwise, Rate Centers Rating Points, destination switching entity/office and routing/tandem information corresponding to such NXX codes.
- B. During any period under this Agreement in which it serves as the NANP administrator for its territory, BellSouth shall ensure that DeltaCom has nondiscriminatory access to telephone numbers for assignment to its telephone exchange service customers, and will assist DeltaCom in applying for NXX codes for its use in providing local exchange services. It is mutually agreed that BellSouth shall provide numbering resources pursuant to the Bellcore Guidelines Regarding Number Assignment and compliance with those guidelines shall constitute nondiscriminatory access to numbers. DeltaCom agrees that it will complete the NXX code application in accordance with Industry Carriers Compatibility Forum, Central Office Code Assignment Guidelines, ICCF 93-0729-010.
- C. If during the term of this Agreement BellSouth is no longer the NANP administrator, the Parties agree to comply with the guidelines, plan or rules adopted pursuant to 47 U.S.C. § 251(e).

- D. Each Party agrees to make available to the other, up-to-date listings of its own assigned NPA-NXX Codes, along with associated rating points and rate centers.
- E. It shall be the responsibility of each Party to program and update its switches and network systems pursuant to the local exchange routing guide (LERG) and other switched telecommunications industry guidelines to recognize and route traffic to the other Party's assigned NXX codes using that party's preferred routing at all times. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities, except as expressly defined in this Agreement.
- F. Each Party shall be responsible for notifying its customers of any changes in dialing arrangements due to NPA exhaustion. Neither party shall be obligated to adopt the specific end user dialing plan of the other.
- G. Administration and assignment of numbers will be moved to a neutral third party in the future. In the interim, while BellSouth is still administering numbering, the following will apply:
1. BellSouth will assign NXXs to DeltaCom on a nondiscriminatory basis and on the same basis as to itself.
  2. No restriction is placed on the ability to assign NXXs per rate center.
  3. Testing and loading of DeltaCom's NXXs' should be the same as BellSouth's own.
  4. BellSouth cannot discriminate in the allocation of number and types of NXXs assigned to DeltaCom.
  5. BellSouth will assign NXXs to DeltaCom without the imposition of charges that are not imposed upon itself.
  6. BellSouth will load NXXs according to industry guidelines, including the terminating LATA in which the NXXs/rate center is located.
  7. Until such time that number administration is moved to an independent third party, BellSouth will provide routine reporting on NXX availability, fill rates, and new assignments.

confirmation on orders for unbundled elements, and issue and track trouble-ticket and repair requests associated with unbundled elements. In the interim, batch file arrangements specified in BellSouth's current Facilities Based Carrier Operating Guide (FBOG) shall apply. EXACT electronic interface is the preferred method by which to order unbundled elements. BellSouth shall provide DeltaCom with the ability to order any defined network element using OBF or other mutually agreed upon ordering/provisioning codes.

- B.12 It is expressly agreed that interconnection will be afforded equally regardless of the transmission medium selected by the interconnector, *i.e.*, digital or analog loops, conditioned circuits, ISDN, SONET, *etc.*, so that networks and applications can evolve unencumbered by the available degree of interconnectivity when such elements are available.
- B.13 Wherever technically possible, it is expressly agreed and understood that BellSouth will provide interconnection on both the line side and trunk side of each unbundled Network Element. Where interconnection is ordered to the line side of a Network Element, interconnection shall be on a hard-wired (not software driven) basis.
- B.14 The Parties shall attempt in good faith to mutually devise and implement a means to extend the unbundled loop sufficient to enable DeltaCom to use a collocation arrangement at one BellSouth location per LATA (*e.g.*, tandem switch) to obtain access to the unbundled loop(s) at another such BellSouth location over BellSouth facilities.
- B.15. BellSouth shall develop a process to identify the carrier for each unbundled loop and establish automated intercompany referral and/or call hand-off processes for an additional charge. In addition, BellSouth will not in any way hinder DeltaCom from deploying modern DLC equipment (TR303) throughout DeltaCom's portion of the unbundled loop/transport network.

**C. Order Processing**

- C.1 DeltaCom shall place orders for unbundled loops (and other network elements) through completion and submission of a service request specified in the FBOG.
- C.2 Order processing for unbundled loops will be fully mechanized.

- C.3 Particular combinations of elements, hereafter referred to as combinations, identified and described by DeltaCom can be ordered and provisioned as combinations, and not require the enumeration of each element within that combination in each provisioning order, consistent with OBF or other mutually agreed upon procedures.
- C.4 Appropriate ordering/provisioning codes will be established for each identified combination, consistent with OBF or other mutually agreed upon procedures.
- C.5 When combinations are ordered where the elements are currently interconnected and functional, those elements will remain interconnected and functional (except for the integrated SLC).
- C.6 When available, BellSouth will provide DeltaCom with the ability to have the BellSouth end office AIN triggers initiated via a service order from DeltaCom.
- C.7 DeltaCom and BellSouth will negotiate in good faith to create a mutually acceptable standard service order/disconnect order format, consistent with OBF or other mutually agreed upon procedures.
- C.8 BellSouth shall exercise best efforts to provide DeltaCom with the "real time" ability to schedule installation appointments with the customer on-line and access to BellSouth's schedule availability beginning in the second calendar quarter of 1997. In the interim, BellSouth will make best effort to install unbundled loops and other network elements by the Customer Desired Due Date (CDDD) where facilities permit. Service requests with shorter intervals than normal intervals or those that require out-of-hours provisioning may be subject to additional charges.

- C.9 When available to any other telecommunications carrier or other customer, BellSouth shall provide "real time" response for firm order confirmation, due date availability/scheduling, dispatch required or not, identify line option availability by Local Service Office (LSO) (such as digital copper, copper analog, ISDN), completion with all service order and time and cost related fees, rejections/errors on service order data element(s), jeopardies against the due date, missed appointments, additional order charges (construction charges), order status, validate street address detail, and electronic notification of the local line options that were provisioned. This applies to all types of service orders and all network elements.
- C.10 BellSouth will provide to DeltaCom escalation procedures for ordering and provisioning. If an expedite is requested by DeltaCom on the customer's behalf, normal expedite charges shall apply.

**D. Conversion of Exchange Service to Network Elements**

D.1 Installation intervals for service established via Unbundled loops will be handled in the same timeframe as BellSouth provides services to its own customers, as measured from date of customer-order to date of customer delivery. BellSouth will make best effort to install unbundled loops and other network elements by the Customer Desired Due Date (CDDD) where facilities permit. Service requests with a shorter than standard interval or those that require out-of-hours provisioning may be subject to additional charges.

D.2 On each unbundled network element order in a wire center, DeltaCom and BellSouth will agree on a cutover time at least 48 hours before that cutover time. The cutover time will be defined as a ~~60~~ minute window within which both the DeltaCom and BellSouth personnel will make telephone contact to complete the cutover.

D.3 Within the appointed ~~60~~ minute cutover time, the DeltaCom contact will call the BellSouth contact designated to perform cross-connection work and when the BellSouth contact is reached in that interval, such work will be promptly performed.

- D.4 If the DeltaCom contact fails to call or is not ready within the appointed interval and if DeltaCom has not called to reschedule the work at least eight (8) hours prior to the start of the interval, BellSouth and DeltaCom will reschedule the work order.
- D.5 If the BellSouth contact is not available or not ready at any time during the 60 minute interval, DeltaCom and BellSouth will reschedule
- D.6 The standard time expected from disconnection of a live Exchange Service to the connection of the unbundled element to the DeltaCom collocation arrangement is 15 minutes
- D.7 If unusual or unexpected circumstances prolong or extend the time required to accomplish the coordinated cut-over, the Party responsible for such circumstances is responsible for the reasonable labor charges of the other Party. Delays caused by the customer are the responsibility of DeltaCom.
- D.8 If DeltaCom has ordered Service Provider Number Portability (SPNP) as part of an unbundled loop installation, BellSouth will coordinate implementation of SPNP with the loop installation.
- D.9 If BellSouth provides in practice shorter scheduling lead times and/or cutover windows than those specified in this section for the same services for other carrier, it will do the same for DeltaCom.

**E. Service Quality**

- E.1 At a minimum, the service quality of leased network elements should match that of BellSouth's own elements and conform to all Bellcore and ANSI requirements applicable to the type of service being provided. In addition, BellSouth will provide maintenance services on network elements purchased by DeltaCom which are timely, consistent and at parity with that provided when such elements are used for its own purposes.
- E.2 Maintenance support shall be available 7 days a week, 24 hours a day. Provisioning support shall be available at the same times at which BellSouth installs its own bundled local exchange services.
- E.3 Installation and service intervals shall be the same as when BellSouth provisions such network elements for use by itself, its affiliates or its own retail customers.

- E.4 In facility and power outage situations, BellSouth agrees to provide network elements leased by DeltaCom the same priority for maintenance and restoral as similar elements used by BellSouth for itself or its affiliates.
- E.5 The Parties agree that all interconnection arrangements and services will at a minimum be subject to technical standards which are equal to those that BellSouth affords to itself, any other LEC or other telecommunications carrier. This must, at a minimum, include parity in:
- ✓ Port features
  - ✓ Treatment during overflow/congestion conditions
  - ✓ Equipment/interface protection
  - ✓ Power redundancy
  - ✓ Sufficient spare facilities to ensure provisioning, repair, performance and availability
  - ✓ Mediation functions
  - ✓ Standard interfaces

**F. Network Information Exchange**

- F.1 BellSouth shall provide DeltaCom with information sufficient to determine an end user's existing service and feature configurations.
- F.2 BellSouth shall provide information to DeltaCom on a continuing basis required to keep DeltaCom apprised of engineering changes associated with BellSouth's network elements and its deployment of new technologies.
- F.3 BellSouth shall provide DeltaCom with a detailed description of the criteria and procedures used for handling facility and power outages.
- F.4 Where permitted by law, BellSouth will provide DeltaCom with electronic (magnetic tape and/or diskette) and hard copies of its Master Street Address Guide (MSAG), and any regular updates thereof.
- F.5 BellSouth will provide DeltaCom with access to a listing and description of all services and features available down to street address detail, including: Type of Class 5 switch by CLLI, line features availability by LSO, and

service availability by LSO, as well as the data elements required by BellSouth to provision all such services and features.

**G. Maintenance and Trouble Resolution**

- G.1** Where available to other telecommunication service providers, Automated interfaces shall be provided into a centralized operations support systems database for real time network monitoring to proactively identify potential service degradation. Such systems must monitor and report on the integrity of the BellSouth network, isolate troubles and initiate repair operations, test individual unbundled loops and generate maintenance and repair notices that impact any end user's ability to complete calls. Ongoing maintenance practices on unbundled loops shall equal the practices employed by BellSouth for facilities used to provide retail services. BellSouth will use its best efforts to ensure that the mean time to repair unbundled loops shall be equivalent to the mean time to repair reported by BellSouth for its retail customers.
- G.2** Service centers shall be established by both Parties to handle service issues, escalations, resolution of billing issues and other administrative problems.
- G.3** The Parties agree to establish a real time automated industry standard electronic interface (EBI) to perform the following functions:
- ✓ Trouble Entry
  - ✓ Obtain Trouble Report Status
  - ✓ Obtain Estimated Time To Repair (ETTR) and ILEC Ticket Number
  - ✓ Trouble Escalation
- G.4** The Parties agree to adopt a process for the efficient management of misdirected service calls.
- G.5** BellSouth will provide DeltaCom with numbers for the appropriate repair center until such time as a center is established to act as DeltaCom's single point of contact for all maintenance functions which will operate on a 24 hour a day, 7 days a week basis.
- G.6** BellSouth will be responsible for all reported trouble and will perform required test and/or maintenance until such trouble report is turned back to DeltaCom.



- G.7 BellSouth's established maintenance escalation policy shall apply in resolving maintenance trouble.
- G.8 BellSouth shall perform Mechanized Loop Tests (Quick Test) at the request of DeltaCom while DeltaCom is on line.
- G.9 BellSouth shall provide progress status reports sufficient to enable DeltaCom to provide end user customers with detailed information and an estimated time to repair (ETTR).
- G.10 BellSouth will close all trouble reports with DeltaCom. DeltaCom will close all trouble reports with the end user.
- G.11 BellSouth will not undertake any work at an end user's request for which DeltaCom would be charged without obtaining the prior approval of DeltaCom. This includes authorizations by DeltaCom if a dispatch is required to the customer premises as well as verification of actual work completed. DeltaCom will coordinate dispatches to the customer premises. This includes dispatches for customer not-at-home.
- G.12 All Auto/Subscriber Line Tests (ALIT/SLIT) tests performed on DeltaCom customers that result in a failure will be reported to DeltaCom.
- G.13 BellSouth will ensure that all applicable alarm systems that support DeltaCom customers are operational and the supporting databases are accurate so that equipment that is in alarm will be properly identified. BellSouth will respond to DeltaCom customer alarms consistent with how and when they respond to alarms for their own customers.
- G.14 Nondiscriminatory emergency restoration and disaster recovery plans will be developed consistent with TSR essential line procedures. The plans should outline methods for the restoration of each central office in the local network provider territory as well as contain site specific restoration alternatives which can be implemented based on the magnitude of the disaster. Each plan should incorporate at a minimum the following elements:
- a. A BellSouth single point of contact which shall be:
    - Responsible for notification of the DeltaCom work center
    - Responsible for the initiation of BellSouth's restoration plan
    - Responsible for status and problem resolution during the entire restoration process

- b. A restoration equipment dispatch plan which will establish a:
  - Documented procedure on how equipment will be dispatched to the restoration site
  - Estimated maximum time for the restoration equipment to arrive on site
- c. Prior notification of any scheduled maintenance activity performed by the local supplier that may be service affecting to DeltaCom local customers (i.e., cable throws, power tests, etc.).

#### **H. Billing for Network Elements**

- H.1 BellSouth will bill all unbundled elements and associated services purchased by DeltaCom (either directly or by previous assignment by a customer) on no more than two (2) consolidated statements per Point of Interconnection (POI) with sufficient billing detail to enable DeltaCom to reasonably audit such charges.
- H.2 Invoices must be presented monthly in a Carrier Access Billing Systems (CABS) and/or Customer Record Information System (CRIS) format in order to facilitate standard industry auditing practices. DeltaCom and BellSouth will agree on the flow and format of CARE records for correct provisioning and billing to IXCs.

#### **I. Addition of Network Elements**

DeltaCom may request that BellSouth allow purchase and interconnection of additional Network Elements at any time by making a demand in writing including a proposed revised Attachment C. BellSouth will respond in writing within thirty (30) days of receipt of such a request, and either accept or reject the service request. BellSouth may not refuse to make the requested Network Element available if its availability is required by FCC or state commission requirements, the Network Element is provided to any other telecommunications carrier, or interconnection is technically feasible and failure to obtain access to such Network Element might impair the ability of DeltaCom to provide telecommunications services. Pricing of such additional elements shall be provided within forty-five (45) days of receipt of the request for service, and shall be in accordance with the requirements of 47 U.S.C. § 252(d)(1). Actual interconnection and provision of service shall be provided within ninety (90) days of receipt of the service request.

V. **LOCAL TRAFFIC INTERCONNECTION ARRANGEMENTS**

A. **Types of Local Traffic to Be Exchanged**

The Parties agree to provide the necessary facilities and equipment to allow for the exchange of the following types of traffic between BellSouth and DeltaCom:

- A.1. **Local Exchange:** Local traffic to be terminated on each party's local network so that customers of either party have the ability to reach customers of the other party without the use of access codes.
- A.2. **Exchange Access:** The offering of access to telephone exchange services or facilities-based origination and termination of intraLATA or interLATA toll services.
- A.3. **IXC Transit:** BellSouth shall provide intermediary network access service between DeltaCom and any IXC for the purpose of completing interLATA or intraLATA toll traffic.
- A.4. **Other Transit Functions:** BellSouth shall provide intermediary tandem switching and transport services for DeltaCom's connection of its end user to a local end user of other CLECs, other ILECs, and wireless telecommunications providers.
- A.5. **Intelligent Network and Network Surveillances:** BellSouth shall provide open logical interconnection points to AIN/IN interface in their network based on the agreements reached at the ILC Issue 026. BellSouth must also provide access to monitoring, surveillance and other fraud control functions in its network.
- A.6. **Other Services:** BellSouth shall provide connection and call routing for 911, directory assistance, and operator assistance services.

B. **Designated Points of Interconnection**

The Parties shall designate Points of Interconnection (POIs) on each other's networks. DeltaCom shall at a minimum designate a POI at each BellSouth access tandem serving the local calling area of the exchanges being served by DeltaCom. DeltaCom may designate additional POIs within a BellSouth local calling area and BellSouth will not unreasonably refuse to interconnect at each such designated POI.

BellSouth may designate a POI at one or more of DeltaCom's local switching centers within each LATA in which DeltaCom is providing local service. If no DeltaCom local switching center is located within such LATA, the Parties will arrange a POI at a mutually agreed point within such LATA. DeltaCom will not unreasonably refuse to interconnect at a POI designated by BellSouth.

- B.1 Interconnection will be available at any technically feasible point that is used in the transmission of voice, data or other types of traffic.
- B.2 Reciprocal connectivity shall be established at each and every BellSouth access tandem within the local calling area DeltaCom desires to serve for interconnection to those end offices that subtend the access tandem. At its discretion, DeltaCom may elect to interconnect directly at any BellSouth end offices 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 Bellcore Standard No. TR-NWT-00499. Signal transfer point, Signaling System 7 (SS7) connectivity is required at each interconnection point where available. 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 agree that their facilities shall provide the necessary on-hook, off-hook answer and disconnect supervision, and shall hand off calling party number ID where technically feasible.
- B.3 In accordance with Section V.C hereafter, collocation arrangements will be established which are suitable for use in DeltaCom/BellSouth local interconnection and DeltaCom access to unbundled BellSouth network components. Allowable collocation equipment includes transmission and concentrating equipment.
- B.4 In accordance with Section V.D hereafter, the Parties agree to establish trunk groups such that each Party provides a reciprocal of each trunk group established by the other Party. The Parties agree to install efficient and sufficient facilities to carry traffic (1) to route calls originating on its network and terminating on the other carrier's network to its POI, and (2) to route calls originating on the other local exchange carrier's network, but terminating on its network from that carrier's POI, and will work cooperatively to ensure such. Notwithstanding the foregoing, each Party

may construct its network, including the interconnecting facilities, to achieve optimum cost effectiveness and network efficiency.

- B.5 Each Party shall be responsible for routing calls to the POI for termination via the other's facilities. Each Party shall bear its own costs related to installation at the POI. DeltaCom may establish POIs on the BellSouth network via a negotiated expanded interconnection arrangement or via leased transport between the DeltaCom network and the BellSouth access tandem. BellSouth may establish POIs on the DeltaCom network via an expanded interconnection arrangement at the DeltaCom local switching center or via leased transport between an DeltaCom expanded interconnect arrangement and an DeltaCom local switching center.
- B.6 Either Party may use the POI for the interconnection of other types of services, such as toll services, subject to the applicable rates for such interconnection.
- B.7 BellSouth may not impose any restrictions on traffic types delivered to or from the POI(s). Notwithstanding the foregoing, the Parties hereto agree that no interexchange access services traffic will be exchanged as local traffic hereunder.
- B.8 Once traffic is delivered to the POI, it is the terminating carrier's responsibility to terminate the traffic to its end users. Calls should be terminated using the same network, ensuring the same quality of service, as the carrier provides its own customers.
- B.9 Except as specifically provided for in Attachment C-1 hereto neither Party will charge the other reconfiguration charges for new installations at existing POIs.
- B.10 BellSouth will absorb any applicable nonrecurring charges incurred by DeltaCom as a result of network redesigns/reconfigurations initiated by BellSouth to its own network.

**C. Facilities for Local Interconnection**

- C.1 The parties agree there are four appropriate methods of interconnecting facilities: (1) virtual collocation where physical collocation is not practical for technical reasons, because of space limitations or at the option of the Party requesting interconnection; (2) physical collocation;

(3) interconnection via purchase of facilities from either party by the other party; and (4) mid fiber meet. Rates and charges for collocation are set forth in Attachment C-1 hereto and applicable provisions of BellSouth's access service tariffs.

- C.2 Each Party hereto at its election shall have the sole right and discretion to specify any one of the following methods for interconnection at the POI:
- a. a mid-fiber meet in a manhole or other appropriate junction point inside, near to, or just outside the wire center designated as the POI, in which case the Party requesting interconnection shall additionally have the sole right and discretion to effect such meet by leasing from a third party, fiber facilities into the POI mid-fiber meet junction point (*i.e.*, virtual collocation);
  - b. a collocation facility which it maintains at the other Party's POI wire center (*i.e.*, physical collocation);
  - c. a collocation facility maintained at the POI wire center by a third party with whom the Party requesting interconnection has contracted for such purpose; or
  - d. a digital transport facility(ies) leased from the other Party hereto under the most favorable contract or tariff terms offered, where such facility(ies) extends to the POI from some second point designated by the Party requesting interconnection.

The Party requesting interconnection may, upon 60 days' advance written notice to the other Party, change from one of the interconnection methods specified above to another of the networks specified above. A mutually acceptable third party contractor can be employed by the Party making the change to implement such changes, in which case no conversion or rollover charges will be assessed by the other party.

- C.3 Existing DeltaCom special access collocation arrangements with BellSouth shall be available for use by DeltaCom in the provision of switched services hereunder at no additional charge to DeltaCom.
- C.4 DeltaCom may at its option replace current virtual collocation arrangements at any location with physical collocation arrangements. The Parties agree that no termination penalties or liabilities will apply to the termination of existing virtual collocation arrangements. A mutually acceptable third party

contractor can be employed by the Party making the change to implement such a replacement, in which case no conversion, installation or non-recurring charges will be assessed by the other Party.

**D. Trunking and Signaling**

- D.1 a.** The Party receiving traffic for termination can elect to receive the traffic in one of two ways: (a) over separate trunks for local and non-local; or (b) on combined trunks; provided that separate trunk groups shall be utilized where the delivering party is unable to furnish an auditable percent local usage (PLU) factor to the party receiving the traffic on a quarterly basis.
- b.** If direct end office trunking with combined trunks is used, the Parties will work cooperatively to develop a procedure for accurately determining the amount of interLATA access traffic for proper application of switched access charges.

**D.2** Trunking shall be available to any switching center designated by either carrier: including end offices, access tandems, 911 routing switches, directory assistance/operator services switches, or any other feasible point in the network. The Parties shall have the option for either one-way or two-way trunking. Directionality in this case refers to the traffic flowing between two networks, not to the logical or physical configuration of the trunk. All trunks should be configured two way for testing purposes.

**D.3** Trunking can be established to tandems or end offices or a combination as mutually agreed. Normally, trunking will be at the DS-1 level. On a trunk group specific basis, the Parties may agree to establish trunking at higher (e.g., DS-3) levels. Initial trunking will be established between the DeltaCom local switching centers and the BellSouth access tandems. The Parties will utilize direct end office trunking under the following conditions:

- a.** BellSouth tandem exhaust - If a BellSouth access tandem to which DeltaCom is interconnected is unable to, or is forecasted to be unable to, support additional traffic loads for any period of time, the Parties will mutually agree on an end office trunking plan that will alleviate the tandem capacity shortage and ensure completion of traffic between DeltaCom and BellSouth subscribers.

- b. **Traffic volumes** - The Parties shall install and retain direct end office trunking sufficient to handle actual or reasonably forecast traffic volumes, whichever is greater, between an DeltaCom local switching center and a BellSouth and office where traffic between such points exceeds or is forecast to exceed 125,000 minutes of local traffic per month. The Parties will install additional capacity between such points when overflow traffic between the DeltaCom switching center and BellSouth access tandem exceeds or is forecast to exceed 125,000 minutes of local traffic per month.
- c. **Mutual agreement** - The Parties may install direct end office trunking upon mutual agreement in the absence of conditions (a) or (b) above and agreement will not unreasonably be withheld.


**D.4** The Parties will provide Common Channel Signaling (CCS) information to one another, where and as available, at no charge, in conjunction with all POI trunk groups. The Parties will cooperate in the exchange of Transaction Capabilities Application Part (TCAP) messages to facilitate full interoperability of CCS-based features between their respective networks, including all CLASS features and functions, to the extent each carrier offers such features and functions to its own end users. All CCS signaling parameters will be provided including calling party number (CPN), originating line information (OLI) calling party category, charge number, etc. All privacy indicators will be honored. Where available, network signaling information such as Carrier Identification Parameter (CCS platform), at the standard tariff rates, and CIC/OZZ information (non-CCS environment) will be provided wherever such information is needed for call routing or billing. The Parties will follow all Ordering and Billing Forum (OBF) adopted standards pertaining to CIC/OZZ codes. Where CCS is not available, in-band multi-frequency (MF) wink start E&M channel associated signaling will be provided. Such MF arrangements will require a separate trunk group between DeltaCom's switch and one specified BellSouth switch.

**D.5** DeltaCom shall establish CCS interconnection with BellSouth signal transfer points (STPs) in each LATA, either directly or via an intermediary STP provider. Where the interconnection is via B-link connections, charges for the SS7 interconnection elements are as follows: 1) Port Charge- BellSouth will not bill an STP port charge nor will BellSouth agree to pay a port charge; 2) SS7 Network Usage- BellSouth will bill SS7 Network Usage and will agree to pay usage billed by DeltaCom (to the extent that a flat rate surrogate charge is billed by DeltaCom, it will not exceed BellSouth's



charge); 3) SS7 Link- BellSouth will bill for only two links of each quad ordered. Application of these charges in this manner reflects the reciprocal use of the two parties signaling networks.

Where the interconnection is via A-link connections, charges for the SS7 interconnection elements are as follows: 1) Port Charge- BellSouth will bill an STP port charge and does not agree to pay a termination charge at DeltaCom's end office; 2) SS7 Network Usage- BellSouth will bill for usage on its SS7 network and will not agree to pay for any usage billed by DeltaCom; 3) Link- BellSouth will bill full charges for each link in the A-link pair and will not agree to pay DeltaCom for any portion of those links.

D.6 DeltaCom may opt at any time to terminate to BellSouth some or all local exchange traffic and intraLATA toll traffic originating on its network, together with switched access traffic, via Feature Group A, B, C or D Switched Access services which DeltaCom may otherwise purchase from BellSouth, subject to the rates, terms and conditions specified in BellSouth's applicable switched access tariffs. <sup>^</sup> At no time shall DeltaCom be required to route outbound traffic via facilities for which a full retail or end user toll charge would be assessed when parallel FG-A, FG-B, FG-C, or FG-D routing, or routing via a different carrier exists which is capable of carrying and completing said traffic at more favorable rates. 

D.7 The Parties will cooperate to jointly plan for the deployment of intercompany 64 Kbps per second clear channel capability.

D.8 Service arrangements hereunder shall be engineered to an objective, consistent P.01 or better grade of service at the peak busy hour.

D.9 The Parties shall periodically exchange technical descriptions and trunk/traffic forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.

D.10 BellSouth shall deliver intraLATA traffic originating from its subscribers and terminating to DeltaCom's subscribers via a combined two-way trunk group using facilities leased from DeltaCom on mutually agreeable terms.

D.11 BellSouth will provide interconnection to and from intelligent network, signaling, monitoring, surveillance and fraud control points.

- D.12 BellSouth shall provide and implement all industry standard SS7 parameters as well as procedures that are defined in the ANSI standards, even if today's services do not specifically require these features. These functions shall include:
- a. All functions of the ISUP, TCAP, SCCP, and MTP as specified in relevant BellCore specifications.
  - b. All functions of the OMAP, including MTP Routing Verification Test (MRVT) and SCCP Routing Verification Test (SRVT).
- D.13 The Parties shall meet or exceed SS7 performance objectives as described in Bellcore TR-905 section 7, and MTP and SCCP performance as specified by ANSI.
- D.14 Either Party shall have the option for Multi-Frequency (MF) signaling, but only when either party does not have the technical capability to provide SS7 facilities.
- D.15 Other Signaling Requirements:
- a. CIP shall be provided (CIC within the SS7 call set-up signaling protocol) at tariffed charges.
  - b. All mandatory SS7 signaling parameters must be provided including Calling Party Number (CPN). All privacy indicators must be honored.

**E. Network Management**

- E.1 The Parties agree to work cooperatively to install and maintain reliable interconnected telecommunications networks, including but not limited to, the exchange of appropriate information concerning network changes that affect services to the other Party, maintenance contact numbers and escalation procedures.
- E.2 The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria.

- E.3 The Parties will work cooperatively to apply sound network management principles by invoking appropriate network management controls (e.g., call gapping) to alleviate or prevent network congestion.
- E.4 The Parties will cooperate to determine the performance of their respective networks and will implement joint management controls to further overall service integrity.
- E.5 The Parties will jointly develop and agree on a Joint Interconnection Grooming Plan prescribing standards to ensure that traffic exchanged over the POI trunk groups experiences a consistent P.01 or better grade of service peak busy hour, and other appropriate, relevant industry-accepted quality, reliability and availability standards. Such plan shall also include mutually agreed upon standards for the configuration of segregated POI trunk groups. In addition, the plan shall also include standards and procedures for notification of trunk disconnections and discoveries of trunk disconnections. Neither Party shall be expected to maintain active status for a trunk disconnected by the other Party for an extended or indefinite period of time. The Parties will use their best collective good faith efforts to complete and agree on a Joint Interconnection Grooming Plan within 90 days following execution of this agreement.
- E.6 BellSouth will establish and adhere to competitive intervals for the delivery of FOCs, DLRs and facilities. Such intervals need to ensure that facilities are provisioned in time frames and according to standards that meet or exceed those that BellSouth provides to itself for its own network and end users. Intervals should not exceed the Customer Designated Date (CDD).
- E.7 Upon request, BellSouth will provide DeltaCom with read and write access to the BellSouth maintenance and trouble report systems including the following systems and/or functionality:
- ✓ Trouble reporting/dispatch capability - access must be real time
  - ✓ Repair status/confirmation; maintenance/trouble report systems
  - ✓ Planned/Unplanned outage reports
- E.8 Each Party has the duty to alert the other to any network events that can result or has resulted in service interruption, blocked calls, or changes in network performance, on a real time basis.

8. In the event of NPA-NXX splits, it is agreed that DeltaCom may continue use of the pre-existing NPA-NXX for existing customers.
9. BellSouth will supply DeltaCom with copies of its Local Calling Area Boundary Guide, including all updates thereto.
10. All BellSouth services provided to DeltaCom pursuant to this Article will be at no charge to DeltaCom.

**X. ACCESS TO POLES, DUCTS, CONDUITS, AND RIGHTS OF WAY**

- A. BellSouth agrees to provide to DeltaCom, pursuant to 47 U.S.C. § 224, as amended by the Act, nondiscriminatory access to any pole, duct, conduit, and right-of-way owned or controlled by BellSouth. BellSouth agrees to provide access at rates, terms and conditions which are no less favorable than those provided to any other telecommunications service provider or cable television provider (CATV), including those provided to itself or its affiliates.
- B. BellSouth must provide access to its unbundled network interface device.
- C. When BellSouth has equipment on, over or under public or private property, it will permit the use of such equipment by DeltaCom on an equal and nondiscriminatory basis.
- D. Any authorizations to attach to poles, overloading requirements, or modifications to the conduit system or other pathways to allow access to and egress from the system shall not be hindered, restricted or unreasonably withheld or delayed. Such access and use shall be on terms and conditions identical to those that BellSouth provides to itself and its affiliates for the provision of exchange, exchange access and interexchange services.
- E. BellSouth agrees to take no action to intervene against, or attempt to delay, the granting of permits to DeltaCom for use of public rights-of-way or access with property owners.
- F. Any costs for improvements to/expansions of poles, etc., should be prorated on a nondiscriminatory and neutral basis among and all users of the facility.
- G. No application fees will apply.

- H. Fees will be fixed for term of contract.
- I. BellSouth will provide routine notification of changes to poles, conduits, and rights-of-way.
- J. BellSouth will provide open access to current pole-line prints, and conduit prints, make available maps of conduit and manhole locations, and allow manhole/conduit break-outs, and audits to confirm usability.
- K. BellSouth will provide regular reports on the capacity status and planned increase in capacity of each of these access channels to facilitate construction planning.
- L. BellSouth will provide information on the location of, and the availability to access conduit, poles, etc., when DeltaCom requests such information, within ten (10) working days after the request.
- M. The Parties agree to enter a Standard License Agreement incorporating specific rates, terms and conditions consistent with the foregoing.

## **XI. ANCILLARY SERVICES AND PLATFORM ARRANGEMENTS**

### **A. 800 Traffic**

- A.1 BellSouth agrees to compensate DeltaCom, pursuant to DeltaCom's published originating switched access charges, including the database query charge, for the origination of 800 and 888 traffic (combined "800") terminated to BellSouth.
- A.2 DeltaCom will provide to BellSouth the appropriate records necessary for BellSouth to bill BellSouth's intraLATA 800 customers. The records provided by DeltaCom will be in a standard EMR format for a fee, paid by BellSouth to DeltaCom, of \$0.015 per record.
- A.3 If DeltaCom provides 800 services to its end users during the term of this Agreement, it agrees to compensate BellSouth, pursuant to BellSouth's originating switched access charges, including the database query charge, for the origination of 800 traffic terminated to DeltaCom. BellSouth agrees to provide DeltaCom the appropriate records for DeltaCom to bill its 800 customers. The records provided will be in a standard EMR format for a fee, paid by DeltaCom to BellSouth, of \$0.015 per record.

- A.4 If during the term of this Agreement, BellSouth is permitted to provide interLATA 800 services, BellSouth will compensate DeltaCom for the origination of such traffic in accordance with the above.
- A.5 If DeltaCom utilizes BellSouth's 800 database for query purposes only, the rates and charges shall be as set forth in the applicable BellSouth Access Services Tariff, as said tariff is amended from time to time during the term of this Agreement.
- A.6 Should DeltaCom require 800 access ten digit screening service from BellSouth, it shall have signaling transfer points connecting directly to BellSouth's local or regional signaling transfer point for service control point database query information. DeltaCom shall utilize SS7 Signaling links, ports and usage from BellSouth's interstate access services tariff. 800 access ten digit screening service is an originating service that is provided via 800 switched access service trunk groups from BellSouth's SSP equipped end office or access tandem providing an IXC identification function and delivery of call to the IXC based on the dialed ten digit number. The rates and charges for said services shall be as set forth in the applicable BellSouth access services tariff as said tariff is amended from time to time during the term of this Agreement.

**B. 911/E-911**

- B.1 The Parties agree to interconnect with each other to provide Basic 911 and E-911 emergency calling services consistent with the terms of Attachment C-9 hereto.
- B.2 For Basic 911 service, BellSouth will provide to DeltaCom a list consisting of each municipality in each state that subscribes to Basic 911 service. The list will also provide, if known, the E-911 conversion date for each county and, for network routing purposes, a ten-digit directory number representing the appropriate emergency answering position for each county subscribing to 911. DeltaCom will arrange to accept 911 calls from its end users in municipalities that subscribe to Basic 911 service and translate the 911 call to the appropriate 10-digit directory number as stated on the list provided by BellSouth. DeltaCom will route that call to BellSouth at the appropriate tandem or end office. When a county converts to E-911 service, DeltaCom shall discontinue the Basic 911 procedures and begin the E-911 procedures, set forth in subsection B.4 below.

- B.3 For E-911 service, DeltaCom shall install a minimum of two dedicated trunks originating from DeltaCom's serving wire center and terminating to the appropriate E-911 tandem. The dedicated trunks shall be, at minimum, DS0 level trunks configured either as a 2 wire analog interface or as part of a digital (1.544 Mb/s) interface. Either configuration shall use CAMA type signaling with MF pulsing that will deliver automatic number identification (ANI) with the voice portion of the call. If the user interface is digital, MF pulses, as well as other AC signals, shall be encoded per the U-255 Law convention. DeltaCom will provide BellSouth daily updates to the E-911 database.
- B.4 If a municipality has converted to E-911 service, DeltaCom will forward 911 calls to the appropriate E-911 tandem, along with ANI, based upon the current E-911 end office to tandem homing arrangement as provided by BellSouth. If the E-911 tandem trunks are not available, DeltaCom will alternatively route the call to a designated 7-digit local number residing in the appropriate PSAP. This call will be transported over BellSouth's interoffice network and will not carry the ANI of the calling party.
- B.5 BellSouth will provide DeltaCom with an electronic interface from which DeltaCom may input and update subscriber records in the E-911 database. BellSouth shall also provide DeltaCom with an automated interface to access its Automatic Location Identification (ALI) database.
- B.6 BellSouth and DeltaCom agree that the practices and procedures contained in the E-911 Local Exchange Carrier Guide For Facility-Based Providers (LEC Carrier Guide) shall determine the appropriate procedures and practices of the Parties as to the provision of 911/E-911 Access. The LEC Carrier Guide shall at a minimum include, or BellSouth shall separately provide, 911 database update procedures and 911 trunk restoration procedures.
- B.7 If DeltaCom requires transport to the BellSouth 911 tandem, DeltaCom may, at DeltaCom's option, purchase such transport from BellSouth at rates set forth in either BellSouth's intrastate switched access services tariff or intrastate special access services tariff.
- B.8 BellSouth and DeltaCom will cooperatively arrange meetings to answer any technical questions that municipal or county coordinators may have regarding the 9-1-1/E-911 portions of this Agreement.

- B.9 Where BellSouth is responsible for maintenance of the E-911 database and can be compensated for maintaining DeltaCom's information by the municipality, BellSouth shall seek such compensation. BellSouth may seek compensation for its costs from DeltaCom only if and to the extent BellSouth is unable to obtain such compensation from the municipality.
- B.10 Nothing herein shall be construed to prevent DeltaCom from opting to route Basic 911 and E-911 calls to an alternative emergency call service bureau, to provide such services itself, or to route such calls directly to a Public Safety Answering Point (PSAP).

**C. Provision of Operator Services**

- C.1 BellSouth will offer to DeltaCom Operator Call Processing Access Service BLV/BLVI Service and Directory Assistance Access Services. Rates, terms and conditions are set forth in section VI.F for BLV/BLVI Service, Attachment C-11 for Directory Assistance Access Services, and Attachment C-10 for Operator Call Processing Access Services. Each such attachment is incorporated herein by this reference.
- C.2 BellSouth also will offer to DeltaCom CMDS Hosting and the Non Sent Paid Report System pursuant to the terms and conditions set forth in Attachment C-12 and Attachment C-13, incorporated herein by this reference.

**D. Transfer of Service Announcements**

When an end user customer changes from BellSouth to DeltaCom, or from DeltaCom to BellSouth, and does not retain its original telephone number, the Party formerly providing service to the end user will provide a transfer of service announcement on the abandoned telephone number. Each Party will provide this referral service at no charge to the other Party. This announcement will provide details on the new number to be dialed to reach this customer.



**E. Coordinated Repair Calls**

DeltaCom and BellSouth will employ the following procedures for handling misdirected repair calls:

- E.1 DeltaCom and BellSouth will educate their respective customers as to the correct telephone numbers to call in order to access their respective repair bureaus.
- E.2 To the extent the correct provider can be determined, misdirected repair calls will be referred to the proper provider of local exchange service in a courteous manner, at no charge, and the end user will be provided the correct contact telephone number. In responding to repair calls, neither Party shall make disparaging remarks about each other, nor shall they use these repair calls as the basis for internal referrals or to solicit customers to market services. Either Party shall respond with accurate information in answering customer questions.
- E.3 DeltaCom and BellSouth shall provide their respective repair contact numbers to one another on a reciprocal basis.

**F. Busy Line Verification and Interrupt**

**F.1 Description**

- a. Each Party shall establish procedures whereby its operator bureau will coordinate with the operator bureau of the other Party in order to provide Busy Line Verification (BLV) and Busy Line Verification and Interrupt (BLVI) services on calls between their respective end users.
- b. DeltaCom will route BLV and BLVI traffic to the BellSouth access tandem. BellSouth will route BLV and BLVI traffic to the DeltaCom access tandem.

## **F.2 Compensation**

Each Party shall charge the other Party for BLV and BLVI at the effective rates contained in BellSouth's applicable Local Interconnection Services Tariff(s).

## **G. Directory Assistance (DA)**

### **G.1 Description**

At DeltaCom's request, BellSouth will:

- a. Provide to DeltaCom, over TOPs trunks, unbranded (or DeltaCom-branded, where available) directory assistance service which is comparable in every way to the directory assistance service BellSouth makes available to interexchange carriers.
- b. In conjunction with subparagraph (a) above, provide caller optional directory assistance call completion service which is comparable in every way to the directory assistance call completion service BellSouth generally makes available to its end users, to the extent BellSouth generally offers such service to its end users.
- c. BellSouth will provide DeltaCom operators on-line access to BellSouth's DA database.

### **G.2 Compensation**

Initial rates, terms and conditions for DA Services shall be as provided in Attachment C-11 hereto.

## **H. Directory Listings and Directory Distribution**

- H.1 Subject to the execution of an agreement between BellSouth's affiliate, BellSouth Advertising and Publishing Co. (BAPCO), and DeltaCom in a form substantially similar to that attached as Attachment C-8, (1) DeltaCom's customers' primary listings shall be included in the appropriate white page (resident and business) listings or alphabetical directories, as well as the directory assistance database, (2) DeltaCom's business subscribers' listings will be included in all appropriate yellow pages or classified

directories, and (3) copies of directories shall be delivered to DeltaCom's customers; all without charge.

- H.2 BellSouth shall provide DeltaCom with a magnetic tape or computer disk containing the proper format to employ in submitting directory listings and daily updates. DeltaCom shall provide BellSouth with its directory listings and daily updates to those listings (including new, changed and deleted listings) in a mutually acceptable format. BellSouth shall include DeltaCom's customers in the directory assistance database associated with the areas in which DeltaCom provides exchange services within the same time frame as BellSouth includes its own customers in such databases.
- H.3 BellSouth and its Affiliates will afford DeltaCom's directory listings information the same level of confidentiality which BellSouth affords its own directory listing information, and BellSouth shall ensure that access to DeltaCom's customer proprietary confidential directory information will be limited solely to those employees who immediately supervise or are directly involved in the processing and publishing of listings and directory delivery. BellSouth will not use DeltaCom's directory listings for the marketing of BellSouth's telecommunications services.

**I. Access to Signaling and Signaling Databases**

- I.1 BellSouth will offer to DeltaCom use of its SS7 signaling network and signaling databases on an unbundled basis at the rates included in Attachment C-5 hereto. Signaling functionality will be available with both A-link and B-link connectivity.
- I.2 BellSouth agrees to input NXX assigned to DeltaCom into the Local Exchange Routing Guide (LERG).
- I.3 BellSouth will enter DeltaCom line information into its Line Information Database (LIDB) pursuant to the terms and conditions contained in Attachment C-6 hereto, incorporated herein by this reference. Entry of line information into LIDB will enable DeltaCom's end users to participate or not participate in alternate billing arrangements such as collect or third number billed calls.
- I.4 BellSouth will provide DeltaCom with access to LIDB for call and card validation purposes pursuant to the rates, terms and conditions contained in Attachment C-7 hereto, as amended hereafter to include unbundled local loops.

I.5 If DeltaCom utilizes BellSouth's 800 database for query purposes only applicable BellSouth tariffed rates will apply.

## **XII. TELEPHONE NUMBER PORTABILITY ARRANGEMENTS**

- A. The Parties agree to provide interim Service Provider Number Portability (SPNP) on a reciprocal basis between their networks to enable their end user customers to utilize telephone numbers associated with an Exchange Service provided by one Party, in conjunction with an Exchange Service provided by the other Party, upon the coordinated or simultaneous termination of the first Exchange Service and activation of the second Exchange Service. The Parties shall provide reciprocal SPNP immediately upon execution of this Agreement via remote call forwarding (RCF) or Direct Inward Dialing (DID). SPNP shall operate as follows:
- A.1 An end user customer of Party A elects to become an end user customer of Party B. The end user customer elects to utilize the original telephone number(s) corresponding to the Exchange Service(s) it previously received from Party A, in conjunction with the Exchange Service(s) it will now receive from Party B. Upon receipt of a service order assigning the number to Party B, Party A will implement an arrangement whereby all calls to the original telephone number(s) will be forwarded to a new telephone number(s) designated by Party B within the same access where the original NXX code is used. Party A will route the forwarded traffic to Party B over the appropriate trunk groups, as if the call had originated on Party A's network.
- A.2 Party B will become the customer of record for the original Party A telephone numbers subject to the SPNP arrangements. Party A will provide Party B a single consolidated master billing statement for all collect, calling card, and third-number billed calls associated with those numbers, with subaccount detail by retained number. Such billing statement shall be delivered via either electronic data transfer, daily magnetic tape, or monthly magnetic tape (for which option there shall be no charge). Party A shall provide to Party B the EMR detail records associated with the calls on the master billing statement.
- A.3 Party A will cancel line-based calling cards and will, as directed by Party B, update its Line Information Database (LIDB) listings for retained numbers, subject to RCF, and restrict or cancel calling cards associated with those

forwarded numbers, as directed by Party B, subject to execution of an LIDB storage agreement in substantially the form attached hereto.

- A.4 Within two (2) business days of receiving notification from the end user customer, Party B shall notify Party A of the customer's termination of service with Party B, and shall further notify Party A as to that customer's instructions regarding its telephone number(s). Party A will reinstate service to that customer, cancel the SPNP arrangements for that customer's telephone number(s), or redirect the SPNP arrangement pursuant to the customer's instructions at that time.
- B. SPNP-RCF is a telecommunications service whereby a call dialed to an SPNP-RCF equipped telephone number, is automatically forwarded to an assigned seven or ten digit telephone number within the local calling area as defined in Section A3 of the BellSouth General Subscriber Service Tariff. The forwarded-to number is specified by DeltaCom or BellSouth, as appropriate. Where technologically feasible, the forwarding party will provide identification of the originating telephone number, via SS7 signaling, to the receiving party. Neither party guarantees, however, identification of the originating telephone number to the SPNP-RCF end user. SPNP-RCF provides a single call path for the forwarding of no more than one simultaneous call to the receiving party's specified forwarded-to number. Additional call paths for the forwarding of multiple simultaneous calls are available on a per path basis and are in addition to the rate for SPNP-RCF service.
- C. The Parties shall provide RCF arrangements to each other at identical monthly rates. Recurring charges shall not exceed the actual cost of providing the service. There shall be no non-recurring charges. Until otherwise verified by reliable cost studies, actual cost for recurring charges are as follows:
1. Residential Services - \$1.15 per line, including 6 call paths;
  2. Business Service - \$2.25 per line, including 10 call paths; and
  3. Each additional path - \$0.50.

- D. **SPNP-DID service provides trunk side access to end office switches for direct inward dialing to the other Party's premises equipment from the telecommunications network to lines associated with the other Party's switching equipment and must be provided on all trunks in a group arranged for inward service. A SPNP-DID trunk termination, provided with SS7 signaling only, applies for each trunk voice grade equivalent. In addition, direct facilities are required from the end office where a ported number resides to the end office serving the ported end user customer. Transport mileage will be calculated as the airline distance between the end office where the number is ported and the POI using the V&H coordinate method. SPNP-DID must be established with a minimum configuration of two channels and one unassigned telephone number per switch, per arrangement for control purposes. Transport facilities arranged for SPNP-DID may not be mixed with any other type of trunk group, with no outgoing calls placed over said facilities. SPNP-DID will be provided only where such facilities are available and where the switching equipment of the ordering party is properly equipped. Where SPNP-DID service is required from more than one wire center or from separate trunk groups within the same wire center, such service provided from each wire center or each trunk group within the same wire center shall be considered a separate service. Only customer dialed sent paid calls will be completed to the first number of a SPNP-DID number group, however, there are no restrictions on calls completed to other numbers of a SPNP-DID number group.**
- E. **The Parties hereby agree to negotiate in good faith to establish the recurring and non-recurring charges, if any, for SPNP through DID. For this purpose, BellSouth shall provide DeltaCom with its relevant cost studies, subject to applicable non-disclosure obligations. In the event that the Parties are unable to agree upon the applicable charges, the issue shall be resolved in accordance with the process set forth in Article XXV. In the interim period, the rates contained in Attachment E hereto will apply.**
- F. **Each Party is responsible for obtaining authorization from the end user for the handling of the disconnection of the end user's service, the provision of new local service and the provision of SPNP services. Each Party is responsible for coordinating the provision of service with the other to assure that its switch is capable of accepting SPNP ported traffic. Each Party is responsible for providing equipment and facilities that are compatible with the other's service parameters, interfaces, equipment and facilities and is required to provide sufficient terminating facilities and services at the terminating end of an SPNP call to adequately handle all traffic to that location and is solely responsible to ensure that its facilities, equipment and services do not interfere with or impair any facility, equipment, or service of the other Party or any of its end users.**

- G. Each Party is responsible for providing an appropriate intercept announcement service for any telephone numbers subscribed to SPNP services for which it is not presently providing local exchange service or terminating to an end user. Where either Party chooses to disconnect or terminate any SPNP service, that Party is responsible for designating the preferred standard type of announcement to be provided.
- H. Each Party will be the other's Party's single point of contact for all repair calls on behalf of each Party's end user. Each Party reserves the right to contact the other Party's customers, if deemed necessary, for maintenance purposes.
- I. The Parties will migrate from RCF or DID to Permanent Number Portability (PNP) as soon as practically possible, without interruption of service (to the degree possible) to their respective customers.
- J. Under either an SPNP or PNP arrangement, DeltaCom and BellSouth will implement a process to coordinate Telephone Numbers Portability (TNP) cut-overs with Unbundled loop conversions (as described in Section IV of this Agreement).
- K. The quality of service of calls to ported numbers should be identical to the quality of service of the calls to non-ported numbers.
- L. If the Federal Communications Commission issues regulations pursuant to 47 U.S.C. § 251 to require number portability different than that provided pursuant to this subsection, the Parties agree to fully comply with those requirements.

### **XIII. DISCONNECTION OF CUSTOMERS**

- A. BellSouth shall accept any requests from DeltaCom to disconnect the service of an existing BellSouth end user, except for BellSouth public and semipublic telephone service which service is subject to effective contracts with location providers. BellSouth will not require end user confirmation prior to disconnecting the end user's service. BellSouth will accept a request directly from an end user for conversion of the end user's service from DeltaCom to BellSouth or will accept a request from another CLEC for conversion of the SPNP service associated with an end user's service charge from DeltaCom to the CLEC. BellSouth will notify DeltaCom that such a request has been processed. This Article shall be subject to Section 258(a) and (b) of the Telecommunications Act which prohibits illegal changes of carrier selections and assesses liability for such changes, and any change of service verification procedures which may be promulgated by the FCC. DeltaCom and BellSouth shall each execute a blanket letter of authorization for each state substantially in the form attached as Attachment F hereto with respect to customer disconnections. The Parties shall each be entitled to adopt their own internal processes for verification of customer authorization of disconnection of service; provided, however, that such processes shall comply with applicable state and federal law and until superseded shall be deemed adequate for purposes of this Agreement if such processes comply with FCC guidelines applicable to Presubscribed Interexchange Carriers (PIC) changes.
- B. If either Party determines that an unauthorized change in local service provider has occurred, such Party shall reestablish service with the appropriate local service provider as requested by the end user and will assess the other Party an Unauthorized Change Charge of \$19.41 per line. The appropriate nonrecurring charges to reestablish the customer's service with the appropriate local service provider will also be assessed to the other Party because of the unauthorized change. These charges shall be adjusted if such Party provides satisfactory proof of authorization.
- C. If BellSouth accepts an order placed by itself or another CLEC (or local reseller) to disconnect the SPNP to an DeltaCom end user, BellSouth shall notify DeltaCom of the change within three (3) days thereof.

### **XIV. RESALE OF BELL SOUTH LOCAL EXCHANGE SERVICES**

BellSouth hereby agrees that DeltaCom may at any time during the term of this Agreement elect to resell BellSouth's local exchange services under the terms and



conditions of any local services resale agreement reached between BellSouth and any other telecommunications carrier. DeltaCom may select any such resale agreement at any time prior to the expiration of this Agreement.

**XV. RESPONSIBILITIES OF THE PARTIES**

- A. BellSouth and DeltaCom agree to treat each other fairly, non-discriminatorily, and equally for all items included in this Agreement or related to the support of items included in this Agreement.
- B. DeltaCom and BellSouth will work cooperatively to minimize fraud associated with third-number billed calls, calling card calls, or any other services related to this Agreement. The Parties fraud minimization procedures are to be cost effective and implemented so as not to unduly burden or harm one Party as compared to the other.
- C. DeltaCom and BellSouth agree to promptly exchange all necessary records for the proper billing of all traffic.
- D. DeltaCom and BellSouth will review engineering requirements on a quarterly basis and establish forecasts for trunk utilization, POI trunks, MPB arrangements, E-911, EISCC facility requirements, quantities of DNCF, loops and other services provided under this Agreement. New trunk groups will be implemented as dictated by engineering requirements for both BellSouth and DeltaCom. BellSouth and DeltaCom are required to provide each other the proper call information (e.g., originated call party number and destination call party number) to enable each company to bill in a complete and timely manner.
- E. The Parties will cooperate by exchanging technical information in order to identify and explore potential solutions to enable DeltaCom to establish unique rate centers, or to assign a single NXX code across multiple rate centers.
- F. DeltaCom and BellSouth will work jointly and cooperatively in developing and implementing common manual and/or electronic interfaces (including, for example, data elements, data format, and data transmission) from which to place service orders and trouble reports involving the provision of loops, DNCF, directory assistance, directory listings, E-911, and other services included in this Agreement. To the extent reasonable, DeltaCom and BellSouth will utilize the standards established by industry fora, such as OBF.

- G. BellSouth will support DeltaCom requests related to central office (NXX) code administration and assignments in an effective and timely manner. DeltaCom and BellSouth will comply with code administration requirements as prescribed by the FCC, the state commissions, and accepted industry guidelines.
- H. There will be no re-arrangement, reconfiguration, disconnect, or other non-recurring fees associated with the initial reconfiguration of each carrier's traffic exchange arrangements upon execution of this agreement.
- I. BellSouth shall not impose a cross-connect fee on DeltaCom where DeltaCom accesses 911 or E-911, reciprocal traffic exchange trunks, and network platform services, through a collocation arrangement at the BellSouth Wire Center.
- J. Notwithstanding any other provision of this Agreement, it is mutually understood and agreed that both Parties hereto reserve the right to establish each of the following, consistent with generally accepted industry standards.
  - 1. Rate centers (location and area within)
  - 2. Points of interchange (including meet points)
  - 3. Switching entity designation and supporting data (including inbound route choice)
    - a. end office
    - b. homing/homed to tandem
  - 4. Association of routing point(s) with end offices, POIs, etc.
  - 5. Published rate center and locality designations.

## **XVI. NETWORK DESIGN AND MANAGEMENT**

- A. The Parties agree to work cooperatively to install and maintain reliable interconnected telecommunications networks, including but not limited to, maintenance contact numbers and escalation procedures. BellSouth agrees to 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 to alleviate or prevent network congestion.
- D. For network expansion, the Parties agree to review engineering requirements on a quarterly basis and establish forecasts for trunk utilization. New trunk groups will be added as reasonably warranted.
- E. DeltaCom and BellSouth will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government) to achieve desired reliability. In addition, DeltaCom and BellSouth will cooperatively plan and implement coordinated repair procedures to ensure customer trouble reports are resolved in a timely and appropriate manner.

## **XVII. TERM**

- A. The term of this Agreement shall be two years, beginning July 1, 1997.
- B. The Parties agree that by no later than July 1, 1998, they shall commence negotiations with regard to the terms, conditions and prices of local interconnection to be effective beginning July 1, 1999.
- C. If, within 90 days of commencing the negotiation referred to in Section XVII.B above, the Parties are unable to satisfactorily negotiate new local interconnection terms, conditions and prices, either Party may petition the state commission to establish appropriate local interconnection arrangements pursuant to 47 U.S.C. 252. The Parties agree that, in such event, they shall encourage the Commission to issue its order regarding the appropriate local interconnection arrangements no later than January 1, 1999. The Parties further agree that in the event the Commission does not issue its order prior to January 1, 1999 or if the Parties continue beyond July 1, 1999 to negotiate the local interconnection arrangements without Commission intervention, the terms, conditions and prices ultimately ordered by the Commission, or negotiated by the Parties, will be effective retroactive to July 1, 1999. Until the revised local interconnection

arrangements become effective, the Parties shall continue to exchange traffic pursuant to the terms and conditions of this Agreement.

- D. The Parties agree that (1) if the FCC or a state commission or other state or local body having jurisdiction over the subject matter of this Agreement finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations promulgated, or (2) if the FCC or a state commission preempts the effect of this Agreement, then in the event of the occurrence of (1) or (2), which occurrence is final and no longer subject to administrative or judicial review, the Parties shall immediately commence good faith negotiations to conform this Agreement with any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or state commission's action giving rise to such negotiations. The Parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date.
- E. In the event that BellSouth provides interconnection and/or temporary number portability arrangements via tariff or has or enters into an interconnection and/or temporary number portability agreement with another entity, BellSouth will permit DeltaCom an opportunity to inspect such tariff or agreement and, upon DeltaCom's request, BellSouth will immediately offer DeltaCom an agreement on the same material terms with effect from the date BellSouth first made such tariff effective or entered into such arrangement and for the remainder of the term of this Agreement. The other items covered by this Agreement and not covered by such tariff or agreement shall remain unaffected and as to such items this Agreement shall remain in effect.
- F. In the event that BellSouth is required by an FCC or a state commission decision or order to provide any one or more terms of interconnection or other matters covered by this Agreement that individually differ from any one or more corresponding terms of this Agreement, DeltaCom may elect to amend this Agreement to reflect all of such differing terms (but not less than all) contained in such decision or order, with effect from the date DeltaCom makes such election. The other items covered by this Agreement and not covered by such decision or order shall remain unaffected and as to such items this Agreement shall remain in effect.

**XVIII. IMPLEMENTATION OF AGREEMENT**

The Parties agree that within 30 days of the execution of this Agreement they will adopt a schedule for the implementation of this Agreement. The schedule shall state with specificity, ordering, testing, and full operational time frames. The implementation shall be attached to this Agreement as an addendum and specifically incorporated herein by this reference. All rates within this Agreement will become effective upon execution of the Agreement.

**XIX. UNIVERSAL SERVICE**

The Parties acknowledge that BellSouth will guarantee the provision of universal service as the carrier-of-last-resort throughout its territory in Florida until January 1, 1998 without contribution from DeltaCom.

**XX. FORCE MAJEURE**

Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement including, without limitation: fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation, strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event the Party affected shall, upon giving prompt notice to the other Party, be excused from such performance on a day-today basis to the extent of such interference (and the other Party shall likewise be excused from performance of its obligations on a day-for-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause of nonperformance and both Parties shall proceed to perform with dispatch once the causes are removed or cease.

**XXI. LIABILITY AND INDEMNIFICATION**

**A. Liability Cap.**

1. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by DeltaCom, any DeltaCom customer or by any other person or entity, for damages associated with any of the services provided by BellSouth pursuant to or in connection with this Agreement, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article, BellSouth's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by DeltaCom, any DeltaCom customer or any other person or entity resulting from the gross negligence or willful misconduct of BellSouth and claims for damages by DeltaCom resulting from the failure of BellSouth to honor in one or more material respects any one or more of the material provisions of this Agreement shall not be subject to such limitation of liability.
  2. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by BellSouth, any BellSouth customer or by any other person or entity, for damages associated with any of the services provided by DeltaCom pursuant to or in connection with this Agreement, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article, DeltaCom's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by BellSouth, any BellSouth customer or any other person or entity resulting from the gross negligence or willful misconduct of DeltaCom and claims for damages by BellSouth resulting from the failure of DeltaCom to honor in one or more material respects any one or more of the material provisions of this Agreement shall not be subject to such limitation of liability.
- B. Neither Party shall be liable for any act or omission of any other telecommunications company to the extent such other telecommunications company provides a portion of a service.
- C. Neither Party shall be liable for damages to the other Party's terminal location, POI or the other Party's customers' premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, except to the extent the damage is caused by such Party's gross negligence or willful misconduct.

- D. Notwithstanding subsection A, the Party providing services under this Agreement, its affiliates and its parent company shall be indemnified, defended and held harmless by the Party receiving such services against any claim, loss or damage arising from the receiving Party's use of the services provided under this Agreement, involving: (1) claims for libel, slander, invasion of privacy or copyright infringement arising from the content of the receiving Party's own communications; (2) any claim, loss or damage claimed by the receiving Party's customer(s) arising from such customer's use of any service, including 911/E-911, that the customer has obtained from the receiving Party and that the receiving Party has obtained from the supplying Party under this Agreement; or (3) all other claims arising out of an act or omission of the receiving Party in the course of using services provided pursuant to this Agreement. Notwithstanding the foregoing, to the extent that a claim, loss or damage is caused by the gross negligence or willful misconduct of a supplying Party, the receiving Party shall have no obligation to indemnify, defend and hold harmless the supplying Party hereunder.
- E. Neither Party guarantees or makes any warranty with respect to its services when used in an explosive atmosphere. Notwithstanding subsection A, each Party shall be indemnified, defended and held harmless by the other Party or the other Party's customer from any and all claims by any person relating to the other Party or the other Party's customer's use of services so provided.
- F. No license under patents (other than the limited license to use in the course of using a service provided pursuant to this Agreement) is granted by one Party to the other or shall be implied or arise by estoppel, with respect to any service offered pursuant to this Agreement. Notwithstanding subsection A, the Party providing a service pursuant to this Agreement will defend the Party receiving such service against claims of patent infringement arising solely from the use by the receiving Party of such service and will indemnify the receiving Party for any damages awarded based solely on such claims. Such indemnification shall not, however, extend to claims for patent infringement to the extent the alleged infringement results from:
1. Modification of the service by someone other than the providing Party and/or its subcontractors, where there would be no such infringement or violation in the absence of such modification; or
  2. The combination, operation or use of the service with any product, data or apparatus not provided by the providing Party and/or its subcontractors, where there would be no such infringement or violation in the absence of such combination, operation or use.

- G. Promptly after receipt of notice of any claim or the commencement of any action for which a Party may seek indemnification pursuant to this Article XXI, such Party (the "Indemnified Party") shall promptly give written notice to the other Party (the "Indemnifying Party") of such claim or action, but the failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability it may have to the Indemnified Party except to the extent the Indemnifying Party has actually been prejudiced thereby. The Indemnifying Party shall be obligated to assume the defense of such claim, at its own expense. The Indemnified Party shall cooperate with the Indemnifying Party's reasonable requests for assistance or information relating to such claim, at the Indemnifying Party's expense. The Indemnified Party shall have the right to participate in the investigation and defense of such claim or action, with separate counsel chosen and paid for by the Indemnified Party.

## **XXII. MOST FAVORABLE PROVISIONS**

- A. The parties agree that if —
1. the Federal Communications Commission ("FCC") or the Commission finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations, or
  2. the FCC or the Commission preempts the effect of this Agreement, then, in either case, upon such occurrence becoming final and no longer subject to administrative or judicial review, the parties shall immediately commence good faith negotiations to conform this Agreement to the requirements of any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or Commission action giving rise to such negotiations. The parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date except to the extent that such retroactive effect is expressly required by such FCC or Commission decision, rule, regulation or preemption.
- B. In the event that BellSouth, either before or after the effective date of this Agreement, enters into an agreement with any other telecommunications carrier (an "Other Interconnection Agreement") which provides for the provision within a particular state covered under this Agreement of any of the arrangements covered by this Agreement to be provided in a particular state upon rates, terms or



conditions that differ in any material respect from the rates, terms and conditions for such arrangements set forth in this Agreement ("Other Terms"), then except as provided in Section XXII.F, BellSouth shall be deemed thereby to have offered such arrangements to DeltaCom for that state upon such Other Terms, which DeltaCom may accept as provided in Section XXII.E. In the event that DeltaCom accepts such offer within sixty (60) days after the Commission approves such Other Interconnection Agreement pursuant to 47 U.S.C. § 252, or within thirty (30) days after DeltaCom acquires actual knowledge of an Other Interconnection Agreement not requiring the approval of the Commission pursuant to 47 U.S.C. § 252, as the case may be, such Other Terms for such arrangement for the particular state shall be effective between BellSouth and DeltaCom as of the effective date of such Other Interconnection Agreement. In the event that DeltaCom accepts such offer more than sixty (60) days after the Commission approves such Other Interconnection Agreement pursuant to 47 U.S.C. § 252, or more than thirty (30) days after acquiring actual knowledge of an Other Interconnection Agreement not requiring the approval of the Commission pursuant to 47 U.S.C. § 252, as the case may be, such Other Terms shall be effective between BellSouth and DeltaCom as of the date on which DeltaCom accepts such offer.

- C. In the event that after the effective date of this Agreement the FCC or the Commission enters an order (an "Interconnection Order") requiring BellSouth to provide within a particular state covered under this Agreement any of the arrangements covered by this Agreement to be provided in a particular state upon Other Terms, then upon such Interconnection Order becoming final and not subject to further administrative or judicial review, except as provided in Section XXII.F, BellSouth shall be deemed to have offered such arrangements in that state to DeltaCom upon such Other Terms, which DeltaCom may accept as provided in Section XXII.E. In the event that DeltaCom accepts such offer within sixty (60) days after the date on which such Interconnection Order becomes final and not subject to further administrative or judicial review, such Other Terms for such arrangement for the particular state shall be effective between BellSouth and DeltaCom as of the effective date of such Interconnection Order. In the event that DeltaCom accepts such offer more than sixty (60) days after the date on which such Interconnection Order becomes final and not subject to further administrative or judicial review, such Other Terms shall be effective between BellSouth and DeltaCom as of the date on which DeltaCom accepts such offer.
- D. In the event that after the effective date of this Agreement BellSouth files and subsequently receives approval for one or more intrastate or interstate tariffs (each, an "Interconnection Tariff") offering to provide in a particular state covered under this Agreement any of the arrangements covered by this Agreement to be provided

in a particular state upon Other Terms, then upon such Interconnection Tariff becoming effective, except as provided in Section XXII.F, BellSouth shall be deemed thereby to have offered such arrangements in that state to DeltaCom upon such Other Terms, which DeltaCom may accept as provided in Section XXII.E. In the event that DeltaCom accepts such offer within sixty (60) days after the date on which such Interconnection Tariff becomes effective, such Other Terms for such arrangements for the particular state shall be effective between BellSouth and DeltaCom as of the effective date of such Interconnection Tariff. In the event that DeltaCom accepts such offer more than sixty (60) days after the date on which such Interconnection Tariff becomes effective, such Other Terms shall be effective between BellSouth and DeltaCom as of the date on which DeltaCom accepts such offer.

E. In the event that BellSouth is deemed to have offered DeltaCom the arrangements covered by this Agreement upon Other Terms, DeltaCom in its sole discretion may accept such offer either --

1. by accepting such Other Terms in their entirety; or
2. by accepting the Other Terms that directly relate to any of the following arrangements as a whole:
  - a. local interconnection,
  - b. interLATA and IntraLATA toll traffic interconnection,
  - c. unbundled access to network elements, which include: local loops, network interface devices, switching capability, interoffice transmission facilities, signaling networks and call-related databases, operations support systems functions, operator services and directory assistance, and any elements that result from subsequent bona fide requests,
  - d. access to poles, ducts, conduits and rights-of-way,
  - e. access to 911/E911 emergency network,
  - f. collocation, or
  - g. access to telephone numbers.

The terms of this Agreement, other than those affected by the Other Terms accepted by DeltaCom, shall remain in full force and effect.

**F. Corrective Payment.** In the event that –

1. BellSouth and DeltaCom revise this Agreement pursuant to Section XXII.A, or

2. DeltaCom accepts a deemed offer of Other Terms pursuant to Section XXII.E, then BellSouth or DeltaCom, as applicable, shall make a corrective payment to the other party to correct for the difference between the rates set forth herein and the rates in such revised agreement or Other Terms for substantially similar services for the period from the effective date of such revised agreement or Other Terms until the date that the parties execute such revised agreement or DeltaCom accepts such Other Terms, plus simple interest at a rate equal to the thirty (30) day commercial paper rate for high-grade, unsecured notes sold through dealers by major corporations in multiples of \$1,000.00 as regularly published in *The Wall Street Journal*.

**XXIII. DEFAULT**

If either Party defaults in the payment of any amount due hereunder, or if either Party violates any other provision of this Agreement, and such default or violation shall continue for thirty (30) days after written notice thereof, the other Party may terminate this Agreement forthwith by written instrument. The failure of either Party to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment of its part of any such provision, but the same shall, nevertheless, be and remain in full force and effect.

#### **XXIV. NONDISCLOSURE**

- A. All information, including but not limited to specifications, microfilm, photocopies, magnetic disks, magnetic tapes, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data, (i) furnished by one Party to the other Party dealing with customer specific, facility specific, or usage specific information, other than customer information communicated for the purpose of publication or directory database inclusion, or (ii) in written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary," or (iii) communicated orally and declared to the receiving Party at the time of delivery, or by written notice given to the receiving Party within ten (10) days after delivery, to be "Confidential" or "Proprietary" (collectively referred to as "Proprietary Information"), shall remain the property of the disclosing Party.
- B. Upon request by the disclosing Party, the receiving Party shall return all tangible copies of Proprietary Information, whether written, graphic or otherwise, except that the receiving Party may retain one copy for archival purposes.
- C. Each Party shall keep all of the other Party's Proprietary Information confidential and shall use the other Party's Proprietary Information only for performing the covenants contained in the Agreement. Neither Party shall use the other Party's Proprietary Information for any other purpose except upon such terms and conditions as may be agreed upon between the Parties in writing.
- D. Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information as:
1. was at the time of receipt already known to the receiving Party free of any obligation to keep it confidential evidenced by written-records prepared prior to delivery by the disclosing Party; or
  2. is or becomes publicly known through no wrongful act of the receiving Party; or
  3. is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to the disclosing Party with respect to such information; or
  4. is independently developed by an employee, agent, or contractor of the receiving Party which individual is not involved in any manner with the provision of

services pursuant to the Agreement and does not have any direct or indirect access to the Proprietary Information; or

5. is disclosed to a third person by the disclosing Party without similar restrictions on such third person's rights; or
  6. is approved for release by written authorization of the disclosing Party; or
  7. is required to be made public by the receiving Party pursuant to applicable law or regulation provided that the receiving Party shall give sufficient notice of the requirement to the disclosing Party to enable the disclosing Party to seek protective orders.
- E. **Effective Date.** Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement. The obligation to that information as confidential shall survive the termination of this Agreement.

## **XXV. ARBITRATION**

- A. Any controversy or claim arising out of, or relating to, this Contract or the breach thereof shall be settled by arbitration, in accordance with the rules then obtaining, of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction of the controversy or claim. As an express condition precedent to any legal or equitable action or proceeding in the event of disputes or controversies as to the amount of loss or damage arising out of this Contract, such disputes or controversies shall first be submitted to the arbitration of two persons, one chosen by each Party, who shall jointly select a third person. Provided, however, that nothing contained herein shall preclude either Party from filing any complaint or other request for action or relief with the FCC or the appropriate state commission, including any appeals thereof. The Party which does not prevail shall pay all reasonable costs of the arbitration or other formal complaint proceeding, including reasonable attorney's fees and other legal expenses of the prevailing Party.
- B. Nothing herein shall preclude DeltaCom from seeking state commission arbitration, pursuant to sections 251-53 of the Telecommunications Act, of issues upon which the Parties hereto were unable to reach agreement during the negotiations hereof. The Parties acknowledge, for example, that they were unable to reach agreement on

the availability, rates and terms of local sub-loop unbundling, local loop multiplexing, switch port charges, access to databases, *etc.*, and that such issues will be submitted for resolution by the state commissions through arbitration. BellSouth hereby waives any right to contest DeltaCom's ability to seek state commission and/or FCC review of such unresolved issues.

**XXVI. 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.

**XXVII. GOVERNING LAW**

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia.

**XXVIII. 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.

**XXIX. NOTICES**

Any notices required by or concerning this Agreement shall be sent to the Parties at the addresses shown below:

GENERAL COUNSEL  
DELTACOM, INC.  
SUITE 101  
700 BOULEVARD SOUTH  
HUNTSVILLE, AL 35802

Account Manager  
BellSouth Telecommunications, Inc.  
South E4E1  
3535 Colonnade Parkway  
Birmingham, Alabama 35243

Each Party shall inform the other of any changes in the above addresses.

**XXX. 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 WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

Tom Mullis  
DELTACOM, INC.

Jerry Hendrix  
BELLSOUTH  
TELECOMMUNICATIONS, INC.

By: TOM MULLIS  
Title: Sr. V.P.  
Date: 3/12/97  
Address: SUITE 101  
700 BOULEVARD SOUTH  
HUNTSVILLE, AL 35802

By: Jerry Hendrix  
Title: Director  
Date: 3/12/97  
Address: 675 W. Peachtree Street, N.E.  
Atlanta, Georgia 30375

**ATTACHMENT A**  
**RESERVED FOR FUTURE USE**



## ATTACHMENT B

### DEFINITIONS

1. "Access Service Request" or "ASR" means an industry standard form used by the Parties to add, establish, change or disconnect trunks for the purposes of interconnection.
2. "Advanced Intelligent Network" or "AIN" means a network switching and architecture concept that centralizes intelligence in databases and application processors internal to the network rather than in central office switching systems. AIN enables the network to complete interactions (or actions) regarding routing, signaling and information quickly and accurately. The AIN concept permits intelligent database systems and application processors to be either centralized or distributed throughout one network.
3. "Advanced Intelligent Network Features" or "AIN/IN Features" refers to the replacement or enhancement of electronic switching and electronic network hardware and software functions via the use of distributed network based processors and Common Channel Interoffice Signaling (CCIS/SS7). For example, SCPs and STCs are part of the advanced intelligent network. AIN also features a "service creation environment" which permits the end user or reseller to create, and modify, in near real time, their own network routing instructions for calls to their facilities, creating, in effect a user customizable virtual network.
4. "Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or equivalent thereof) or more than 10 percent.
5. "American National Standards Institute" or "ANSI" is a private, non-profit organization representing more than 1,300 corporations, 30 government agencies, 20 institutions and 250 trade, labor, consumer, technical and professional organizations which sets voluntary standards for the United States (U.S.). ANSI has established an Information Infrastructure Standards Panel. ANSI is appointed by the U.S. State Department as a representative of the U.S. to the ITU's International Standards Organization.
6. "Automated Report Management Information System" or "ARMIS" means the most current ARMIS 4308 report issued by the FCC.
7. "Automatic Number Identification" or "ANI" is a telecommunications carrier signaling parameter that identifies, through industry standard network interfaces and formats (either

SS7/CCIS (preferred), or in band signalling (predecessor technology), the billing number of the calling party. This functionality is also known and referred to as "Calling Party Number" or "CPN." This term is not to be limited by "Called Party Identification" service, another product that is frequently required by call centers.

8. "Bell Communications Research" or "BellCore" means an organization owned jointly by the RBOC that conducts research and development projects for them.

9. "Busy Line Verification/BLVI Traffic" or "BLV/BLVI Call" refers to an operator call in which the end user inquires as to the busy status of, or requests an interruption of, a call on an Exchange Service.

10. "Calling Party Number" or "CPN" means a common channel signalling parameter which refers to the number transmitted through the network identifying the calling party.

11. "Carrier Identification Code" or "CIC" means a three or four digit number assigned to an DXC that identifies that carrier's traffic.

12. "Central Office Switch," "Central Office" or "CO" refers to either a means a Switching entity or the physical location (site) which houses a traditional central office switch and its peripherals within the public switched telecommunications network, including but not limited to:

a. "End Office Switches" which are Class 5 switches from which End User Telecommunications Services are directly connected and offered.

b. "Tandem Office Switches" which are Class 4 switches which are used to connect and switch trunk circuits between and among Central Office Switches.

c. "Remote Switching Module" or "RSM" refers to a Central Office architecture element that permits the Central Office switch the ability to extend either line or trunk side interfaces, with all typical service features and functions to a cabinet which is physically remote from the home CO site, and where stand alone capability may or may not be implemented. RSMs are sometimes also referred to as "switches" in the BellSouth infrastructure inventory discussions and to that extent may be used as interchangeable terms.

d. "Central Office Switches" may be employed as combination End Office and Tandem Office Switches (combination Class 5/Class 4).

13. "Central Office Equipment" refers to the traditional Central Office Switch itself and all of the peripheral electronics (network elements) that supply network-based processing functions

other than "transport." Network elements which provide "Transport" are generally referred to as "Outside Plant" equipment or electronics.

14. "Centralized Message Distribution System" or "CMDS" means the billing record and clearing house transport systems that incumbent LECs use to exchange out-collects, in-collects and Carrier Access Billing System ("CABS") records.

15. "CLASS Features" refers to features and functions (products) which become available on the "line side" of the Central Office through the use of common channel signalling system seven (CCIS/SS7.) CLASS features include, but are not necessarily limited to: Automatic Call Back, Call Trace, Caller ID and Related Blocking Features, Distinctive Ringing/Call Waiting, Selective Call Forward, and Selective Call Rejection. See also: "Software-based network elements and services."

16. "Commission" means the appropriate regulatory agency in each of BellSouth's nine state regions, Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.

17. "Common Channel (Interoffice) Signaling" or "CCIS" means a method of digitally transmitting call set-up and network control data over separate physical or virtual connections from those which normally carry the actual call user connections. This technology supersedes "in-band" signalling. The current industry standard for common carrier network signaling is called Signaling System 7.

18. "Cross Connect" refers to the equipment physical or logical "meet point" between network elements.

a. For example, within a wire center, it is a connection between line termination blocks on the two sides of a distribution frame or between individual line terminations on the same side of the frame. Cross connections are made to route traffic from one group of lines to another specific group of lines on the distribution frame, or to route traffic from one individual line to another specific line on the distribution frame.

b. A piece of manual, electromechanical or electronic apparatus designed to make and rearrange the cross connections among the lines that terminate on a distribution frame. Cross-connect devices are employed where rearrangement of transmission circuits occur infrequently.

19. "Customer Local Area Signalling Services" or "CLASS" means features available to end users based on availability of CCIS, including, without limitation, Automatic Callback, Call Trace, Caller ID and related blocking, Distinctive Ringing, Call Waiting, Selective Call Forward and Selective Call Rejection.

20. "DID" or "Direct Inward Dialing" is a feature which allows callers on the public switched network to directly dial a specific PBX or Centrex extension telephone.

21. "Directory Number Call Forwarding" or "DNCF" is one form of Interim Number Portability ("ISPNP") which is provided through call routing and call forwarding capabilities. DNCF will forward calls dialed to an original telephone number to a new telephone number on a multi-path basis. DNCF is not limited to listed directory numbers.

22. "Digital Loop Carrier" or "DLC" is as defined in BellCore TR-TSY-000008, "Digital Interface Between the SLC-96 Digital Loop Carrier System and Local Digital Switch" and TR-TSY-00303, "Integrated Digital Loop Carrier (IDLC) Requirements, Objectives and Interface."

23. "Digital Service - Level 0" or "DS-0" means a signal rate of 64 kilobits per second.

24. "Digital Service - Level 1" or "DS-1" is an industry standard telecommunications transport channel which can support a digital signaling rate of 1.544 Mbps (Mega Bits Per Second) at industry standard performance levels. Unless identified and priced as "fractional," this channel is assumed to be fully available.

25. "Digital Service - Level 3" or "DS-3" is an industry standard telecommunications transport channel which can support a digital signal rate of 44.736 Mbps (Mega Bits Per Second) at industry standard performance levels. Unless identified and priced as "fractional," this channel is assumed to be fully available.

26. "DSX" or "Digital and Access Cross-connect System ("DACS") is a cross-connection product (including a mounting bay/panel) used for termination of equipment and facilities operating at digital rates.

27. "Electronic Data Interchange," "Electronic File Transfer" or "EFT" is a process which utilizes an electronic format and protocol to send/receive digital data business documents between different companies' computers over phone lines. There are several generally accepted industry standards for EFT, pending acceptance of a single common standard.

28. "Exchange Access" means the offering of access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services.

29. "Exchange Message Record" or "EMR" is a term used to refer to the current standard used for exchange of telecommunications message information among Local Exchange Carriers for billable, non-billable, sample, settlement and study data. EMR format is currently contained in

BR-010-200-010 CRIS Exchange Message Record, a Bellcore document which has traditionally defined Bell standards for exchange message records.

30. "Exchange Service" is a traditional marketing term used to refer to a service offered to end users which provides the end user with a telephonic connection to, and a unique local telephone number address on, the public switched telecommunications network, and which enables such end user to generally place calls to, or receive calls from, other stations on the public switch telecommunications network. Exchange Services include, but are not limited to, basic residence and business line service, PBX trunk line service, pay telephone stations, pay phone line service, Centrex and Centrex-like line services, AIN, and ISDN line/trunk services. Exchange Service does not traditionally include Private Line, Toll, Switched and Special Access (digital channel) services, which have traditionally been separately billed and regulated, although today these services are frequently formed from and bundled within common transport and network elements.

31. "Feature Group A" or "FGA" means FGA interexchange access as defined in BellSouth's FCC Tariff No. 1.

32. "Feature Group B" or "FGB" means FGB interexchange access as defined in BellSouth's FCC Tariff No. 1.

33. "Feature Group D" or "FGD" means FGD interexchange access as defined in BellSouth's FCC Tariff No. 1.

34. "Interconnection" means the connection between network elements that enable the formation of network systems. The objective of interconnection is to provide transport and transparent interoperation among separate pieces of equipment, transmission facilities, etc., within, between or among networks. The architecture of interconnection may include several industry standard, or regulatory structured methods including, but not limited to, collocation arrangements ("physical" and "virtual" collocation) arrangements via industry standard interface arrangements.

35. "Interconnection Point," "Point of Interconnection" or "POI" includes all points where DeltaCom is entitled to interconnect with BellSouth under the terms of this Agreement, including, without limitation, points on the line side and trunk side of each Network Element.

36. "Interface" refers to the physical and logical point or points on a given network element where transmission, operations, administration, maintenance, provisioning and management connections are made. Specifically, the Interface includes (1) a common boundary between two or more items of equipment, (2) a physical point of demarcation between two devices where all the signals which pass are defined; the definition includes the type, quality and function of the interconnection circuits, as well as the type and form of signals interchanges by those circuits, and (3) the procedure, codes and protocols enabling dissimilar devices to communicate. The original equipment manufacturer of the network element generally incorporates one or more standard (or in some cases, proprietary) interfaces to each network element that allows the element to "plug into" and become part of the overall integrated telecommunications system. The same interfaces are used by both the incumbent and the competitive LECs. The technical specifications of the element's interface(s) are specified by manufacturer prior to sale. Compliance to industry standards organizations interface specifications, and the modular ability to retrofit subsequent industry standard specifications is required by the buyer of any given network element.

37. "Interexchange Carrier" or "IXC" traditionally means a provider of stand-alone interexchange telecommunications services. Under the new Act, the term IXC may be interpreted to embrace any competitive intermediary telecommunications carrier providing switched (and/or private line) services between switching entities operated by local exchange service providers (BOC-LEC, Independent-LEC, Competitive-LEC, Wireless-LEC). IXC connectivity is typically an access services arrangement. The use of this term does not preclude the provider from also offering bundled telecommunications services.

38. "Integrated Services Digital Network" or "ISDN" refers to a switched network service that provides end-to-end digital connectivity for the simultaneous transmission of voice, data, video or multimedia services. Basic Rate Interface-ISDN (BRI-ISDN) provides for digital transmission of two 64 Kbps bearer channels and one 16 Kbps data channel (2B + D). Primary Rate Interface-ISDN (PRI-ISDN) provides for digital transmission of twenty-three (23) 64 Kbps bearer channels and one (1) 16 Kbps data channel (23B + D). Unless identified and priced as "fractional" both BRI and PRI ISDN circuits are assumed to be fully available.

39. "Interim Number Portability" or "INP" refers to the temporary means by which BellSouth allows customers to retain their existing telephone numbers when changing from one local exchange carrier to another. This service provides transparent delivery of Telephone Number Portability ("TNP") capabilities, from a customer standpoint in terms of call completion, and from a carrier standpoint in terms of compensation, through the use of call routing, forwarding, and addressing capabilities. The interim nature of these arrangements result from the fact that their performance and cost cannot meet or sustain end-user customer or co-carrier expectations. Standards for permanent number portability will be set by regulatory stricture, and both Parties agree to implementation of permanent number portability at the earliest possible point in time.

40. "InterLATA Service" means telecommunications between a point located in one LATA and a point located outside such area.

41. "Intermediary function" means the delivery of local traffic from a local exchange carrier other than BellSouth; an ALEC other than DeltaCom; another telecommunications company such as a wireless telecommunications provider through the network of BellSouth or DeltaCom to an end user of BellSouth or DeltaCom.

42. "IntraLATA Service" means telecommunications between a point located in one LATA and a point located in the same LATA.

43. "International Telecommunications Union" or "ITU" is a United Nations organization which comprises the organization previously known as the CCITT. Open Standards Interconnection (OSI) standards are established by the ITU. Telecommunications Management Network (TMN) standards are a subset of the OSI model. The American National Standards Institute (ANSI) is appointed by the State Department as a U.S. representative to the ITU's ISO.

44. "Line Side" refers to local loop interface ports of an end office switch that are programmed to treat the circuit as a local line connected to an ordinary telephone station set.

45. "Link" or "Loop" are synonyms for a communications channel or circuit on the line side or the trunk side of the common carrier switching element. This term has been used as a marketing term to refer to an element of "Exchange Service" whereby BellSouth provides transport between the Minimum Point of Entry (MPOE) at an end user premise and the BellSouth wire center from which the transport is extended. The communications channel, circuit or group of channels or circuits which are segmented from a transmission medium that extends from BellSouth's Central office or wire center's Main Distribution Frame, DSX-panel, or functionally comparable piece of equipment, to a demarcation point or connector block in/at a customer's premises. "Links" are communications channels or circuits, which may be provided as 2-wire or 4-wire copper pairs, as radio frequencies or as a channel on a high-capacity feeder/distribution facility so long as all industry standard interface, performance, price, privacy, reliability and other operational characteristics are functionally transparent and are equal to or better than that of dedicated copper pairs. Examples of communications channels or circuits that are "links" or "loops" include, but are not limited to:

46. "Basic Voice Grade Line/Link/Circuit" is a basic voice grade line which is a two wire circuit or equivalent voice frequency channel for the transmission of analog signals with an approximate bandwidth of 300 to 3000 Hz (3 Khz analog or 56 Kbps digital (POTS grade, capable of transmitting voice or analog data transmissions up to 28.8 BPS with current generation modems). In addition, Basic Links must meet all RELRA and USF requirements for "basic telephone service" imposed by State and Federal regulatory authorities. Digital signaling,

transmission performance and reliability characteristics for basic "link" circuits are a matter of industry standard, having an expected measured loss or gain of approximately +/-6dB, and a signal to noise ratio that does not exceed (fill-in) and capable of supporting fully functional connections for up to 2 miles from the nearest electronic network element. Within the 300 to 3000 Hz range, "Basic Links" will support all standard signalling arrangements including repeat loop start, loop reverse battery, or ground start seizure and disconnect in one direction (toward the end office switch), and repeat ringing in the other direction (toward the end user).

a. "ISDN link/loop/circuit" is an ISDN link which provides a 2-wire ISDN digital circuit connection that will support digital transmission of two 64 Kbps clear channels and one 16 Kbps data channel (2B+D), suitable for provision of BRI-ISDN service. ISDN links shall be provisioned by least cost planning methodologies sufficient to insure industry standard interface, performance, price, reliability and operational characteristics are functionally transparent and are equal to or better than dedicated copper pairs. All things being equal, "Broadband ISDN" is preferred to CO-based ISDN circuits. Unless specifically identified and priced as "fractional" these circuits are assumed to be fully available.

b. "4-Wire DS-1 Digital Grade Links" will support full duplex transmission of isochronous serial data at 1.544 Mbps, and provide the equivalent of 24 voice grade channels. Unless specifically identified and priced as "fractional" these circuits are assumed to be fully available.

47. "Local Exchange Carrier" or "LEC" means any carrier that provides local common carrier telecommunications services to business and/or residential subscribers within a given LATA and interconnects to other carriers for the provision of alternative telecommunications products or services, including, but not limited to toll, special access, and private line services. This includes the Parties to this Agreement. The term "Incumbent-LEC" or "I-LEC" is sometimes used to refer to the dominant LEC for a particular locality (such as BellSouth). Such Incumbent-LECs include both Bell Operating Companies ("BOCs") and non-BOC LECs, which are often referred to as "Independent-LECs." By contrast, new entrants into the local exchange market are sometimes referred to as "Competitive LECs" or "CLECs," or sometimes as "Alternative LECs" or "ALECs."

48. "Local Exchange Routing Guide" or "LERG" means a BellCore Reference customarily used to identify NPA-NXX routing and homing information, as well as network element and equipment designations.

49. "Local Traffic" means any telephone call that originates in one exchange or LATA and terminates in either the same exchange or LATA, or a corresponding Extended Area Service ("EAS") exchange. The terms Exchange, and EAS exchanges are defined and specified in Section A3. of BellSouth's General Subscriber Service Tariff.



50. "Local Interconnection" means (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; (2) the LEC unbundled network features, functions, and capabilities set forth in this Agreement; and 3) Service Provider Number Portability sometimes referred to as temporary telephone number portability to be implemented pursuant to the terms of this Agreement.

51. "Local Interconnection Trunks/Trunk Groups" means equipment and facilities that provide for the termination of Local Traffic and intraLATA traffic.

52. "Local Access and Transport Area" or "LATA" means one of 161 contiguous geographic areas established pursuant to the AT&T Consent Decree to define the permitted operating regions of the RBOCs prior to the enactment of the Telecommunications Act of 1996.

53. "Long Run Incremental Cost" or "LRIC" refers to the costs a company would incur (or save) if it increases (or decreases) the level of production of an existing service or group of services. These costs consist of the costs associated with adjusting future production capacity and reflect forward-looking technology and operations methods.

54. "MECAB" refers to the Multiple Exchange Carrier Access Billing (MECAB) document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions (ATIS). The MECAB document published by Bellcore as Special Report SR-BDS-000983, contains the recommended guidelines for the billing of an access service provided by two or more LECS (including a LEC and a C-LEC), or by one LEC in two or more states within a single LATA.

55. "MECOD" refers to the Multiple Exchange Carriers Ordering and Design (MECOD) Guidelines for Access Services Industry Support Interface, a document developed by the Ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions (ATIS). The MECOD document, published by Bellcore as Special Report, SR STS-002643, establishes methods for processing orders for access service which is to be provided by two or more LECs.

56. "Meet-Point Billing" or "MPB" refers to a mutual compensation arrangement whereby two LECs provide the transport element of a switched access service to one of the LEC's end office switches, with each LEC receiving an appropriate share of the transport element revenues as defined by law, regulatory requirements, this agreement or, where permissible, effective access

tariffs. MPB concepts are also incorporated in some LEC-toll (intraLATA) mutual compensation arrangements.

57. "Multiple Bill/Multiple Tariff method" means the meet-point billing method where each LEC (or C-LEC) prepares and renders its own meet point bill to the IXC in accordance with its own tariff for that portion of the jointly provided switched Access Service which the LEC (or C-LEC) provides. Bellcore's MECAB document refers to this method as "Multiple Bill/Single Tariff."

58. "Mutual Traffic Exchange" means that the sole compensation to a Party for termination of specified categories of traffic shall be the reciprocal services provided by the other Party. Each Party shall bill its own customers for such categories of traffic and retain all revenues resulting therefrom.

59. "North American Numbering Plan" or "NANP" is the system of telephone numbering employed in the United States, Canada, and certain Caribbean countries.

60. "Network Element" means any facility or equipment used by BellSouth in the provision of Exchange Services, and all features, functions and capabilities that are provided by means of such facility or equipment, including numbering systems, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing or other provision of a telecommunications service.

61. "Network Management Forum" is a consortium of 160 U.S. and international carriers and global alliances, including SITA, Unisource and others. Their objective is to determine specific interoperability needs, so that manufacturers of network management equipment will have the detailed technical specification needed to develop interoperable standards. For the purposes of this Agreement, both Parties agree to accept the NMF standards and solutions for OAM&P interconnections.

62. "Numbering Plan Area" or "NPA" is also sometimes referred to as an area code. This is the three digit indicator which is defined by the "A," "B," and "C" digits of each "digit" telephone number within the North American Numbering Plan ("NANP"). Each NPA contains 800 Possible NXX Codes. At present, there are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs." A "Geographic NPA" is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that Geographic area. In some locations, and ultimately with number portability, more than one area code will be associated with many geographic areas. A "Non-Geographic NPA," also known as a "Service Access Code" (SAC Code) is typically associated with a specialized telecommunications service which may be provided across multiple geographic NPA areas; 500, 800, 900, 700, and 888 are examples of Non-Geographic NPAs.

63. "NXX," "NXX Code," "Central Office Code" or "CO Code" is defined by the "D," "E," and "F" digits of a 10-digit telephone number within the North American Numbering Plan. Each NXX Code contains 10,000 station numbers. Historically, entire NXX code blocks have been assigned to specific individual local exchange end office switches, because, in general, this approach did not conflict with geographic numbering except as the CO approached number exhaustion. Where there are multiple COs in the same geographic area, this assignment method must change. With the advent of end-user telephone number portability, the usual one-on-one association on an NXX with an end office switching entity will be severed.

64. "OAM&P" or "Operations, Administration, Maintenance and Provisioning Functions" are those automated and manual functions which insure quality of service and least cost planning, management and operations for telecommunications service providers. These functions, have traditionally been addressed through the user of operations support, decision support and administrative support systems, and are now generally in the process of being integrated under client-server and mainframe network management platforms such as HP's OpenView, IBM's NetView and SUN's various network management product sets.

65. "OZZ Codes" define FGD call paths through a LEC's access Tandem Office Switch.

66. "Percent of Interstate Usage" or "PIU" means a factor to be applied to terminating access services minutes of use to obtain those minutes that should be rated as interstate access services minutes of use. The numerator includes all interstate "nonintermediary" minutes of use, including interstate minutes of use that are forwarded due to service provider number portability less any interstate minutes of use for Terminating Party Pays services, such as 800 Services. The denominator includes all "nonintermediary", local, interstate, intrastate, toll and access minutes of use adjusted for service provider number portability less all minutes attributable to terminating party pays services.

67. "Percent Local Usage" or "PLU" means a factor to be applied to intrastate terminating minutes of use. The numerator shall include all "nonintermediary" local minutes of use adjusted for those minutes of use that only apply local due to Service Provider Number Portability. The denominator is the total intrastate minutes of use including local, intrastate toll, and access, adjusted for Service Provider Number Portability less intrastate terminating party pays minutes of use.

68. "Permanent Number Portability" means the use of a database solution to provide fully transparent TNP for all customers and all providers without limitation.

69. "Port" and "Slot" are terms used to describe physical interfaces and traffic carriage capacity of some network elements. One "port" is needed for each connection capable of carrying

one message into or out of the network element to other network elements. One "slot" is needed within each network element for each message to be handled simultaneously with other messages. Port categories include, but are not limited to:

a. "2-wire analog line port" is a line side switch connection employed to provide basic residential and business type analog telephone services.

b. "2-wire ISDN digital line port" is a set of Basic Rate Interface (BRI) line side switch connections which actually consists of multiple paths or interfaces to the switching network (2B+D). It is employed to provide residential and business type digital telephone services. The port connections may or may not be the same Central Office switch (network element) that provides analog services. When ISDN is provisioned as "broadband" ISDN through current generation digital switches the cost causation is totally different than when the digital service is provisioned as a set of CO port attachments.

c. "2-wire analog DID trunk port" is a direct inward dialing (DID) trunk side switch connection employed to provide incoming trunk-side services. Each port provisioned permits one simultaneous connection to the customer premises equipment.

d. "4-wire DS-1 digital DID trunk port" is a direct inward dialing (DID) trunk side switch connection which is time division multiplexed to provide the equivalent of 24 analog incoming trunk type DID trunk ports.

e. "4-wire DS-1 digital CBWT trunk port" is a trunk side switch connection which is time division multiplexed to provide the equivalent of 24 analog incoming trunk ports which may be programmed as DID, CBWT, TIE, or dedicated private trunk circuits.

f. "4-wire ISDN digital DS-1 trunk port" is a Primary Rate Interface (PRI) trunk side switch connection which is time division multiplexed to provide the equivalent of 23 digital one or two-way trunk ports and one signalling trunk port (23 B+D), where the B channels can be programmed as digital DID, CBWT, TIE, Private Line or Special Access trunk circuits. The port connections may or may not be the same Central Office switch (network element) that provides analog services.

70. "Rate Center" currently refers to a specific geographic point, designated by latitude and longitude, a corresponding V and H coordinate pair, and an associated geographic area which has heretofore been defined by the incumbent LEC industry to be associated with switched message telecommunications services (MTS). Rate centers, sometimes also known as exchange areas, often determine the regions within which particular classes, features, and pricing for exchange services are uniformly administered. Each NPA-NXX code combination is associated with a single rate center, although any one such code may only service a fraction of the rate center area when the rate

center areas circumscribes multiple serving wire centers. Where retail MTS services contain a distance sensitive rate element, the valuation of that element utilizes the calculated distance between the V and H coordinate pairs of the originating and terminating rate centers.

71. "Rating Point" means the vertical and horizontal coordinates associated with a particular telephone number for rating purposes.

72. "Routing Point" traditionally refers to a location which a LEC or CLEC has designated on its own network as the homing (routing) point for traffic inbound to Telecommunications Services provided by the LEC or CLEC which bear a certain NPA-NXX designation. The Routing Point is employed to calculate mileage measurements for the distance-sensitive transport element charges of Switched Access Services. At present, Bellcore Practice BR 795-100-100, places the Routing Point at either an "End Office" location, or a "LEC Consortium Point of Interconnection." According to that same Bellcore Practice, examples of the latter shall be designated by a common language location identifier (CLLI) code with (x)KD in positions 9, 10, 11, where (x) may be any alphanumeric A-Z or 0-9. Nothing in this Agreement shall be construed to preclude either Party hereto from establishing its own Routing Points.

73. "Service Control Point" or "SCP" is network element of the common channel signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real-time processor with a database system that, based on a query from a Service Switching Point ("SSP"), performs software-based common carrier, subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.

74. "Signal Transfer Point" or "STP" is a network element (presently a packet switch) that routes signaling messages among Service Switching Points (SSPs), Service Control Points (SCPs), Signaling Points (SPs) and other network elements in order to set up calls and to query databases for digital telecommunications services using CCIS/SS7 and software-based common carrier telecommunications services.

75. "Software-based Network Elements and Services" refers to those features, functions and services which are inherent capabilities of the current Central Office Equipment (e.g., the #5ESS 5E8 or 5E9 software program, or an end-office or CO-based peripheral processor), and can be activated with relatively minor cost such as local programming or right to use fees. Examples of such services include CENTREX, electronic station equipment functions.

76. "Subscriber Traffic" or "Subscriber Call(s)" refers to calls between two or more telecommunications service users, where both telecommunications services users bear NPA-NXX designations associated with the same LATA or other authorized area (e.g., Extended Area Service

Zones in adjacent LATAs). The traditional definition of Subscriber Traffic includes the traffic types have included as "local calling," "extended area service (EAS)," and "intraLATA toll."

77. "Switched Access Detail Usage Data" shall mean a category 1101XX record as defined in the EMR Bellcore Practice BR 010-200-010.

78. "Switched Access Summary Usage Data" shall mean a category 1150XX record as defined in the EMR Bellcore Practice BR 010-200-010.

79. "Switched Access Service" means the offering of facilities for the purpose of the origination or termination of traffic to or from telecommunications services offered in a given area. Switched Access Services include: Feature Group A, Feature Group B, Feature Group D, 800 access, and 900 access.

80. "Synchronous Optical Network" or "SONET" is a set of optical interface standards that allow optical transmission at rates from 51.4 Mbps to 13.22 Gbps. Synchronous optical network standard is an ultra-high-speed, fiber-optic transmission standard developed by Bellcore for large-scale, fiber-based digital transmission networks that use equipment from many different manufacturers. It is the first telecom industry agreement on standardized interfaces between fiber optic transmission systems and is well on the way to becoming an international standard. Because all SONET-compatible devices speak a common language, network administrators will gain network-wide use of advanced operation and maintenance systems, regardless of who made individual network components. The SONET standard is built around a 51.84 Mbps basic communications channel that is multiplexed upward. SONET line-rate standards now include network bandwidths up to 2.488 Gbps, a rate equivalent to 48 basic SONET communications channels. SONET network standards incorporate present-day 1.544 Mbps DS-1 service and 44.6 Mbps DS-3 service as subsets of the 51.84 Mbps SONET basic channel. SONET will eventually become the primary avenue for transporting broadband ISDN services. Major network equipment manufacturers are introducing network products claiming conformity to the SONET standard.

81. "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent or received.

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

83. "Telecommunications Carrier" means any provider of telecommunications services.

84. "Telecommunications Service" means the offering of telecommunications for a fee directly to the public, to such classes of users as to be effectively available to the public, or to telecommunications carriers, regardless of the facilities used.

85. "Telephone Number Portability" or "TNP" is the means by which BellSouth allows customers to retain their existing telephone numbers when changing from one local exchange carrier to another. This service provides transparent delivery of telephone number capabilities, from a customer standpoint in terms of call completion, and from a carrier standpoint in terms of compensation, through the use of call routing, forwarding, and addressing capabilities. Permanent number portability standards will be set by regulatory action, and both Parties agree to implementation of permanent number portability at the earliest possible point in time. The performance and cost of permanent number portability meets end-user customer or co-carrier expectations on a sustainable basis. (See also Interim Number Portability and Permanent Number Portability.)

86. "Total Service Long Run Incremental Cost" or "TSLRIC" is the total additional cost incurred by a telecommunications services provider to produce the entire quantity of a service, group of services, or basic network functions, given that the telecommunications services provider already provides all its other services. TSLRIC is based on the least cost, most efficient technology that is capable of being implemented at the time the decision to provide the service is made.

87. "Toll Free Service" means service provided with any dialing sequence that invokes toll-free (*i.e.*, 800-like) service processing. Toll Free Service includes calls to the Toll Free Service 800/888 NPA SAC codes.

88. "Transit Calls" or "Intermediary Function" means intraLATA calls (local and toll) sent between the Parties originating from or terminating to an end user of a third-party LEC, CLEC, wireless provider, or other carrier or calls sent between the Parties destined for or originating from an IXC.

89. "Trunk Side" refers to a central office switch connection that is capable of, and has been programmed to treat the circuit as connecting to another switching entity. Trunk side connections offer those transmission and signaling features appropriate for the connection of switching elements, and cannot be used for the direct connection of ordinary telephone station sets. Incoming telecommunications services from the trunk to the line-side and for trunk-side-to-trunk side connections within any switching element should experience no less than a P.001 blocking probability in the average peak busy hour of the year, and should meet or exceed this level at all other times. This is a means to ensure that end-to-end blocking, which is cumulative, does not exceed a consistent P.02 for all call types in a multi-carrier network.

90. "Wire Center" denotes a building or space within a building which serves as an aggregation point on a given carrier's network, where transmission facilities and circuits are connected or switched. Wire Center can also denote a building in which one or more central offices, used for the provision of telecommunications services are located. The Parties hereby agree that interconnection will be available at any wire center which meets any or all legislative, judicial and regulatory eligibility standards for interconnection. Interconnection services and access to these interconnections shall not unreasonably be withheld by either Party on any grounds.

91. "Undefined Terms." The Parties acknowledge that terms may appear in this Agreement which are not defined and agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the effective date of this Agreement.



**ATTACHMENT C-1**

**Unbundled Products and Services and New Services**

**Service:** Virtual Collocation

**Description:** Virtual Expanded Interconnection Service (VEIS) provides for location interconnection in collocator-provided/BellSouth leased fiber optic facilities to BellSouth's switched and special access services, and local interconnection facilities.

**State(s):** All

**Rates, Terms and Conditions:**

In all states, the rates, terms and conditions will be applied as set forth in Section 20 of BellSouth Telecommunication's Inc.'s Interstate Access Service Tariff, F.C.C. No. 1.

**Service:** Physical Collocation

**Description:** Per FCC (10/19/92 FCC Order, para 39)  
Physical Collocation is whereby "the interconnection party pays for LEC central office space in which to locate the equipment necessary to terminate its transmission links, and has physical access to the LEC central office to install, maintain, and repair this equipment."

**State(s):** All

**Rates, Terms and Conditions:**

In all states, the rates and availability will be as provided in the "rates for Physical Interconnection" tables which follow.

## RATES FOR PHYSICAL INTERCONNECTION

Rate Element	Application/Description	Type of Charge	Rate
Application Fee	Applies per arrangement per location	Nonrecurring	Tariff Rates (same as virtual)
Space Preparation Fee	Applies for survey and design of space, covers shared building modification costs	Nonrecurring	ICB - See Note 1 Will not be less than \$1800 - not to exceed \$8500 unless HVAC or power plant update. If so, rates to be ICB.
Space Construction Fee	Covers materials and construction of optional cage in 100 square foot increments	Nonrecurring	\$29,744.00 See Note 2
Cable Installation Fee	Applies per entrance cable	Nonrecurring	Tariff Rates (same as virtual)
Floor Space	Per square foot, for Zone A and Zone B offices, respectively	Monthly Recurring	\$7.50/\$6.75 See Note 3
Power	Per ampere based on manufacturer's specifications	Monthly Recurring	\$5.14 per ampere
Cable Support Structure	Applies per entrance cable	Monthly Recurring	\$13.35 per cable
POT Bay	Optional Point of Termination bay; rate is per DS1/DS3 cross-connect, respectively	Monthly Recurring	\$1.20/\$5.00 See Note 4
Cross-Connects	Per DS1/DS3, respectively	Monthly Recurring	\$8.00/\$72.48
Security Escort	First and additional half hour increments, per tariff rate in Basic time (B), Overtime (O), and Premium time (P)	As Required	\$41.00/\$25.00 B \$48.00/\$30.00 O \$55.00/\$35.00 P

Note 1: Will be determined at the time of the application based on building and space modification requirements for shared space at the requested CO

Note 2: Applies only to collocators who wish to purchase a steel-gauge cage enclosure. Carriers may also pay \$330.00 per square foot for the first 100 square feet and \$242.00 for each additional 100 square feet in the same CO in lieu of space preparation and construction fees. This option does not apply where HVAC, power plant or both upgrade is required.

Note 3: See attached list for Zone A offices as of May 1996. This list will be amended monthly.

Note 4: Applies when collocator does not supply their own POT bay.

ATTACHMENT C-1 (cont'd)

GA	Athens	Athens	ATHNGAMA	
	Atlanta	Courtland St	ATLNGACS	
		Peachtree Pl	ATLNGAPP	
		Buckhead	ATLNGABU	
		East Point	ATLNGAEP	
		Toco Hills	ATLNGATH	
		Sandy Springs	ATLNGASS	
	Lilburn	Lilburn	LLBNGAMA	
	Smyrna	Power Ferry	SMYRGAPP	
		Smyrna Main	SMYRGAMA	
	Tucker	Tucker Main	TUKRGAMA	EX
	Roswell	Roswell Main	RSWLGAMA	
	Norcross	Norcross Main	NRCRGAMA	
	Marietta	Marietta Main	MRRTGAMA	
	Dunwoody	Dunwoody Main	DNWDGAMA	
	Alpharetta	Alpharetta Main	ALPRGAMA	
	Columbus	Columbus Main	CLMBGAMT	
KY	Louisville	Armory Place	LSVLKYAP	EX
		Westport Rd	LSVLKYWE	EX
		Beechmont	LSVLKYBE	
		Bardstown Road	LSVLKYBR	EX
		Fern Creek	LSVLKYFC	
		JTown	LSVLKYJT	
		Matthews	LSVLKYSM	
		Third Street	LSVLKYTS	
LA	New Orleans	Main	NWORLAMA	
	Baton Rouge	Main	BTRGLAMA	
MS	Hattiesburg	Hattiesburg Main	HTBGMSMA	
	Jackson	Cap Pearl	JCSNMSCP	
	Vicksburg	Vicksburg	VCBGMSMA	
NC	Cary	Central	NARYNCCE	
	Chapel Hill	Rosemay	CPHLNCRO	
	Charlotte	Caldwell	CHRLNCCA	
		South Boulevard	CHRLNCBO	

## ATTACHMENT C-1 (cont'd)

		Derita	CHRLNCDE	
		Erwin	CHRLNCER	
		Lake Point	CHRLNCLP	
		Reid	CHRLNCRE	EX
		Sharon Amity	CHRLNCSH	
		University	CHRLNCUN	EX
	Greensboro	Eugene St	GNBONCEU	
	Raleigh	Morgan	RLGHNCMO	
		New Hope	RLGHNCHO	
	Salisbury	Main	SLBRNCMA	
	Winston Salem	Fifth Street	WNSLNCFI	
	Ashville	O'Henry	AHVLNCOH	
SC	Charleston	Dial & Toll	CHTNSCDT	
	Columbia	Senate St	CLMASC SN	EX
		At. Andrews	CLMASC SA	
	Greenville	D&T	GNVLS CDT	
		Woodruff Road	GNVLS CWR	EX
	Spartanburg	Main	SPBGSCMA	
TN	Knoxville	Main	KNVLTNMA	
	Memphis	Bartlett	MMPHTNBA	
		Chickasaw	MMPHTNCT	
		Eastland	MMPHTNEL	
		Germantown	MMPHTNGT	
		Main	MMPHTNMA	EX
		Oakville	MMPHTNOA	
		Southland	MMPHTNSL	
	Nashville	Main & Toll	NSVLTNMT	
		Airport	NSVLTNAP	
		Brentwood	NSVLTNBW	
		Crieve Hall	NSVLTNCH	
		Donelson	NSVLTNDO	
		Inglewood	NSVLTNIN	
		Sharondale	NSVLTNST	
		University	NSVLTNUN	

## ATTACHMENT C-1 (cont'd)

BellSouth Zone A Offices - as of May 1996

EX - Exempt from Physical

STATE	CITY	OFFICE	CLL/ STATUS
AL	Birmingham	Main & Toll	BRHMALMA EX
	Montgomery	Main & Toll	MTGMALMT
	Mobile	Azalea	MOBLALAZ
FL	Boca Raton	Boca Teaca	BCKRFLBT
	Fort Lauderdale	Main Relief	FTLDFLMR
		Cypress	FTLDFLCY
		Plantation	FTLDFLPL
	Jacksonville Beach	Main	JCBHFLMA
	Jacksonville	Arlington	JCVLFLAR
		Beachwood	JCVLFLBW
		Clay Street	JCVLFLCL
		Southpoint	JCVLFLJT EX
		Normandy	JCVLFLNO
		Riverside	JCVLFLRV
		San Jose	JCVLFLSJ EX
		San Marco	JCVLFLSM
		Westconnett	JCVLFLWC
		Mandarin Avenues	MNDRFLAV EX
		Mandarin Loretto	MNDRFLLO
	Lake Mary	Lake Mary	LKMRFLMA EX
	Miami	Grande	MIAMFLGR
		Palmetto	MIAMFLPL
		Alhambra	MIAMFLAE
		Baysshore	MIAMFLBA
		Metro	MIAMFLME
	Melbourne	Main	MLBRFLMA
	Orlando	Magnolia	ORLDFLMA
		Azalea Park	ORLDFLAP
		Sand Lake	ORLDFLSL
		Pinecastle	ORLDFLPC
		Pinehills	ORLDFLPH
	West Palm Beach	Annex (Main Annex)	WPBHFLAN

## ATTACHMENT C-2

### Unbundled Products and Services and New Services

**Service:** Unbundled Exchange Access Loop

**Description:** Provides the connection from the serving central office to a subscriber's premises and is rated on a distance sensitive basis. It is engineered to meet the same parameters as a residence or business exchange access line.

BellSouth shall allow DeltaCom to access the following Loop types (in addition to those Loops available under applicable tariffs) unbundled from local switching and local transport in accordance with the terms and conditions set forth herein:

"2-Wire Analog Voice Grade Loops" or "Analog 2W" which support analog transmission of 300-2000 Hz, repeat loop start, loop reverse battery, or ground start seizure and disconnect in one direction (toward the End Office Switch), and repeat ringing in the other direction (toward the Customer). Analog 2W include Loops sufficient for the provision of PEX trunks, pay telephone lines and electronic key system lines. Both "pure copper" and "Unintegrated Digital Loop Carrier" (ULDC) systems shall be made available.

"4-Wire Analog Voice Grade Loops" or "Analog 4W" which support transmission of voice grade signals using separate transmit and receive paths and terminate in a 4-wire electrical interface. Both "pure copper" and "Unintegrated Digital Loop Carrier" (ULDC) systems shall be made available.

"2-Wire ISDN Digital Grade Links" or "BRI ISDN" which support digital transmission of two 64 kbps bearer channels and one 16 kbps data channel. BRI ISDN is a 2B+D Basic Rate Interface-Integrated Services Digital Network (BRI-ISDN) Loop which will meet national ISDN standards.

"2-Wire ADSL-Compatible Loop" or "ADSL 2W" is a transmission path which facilitates the transmission of up to a 6 Mbps digital signal downstream (toward the Customer) and up to a 640 kbps digital signal upstream (away from the Customer) while simultaneously carrying an analog voice signal. An ADSL-2W is provided over a 2-Wire non-loaded twisted copper pair provisioned using revised resistance design guidelines and

meeting ANSI Standard T1.413-1995-007R2. An ADSL-2W terminates in a 2-wire electrical interface at the Customer premises and at the BellSouth Central Office frame.

"2-Wire HDSL-Compatible Loop" or "HDSL 2W" is a transmission path which facilitates the transmission of a 768 kbps digital signal over a 2-Wire non-loaded twisted copper pair meeting the specifications in ANSI T1E1 Committee Technical Report Number 28. HDSL compatible Loops are available only where existing copper facilities can meet T1E1 Technical Report Number 28 specifications.

"4-Wire HDSL-compatible Loop" or "HDSL 4W" is a transmission path which facilitates the transmission of a 1.544 Mbps digital signal over two 2-Wire non-loaded twisted copper pairs meeting the specifications in ANSI T1E1 Committee Technical Report Number 28. HDSL compatible Loops are available only where existing copper facilities can meet the specifications.

"Integrated Digital Loop Carrier" or "Integrated DLC" is defined in BellCore TR-TSY-00303, "Integrated Digital Loop Carrier (ILDC) Requirements, Objectives and Interface."

Rate(s): The Parties hereby agree to submit the issue of rate structure and rate levels to state commission arbitration.

State(s): Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee

Rate Elements	Monthly	Nonrecurring Charges
Unbundled Exchange Access Loop	\$X.XX	\$X.XX
Unbundled Exchange Access IOC		
- Fixed	\$X.XX	\$X.XX
- 1-8 Miles	\$X.XX	N/A
- 9-25 Miles	\$X.XX	N/A
- Over 25 Miles	\$X.XX	N/A

States: Tennessee

Rate Elements	Monthly	Nonrecurring*
<b>Unbundled Exchange Access Loop**</b>		
2-Wire Analog	\$18.00	\$46.80
4-Wire Analog	\$28.80	\$46.80
2-Wire ADSL/HDSL	\$18.00	\$46.80
4-Wire HDSL	\$28.80	\$46.80
2-Wire ISDN Digital	\$28.80	\$46.80
<b>Cross-Connects</b>		
2-Wire Analog	\$0.30	\$19.20
4-Wire Analog	\$0.50	\$19.20
<b>Loop Channelization</b>		
Equipment	\$400.00	\$525.00
Per Line	\$1.15	\$8.00

\* These rates reflect 80% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 80% of the revised rate.

\*\* In the event that an unbundled loop ordered by DeltaCom is part of an Integrated Digital Loop Carrier (IDLC) system, the loop will be unbundled from the IDLC and provided to DeltaCom in accordance with the corresponding rates specified above.



ATTACHMENT C-3

Unbundled Products and Services and New Services

Service: Channelization System for Unbundled Exchange Access Loops

Description: This new rate element provides the multiplexing function for Unbundled Exchange Access Loops. It can convert up to 96 voice grade loops to DS1 level for connection with the DeltaCom's point of interface. The multiplexing can be done on a concentrated basis (delivers at 2 DS1 level to customer premise) or on a non-concentrated basis (delivers at 4 DS1 level to customer premise) at the option of the customer.

In addition to the following rates elements, 1.544 Mbps local channel and/or interoffice channel facilities may be required as set forth in E7 of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff for non-collocated DeltaComs.

Rates: The Parties hereby agree to submit the issue of rate structure and rate levels to state commission arbitration.

State(s): Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee

Rate Elements	Monthly	Nonrecurring Charges	
		First	Add'l
Unbundled Loop Channelization System (DS1 to VG), Per System	\$X.XX	\$X.XX	N/A
Central Office Channel Interface (circuit specific plug-in equipment), 1 per circuit	\$X.XX	\$X.XX	\$X.XX

// DC01/MUT38/26512.41

**ATTACHMENT C-4**

**Unbundled Products and Services and New Services**

**Service:** Unbundled Exchange Ports

**Description:** An exchange port is the capability derived from the central office switch hardware and software required to permit end users to transmit or receive information over BellSouth's public switched network. It provides service enabling and network features and functionality such as translations, a telephone number, switching, announcements, supervision and touch-tone capability.

In addition, a BellSouth provided port with outgoing network access also provides access to other services such as operator services, long distance service, etc. It may also be combined with other services available in BellSouth's Intrastate Access Service Tariffs as technically feasible.

When an Unbundled Port is connected to BellSouth provided collocated loops, cross-connection rate elements are required as set forth in Section 20 of BellSouth Telecommunications, Inc.'s Interstate Access Tariff, FCC No. 1.

**Rates:** The Parties hereby agree to submit the issue of rate structure and rate levels to state commission arbitration.

Alabama			Florida		Georgia	
Rate Elements	Rates	Per	Rate Elements	Rate	Rate Elements	Rate
Monthly			Monthly		Monthly	
Residence Port	\$X.XX		Residence Port	\$X.XX	Residence Port	\$X.XX
Business Port	\$X.XX		Business Port	\$X.XX	Business Port	\$X.XX
PBX Trunk Port	\$X.XX		PBX Trunk Port	\$X.XX	PBX Trunk Port	\$X.XX
Rotary Service	\$X.XX		Rotary Service	\$X.XX	Rotary Service	\$X.XX
Primary Rate ISDN NAS	\$X.XX					
Usage-Mileage Bands			Usage-(STS)		Usage-(STS)	
A (0 miles)	\$X.XX	init. min.	- init. min.	\$X.XX	- setup per call	\$X.XX
B (1-10 miles)	\$X.XX	init. min.	- add'l min.	\$X.XX	- per minute or fraction thereof	\$X.XX
C (11-16 miles)	\$X.XX	init. min.				
D (17-22 miles and existing JCA described in A3.6 greater than 22 mi.)	\$X.XX	init. min.				
E (23-30 miles)	\$X.XX	init. min.				
F (31-40 miles)	\$X.XX	init. min.				
G (Special Band)	\$X.XX	init. min.				

**ATTACHMENT C-6**

**Unbundled Products and Services and New Services**

**Service:** Line Information Database (LIDB)-Storage Agreement

**Description:** The LIDB Storage Agreement provides the terms and conditions for inclusion in BellSouth's LIDB of billing number information associated with BellSouth exchange lines used for Local Exchange Companies' resale of local exchange service or Service Provider Number Portability arrangements requested Local Exchange Companies' on behalf of the Local Exchange company's end user or for DeltaCom NXX's stored in BellSouth's LIDB. BellSouth will store in its database, the relevant billing number information and will provide responses to on-line, call-by-call queries to this information for purposes of Billed Number Screening, Calling Card Validation and Fraud Control.

Each time an DeltaCom's data is used BellSouth will compensate DeltaCom at a rate of 40% of BellSouth's LIDB Validation rate per query as displayed in Attachment C-13 following.

**State(s):** All

**Rate(s):** No Charge

Kentucky

Louisiana

Rate Elements	Rates	Per	Rate Elements	Rate	Per
Monthly Residence Port	\$X.XX		Monthly Residence Port	\$X.XX	
Business Port	\$X.XX		Business Port	\$X.XX	
PBX Trunk Port	\$X.XX		PBX Trunk Port	\$X.XX	
Rotary Service	\$X.XX		Rotary Service	\$X.XX	
Usage-Mileage Bands			Usage-Mileage Bands		
A (0 miles)	\$X.XX	init. min.	0 (0 miles)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.
B (1-10 miles)	\$X.XX	init. min.	A (1-10 miles)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.
C (Greater than 10 miles Limited LCA)	\$X.XX	init. min.	B (11-16 miles)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.
D (1-10 miles beyond Limited LCA)	\$X.XX	init. min.	C (17-22 miles)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.
E (11-16 miles beyond Limited LCA)	\$X.XX	init. min.	D (23-30 miles Basic LCA and Intra Parish Expanded LCA)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.
F (17-22 miles beyond Limited LCA)	\$X.XX	init. min.	E (Greater than 30 miles Basic LCA and Intra Parish Expanded LCA)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.
G (23-30 miles beyond Limited LCA)	\$X.XX	init. min.	F (23-30 miles Inter-Parish Expanded LCA)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.
H (31-40 miles beyond Limited LCA)	\$X.XX	init. min.	G (31-40 miles Inter-Parish Expanded LCA)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.
I (Greater than 40 miles beyond Limited LCA)	\$X.XX	init. min.	H (Greater than 40 miles Inter-Parish)	\$X.XX	init. min.
	\$X.XX	addl. min.		\$X.XX	addl. min.

Mississippi

N. Carolina

S. Carolina

Rate Elements	Rates	Per	Rate Elements	Rate	Rate Elements	Rate
Monthly Residence Port	\$X.XX		Monthly Residence Port	\$X.XX	Monthly Residence Port	\$X.XX
Business Port	\$X.XX		Business Port	\$X.XX	Business Port	\$X.XX
PBX Trunk Port	\$X.XX		PBX Trunk Port	\$X.XX	PBX Trunk Port	\$X.XX
Rotary Service	\$X.XX		Rotary Service	\$X.XX	Rotary Service	\$X.XX
Usage-Mileage Bands			Usage-(STS)		Usage-(STS)	
A (0 miles)	\$X.XX	init. min.	- init. min.	\$X.XX	- Basic Svc. area	\$X.XX
	\$X.XX	addl. min.	- add'l min.	\$X.XX	- Expanded Svc. area	\$X.XX
B (1-10 miles)	\$X.XX	init. min.				
	\$X.XX	addl. min.				
C (11-18 miles, existing LCA described in A3.6 greater than 16 miles and calls to county seat greater than 16 miles)	\$X.XX	init. min.				
	\$X.XX	addl. min.				
D (17-30 miles)	\$X.XX	init. min.				
	\$X.XX	addl. min.				
E (31-55 miles Biloxi LATA)	\$X.XX	init. min.				
	\$X.XX	addl. min.				
F (31-55 miles Jackson LATA)	\$X.XX	init. min.				
	\$X.XX	addl. min.				
G (56-85 miles Biloxi LATA)	\$X.XX	init. min.				
	\$X.XX	addl. min.				

Tennessee

Rate Elements	Rates	Per
Monthly Residence Port	\$X.XX	
Business Port	\$X.XX	
PBX Trunk Port	\$X.XX	
Rotary Service	\$X.XX	
Usage-Mileage Bands		
A (0-16 miles)	\$0.02	mon
B (17-30 miles)	\$0.05	mon
C (>30 miles)	\$0.10	mon

**Special Service Requirements:**

1. Switching functionalities in the port element include dialtone, screening, recognition of service request, recognition of call-specific information, digit analysis, routing, testing, recordings, signal generation, call completion or handoff, SSP functionality and tables, PIC tables, trunk tables, class of service tables, billing record generation, and AIN tables.
2. DeltaCom's purchase of the port element for a specific switch avails to it all the features and functionality on that switch.
3. DeltaCom can interconnect loops from any source to the line port(s) that it purchases on the same terms/conditions/intervals as loops provided by BellSouth.
4. DeltaCom can use the port element to provide any local exchange service, including switched access services.
5. Optional functionality to support CLASS/Customer Calling features will be included with the port element. No additional charges will apply.
6. Functionality to craft Centrex offerings (call transfer, special dialing, etc.) will be available as part of the port element.

**ATTACHMENT C-5**

**Unbundled Products and Services and New Services**

**Service:** Signaling

**Description:** Provides for connection to and utilization of BellSouth's Signaling System 7 network for both call setup and non-call setup purposes.

**State(s):** All

**Rate(s):**

Rate Elements	Monthly Rate	Recurring Rate	Non-Recurring	Applied Per
CCS7 Signaling Connection	\$155.00	☺	\$51	56 Kpbs facility
CCS7 Signaling Termination	\$355.00	☺	0.00	STP Port
CCS7 Signaling Usage*	☺	\$0.000023	☺	Call Set Up Msg.
	☺	\$0.000050	☺	T-Cap Msg.
CCS7 Signaling Usage Surrogate*	\$395.00	☺	☺	56 Kpbs facility

\*Where signaling usage measurement capability exists, CCS7 Signaling Usage will be billed on a per signaling message basis. Where measurement capability does not exist, CCS7 Signaling Usage will be billed on a per 56 Kpbs facility basis.

**LINE INFORMATION DATA BASE (LIDB)  
STORAGE AGREEMENT  
FOR RESOLD LOCAL EXCHANGE LINES, UNBUNDLED LOOPS  
AND SERVICE PROVIDER NUMBER PORTABILITY ARRANGEMENTS**

This agreement, effective as of \_\_\_\_\_, 1997, is entered into by and between BellSouth Telecommunications, Inc. ("BST"), a Georgia corporation, and \_\_\_\_\_ ("Local Exchange Company").

WHEREAS, in consideration of the mutual covenants, agreements and obligations set forth below, the parties hereby agree as follows:

**I. SCOPE**

This Agreement sets forth the terms and conditions for inclusion in BST's Line Information Data Base (LIDB) of billing number information associated with Local Exchange Company's provision (or resale) of local exchange service or Service Provider Number Portability (SPNP) arrangements requested by Local Exchange Company on behalf of Local Exchange Company's end user. BST will store in its data base the relevant billing number information, and BST will provide responses to on-line, call-by-call queries to this information for purposes specified below.

LIDB is accessed for:

- ☞ Billed Number Screening
- ☞ Calling Card Validation for Calling Cards issued by BellSouth
- ☞ Fraud Control

**II. DEFINITIONS**

2.01. Billing number - a number used by BST for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.

2.02. Line number - a ten digit number assigned by BST that identifies a telephone line associated with a resold local exchange service, or with a SPNP management.

2.03. Special billing number - a ten digit number that identifies a billing account established by BST in connection with a resold local exchange service or with a SPNP arrangement.

2.04. Calling Card number - a billing number plus PIN number assigned by BST.

2.05. PIN number - a four digit security code assigned by BST which is added to a billing number to compose a fourteen digit calling card number.



2.06. Toll billing exception indicator - associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by the Local Exchange Company.

2.07. Billed Number Screening - refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.

2.08. Calling Card Validation - refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.

2.09. Billing number information - information about billing number or Calling Card number as assigned by BST and toll billing exception indicator provided to BST by the Local Exchange Company.

### III. RESPONSIBILITIES OF PARTIES

3.01. BST include billing number information associated with resold exchange lines or SPNP arrangements in its LIDB. The Local Exchange Company will request any toll billing exceptions via the Local Service Request (LSR) form used to order resold exchange lines, or the SPNP service request form used to order SPNP arrangements.

3.02. Under normal operating conditions, BST shall include the billing number information in its LIDB upon completion of the service order establishing either the resold local exchange service or the SPNP arrangement, provided that BST shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances or conditions beyond BST's reasonable control. BST will store in its LIDB an unlimited volume of the working telephone numbers associated with either the resold local exchange lines or the SPNP arrangements. For resold local exchange lines or for SPNP arrangements, BST will issue line-based calling cards only in the name of Local Exchange Company. BST will not issue line-based calling cards in the name of Local Exchange Company's individual end users. In the event that Local Exchange Company wants to include calling card numbers assigned by the Local Exchange Company in the BST LIDB, a separate agreement is required.

3.03. BST will provide responses to on-line, call-by-call queries to the stored information for the specific purposes listed in the next paragraph.

3.04. BST is authorized to use the billing number information to perform the following functions for authorized users on an on-line basis:

the charges billed shall be independent of whether Local Exchange Company is able or not to collect from Local Exchange Company's end users.

(d) BST shall not become involved in any disputes between Local Exchange Company and the entities for which BST performs billing and collection. BellSouth will not issue adjustments for charges billed on behalf of an entity to Local Exchange Company. It shall be the responsibility of the Local Exchange Company and the other entity to negotiate and arrange for any appropriate adjustments.

#### IV. COMPLIANCE

Unless expressly authorized in writing by the Local Exchange Company, all billing number information provided pursuant to this Agreement shall be used for no purposes other than those set forth in this Agreement.

#### V. TERMS

This Agreement will be effective as of \_\_\_\_\_, 1997, and will continue in effect for one year, and thereafter may be continued until terminated by either Party upon thirty (30) days' written notice to the other Party.

#### VI. FEES FOR SERVICE AND TAXES

6.01. The Local Exchange Company will not be charged a fee for storage services provided by BST to the Local Exchange Company, as described in Section I of this Agreement.

6.02. Sales, use and all other taxes (excluding taxes on BST's income) determined by BST or any taxing authority to be due to any federal, state or local taxing jurisdiction with respect to the provision of the service set forth herein will be paid by the Local Exchange Company. The Local Exchange Company shall have the right to have BST contest with the imposing jurisdiction, the Local Exchange Company's expense, any such taxes that the Local Exchange Company deems are improperly levied.

#### VII. INDEMNIFICATION

To the extent not prohibited by law, each Party will indemnify the other and hold the other harmless against any loss, cost, claim, injury, or liability relating to or arising out of negligence or willful misconduct by the indemnifying Party or its agents or contractors in connection with the

indemnifying Party's provision of services, provided, however, that any indemnity for any loss, cost, claim, injury or liability arising out of or relating to errors or omissions in the provision of services under this Agreement shall be limited as otherwise specified in this Agreement. The indemnifying Party under this Section agrees to defend any suit brought against the other Party for any such loss, cost, claim, injury or liability. The indemnified Party agrees to notify the other Party promptly, in writing, of any written claims, lawsuits, or demands for which the other Party is responsible under this Section and to cooperate in every reasonable way to facilitate defense or settlement of claims. The indemnifying Party shall not be liable under this Section for settlement by the indemnified Party of any claim, lawsuits, or demand unless the defense of the claim, lawsuit, or demand has been tendered to it in writing and the indemnifying Party has unreasonably failed to assume such defense.

#### VIII. LIMITATION OF LIABILITY

Neither Party shall be liable to the other Party for any lost profits or revenues or for any indirect, incidental or consequential damages incurred by the other Party arising from this Agreement or the services formed or not performed hereunder, regardless of the cause of such loss or damage.

#### IX. MISCELLANEOUS

9.01. It is understood and agreed to by the parties that BST may provide similar services to other companies.

9.02. All terms, conditions and operations under this Agreement shall be performed in accordance with, and subject to, all applicable local, state or federal legal and regulatory tariffs, rulings, and other requirements of the federal courts, the U.S. Department of Justice and state and federal regulatory agencies. Nothing in this Agreement shall be construed to cause either Party to violate any such legal or regulatory requirement and either Party's obligation to perform shall be subject to all such requirements.

9.03. The Local Exchange Company agrees to submit to BST all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement wherein BST's corporate or trade names, logo, trademarks or service mark or those of BST's affiliated companies are mentioned or language from which the connection of said names or trademarks therewith may be inferred or implied; and the Local Exchange Company further agrees not to publish or use advertising, sales promotions, press releases, or publicity matters related to BST without BST's prior written approval.

9.04. This Agreement constitutes the entire agreement between the Local Exchange Company and BST which supersedes all prior agreements or contracts, oral or written representations, statements, negotiations, understandings, proposals and understandings with respect to the subject matter hereof.

9.05. Except as expressly provided in this Agreement, if any part of this Agreement is held or construed to be invalid or unenforceable, the validity of any other Section of this Agreement shall remain in full force and effect to the extent permissible or appropriate in furtherance of the intent of this Agreement.

9.06. Neither Party shall be held liable for any delay or failure in performance of any part of this Agreement for any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation common carriers.

9.07. This Agreement shall be deemed to be a contract made under the laws of the State of Georgia, and the construction, interpretation and performance of this Agreement and all transactions hereunder shall be governed by the domestic law of such State.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their fully authorized officers.

BELLSOUTH TELECOMMUNICATIONS, INC.

By: \_  
Title: \_  
Date: \_  
Address: \_

SPRINT METROPOLITIAN NETWORKS, INC.

By: \_  
Title: \_  
Date: \_  
Address: \_

**ATTACHMENT C-7**

**Unbundled Products and Services and New Services**

**Service:** Line Information Database Access Service (LIDB) - Validation

**Description:** Provides a customer the ability to receive validation of billing information through query of data stored in BellSouth's LIDB data base. See below for additional information.

**State(s):** All

Rate Elements	Description	Monthly	Non-Recurring
LIDB Common Transport	Provides for transport of the customer's query from the LIDB Location (RSTP) to the data base (SCP). This charge will apply each time the customer requests and receives validation of a BellSouth calling card or requests and receives the status of a billed number associated with a LEC line stored in the BellSouth LIDB.	--\$0.00030-	--
LIDB Validation	Provides for query of data resident in BellSouth's LIDB. This rate will apply each time a customer requests and receives validation of LEC calling card or requests and receives the status of a billed number associated with a LEC line stored in BellSouth's LIDB.	\$0.03800	--
Originating Point Code Establishment or Change	Provides for the establishment or change of a customer requested Originating Point Code. This charge will apply each time the customer establishes or changes a point code destination identifying one of his locations or a location of one of his end users.	--	\$91.00
CCS7 Signaling Connections	Rates, terms and conditions for CCS7 Signaling Connections are as set forth in Section E6.8 of BellSouth Telecommunication's Inc.'s Intrastate Access Services Tariff.		

**ATTACHMENT C-8**

**Unbundled Products and Services and New Services**

**Service:** Subscriber Listing Information

**Description:** Subscriber primary listing information provided at no charge and in an acceptable format will be published at no charge as standard directory listings in an alphabetical directory published by or for BellSouth at no charge to each DeltaCom end user customer.

**States(s):** All

**Rate(s):**

- (1) No charge for DeltaCom customer primary listings.
- (2) Additional listings and optional listings may be provided by BellSouth at rates set forth in BellSouth's intrastate General Subscriber Services Tariffs.

**Special**

**Requirements:** DeltaCom agrees to execute a directory listing agreement with BAPCO in a form consistent in all material respects with the sample listing agreement attached hereto.

8. **BellSouth shall establish a process for the management of NPA splits as well as NXX splits sufficient to ensure that the provision of 911 services to DeltaCom is not adversely affected.**

**ATTACHMENT C-10**

**Unbundled Products and Services and New Services**

**Service:** Operator Call Processing Access Service

**Description:** Provides Operator and Automated call handling. This includes processing and verification of alternate billing information for collect, calling card, and billing to a third number. Operator Call Processing Access Service also provides dialing instructions, and other operator assistance the customer may desire.

<b>Rate Elements</b>	<b>State(s)</b>	<b>Monthly Recurring</b>	<b>Applied Per</b>
<b>Operator Provided Call Handling</b>	<b>All</b>		<b>Per Work Minute</b>
<b>Call Completion Access Termination Charge</b> This charge will be applicable per call attempt and is in addition to the Operator Provided Call Handling charge listed above.	Alabama	\$0.06	Per Call Attempt
	Florida	\$0.06	Per Call Attempt
	Georgia	\$0.06	Per Call Attempt
	Kentucky	\$0.06	Per Call Attempt
	Louisiana	\$0.06	Per Call Attempt
	Mississippi	\$0.06	Per Call Attempt
	N. Carolina	\$0.06	Per Call Attempt
S. Carolina	\$0.06	Per Call Attempt	
Tennessee	\$0.12	Per Call Attempt	
<b>Fully Automated Call Handling</b>	<b>All</b>	<b>\$0.15</b>	<b>Per Attempt</b>
<b>Operator Services Transport</b> Operator Services transport rates, terms and conditions are as set forth in E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariff.			



## ATTACHMENT C-9

### Unbundled Products and Services and New Services

**Service:** Access to 911 Service

**Description:** Provides a universal, easy-to-remember number which is recognized nationally as the appropriate number to call in an emergency.

Additionally, DeltaCom must provide a minimum of two dedicated trunk groups originating from DeltaCom's serving wire center and terminating to the appropriate 911 tandem. These facilities, consisting of a Switched Local Channel from DeltaCom's point of interface to its serving wire center and Switched Dedicated Transport to the 911 tandem, may be purchased from BellSouth at the Switched Dedicated Transport rates set forth in Section E6 of BellSouth Telecommunications Inc.'s Intrastate Access Service Tariffs.

**State(s):** All

**Rate(s):** Will be billed to appropriate municipality.

**Special Service Requirements:**

1. BellSouth shall provide interconnection to a 911 selective routing switch to route calls from DeltaCom network to correct the Public Safety Answering Point (PSAP).
2. BellSouth shall identify any special default arrangements and routing arrangements to complete overflow.
3. BellSouth shall specify any requirements for emergency backup numbers in case of massive trunk failures.
4. BellSouth shall provide priority restoral of trunk or network outages on the same terms/conditions it provides itself (and without the imposition of TSP).
5. The Parties agree to develop a mutual aid agreement to assist with disaster recovery.
6. BellSouth shall implement a process to identify and correct errors to the ALI database to ensure that the accuracy of data stored by new entrants is no less than its own data.
7. BellSouth shall provide reasonable advance notification of any pending tandem moves, and scheduled maintenance outages which could affect the provision of 911 service.

**ATTACHMENT C-11**

**Unbundled Products and Services and New Services**

**Service:** Directory Assistance Access Service (Number Services)

**Description:** In order to provide customers of the co-carriers access to ubiquitous directory assistance services, whereby they can gain information on all assigned numbers regardless of the exchange service provider, methods and procedures need to be developed to 1) incorporate BellSouth and DeltaCom customer data into each other's directory assistance databases; 2) provide access to each other database(s) for their customers; 3) to buy and sell companies of each others directory assistance and use.

**State(s):** All.

**Rate(s):**

Rate Element	Description	State(s)	Monthly Rate
Directory Assistance Call Completion Access Service	Given a listed telephone number at the request of an Access subscriber's end user, BellSouth will provide or attempt to provide from the DA Operator System, call completion to the number requested. This charge will be applied per completed call.	All	\$0.25
Call Completion Access Termination Charge	This charge will be applicable per completed call and is in addition to the DACC Access Service charge listed above.	Alabama Florida Georgia Kentucky Louisiana Mississippi N. Carolina S. Carolina Tennessee	\$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.12
Number Services Intercept Access Service	Number Services Intercept Access refers calls from disconnected numbers to the proper number or numbers. This charge will be applied per intercept query.	All	\$0.30
Directory Assistance Service Call	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff.		
Directory Transport	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff.		
Directory Assistance Interconnection	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff.		
Directory Assistance Database Service	Rates, terms and conditions will be applied as set forth in A38.1 of BellSouth Telecommunication's Inc.'s General Subscriber Service Tariff.		
Direct Access to DA Service	Rates, terms and conditions will be applied as set forth in Section 9.3 of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff P.C.C. No. 1.		

**Special Service Requirements:**

1. DA Service hereunder provides the ability to make DeltaCom's data available to anyone calling BellSouth's DA, and BellSouth's data available to anyone calling DeltaCom's DA.
  2. BellSouth shall store proprietary customer information provided by DeltaCom in its AA database; such information shall be able to be identified by source provider in order to provide the necessary protection of proprietary information.
  3. DA Service includes the ability to complete intraLATA, 555 and 411 calls utilizing components of BellSouth's DA network.
  4. DeltaCom may resell BellSouth DA either as part of a bundled DeltaCom service or independently.
  5. DeltaCom shall be able to buy the components or any combination of components, that comprise the DA Service and package them as required, including:
    - ✓ Unbundled Directory Platform (includes operators, switch and LAN)
    - ✓ Unbundled Directory Assistance Database Access Service ("DADAS")
    - ✓ Unbundled Directory Assistance Database Service ("DADS")
- DADAS and DADS will be offered pursuant to the terms of the applicable BellSouth Local Interconnection Services Tariff.
6. There will be no charge for BellSouth storage of DeltaCom customer information in the Directory Assistance Database.
  7. The end-to-end interval for updating database must be the same as provided to BellSouth's end users.
  8. BellSouth will provide DeltaCom with an interface into BellSouth's database for updating and inquiries.
  9. Quality standards shall be equivalent to that provided by BellSouth to its own customers.
  10. Speed-to-answer times will be equivalent to that provided by BellSouth to its own customers.

Special Service Requirements (cont'd):

11. Dialing parity will be provided, including no unreasonable dialing delays.
12. BellSouth will incorporate DeltaCom customer data in its DA database via the ordering process specified in its Facilities-Based Ordering Guide ("FBOG").
13. BellSouth's DA database shall be updated and maintained with DeltaCom data for customers who:
  - ✓ Disconnect
  - ✓ Change carrier
  - ✓ Install
  - ✓ "Change" orders
  - ✓ Are Non-Published
  - ✓ Are Non-Listed
  - ✓ Are Non-Published/Non-Listed
14. Each carrier shall bill its own end-users.
15. BellSouth invoices to DeltaCom for DA Services shall be in a CABS format.
16. The Parties agree to develop reasonable intercompany procedures to correct errors which are identified in the DA database.

## CONTRACT PROVISIONS FOR RAO HOSTING AND NSPRS

### SECTION 1. SCOPE OF AGREEMENT

- 1.01 This Agreement shall apply to the services of Revenue Accounting Office (RAO) Hosting and the Non-Sent Paid Report System (NSPRS) as provided by BellSouth to DeltaCom. The terms and conditions for the provisions of these services are outlined in the Exhibits to this Agreement.

### SECTION 2. DEFINITIONS

- 2.01 A. Centralized Message Distribution System is the BellCore administered national system, based in Kansas City, Missouri, used to exchange Message Record (EMR) formatted data among host companies.
- B. Compensation is the amount of money due from BellSouth to DeltaCom or from DeltaCom to BellSouth for services and/or facilities provided under this Agreement.
- C. Exchange Message Record is the nationally administered standard format for the exchange of data among Exchange Carriers within the telecommunications industry.
- D. Intercompany Settlements (ICS) is the revenue associated with charges billed by a company other than the company in whose service are such charges were incurred. ICS on a national level includes third number and credit card calls. ICS within the BellSouth region includes third number, credit card and collect calls.
- E. Message Distribution is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate.
- F. Non-Sent Paid Report System (NSPRS) is the system that calculates ICS amounts due from one company to another in the state of Florida.
- G. Revenue Accounting Office (RAO) Status Company is a local exchange company/alternate local exchange company that has been assigned a unique RAO code. Message data exchanged among RAO status companies is grouped (*i.e.*, packed) according to From/To/Bill RAO combinations.

### SECTION 3. RESPONSIBILITIES OF THE PARTIES

- 3.01 RAO Hosting and NSPRS services provided to DeltaCom by BellSouth will be in accordance with the methods and practices regularly adopted and applied by BellSouth to its own operations during the term of this Agreement, including such revisions as may be made from time to time by BellSouth.

3.02 DeltaCom shall furnish all relevant information required by BellSouth for the provision of RAO Hosting and NSPRS.

**SECTION 4. COMPENSATION ARRANGEMENTS**

4.01 Applicable compensation amounts will be billed by BellSouth to DeltaCom on a monthly basis in arrears. Amounts due from one Party to the other (excluding adjustments) are payable within thirty (30) days of receipt of the billing statement.

**SECTION 5. ASSOCIATED EXHIBITS**

5.01 Listed below are the exhibits associated with this Agreement.

Exhibit A Message Distribution Service (RAO Hosting)

Exhibit B Intercompany Settlements (NSPRS)

5.02 From time to time by written agreement of the parties, new Exhibits may be substituted for the attached Exhibits, superseding and canceling the Exhibits then in effect.

**SECTION 6. TERM OF AGREEMENT**

6.01 This agreement is effective \_\_\_\_\_ and will continue in force until terminated, with or without cause, by thirty (30) days' prior notice in writing from either Party to the other. This Agreement may be amended from time to time upon written agreement of the parties.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 1997.

WITNESS:

SPRINT METROPOLITAN NETWORK, INC.

\_\_\_\_\_

\_\_\_\_\_  
(title)

WITNESS:

BELLSOUTH TELECOMMUNICATIONS, INC.

**SECTION 1. SCOPE OF EXHIBIT**

- 1.01 This exhibit specifies the terms and conditions, including compensation, under which BellSouth shall provide message distribution service to DeltaCom. As described herein, message distribution service includes the following:
- 1) Message Forwarding to Intraregion LEC/ALEC - function of receiving an ALEC message and forwarding the message to another LEC/ALEC in the BellSouth region.
  - 2) Message Forwarding to CMDS - function of receiving an ALEC message and forwarding that message on to CMDS.
  - 3) Message Forwarding from CMDS - function of receiving a message from CMDS and forwarding that message to DeltaCom.

**SECTION 2. RESPONSIBILITIES OF THE PARTIES**

- 1.01 An ALEC that is CMDS hosted by BellSouth must have its own unique RAO code. Requests for establishment of RAO status where BellSouth is the selected CMDS interfacing host, require written notification from DeltaCom to BellSouth at least six (6) weeks prior to the proposed effective date. The proposed effective date will be mutually agreed upon between the parties with consideration given to time necessary for the completion of required BellCore functions. BellSouth will request the assignment of an RAO code from its connecting contractor, currently BellCore, on behalf of DeltaCom and will coordinate all associated conversion activities.
- 2 BellSouth will receive messages from DeltaCom that are to be processed by BellSouth, another LEC/ALEC in the BellSouth region or a LEC outside the BellSouth region.
- 3 BellSouth will perform invoice sequence checking, standard EMR format editing, and balancing of message data with the EMR trailer record counts on all data received from DeltaCom.
- 4 All data received from DeltaCom that is to be processed or billed by another LEC/ALEC within the BellSouth region will be distributed to that LEC/ALEC in accordance with the agreement(s) which may be in effect between BellSouth and the involved LEC/ALEC.

- 2.05 All data received from DeltaCom that is to be placed on the CMDS network for distribution outside the BellSouth region will be handled in accordance with the agreement(s) which may be in effect between BellSouth and its connecting contractor (currently BellCore).
- 2.06 BellSouth will receive messages from the CMDS network that are destined to be processed by DeltaCom and will forward them to DeltaCom on a daily basis.
- 2.07 Transmission of message data between BellSouth and DeltaCom will be via electronic data transmission.
- 2.08 All messages and related data exchanged between BellSouth and DeltaCom will be formatted in accordance with accepted industry standards for EMR formatted records and packed between appropriate EMR header and trailer records, also in accordance with accepted industry standards.
- 2.09 DeltaCom will ensure that the recorded message detail necessary to recreate files provided to BellSouth will be maintained for back-up purposes for a period of three (3) calendar months beyond the related message dates.
- 2.10 Should it become necessary for DeltaCom to send data to BellSouth more than sixty (60) days past the message date(s), that ALEC will notify BellSouth in advance of the transmission of the data. If there will be impacts outside the BellSouth region, BellSouth will work with its connecting contractor and DeltaCom to notify all affected parties.
- 2.11 In the event that data to be exchanged between the two parties should become lost or destroyed, both parties will work together to determine the source of the problem. Once the cause of the problem has been jointly determined and the responsible Party (BellSouth or DeltaCom) identified and agreed to, the company responsible for creating the data (BellSouth or DeltaCom) will make every effort to have the affected data restored and retransmitted. If the data cannot be retrieved, the responsible Party will be liable to the other Party for any resulting lost revenue. Lost revenue may be a combination of revenues that could not be billed to the end users and associated access revenues. Both parties will work together to estimate the revenue amount based upon historical data through a method mutually agreed upon. The resulting estimated revenue loss will be paid by the responsible Party to the other Party within three (3) calendar months of the date of problem resolution, or as mutually agreed upon by the parties.



- 2.12 Should an error be detected by the EMR format edits performed by BellSouth on data received from DeltaCom, the entire pack containing the affected data will not be processed by BellSouth. BellSouth will notify DeltaCom of the error condition. DeltaCom will correct the error(s) and will resend the entire pack to BellSouth for processing. In the event that an out-of-sequence condition occurs on subsequent packs, DeltaCom will resend these packs to BellSouth after the pack containing the error has been successfully reprocessed by BellSouth.
- 2.13 In association with message distribution service, BellSouth will provide DeltaCom with associated intercompany settlements reports (national and regional) as appropriate.
- 2.14 In no case shall either Party be liable to the other for any direct or consequential damages incurred as a result of the obligations set out in this agreement.

### SECTION 3. COMPENSATION

- 3.01 For message distribution service provided by BellSouth for DeltaCom, BellSouth shall receive the following as compensation:

Rate Per Message      \$0.004

- 3.02 For data transmission associated with message distribution service, BellSouth shall receive the following as compensation:

Rate Per Message      \$0.001

- 3.03 Data circuits (private line or dial-up) will be required between BellSouth and DeltaCom for the purpose of data transmission. Where a dedicated line is required, DeltaCom will be responsible for ordering the circuit, overseeing its installation and coordinating the installation with BellSouth. DeltaCom will also be responsible for any charges associated with this line. Equipment required on the BellSouth end to attach the line to the mainframe computer and to transmit successfully ongoing will be negotiated on a case by case basis. Where a dial-up facility is required, dial circuits will be installed in the BellSouth data center by BellSouth and the associated charges assessed to DeltaCom. Additionally, all message toll charges associated with the use of the dial circuit by DeltaCom will be the responsibility of DeltaCom. Associated equipment on the BellSouth end, including a modem, will be negotiated on a case by case basis between the parties.

3.04 All equipment, including modems and software, that is required on DeltaCom end for the purpose of data transmission will be the responsibility of DeltaCom.

**SECTION 1. SCOPE OF EXHIBIT**

- 1.01 This Exhibit specifies the terms and conditions, including compensation, under which BellSouth and DeltaCom will compensate each other for Intercompany Settlements (ICS) messages.

**SECTION 2. RESPONSIBILITIES OF THE PARTIES**

- 2.01 BellSouth will remit to DeltaCom the revenue, less a billing charge, for IntraLATA ICS messages, Local ICS messages, and charges for other services when related messages and/or services are provided by DeltaCom and billed to:

- 1) a BellSouth customer,
- 2) another company within the BellSouth region (excluding Florida) associated with the exchange of message data with BellSouth (excluding CIID and 891 messages),
- 3) another company within the conterminous United States that utilizes CMDS directly or indirectly and settles with BellSouth directly or indirectly through the Credit Card and Third Number Settlement System (CATS) administered by BellCore,
- 4) another company utilizing the non-conterminous RAO codes associated with AT&T's Transport and Tracking Intercompany System settlements with BellSouth.

- 2.02 These other services include, but are not limited to:

- 1) Maritime Mobile Radiotelephone Services radio link charges as set forth in the FCC's Maritime Mobile Radiotelephone Services tariff.
- 2) Aviation Radiotelephone Service radio link charges as set forth in the FCC's Aviation Radiotelephone Service tariff.

- 3) Public Land Mobile Radiotelephone Transient-Unit Non-Toll Service [changes] as approved by the authorized state regulatory commission (or municipal regulatory authority).
  - 4) Non-Toll Service Charges billed to a calling card or to a third number as filed with and approved by the authorized state regulatory commission (or municipal regulatory authority).
  - 5) Directory Assistance Call Charges to a calling card or to a third number as approved by the authorized regulatory commission.
- 2.03 DeltaCom will bill, collect and remit to BellSouth the charges for intraLATA and/or local ICS messages and other services as described above where such messages and/or services are provided by:
- 1) BellSouth,
  - 2) another company with the BellSouth region (excluding Florida) associated with the exchange of message data with BellSouth (excluding CIID and 891 messages),
  - 3) another company within the conterminous United States that utilizes CMDS directly or indirectly and settles with BellSouth directly or indirectly through the Credit Card and Third Number Settlement System (CATS).
- 2.04 For ICS revenues involving DeltaCom and other non-BellSouth LECs/ALECs within the state, BellSouth will provide DeltaCom with monthly reports summarizing the ICS revenues for messages that originated with DeltaCom and were billed by each of the other Florida LECs/ALECs and those messages that originated with each of the other Florida LECs/ALECs and were billed by DeltaCom.

### SECTION 3. COMPENSATION

- 3.01 The following compensation shall be retained by the billing company for the billing of ICS messages and services:

	<u>Rate Per Message</u>
1) Calls originated and billed in Florida or originated and billed in North Carolina	\$0.0666
2) Calls originated in any of the states within BellSouth	

	region and billed in that same state	\$0.05
3)	Calls originated in a state within BellSouth's region and billed in another state or originated in another state and billed in a state within BellSouth's region	\$0.05
4)	Calls originated in a state within BellSouth's region and billed outside the conterminous United States	\$0.16

**ATTACHMENT C-13**

**Unbundled Products and Services and New Services**

**Service:** Non-Sent Paid Report System (NSPRS)

**Description:** NSPRS includes: (1) a mechanized report system that provides to the BellSouth CMDS hosted companies within the BellSouth Region information regarding Non-Sent Paid message and revenue occurring on calls originated and billed within the Bellsouth region; (2) distribution of Bellcore produced Credit Card and Third Number System (CATS) reports and administration of associated elements; (3) distribution of Bellcore produced non-conterminous CATS reports and administration of associated settlements. Subject to the terms hereof and execution of a services agreement substantially in the form attached to Attachment C-12, BellSouth agrees to provide NSPRS services for DeltaCom.

**State(s):** All

<b>Rate Elements</b>	<b>Billing and Collections Fee Retained by Billing Co.</b>	<b>Applied Per</b>
NSPRS @ intrastate FL and NC	\$0.066	IX message
NSPRS @ intrastate all other BellSouth states	\$0.05	message
NSPRS @ CATS	\$0.05	message
NSPRS @ non-conterminous	\$0.16	message

ATTACHMENT D

SERVICE PROVIDER NUMBER PORTABILITY-REMOTE (RCP)

INTERIM COSTS

	<u>Monthly Rate</u>	<u>Nonrecurring Charge</u>
Per Number Ported		
- Resident/6 paths	\$1.15	-
- Business/10 paths	\$2.25	-
Each Additional Path	\$0.50	-
Per Order, per end user location	-	None

**ATTACHMENT E**

**Service:** Service Provider Number Portability - Direct Inward Dialed (DID)\*

**Description:** Service Provider Number Portability (SPNP) is an interim service arrangement provided by BellSouth to ALECs where by an end user, who switches subscription to local exchange service from BellSouth to an ALEC is permitted to retain use of the existing BellSouth assigned telephone number provided that the end user remains at the same location.

SPNP-DID provides trunk side access to BellSouth end office switched for direct inward dialing to ALEC premises from the telecommunications network directly to lines associated with ALEC switching equipment.

**Interim Rates:**  
State(s)

Rate Elements	Alabama			Florida				
	Monthly Recurring	Applied For	Non-Recurring	Applied For	Monthly Recurring	Applied For	Non-Recurring	Applied For
Per Number Ported-Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported-Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	—	—	\$25.00	end user location	—	—	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$160.00	trunk-init.	\$13.00	trunk	\$170.00	trunk-init.
			\$80.00	trunk-sub			\$86.00	trunk-sub.
DS1 Local Channel **	\$133.81	LC	\$866.97	LC-First	\$133.81	LC	\$866.97	LC-First
	—	—	\$486.83	LC-Add'l	—	—	\$486.83	LC-Add'l
DS1 Dedicated Transport**	\$23.50	per mile	—	—	\$16.75	per mile	—	—
	\$90.00	fac. term.	\$100.49	fac. term.	\$59.75	fac. term.	\$100.49	fac. term.

\*Rates are displayed at the DS1-1.544 Mbps level. For rates and charges applicable to other arrangement levels refer to Section E6 of BellSouth Telecommunications, Inc.'s Intrastate Access Tariff.

\*\*May not be required if the CLEC is collocated at the ported number end office.



ATTACHMENT E (cont'd)

State(s)		Georgia				Kentucky			
Rate Elements	Monthly Recurring	Applied For	Non-Recurring	Applied For	Monthly Recurring	Applied For	Non-Recurring	Applied For	
Per Number Period-Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each	
Per Number Period-Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each	
Per Order	--	--	\$25.00	end user location	--	--	\$25.00	end user location	
SPNP-DID Trunk Termination	\$14.00	trunk	\$165.00	trunk-init, trunk-sub	\$13.00	trunk	\$150.00	trunk-init, trunk-sub	
DS1 Local Channel	\$133.81	LC	\$866.97	LC-Flex LC-Add'l	\$133.81	LC	\$866.97	LC-Flex LC-Add'l	
DS1 Dedicated Transport	\$23.50 \$90.00	per mile fee term.	--	fee term.	\$23.50 \$90.00	per mile fee term.	\$100.49	fee term.	

State(s)		Louisiana				Mississippi			
Rate Elements	Monthly Recurring	Applied For	Non-Recurring	Applied For	Monthly Recurring	Applied For	Non-Recurring	Applied For	
Per Number Period-Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each	
Per Number Period-Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each	
Per Order	--	--	\$25.00	end user location	--	--	\$25.00	end user location	
SPNP-DID Trunk Termination	\$13.00	trunk	\$170.00	trunk-init, trunk-sub	\$13.00	trunk	\$150.00	trunk-init, trunk-sub	
DS1 Local Channel	\$133.81	LC	\$866.97	LC-Flex LC-Add'l	\$133.81	LC	\$866.97	LC-Flex LC-Add'l	
DS1 Dedicated Transport	\$16.75 \$59.75	per mile fee term.	--	fee term.	\$23.50 \$90.00	per mile fee term.	\$100.49	fee term.	

ATTACHMENT E (cont'd)

State(s):

North  
Carolina

South  
Carolina

Rate Elements	Monthly Recurring	Applied For	Non- Recurring	Applied For	Monthly Recurring	Applied Per	Non- Recurring	Applied For
Per Number Ported-Business	\$XXX	each	\$XXX	each	\$0.01	each	\$1.00	each
Per Number Ported-Residence	\$XXX	each	\$XXX	each	\$0.01	each	\$1.00	each
Per Order	—	—	\$XXX	end user location	—	—	\$25.00	end user location
SPNP-DID Trunk Termination	\$XXX \$XXX	trunk trunk-sub	\$XXX	trunk-init.	\$13.00	trunk	\$164.00 \$81.00	trunk-init. trunk-sub.
DSI Local Channel	\$XXX —	LC —	\$XXX \$XXX	LC-First LC-Add'l	\$133.81 —	LC —	\$866.97 \$486.83	LC-First LC-Add'l
DSI Dedicated Transport	\$XXX \$XXX	per mile fac. term.	— \$XXX	— fac. term.	\$23.50 \$90.00	per mile fac. term.	— \$100.49	— fac. term.

State(s):

Tennessee

Rate Elements	Monthly Recurring	Applied For	Non- Recurring	Applied For
Per Number Ported-Business	\$0.01	each	\$1.00	each
Per Number Ported-Residence	\$0.01	each	\$1.00	each
Per Order	—	—	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$164.00 \$83.00	trunk-init. trunk-sub.
DSI Local Channel	\$133.81 —	LC —	\$866.97 \$486.83	LC-First LC-Add'l
DSI Dedicated Transport	\$23.50 \$90.00	per mile fac. term.	— \$100.49	— fac. term.

**Amendment To The Interconnection Agreement Between BellSouth Telecommunications, Inc. and  
DeltaCom, Inc. Regarding The Resale of BellSouth Services**

PURSUANT TO THIS AMENDMENT ("the Amendment"), Deltacom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth") hereinafter referred to collectively as the Parties hereby agree to amend the Interconnection Agreement between the Parties dated March 12, 1997.

NOW, THEREFORE, for and in consideration of the mutual provisions contained herein, BellSouth and DeltaCom do hereby agree as follows:

**I. Term of the Agreement**

- A. The term of this Agreement shall be consistent with the term set forth in Section XVII. of the Interconnection Agreement.
- B. The rates pursuant to which DeltaCom is to purchase services from BellSouth for resale shall be at a discount rate off of the retail rate for the telecommunications service. The discount rates shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference.

**II. Definition of Terms**

- A. **CUSTOMER OF RECORD** means the entity responsible for placing application for service; requesting additions, rearrangements, maintenance or discontinuance of service; payment in full of charges incurred such as toll, directory assistance, etc.
- B. **DEPOSIT** means assurance provided by a customer in the form of cash, surety bond or bank letter of credit to be held by the Company.
- C. **END USER** means the ultimate user of the telecommunications services.
- D. **END USER CUSTOMER LOCATION** means the physical location of the premises where an end user makes use of the telecommunications services.
- E. **NEW SERVICES** means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.
- F. **OTHER LOCAL EXCHANGE COMPANY (OLEC)** means a telephone company certificated by the public service commissions of the Company's franchised area to provide local exchange service within the Company's franchised area.
- G. **RESALE** means an activity wherein a certificated OLEC, such as DeltaCom subscribes to the telecommunications services of the Company and then reoffers those telecommunications services to the public (with or without "adding value").

**H. RESALE SERVICE AREA** means the area, as defined in a public service commission approved certificate of operation, within which an OLEC, such as DeltaCom, may offer resold local exchange telecommunications service.

### **III. General Provisions**

**A.** DeltaCom may resell the tariffed local exchange and toll telecommunications services of BellSouth subject to the terms, and conditions specifically set forth herein. Notwithstanding the foregoing, the following are not available for purchase: Grandfathered services; promotional and trial retail service offerings; lifeline and linkup services; contract service arrangements; installment billing options; 911 and E911 services; interconnection services for mobile service providers; legislatively or administratively mandated specialized discounts (e.g., education institution discount) and discounted services to meet competitive situation.

**B.** The provision of services by the Company to DeltaCom does not constitute a joint undertaking for the furnishing of any service.

**C.** DeltaCom will be the customer of record for all services purchased from BellSouth. Except as specified herein, the Company will take orders from, bill and expect payment from DeltaCom for all services.

**D.** DeltaCom will be the Company's single point of contact for all services purchased pursuant to this Agreement. The Company shall have no contact with the end user except to the extent provided for herein.

**E.** The Company will continue to bill the end user for any services that the end user specifies it wishes to receive directly from the Company.

**F.** The Company maintains the right to serve directly any end user within the service area of DeltaCom. The Company will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with end users of DeltaCom.

**G.** DeltaCom shall not interfere with the right of any person or entity to obtain service directly from the Company.

**H.** Although the telephone number of an end user may normally be retained by the end user, telephone numbers are the property of the Company and are assigned to the service furnished. DeltaCom has no property right to the telephone number or any other call number designation associated with services furnished by the Company, and no right to the continuance of service through any particular central office. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, whenever the Company deems it necessary to do so in the conduct of its business.

**I.** The Company may provide any service or facility for which a charge is not established herein, as long as it is offered on the same terms to DeltaCom.

**J.** Service is furnished subject to the condition that it will not be used for any unlawful purpose.

K. Service will be discontinued if any law enforcement agency advises that the service being used is in violation of the law.

L. The Company can refuse service when it has grounds to believe that service will be used in violation of the law.

M. The Company accepts no responsibility to any person for any unlawful act committed by DeltaCom or its end users as part of providing service to DeltaCom for purposes of resale or otherwise.

N. The Company will cooperate fully with law enforcement agencies with subpoenas and court orders for assistance with the Company's customers. Law enforcement agency subpoenas and court orders regarding end users of DeltaCom will be directed to DeltaCom. The Company will bill DeltaCom for implementing any requests by law enforcement agencies regarding DeltaCom end users.

O. The characteristics and methods of operation of any circuits, facilities or equipment provided other than the Company shall not:

1. Interfere with or impair service over any facilities of the Company, its affiliates, or its competitors and concurring carriers involved in its service;
2. Cause damage to their plant;
3. Impair the privacy of any communications; or
4. Create hazards to any employees or the public.

P. DeltaCom assumes the responsibility of notifying the Company regarding less than standard operations with respect to services provided by it.

Q. Facilities and/or equipment utilized by BellSouth to provide service to DeltaCom remain the property of BellSouth.

R. White page directory listings will be provided in accordance with regulations set forth in Section A6 of the General Subscriber Service Tariff and will be available for resale.

#### IV. BellSouth's Provision of Services to DeltaCom

A. DeltaCom agrees that its resale of BellSouth services shall be as follows:

1. The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.
2. To the extent DeltaCom is a telecommunications carrier that serves greater than 5 percent of the Nation's presubscribed access lines, DeltaCom shall not jointly market its interLATA services with the telecommunications services purchased from BellSouth pursuant to this Agreement in any of the states covered under this Agreement. For the purposes of this

subsection, to jointly market means any advertisement, marketing effort or billing in which the telecommunications services purchased from BellSouth for purposes of resale to customers and interLATA services offered by DeltaCom are packaged, tied, bundled, discounted or offered together in any way to the end user. Such efforts include, but are not limited to, sales referrals, resale arrangements, sales agencies or billing agreements. This subsection shall be void and of no effect for a particular state covered under this Agreement as of February 8, 1999 or on the date BellSouth is authorized to offer interLATA services in that state, whichever is earlier.

3. Hotel and Hospital PBX service are the only telecommunications services available for resale to Hotel/Motel and Hospital end users, respectively. Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to COCOTS customers. Shared Tenant Service customers can only be sold those telecommunications services available in the Company's A23 Shared Tenant Service Tariff.

4. DeltaCom is prohibited from furnishing both flat and measured rate service on the same business premises to the same subscribers (end users) as stated in A2 of the Company's Tariff except for backup service as indicated in the applicable state tariff Section A3.

5. If telephone service is established and it is subsequently determined that the class of service restriction has been violated, DeltaCom will be notified and billing for that service will be immediately changed to the appropriate class of service. Service charges for changes between classes of service, back billing, and interest as described in this subsection shall apply at the Company's sole discretion. Interest at the rate of 0.000590 per day, compounded daily for the number of days from the back billing date to and including the date that DeltaCom actually makes the payment to the Company may be assessed.

6. The Company reserves the right to periodically audit services purchased by DeltaCom to establish authenticity of use. Such audit shall not occur more than once in a calendar year. DeltaCom shall make any and all records and data available to the Company or the Company's auditor's on a reasonable basis. The Company shall bear the cost of said audit.

B. Resold services can only be used in the same manner as specified in the Company's Tariff. Resold services are subject to the same terms and conditions as are specified for such services when furnished to individual end user of the Company in the appropriate section of the Company's Tariffs. Specific tariff features, e.g. a usage allowance per month, shall not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer except as specified in Section A23. of the Company's Tariff referring to Shared Tenant Service.

C. DeltaCom may resell services only within the specific resale service area as defined in its certificate of public convenience and necessity.

D. Telephone numbers transmitted via any resold service feature are intended solely for the use of end user of the feature. Resale of this information is prohibited.

E. No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agreement. DeltaCom is strictly prohibited from any use, including but not limited to sales, marketing or advertising, of any BellSouth name or trademark.

#### V. Maintenance of Services

- A. Services resold under the Company's Tariffs and facilities and equipment provided by the Company shall be maintained by the Company.
- B. DeltaCom or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.
- C. DeltaCom accepts responsibility to notify the Company of situations that arise that may result in a service problem.
- D. DeltaCom will be the Company's single point of contact for all repair calls on behalf of DeltaCom's end users.
- E. DeltaCom will contact the appropriate repair centers in accordance with procedures established by the Company.
- F. For all repair requests, DeltaCom accepts responsibility for adhering to the Company's prescreening guidelines prior to referring the trouble to the Company.
- G. The Company will bill DeltaCom for handling troubles that are found not to be in the Company's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its retail customers for the same services.
- H. The Company reserves the right to contact DeltaCom's customers, if deemed necessary, for maintenance purposes.

#### VI. Establishment of Service

- A. After receiving certification as a local exchange company from the appropriate regulatory agency, DeltaCom will provide the appropriate Company service center the necessary documentation to enable the Company to establish a master account for DeltaCom. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, the Company will begin taking orders for the resale of service.
- B. Service orders will be in a standard format designated by the Company.
- C. When notification is received from DeltaCom that a current customer of the Company will subscribe to DeltaCom's service, standard service order intervals for the appropriate class of service will apply.
- D. The Company will not require end user confirmation prior to establishing service for DeltaCom's end user customer. DeltaCom must, however, be able to demonstrate end user authorization upon request.

E. DeltaCom will be the single point of contact with the Company for all subsequent ordering activity resulting in additions or changes to resold services except that the Company will accept a request directly from the end user for conversion of the end user's service from DeltaCom to the Company or will accept a request from another OLEC for conversion of the end user's service from the DeltaCom to the other LEC. The Company will notify DeltaCom that such a request has been processed.

F. If the Company determines that an unauthorized change in local service to DeltaCom has occurred, the Company will reestablish service with the appropriate local service provider and will assess DeltaCom as the OLEC initiating the unauthorized change, an unauthorized change charge similar to that described in F.C.C. Tariff No. 1, Section 13.3.3. Appropriate nonrecurring charges, as set forth in Section A4. of the General Subscriber Service Tariff, will also be assessed to DeltaCom.

These charges can be adjusted if DeltaCom provides satisfactory proof of authorization.

	Nonrecurring Charge
(a) each Residence or Business line	\$19.41

G. The Company will, in order to safeguard its interest, require DeltaCom to make a deposit to be held by the Company as a guarantee of the payment of rates and charges, unless satisfactory credit has already been established. Any such deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.

H. Such deposit may not exceed two months' estimated billing.

I. The fact that a deposit has been made in no way relieves DeltaCom from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for non-payment of any sums due the Company.

J. The Company reserves the right to increase the deposit requirements when, in its sole judgment, the conditions justify such action.

K. In the event that DeltaCom defaults on its account, service to DeltaCom will be terminated and any deposits held will be applied to its account.

L. In the case of a cash deposit, interest at the rate of six percent per annum shall be paid to DeltaCom during the continuance of the deposit. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to DeltaCom by the accrual date.

## VII. Payment And Billing Arrangements

A. When the initial service is ordered by DeltaCom, the Company will establish an accounts receivable master account for DeltaCom.

B. The Company shall bill DeltaCom on a current basis all applicable charges and credits.



C. Payment of all charges will be the responsibility of DeltaCom. DeltaCom shall make payment to the Company for all services billed. The Company is not responsible for payments not received by DeltaCom from DeltaCom's customer. The Company will not become involved in billing disputes that may arise between DeltaCom and its customer. Payments made to the Company as payment on account will be credited to an accounts receivable master account and not to an end user's account.

D. The Company will render bills each month on established bill days for each of DeltaCom's accounts.

E. The Company will bill DeltaCom, in advance, charges for all services to be provided during the ensuing billing period except charges associated with service usage, which charges will be billed in arrears. Charges will be calculated on an individual end user account level, including, if applicable, any charges for usage or usage allowances. BellSouth will also bill all charges, including but not limited to 911 and E911 charges, telecommunications relay charges, and franchise fees, on an individual end user account level.

F. The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available funds. Payment is considered to have been made when received by the Company.

If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth in I. following, shall apply.

G. Upon proof of tax exempt certification from DeltaCom, the total amount billed to DeltaCom will not include any taxes due from the end user. DeltaCom will be solely responsible for the computation, tracking, reporting and payment of all federal, state and/or local jurisdiction taxes associated with the services resold to the end user.

H. As the customer of record, DeltaCom will be responsible for, and remit to the Company, all charges applicable to its resold services for emergency services (E911 and 911) and Telecommunications Relay Service (TRS) as well as any other charges of a similar nature.

I. If any portion of the payment is received by the Company after the payment due date as set forth preceding, or if any portion of the payment is received by the Company in funds that are not immediately available to the Company, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff.

J. Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, the Company. No additional charges are to be assessed to DeltaCom.

K. The Company will not perform billing and collection services for DeltaCom as a result of the execution of this Agreement. All requests for billing services should be referred to the appropriate entity or operational group within the Company.

L. Pursuant to 47 CFR Section 51.617, the Company will bill the charges shown below which are identical to the EUCL rates billed by BST to its end users.

	Monthly Rate
1. Residential	
(a) Each Individual Line or Trunk	\$3.50
2. Single Line Business	
(b) Each Individual Line or Trunk	\$3.50
3. Multi-line Business	
(c) Each Individual Line or Trunk	\$6.00

M. In general, the Company will not become involved in disputes between DeltaCom and DeltaCom's end user customers over resold services. If a dispute does arise that cannot be settled without the involvement of the Company, DeltaCom shall contact the designated Service Center for resolution. The Company will make every effort to assist in the resolution of the dispute and will work with DeltaCom to resolve the matter in as timely a manner as possible. DeltaCom may be required to submit documentation to substantiate the claim.

#### VIII. Discontinuance of Service

A. The procedures for discontinuing service to an end user are as follows:

1. Where possible, the Company will deny service to DeltaCom's end user on behalf of, and at the request of, DeltaCom. Upon restoration of the end user's service, restoral charges will apply and will be the responsibility of DeltaCom.
2. At the request of DeltaCom, the Company will disconnect a DeltaCom end user customer.
3. All requests by DeltaCom for denial or disconnection of an end user for nonpayment must be in writing.
4. DeltaCom will be made solely responsible for notifying the end user of the proposed disconnection of the service.
5. The Company will continue to process calls made to the Annoyance Call Center and will advise DeltaCom when it is determined that annoyance calls are originated from one of their end user's locations. The Company shall be indemnified, defended and held harmless by DeltaCom and/or the end user against any claim, loss or damage arising from providing this information to DeltaCom. It is the responsibility of DeltaCom to take the corrective action necessary with its customers who make annoying calls. Failure to do so will result in the Company's disconnecting the end user's service.

B. The procedures for discontinuing service to DeltaCom are as follows:

1. The Company reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any

other violation or noncompliance by DeltaCom of the rules and regulations of the Company's Tariffs.

2. If payment of account is not received by the bill day in the month after the original bill day, the Company may provide written notice to DeltaCom, that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. If the Company does not refuse additional applications for service on the date specified in the notice, and DeltaCom's noncompliance continues, nothing contained herein shall preclude the Company's right to refuse additional applications for service without further notice.

3. If payment of account is not received, or arrangements made, by the bill day in the second consecutive month, the account will be considered in default and will be subject to denial or disconnection, or both.

4. If DeltaCom fails to comply with the provisions of this Agreement, including any payments to be made by it on the dates and times herein specified, the Company may, on thirty days written notice to the person designated by DeltaCom to receive notices of noncompliance, discontinue the provision of existing services to DeltaCom at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If the Company does not discontinue the provision of the services involved on the date specified in the thirty days notice, and DeltaCom's noncompliance continues, nothing contained herein shall preclude the Company's right to discontinue the provision of the services to DeltaCom without further notice.

5. If payment is not received or arrangements made for payment by the date given in the written notification, DeltaCom's services will be discontinued. Upon discontinuance of service on a DeltaCom's account, service to DeltaCom's end users will be denied. The Company will also reestablish service at the request of the end user or DeltaCom upon payment of the appropriate connection fee and subject to the Company's normal application procedures.

6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

#### **IX. Resolution of Disputes**

Except as otherwise stated in this Agreement, the parties agree that 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 petition the applicable state Public Service Commission for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by that Public Service Commission concerning this Agreement.

#### **X. Miscellaneous**

A. The liability and indemnification obligations of the parties shall be as set forth in Section XXI. of the Interconnection Agreement.

B. Issues regarding the treatment of proprietary and confidential information will be governed pursuant to Section XXIV. of the Interconnection Agreement.

C. The Parties agree that this Amendment 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.

D. Any failure by either party to insist upon the strict performance by the other party of any of the provisions of this Amendment shall not be deemed a waiver of any of the provisions of this Amendment, 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 Amendment.

E. This Amendment shall be governed by, and construed and enforced in accordance with Section XXVII of the Interconnection Agreement.

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

G. Every notice, consent, approval, or other communications required or contemplated by this Amendment shall be provided pursuant to Section XIX. of the Interconnection Agreement.

H. More favorable resale arrangements may be available to DeltaCom pursuant to Section XXII. of the Interconnection Agreement.

I. The Parties agree that all of the other provisions of the Interconnection Agreement dated March 12 1997 shall remain in full force and effect and by this reference are incorporated herein.

L. The Parties agree that the execution of this Amendment and its submission to the Commission is made without prejudice to the rights of either party to challenge the Commission's decision regarding the resale of BellSouth telecommunications service to new entrants. The Parties further agree to conform this Amendment to any final nonappealable decision of the Commission regarding resale.

#### **XI. Amendments**

This Agreement may be amended at any time upon written agreement of both parties.

#### **XII. Entire Agreement**

This Agreement 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.

BellSouth Telecommunications, Inc.

BY:

Jerry Hendry  
Signature

NAME:

Jerry D. Hendry  
Printed Name

TITLE:

Director

DeltaCom

BY:

Tom Mullis  
Signature

NAME:

TOM MULLIS  
Printed Name

TITLE:

SR. VP

EXHIBIT "A"

APPLICABLE DISCOUNTS

The telecommunications services available for purchase by DeltaCom for the purposes of resale to DeltaCom end users shall be available at the following discount off of the retail rate.

<u>STATE</u>	<u>RESIDENCE</u>	<u>DISCOUNT</u>	<u>BUSINESS</u>
ALABAMA	10%		10%
FLORIDA	18%		12%
GEORGIA	20.3%		17.3%
KENTUCKY	10%		8%
LOUISIANA*	20.72%		20.72%
MISSISSIPPI	9%		8%
NORTH CAROLINA	12%		9%
SOUTH CAROLINA	10%		9%
TENNESSEE**	16%		16%

\* Effective as of the Commission's Order in Louisiana Docket No. U-22020 dated November 12, 1996.

\*\* The Wholesale Discount is set as a percentage off the tariffed rates. If OLEC provides its own operator services and directory services, the discount shall be 21.56%. These rates are effective as of the Tennessee Regulatory Authority's Order in Tennessee Docket No. 90-01331 dated January 17, 1997.

AMENDMENT  
TO  
INTERCONNECTION AGREEMENT BETWEEN  
DELTACOM, INC. AND  
BELLSOUTH TELECOMMUNICATIONS, INC.

Pursuant to this Agreement (the "Amendment"), DeltaCom and BellSouth Telecommunications, Inc. ("BellSouth") hereinafter referred to collectively as the "Parties" hereby agree to amend that certain Interconnection Agreement between the Parties dated March 12, 1997 ("Interconnection Agreement").

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

1. The Parties agree that BellSouth will, upon request, provide and DeltaCom will accept and pay for (1) loops, (2) loop cross-connections and (3) loop channelization in accordance with the schedule of prices set forth in Attachment C-2 to this Amendment which is incorporated herein by reference, in and for the states reflected on Attachment C-2.

2. The Parties agree that the prices reflected herein shall be "trued-up" (up or down) based on final prices either determined by further agreement or by final order (including any appeals) of the relevant public service commission or other body having jurisdiction over the subject matter of this Amendment, which final order meets the criteria contained in paragraph 4 hereof. The "true-up" will consist of comparing the actual volumes and demand for each item, together with the price associated with such item by this Amendment, with the final prices determined for each item. Each party shall keep its own records upon which a "true-up" can be based and any final payment from one party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records or the Parties regarding the amount of such "true-up," the Parties agree that the body having jurisdiction over the matter for the affected states shall be called upon to resolve such differences or that they will submit the matter to commercial arbitration in accordance with the terms contained in Section XXV. of the Interconnection Agreement.

3. The Parties agree that they may continue to negotiate as appropriate in an effort to obtain final prices for each of these items, but in the event that no such agreement is reached within six (6) months of this Amendment (which time can be extended by mutual agreement of the Parties) either party may petition the public service commission or other regulatory body to resolve such disputes and to determine final rates for each of the items covered by this Amendment. Alternatively, upon their mutual agreement, the parties may submit the matter to commercial arbitration in accordance with the terms contained in Article XIV of the Interconnection Agreement.

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4. Any final order that forms the basis of a "true-up" under this Amendment shall meet the following criteria:

(a) It shall be in a proceeding to which DeltaCom and BellSouth are entitled to be full parties to the proceeding.

(b) It shall apply the provisions of the Telecommunications Act of 1996, including, but not limited to, Section 252(d)(1) and all effective implementing rules and regulations; provided that said Act and such regulations are in effect at the time of the final order.

(c) It shall include as an issue the geographic deaveraging of unbundled element rates, which deaveraged rates, if any are required by said final order, shall form the basis of any "true-up."

5. The Parties further agree that the rates for number portability identified in Attachment D to the Interconnection Agreement will be retroactively "trued-up" to the effective date of the Interconnection Agreement in the event that different rates for number portability are established by mutual agreement of the parties, regulatory action, judicial order, or by selection of a lower rate for number portability pursuant to the "most favorable provisions" contained in Section XXII of the Interconnection Agreement.

6. The Parties agree that all of the other provisions of the Interconnection Agreement, dated March 12, 1997, shall remain in full force and effect. Nothing in this Amendment shall in any way limit DeltaCom's ability to select substitute rates for local loops, loop cross connects, or loop channelization pursuant to the terms of Section XXII of the Interconnection Agreement relating to "most favorable" treatment.

7. The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate state public service commission or other regulatory body having jurisdiction over the subject matter of this Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996.

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

  
\_\_\_\_\_  
DELTACOM, INC.

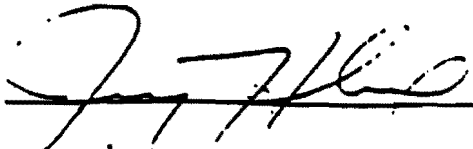
  
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BELLSOUTH TELECOMMUNICATIONS,  
INC.



By: TOM MULLIS

Title: SR. VP

DATE: 3/12/97

By: 

Title: Director

DATE: 3/12/97

**ATTACHMENT C-2**

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States:	Alabama		Florida		Georgia		Kentucky	
Rate Elements	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*
<b>Unbundled Exchange Access Loop**</b>								
2-Wire Analog	\$18.00	\$55.20	\$17.00	\$44.80	\$17.00	\$25.80	\$17.00	\$58.40
4-Wire Analog	\$28.80	\$55.20	\$27.20	\$44.80	\$27.20	\$25.80	\$27.20	\$58.40
2-Wire ADSL/HDSL	\$18.00	\$55.20	\$17.00	\$44.80	\$17.00	\$25.80	\$17.00	\$58.40
4-Wire HDSL	\$28.80	\$55.20	\$27.20	\$44.80	\$27.20	\$25.80	\$27.20	\$58.40
2-Wire ISDN Digital	\$28.80	\$55.20	\$27.20	\$44.80	\$27.20	\$25.00	\$27.20	\$58.40
<b>Cross-Connects</b>								
2-Wire Analog	\$0.30	\$18.40	\$0.30	\$15.20	\$0.30	\$12.60	\$0.30	\$16.00
4-Wire Analog	\$0.50	\$18.40	\$0.50	\$15.20	\$0.50	\$12.60	\$0.50	\$16.00
<b>Loop Channelization Equipment</b>								
Per Line	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00
	\$1.15	\$8.00	\$1.15	\$8.00	\$1.15	\$8.00	\$1.15	\$8.00

\* These rates reflect 80% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 80% of the revised rate.

\*\* In the event that an unbundled loop ordered by DeltaCom is part of an Integrated Digital Loop Carrier (IDLC) system, the loop will be unbundled from the IDLC and provided to DeltaCom in accordance with the corresponding rates specified above.

States:	Louisiana		Mississippi		North Carolina		South Carolina	
Rate Elements	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*	Monthly	Nonrecurring*
<b>Unbundled Exchange Access Loop**</b>								
2-Wire Analog	\$17.00	\$68.00	\$22.00	\$53.36	\$17.00	\$33.00	\$18.00	\$51.20
4-Wire Analog	\$27.20	\$68.00	\$35.20	\$53.36	\$27.20	\$33.00	\$28.80	\$51.20
2-Wire ADSL/HDSL	\$17.00	\$68.00	\$22.00	\$53.36	\$17.00	\$33.00	\$18.00	\$51.20
4-Wire HDSL	\$27.20	\$68.00	\$35.20	\$53.36	\$27.20	\$33.00	\$28.80	\$51.20
2-Wire ISDN Digital	\$27.20	\$68.00	\$35.20	\$53.36	\$27.20	\$33.00	\$28.80	\$51.20
<b>Cross-Connects</b>								
2-Wire Analog	\$0.30	\$20.80	\$0.30	\$13.00	\$0.30	\$11.80	\$0.30	\$8.00
4-Wire Analog	\$0.50	\$20.80	\$0.50	\$13.00	\$0.50	\$11.80	\$0.50	\$8.00
<b>Loop Channelization</b>								
Equipment	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00	\$400.00	\$525.00
Per Line	\$1.15	\$8.00	\$1.15	\$8.00	\$1.15	\$8.00	\$1.15	\$8.00

\* These rates reflect 80% of the Business Service Connection Charge. If the Business Service Connection Charge is modified, this rate will become 80% of the revised rate.

\*\* In the event that an unbundled loop ordered by DeltaCom is part of an Integrated Digital Loop Carrier (IDLC) system, the loop will be unbundled from the IDLC and provided to DeltaCom in accordance with the corresponding rates specified above.

## THIRD AMENDMENT

TO

THE INTERCONNECTION AGREEMENT BETWEEN  
DELTACOM, INC. AND  
BELLSOUTH TELECOMMUNICATIONS, INC.  
DATED MARCH 12, 1997

Pursuant to this Agreement (the "Third Amendment"), DeltaCom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth") hereinafter referred to collectively as the "Parties", hereby agree to amend that Interconnection Agreement between the Parties dated March 12, 1997 ("Interconnection Agreement").

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

1. The Parties agree that the resale restrictions set forth in Section III.A. of the first Amendment to the Interconnection Agreement dated March 12, 1997 between BellSouth and DeltaCom shall be deleted.
2. The Parties agree that the only restrictions on resale shall be those set forth in the Second and Final Order of the Arbitrators in the AT&T/MCI interconnection arbitrations, Docket Numbers 96-01152 and 96-01271 (the "Arbitrations"). (See pp. 13-18 of Second and Final Order dated January 23, 1997, attached hereto as Exhibit A.)
3. The Parties agree that all of the other provisions of the Interconnection Agreement shall remain in full force and effect. Nothing in this Third Amendment shall in any way limit DeltaCom's ability to select and substitute more favorable rates or terms pursuant to the terms of Section XXII, entitled Most Favorable Provisions, of the Interconnection Agreement.
4. The Parties acknowledge that the terms of this Third Amendment were established as a result of orders of the Tennessee Regulatory Authority ("TRA") in the Arbitrations and Avoidable Cost proceedings. The Parties agree that execution of this Amendment and its submission to the TRA is made without prejudice to the rights of BellSouth to challenge any decision of the TRA in the Arbitrations, and to the extent DeltaCom intervenes in the Arbitrations, execution of this Third Amendment and its submission to the TRA is made without prejudice to the rights of DeltaCom to challenge any decision of the TRA in the Arbitrations. The parties further agree to conform this Third Amendment to any subsequent order of the TRA relating to any of the rates, terms and conditions affected by this Third Amendment.

5. The Parties further agree that either or both of the Parties is authorized to submit this Third Amendment to the Tennessee Regulatory Authority or other regulatory body having jurisdiction over the subject matter of this Third Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996.

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

DELTACOM, INC.

BELLSOUTH TELECOMMUNICATIONS, INC.

By: Tom Miller

By: Charles Smith

DATE: March 27, 1997

DATE: April 1, 1997



FOURTH AMENDMENT

TO

INTERCONNECTION AGREEMENT BETWEEN  
DELTACOM, INC. AND  
BELLSOUTH TELECOMMUNICATIONS, INC.  
DATED MARCH 12, 1997

Pursuant to this Agreement (the "Fourth Amendment"), DeltaCom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties", hereby agree to further amend that certain Interconnection Agreement, as heretofore amended, between the Parties dated March 12, 1997 ("Interconnection Agreement").

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

1. The Parties agree to delete in its entirety Section VIII(B) of the Interconnection Agreement and substitute the following Section VIII(B).

For originating and terminating interexchange toll traffic, each Party shall pay the other Party's tariffed switched network access service rate elements on a per minute of use basis. Said rate elements shall be as set out in the Parties' respective access services tariffs as those tariffs are amended from time to time during the term of this Agreement. The appropriate charges will be determined by the routing of the call. If DeltaCom is the BellSouth end user's presubscribed interexchange carrier or if the BellSouth end user uses DeltaCom as an interexchange carrier on a 10XXX basis, BellSouth will charge DeltaCom the appropriate tariff charges for originating network access services. If BellSouth is serving as the DeltaCom end user's presubscribed interexchange carrier or if the DeltaCom end user uses BellSouth as an interexchange carrier on a 10XXX basis, DeltaCom will charge BellSouth the appropriate BellSouth tariff charges for originating network access services. However, in states where DeltaCom has an effective access services tariff, the Parties agree that DeltaCom will charge BellSouth the appropriate DeltaCom tariff charges for originating network access services.

2. Except for Operator Provided Call Handling service provided by BellSouth in Alabama, Georgia and Kentucky, the Parties agree to amend Attachment C-10 of the Interconnection Agreement to include a rate of \$1.17 per work minute for Operator Provided Call Handling.

3. The Parties agree to delete in its entirety Section VI(B) of the Interconnection Agreement and substitute the following Section VI(B):

With the exception of the local traffic specifically identified in subsection (C) hereafter, each party agrees to terminate local traffic originated and routed to it by the other party. Each Party will pay the other for terminating its local traffic on the other's network the local interconnection rate of \$.009 per minute of use in all states. Each Party will report to the other a Percent Local Usage ("PLU") and the application of the PLU will determine the amount of local minutes to be billed to the other party. Until such time as actual usage data is available, the parties agree to utilize a mutually acceptable surrogate for the PLU factor. For purposes of developing the PLU, each party shall consider every local call and every long distance call. Effective on the first of January, April, July and October of each year, the parties shall update their PLU.

4. The Parties agree to delete in its entirety Section VI(C) of the Interconnection Agreement and substitute the following Section VI(C):

If either party provides intermediary tandem switching and transport services for the other party's connection of its end user to a local end user of: (1) a CLEC other than DeltaCom; (2) an ILEC other than BellSouth; or (3) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a \$.0015 per minute charge. However, BellSouth agrees that DeltaCom may cross-connect directly to such third Parties at the POI. In such an event, tariffed cross-connection non recurring charges will apply, and no transiting charge will apply.

5. Except for Number Services Intercept Access Service provided by BellSouth in the state of Georgia, the Parties agree to amend Attachment C-11 of the Interconnection Agreement to delete the rate of \$0.30 per intercept query and replace said rate with a rate of \$0.25 per intercept query.

6. The Parties agree to amend the Interconnection Agreement to include Attachment 1 attached to this Amendment and incorporated herein by this reference.

7. Amendment 1 to the Interconnection Agreement relating to resale, executed on March 12, 1997, is deleted in its entirety and replaced with Attachment 2, attached hereto and incorporated herein by this reference.

8. The Parties agree that all of the other provisions of the Interconnection Agreement shall remain in full force and effect.

9. The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate state public service commission or other regulatory body



having jurisdiction over the subject matter of this Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996.

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

DELTACOM, INC.

By: Tom Myllis

DATE: August 13, 1997

BELLSOUTH TELECOMMUNICATIONS, INC.

By: [Signature]

DATE: August 22, 1997

## ATTACHMENT 1

The prices reflected in this Attachment 1 and its Exhibits A, B, C and D shall be "trued-up" (up or down) based on final prices either determined by further agreement or by final order (including any appeals) of the relevant public service commission or other body having jurisdiction over the subject matter of this Amendment. The "true-up" will consist of comparing the actual volumes and demand for each item, together with the price associated with such item by this Amendment, with the final prices determined for each item. Each party shall keep its own records upon which a "true-up" can be based and any final payment from one party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records or the Parties regarding the amount of such "true-up," the Parties agree that the body having jurisdiction over the matter for the affected states shall be called upon to resolve such differences or that they will submit the matter to commercial arbitration in accordance with the terms contained in Section XXV. of the Interconnection Agreement.

## Proposed Interim Network Element Rates

Unbundled Element	PSC Proposed True-up Price
Network interface device (NID)	\$ 0.63
<b>Unbundled Loops (per month)</b>	
2-wire analog voice grade loop	\$ 18.00
Nonrecurring-first/additional	\$ 55.20
4-wire analog voice grade loop	\$ 28.80
Nonrecurring-first/additional	\$ 55.20
2-wire ISDN digital grade loop	\$ 28.80
Nonrecurring-first/additional	\$ 55.20
2-wire ADSL/HDSL loop	\$ 28.80
Nonrecurring-first/additional	\$ 55.20
4-wire HDSL loop	\$ 28.80
Nonrecurring-first/additional	\$ 55.20
4-wire DS1 digital grade loop	\$ 64.19
Nonrecurring-first/additional	\$675/\$315
<b>Unbundled Exchange Access IOC-Voice Grade</b>	
0-8 miles, fixed per mo	\$ 30.00
per mile, per month	\$ 2.05
9-25 miles, fixed per mo	\$ 30.00
per mile, per month	\$ 2.00
Over 25 miles, fixed per mo	\$ 30.00
per mile, per month	\$ 1.95
Nonrecurring	\$ 97.00
<b>Unbundled Local Switching</b>	
<b>Unbundled Exchange Ports</b>	
2-wire analog per mo	\$ 2.50
Nonrecurring-first/additional	\$50/\$18
4-wire analog (Coin) per mo	\$ 4.00
Nonrecurring-first/additional	\$50/\$18
4-wire ISDN DS1 per mo	\$ 308.00
Nonrecurring-first/additional	\$230/\$200
2-wire ISDN Digital per mo	\$ 11.91
Nonrecurring-first/additional	\$150/\$120
2-wire analog hunting per line per mo	\$ 0.25
Nonrecurring	\$ 3.00
<b>Unbundled Local Usage (Restructured Switching)</b>	
End office switching per mou	\$ 0.001700
Tandem switching per mou	\$ 0.001500
Common transport per mi/per mou	\$ 0.000040
Common transport facility termination per mou	\$ 0.000360

Proposed Interim Network Element Rates

Unbundled Element

PSC  
Proposed  
True-up Price

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## Proposed Interim Network Element Rates

Unbundled Element	PSC Proposed True-up Price
<b>Local Interconnection</b>	
End office switching per mou	
Tandem switching per mou	
Common transport per mi/per mou	
Common transport facility termination per mou	
Intermediary tandem per mou	
<b>Dedicated Transport - DS1 Only</b>	
Per mile per month	
Facility termination per month	
Facility termination, NRC	
Per DS0 equivalent per terminal	
Per DS0 equivalent per mile	
<b>Channelization System - For Unbundled Loops</b>	
Unbundled Loop System (DS1 to VG) per sys/per mo	\$ 400.00
Nonrecurring	\$ 525.00
Central office interface per circuit per month	\$ 1.15
Nonrecurring	\$ 8.00
<b>CCS7 Signaling Transport Service</b>	
Signaling connection link, per month	\$ 155.00
Nonrecurring	\$ 510.00
Signaling termination (port), per month	\$ 355.00
Signaling usage, per 56 kbps facility per month	\$ 395.00

## Proposed Interim Network Element Rates

Unbundled Element	PSC Proposed True-up Price
<b>800 Access Ten Digit Screening Service</b>	
Per 800 call utilizing 800 access ten digit screening service with 800 number delivery, per query	\$ 0.00360
Per 800 call utilizing 800 access ten digit screening service with 800 number delivery, with optional complex features, per query	\$ 0.00431
Per 800 call utilizing 800 access ten digit screening service with POTS number delivery, per query	\$ 0.00431
Per 800 call utilizing 800 access ten digit screening service with POTS number delivery, with optional complex features, per query	\$ 0.00431
<b>Nonrecurring (1st/additional)</b>	
Reservation charge per 800 number reserved	\$31.50/\$0.50
Est charge per 800 number est w/800 number delivery	\$69.90/1.50
Est charge per 800 number est w/POTS number delivery	\$69.90/1.50
Customized area of service per 800 number	\$3.00/\$1.50
Multiple interLATA carrier routing per carrier requested, per 800 number	\$3.50/\$2.00
Change charge per request	\$48.50/\$0.50
Call handling and destination features per 800 number	\$ 3.00
<b>Line Information Database Access Service</b>	
Common transport, per query, per month	\$ 0.00030
Validation, per query, per month	\$ 0.03800
Nonrecurring - establishment or charge	\$ 91.00
<b>Operator Services</b>	
<b>Operator Call Processing Access Service</b>	
Operator provided, per minute	
Using BST LIDB	\$ 1.36
Using foreign LIDB	\$ 1.38
Fully automated, per attempt	
Using BST LIDB	\$ 0.07
Using foreign LIDB	\$ 0.09
<b>Inward Operator Services Access Service</b>	
Verification per call	\$ 0.90
Emergency Interrupt, per call	\$ 1.95
<b>Directory Assistance Access Service Calls</b>	
Per call	\$ 0.25

## Proposed Interim Network Element Rates

Unbundled Element	PSC Proposed True-up Price
<b>Directory Assistance Database Service</b>	
Use fee, per DADS customer's EU request/listing	\$ 0.035
Monthly recurring	\$ 150.00
<b>Direct Access to Dir Asst Service (DADAS)</b>	
Database service charge, per month	\$ 5,000.00
Database query charge, per query	\$ 0.023
Nonrecurring - DADAS service establishment	\$ 1,000.00
<b>DACC Access Service</b>	
Per call attempt	\$ 0.25
<b>Number Services Intercept Access Service</b>	
Per intercept query	\$ 0.25
<b>Directory Transport</b>	
Switched Common Transport	
Per DA service call	\$ 0.00030
Switched Common Transport	
Per DA service call mile	\$ 0.00004
Access Tandem Switched	
Per DA service call	\$ 0.00055
Switched Local Channel - DS 1 level, per month	\$ 133.81
Nonrecurring - first/additional	\$866.87/\$486.83
Switched Dedicated Transport - DS 1 level, per mi/per mo.	\$ 23.00
Facilities termination, per month	\$ 90.00
Nonrecurring	\$ 100.49
DA interconnection per DA access service call	\$ 0.00269
Installation	
NRC - per trunk or signalling connection, first/additional	\$915/\$10
<b>Collocation</b>	
Application	
Per arrangement/per location - nonrecurring	\$ 3,850.00
Space preparation fee - nonrecurring	ICB
Space construction fee - nonrecurring	\$ 4,500.00
Cable installation - per entrance cable	\$ 2,750.00
Floor space zone A, per square foot, per month	\$ 7.50
Floor space zone B, per square foot, per month	\$ 6.75
Power per amp, per month	\$ 5.00

## Proposed Interim Network Element Rates

Unbundled Element	PSC Proposed True-up Price
Cable support structure, per entrance cable	\$ 13.35
POT bay (optional point of termination bay)	
Per 2-wire cross-connect, per month	\$ 0.40
Per 4-wire cross-connect, per month	\$ 1.20
Per DS1 cross-connect, per month	\$ 1.20
Per DS3 cross-connect, per month	\$ 8.00
Cross-Connects	
2-wire analog, per month	\$ 0.30
4 wire analog, per month	\$ 0.50
Nonrecurring 2-wire and 4-wire	\$ 18.40
DS1, per month	\$ 8.00
Nonrecurring, first/additional	\$155/\$27
DS3, per month	\$ 72.00
Nonrecurring, first/additional	\$155/\$27
Security Escort	
Basic - 1st half hour	\$ 41.00
Overtime - 1st half hour	\$ 48.00
Premium - 1st half hour	\$ 55.00
Basic - additional	\$ 25.00
Overtime - additional	\$ 30.00
Premium - additional	\$ 35.00



RATES AND CHARGES - GEORGIA

CHECK LIST ITEM NUMBER	RATE ELEMENT	PROPOSED RATES	
		MONTHLY RECURRING	NONRECURRING
2. Nondiscriminatory	Collocation - Physical *		
Access to	Application Fee		\$ 3,850.00
Network Elements	Space Preparation Fee		ICB
	Space Construction Fee		\$ 4,500.00
	Cable Installation - Per Entrance Cable		\$ 2,750.00
	Floor Space Zone A, Per Square Foot	\$ 7.50	
	Floor Space Zone B, Per Square Foot	\$ 6.75	
	Power, Per AMP	\$ 5.00	
	Cable Support Structure, Per Entrance Cable	\$ 13.35	
	POT Bay (Optional Point of Termination Bay)		
	2-Wire	\$ 0.40	
	4-Wire	\$ 1.20	
	DS1	\$ 1.20	
	DS3	\$ 8.00	
	Cross-Connects		
	2-Wire Analog Cross Connect	\$ 0.30	\$ 12.60
	4-Wire Analog Cross Connect	\$ 0.50	\$ 12.60
	DS1 Cross Connect	\$ 8.00	\$ 155.00 - First \$ 27.00 - Add'l
	DS3 Cross Connect	\$ 72.00	\$ 155.00 - First \$ 27.00 - Add'l
	Security Escort		
	Basic - 1st half hour		\$ 41.00
	Overtime - 1st half hour		\$ 48.00
	Premium - 1st half hour		\$ 55.00
	Basic - additional		\$ 25.00
	Overtime - additional		\$ 30.00
	Premium - additional		\$ 35.00
	Collocation - Virtual	Rates as set forth in Section 20 of BST's FCC Tariff No. 1.	
	Dark Fiber *, (2)		
	- Per each four-fiber dry fiber arrangement		\$ 1,808.19 - First \$ 922.95 - Add'l
	- Per each fiber strand per route mile or fraction thereof	\$ 241.00	
* Indicates rates subject to true-up.			
Notes(s):			
1. The Intermediary Charge applies only to intermediary traffic and is applied in addition to applicable local interconnection charges			
2. Rates mirror Dry Fiber rates contained in Sec. 7 of BST's Interstate Access Tariff, FCC No. 1.			



RATES AND CHARGES - GEORGIA

CHECK LIST		PROPOSED RATES	
ITEM NUMBER	RATE ELEMENT	MONTHLY RECURRING	NONRECURRING
6. Unbundled Local Switching	Unbundled Local Switching *		
	End Office Switching, usage, per mou (1)	\$ 0.0016	
	Tandem Switching, per mou	\$ 0.0017	
	Unbundled Ports		
	- 2 Wire Analog Port, per line	\$ 1.13	\$ 50.00   - First
			\$ 18.00   - Add'l
	- 4 Wire Analog Port, per line	\$ 1.13	\$ 50.00   - First
			\$ 18.00   - Add'l
	- 2 Wire DID Port, per line	\$ 12.68	\$ 50.00   - First
			\$ 18.00   - Add'l
	- 2 Wire DID Port, per line	\$ 120.00	\$ 230.00   - First
			\$ 200.00   - Add'l
	- 2 Wire ISDN Port, per line	\$ 13.50	\$ 150.00   - First
			\$ 120.00   - Add'l
- 4 Wire ISDN Port, per line	\$ 308.00	\$ 230.00   - First	
		\$ 200.00   - Add'l	
	- Rotary Service (hunting), per line	\$ 0.20	\$ 3.00   - First
			\$ 3.00   - Add'l
7 (I) Access to 911 and E911 services	Access to 911 and E911 Services	Billed to appropriate municipality	
7 (II) Access to DA	Directory Assistance Access Service		
	DA Call Completion Access Service, per attempt *	\$ 0.05	
	Number Services Intercept Access Service, per query *	\$ 0.04	
	DA Access Service Call, per call *	\$ 0.20	
	Directory Transport		
	- Sw. Local Channel - OS1 Level, per LC	\$ 133.81	\$ 866.97   - First
			\$ 486.83   - Add'l
	- Sw. Dedicated Transport - OS1 level, Per Mile *	\$ 23.50	
	- Facilities LINK *	\$ 30.00	\$ 100.49
	- Switched Common Transport, per DA Acc. Svc. Minute *	\$ 0.00087	
	- Switched Common Transport, per DA Acc. Svc. Call Mile *	\$ 30.00000	
	- Access Tandem Switching, per DA Acc. Svc. Minute *	\$ 0.0017	
	- DA Interconnection, per DA Acc. Svc. Call	\$ 0.00269	
	- Installation, trunk side svc., per trunk or signaling connection		\$ 915.00   - First
			\$ 100.00   - Add'l
	OA Database Service		
	- Use Fee, per OADS customer's end user request	\$ 0.0350	
- Monthly recurring charge	\$ 150.00		
Direct Access to DA Service			
- OADAS Service Establishment Charge		\$ 1,000.00	
- OADAS Database Service Charge, per month	\$ 5,000.00		
- OADAS per Query Charge	\$ 0.023		
*Indicates rates subject to true-up.			
Note(s):			
1. Does not include retail services. Retail services are available at wholesale rates.			

RATES AND CHARGES - GEORGIA

CHECK LIST ITEM NUMBER	RATE ELEMENT	PROPOSED RATES	
		MONTHLY RECURRING	NONRECURRING
7 (III) Access to	Operator Services		
Operator Call	• Operator Provided Call Handling, per min. *	\$ 0.30	
Completion svcs.	• Fully Automated Call Handling, per attempt *	\$ 0.07	
	• Busy Line Verification Service, per occurrence	\$ 0.90	
	• Emergency Interrupt Service, per occurrence	\$ 1.95	
	Centralized Message Distribution (CMDS)-Hosting		
	• Message Distribution, per message	\$ 0.004	
	• Data Transmission, per message	\$ 0.001	
	Non-Sent Paid Report System (NSPRS)		
	• Intrastate, per message	\$ 0.05	
	• CATS, per message	\$ 0.05	
	• Non-Conterminous, per message	\$ 0.16	
	OLEC Daily Usage File (ODUF)		
	• Recording Service (only applied to unbundled operator services messages), per message	\$ 0.008	
	• Message Distribution, per message	\$ 0.004	
	• Data Transmission, per message	\$ 0.001	
8. White Page	Subscriber Listing Information	(1) No charge for customers' primary listings.	
Directory Listings		(2) Additional listings and optional listings are provided at rates set forth in BST's Intrastate General Subscriber Service Tariff.	
9. Access to Tele- phone Numbers	Access to Numbers	No Charge	
10. Nondiscriminatory	Unbundled Signaling *		
Access to	CCS7 Signaling Connections (Links)		
Databases &	*A* Link, per link, per month	\$ 19.97	\$0.00
Associated Signal-	*B* Link, per link, per month	\$ 25.25	\$0.00
ing Necessary for	Signal Transfer Point, per message	\$ 0.00005	
Call Routing &	Signal Control Points / Databases, per message	\$ 0.00075	
Completion			
	Service Control Points		
	LIDB Validation*		
	• LIDB Validation, per msg.	\$ 0.00075	
	• Orig. Point Code Establishment or Change, per estab. or change		\$ 91.00

\* Indicates rates subject to true-up.

RATES AND CHARGES - GEORGIA

CHECK LIST ITEM NUMBER		RATE ELEMENT	PROPOSED RATES	
			MONTHLY RECURRING	NONRECURRING
10. (Cont'd)		Service Control Points (Cont'd)		
		800 Access Ten Digit Screening Service		
		- Per 800 Call Utilizing 800 Acc. Ten Digit Screening Svc. w/800 Number Delivery, per message *	\$ 0.00075	
		- Per 800 Call Utilizing 800 Acc. Ten Digit Screening Svc. w/800 Number Delivery, for 800 Numbers, w/ Optional Complex Features, per message *	\$ 0.00075	
		- Per 800 Call Utilizing 800 Acc. Ten Digit Screening Svc. w/POTS Number Delivery, per message *	\$ 0.00075	
		- Per 800 Call Utilizing 800 Acc. Ten Digit Screening Svc. w/POTS Number Delivery, w/Optional Complex Features, per message *	\$ 0.00075	
		- Reservation Charge per 800 Number reserved		\$ 27.50   - First
				\$ 0.50   - Addl
		- Establishment Charge per 800 number established w/ 800 Number Delivery		\$ 63.00   - First
		- Est. Charge per 800 number est. w/POTS Number Delivery		\$ 2.00   - Addl
				\$ 63.00   - First
				\$ 2.00   - Addl
		- Customized Area of Service Per 800 Number		\$ 3.00   - First
				\$ 1.50   - Addl
		- Multiple InterLATA Carrier Routing per carrier requested, per 800 number		\$ 3.50   - First
				\$ 2.00   - Addl
		- Change Charge per request		\$ 42.00   - First
				\$ 0.50   - Addl
		- Call Handling and Destination Features per 800 number		\$ 3.00
		Selective Routing *		
		Line or PBX Trunk, each	\$0.00	\$ 10.00

\*Indicates rates subject to true-up.

RATES AND CHARGES - GEORGIA

CHECK LIST		PROPOSED RATES	
		MONTHLY RECURRING	NONRECURRING
ITEM NUMBER	RATE ELEMENT		
11. Number Portability	Interim Number Portability		
	Direct Inward Dialing (DID)		
	- Business, per number ported	\$ 0.01	\$ 1.00
	- Residence, per number ported	\$ 0.01	\$ 1.00
	- Rate per order, per end user location		\$ 25.00
	- SPNP-DID Trunk Termination, per trunk	\$ 13.00	\$ 164.00 - Initial
			\$ 83.00 - Subsequ
	- DS1 Local Channel, per Local Channel (1), (2)	\$ 133.81	\$ 866.97 - First
			\$ 486.83 - Add'l
	- DS1 Dedicated Transport (1), (2)		
	- Per mile	\$ 23.50	
	- Facilities LINK	\$ 30.00	\$ 100.49
*Indicates rates subject to true-up.			
Note(s):			
1. Rates are displayed at the DS1 level.			
2. May not be required if the OLEC is collocated at the ported number end office.			

RATES AND CHARGES - KENTUCKY

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed Price True-Up
<b>Unbundled Loops</b>		
2-Wire Analog Voice Grade Loop, Per Month Nonrecurring	\$25.00 (\$140.00 1st/45.00 add'l)*	\$17.00 \$58.40
4-Wire Analog Voice Grade Loop, Per Month Nonrecurring	\$45.00 (\$140.00 1st/45.00 add'l)*	\$27.20 \$58.40
2-Wire ISDN Digital Grade Loop, Per Month Nonrecurring		\$27.20 \$58.40
2-Wire ADSL/HDSL Loop, Per Month Nonrecurring		\$17.00 \$58.40
4-wire HDSL Loop, Per Month Nonrecurring		\$27.20 \$58.40
4-Wire DS1 Digital Grade Loop, Per Month Nonrecurring	\$140.00 (\$775.00 1st/335.00 add'l)	
<b>Unbundled Exchange Access IOC</b>		
0 - 8 Miles, Fixed Per Month Per Mile, Per Month	\$30.00 \$2.05	
9 - 25 Miles, Fixed Per Month Per Mile, Per Month	\$30.00 \$2.00	
Over 25 Miles, Fixed Per Month Per Mile, Per Month	\$30.00 \$1.95	
<b>Unbundled Local Switching*</b>		
<b>Unbundled Exchange Ports</b>		
2-wire Analog, Per Month Nonrecurring		\$2.70 \$50.00 1st/18.00 ac
4-wire Analog (Coin), Per Month Nonrecurring		\$4.00 \$50.00 1st/18.00 ac
4-wire ISDN DS1, Per Month Nonrecurring		\$333.00 \$230.00 1st/200.00 a
2-Wire ISDN Digital, Per Month Nonrecurring		\$15.00 \$150.00 1st/120.00 a
2-Wire Analog Hunting - per line - Per Month Nonrecurring		\$.30 \$3.00
*Nonrecurring rates for unbundled loops have been adjusted downward during negotiations and are not tariffed rates.		

RATES AND CHARGES - KENTUCKY

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed True-
<b>Unbundled Local Usage (Restructured Switching)</b> End Office Switching Per MOU Tandem Switching Per MOU Common Transport Per Mile/MOU Common Transport Facilities Termination Per Month		\$ .0056 \$ .0006 \$ .0000 \$ .0003
<b>Local Interconnection (NOTE 1)</b> End Office Switching Per MOU Tandem Switching Per MOU Common Transport Per Mile/MOU Common Transport - Facility Termination Per MOU Intermediary Tandem Per MOU*		
<b>Dedicated Transport - DS1</b> Per Mile Per Month Facility Termination Per Month Nonrecurring		
<b>Channelization System - For Unbundled Loops</b> Unbundled Loop System (DS1 to VG) per sys/per mo. Nonrecurring Central Office Interface Per Circuit, Per Month Nonrecurring		\$400.00 \$525.00 \$1.15 \$8.00
<b>CCS7 Signaling Transport Service</b> Signaling Connection Link, Per Month Nonrecurring Signaling Termination (Port), Per Month Signaling Usage, Per 56 Kbps Facility, Per Month	\$155.00 56Kbps/mo \$510.00 \$355.00 STP Port/mo.	\$395.00
<b>800 Access Ten Digit Screening Service</b> 800/POTS Number Delivery, Per Query 800/POTS Number Delivery with Optional complex Features, Per Query	\$ .00383 \$ .00431	
* The tandem intermediary charge applied only to intermediary traffic and is applied in addition to applicable local interconnection charges.		
<b>NOTE 1: Local Interconnection is defined as the transport and termination of local traffic between facility based carriers.</b>		
<b>Information Database Access Service</b> Common Transport, Per Query	\$ .00030	



RATES AND CHARGES - KENTUCKY

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed True-
Validation, Per Query	\$0.03800	
Nonrecurring - Establishment or Change	\$91.00	
<b>Operator Services</b>		
<b>Operator Call Processing Access Service</b>		
Operator Provided, Per Minute		
Using BST LIOB		\$1.60
Using Foreign LIOB		\$1.62
Fully Automated, Per Attempt		
Using BST LIOB	---	\$0.09
Using Foreign LIOB	---	\$0.11
<b>Inward Operator Services Access Service</b>		
Verification, Per Call	\$0.90	
Emergency Interrupt, Per Call	\$1.95	
<b>Directory Assistance Access Service Calls</b>		
Per Call	\$0.271744	
<b>Directory Assistance Database Service</b>		
Use Fee, Per DAOS Cust's EU Request/Listing	\$0.035	
Monthly Recurring	\$150.00	
<b>Direct Access to Directory Assistance Service (DADAS)</b>		
Database Service Charge, Per Month	\$5,000.00	
Database Query Charge, Per Query	\$0.023	
Nonrecurring - DADAS Service Establishment	\$1,000.00	
<b>DACC Access Service</b>		
Per Call Attempt		\$0.25
Recording Cost Per Announcement		
Loading Cost Per Audio Unit		
<b>Number Services Intercept Access Service</b>		
Per Intercept Query		\$0.25

RATES AND CHARGES - KENTUCKY

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed Pr True-Up
<b>Directory Transport</b>		
Switched Common Transport Per DA Service Call	\$ .00030	
Switched Common Transport Per DA Service Call Mile	\$ .00004	
Access Tandem Switched Per DA Service Call	\$ .00055	
Sw. Local Channel - DS 1 Level, Per Month Nonrecurring	133.81/mo. \$866.91 1st/486.83 add'l	
Sw. Dedicated Transport - DS 1 level, Per Mi/Per Mo. Facilities Termination, Per Month Nonrecurring	\$23.00 \$90.00 \$100.49	
DA Interconnection per DA Service Call Installation NRC - Per Trunk or Signaling Connection	\$0.00269  \$915.00 1st/100.00 add'l	
<b>Collocation</b>		
<b>Application</b>		
Per Arrangement / Per Location - Nonrecurring		\$3,850.00
Space Preparation Fee - Nonrecurring		ICB
Space Construction Fee - Nonrecurring		\$4,500.00
Per Installation - Per Entrance Cable		\$2,750.00
Floor Space Zone A, Per Square Foot, Per Month		\$7.50
Floor Space Zone B, Per Square Foot, Per Month		\$6.75
Power Per AMP, Per Month		\$5.00
Cable Support Structure, Per Entrance Cable		\$13.35
<b>POT Bay (Optional Point of Termination Bay)</b>		
Per 2-Wire Cross - Connect, Per Month		\$0.40
Per 4-Wire Cross - Connect, Per Month		\$1.20
Per DS1 Cross - Connect, Per Month		\$1.20
Per DS3 Cross - Connect, Per Month		\$8.00
<b>Cross-Connects</b>		
2-Wire Analog, Per Month		\$0.30
4-Wire Analog, Per Month		\$0.50
Nonrecurring 2-wire and 4-wire		\$16.00
DS1, Per Month Nonrecurring		\$8.00 \$155 1st/27.00 ad
DS3, Per Month Nonrecurring		\$72.00 \$155 1st/27.00 ad

RATES AND CHARGES - KENTUCKY

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed P True-Up
<b>Security Escort</b>		
Basic - 1st half hour		\$41.00
Overtime - 1st half hour		\$48.00
Premium - 1st half hour		\$55.00
Basic - additional		\$25.00
Overtime - additional		\$30.00
Premium - additional		\$35.00

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports

Description: An exchange port is the capability derived from the central office switch hardware and software required to permit end users to transmit or receive information over BellSouth's public switched network. It provides service enabling and network features and functionality such as translations, a telephone number, switching, announcements, supervision and touch-tone capability.

In addition, a BellSouth provided port with outgoing network access also provides access to other services such as operator services, long distance service, etc. It may also be combined with other services available in BellSouth's Intrastate Access Service Tariffs as technically feasible.

When an Unbundled Port is connected to BellSouth provided collocated loops, cross-connection rate elements are required as set forth in Section 20 of BellSouth Telecommunications's, Inc.'s Interstate Access Tariff, FCC No.1.

Florida	
Rate Elements	Rate
Monthly	
Residence Port	\$2.00
Business Port	\$4.50
PBX Trunk Port	\$7.50
Rotary Service	\$2.00
Usage-(STB)	
- int. min.	\$0.0275
- add'l min.	\$0.0125

NOTES:

- (1) Nonrecurring Charges, as displayed in Table I on Page 3, and Usage Charges, as displayed on this page, apply in addition to monthly rates.
- (2) Applies per outgoing, incoming or 2-way trunk port.
- (3) DID requires rates and charges as indicated in Table II on Page 3 in addition to the PBX Trunk Port rates.
- (4) IDD requires rates and charges as indicated in Table III on Page 3 in addition to the PBX Trunk Port rates.
- (5) Applies per outgoing, incoming or 2-way voice grade equivalent.
- (6) Primary rate ISDN requires a primary rate interface in addition to the primary rate ISDN NASEs. Additional charges also apply per Primary Rate B-Channel, Call-by-Call Integrated Service Access Service Selection and Incoming Call Identification. See Table IV on Page 3 for rates and charges.
- (7) In addition to the local calling described in A3 of BellSouth's General Subscriber Service Tariff, if any wire center in an exchange is located within 40 miles of any wire center in the originating exchange, local calling will be provided from the entire originating exchange to the entire terminating exchange. The usage charges for Band G are applicable for distances greater than 40 miles.

Interim UDL-4W Rates

STATE	RECURRING	NON-RECURRING	
		1ST	ADD'L
ALABAMA	\$27.00	\$475.00	\$325.00
FLORIDA	\$30.50	\$510.00	\$350.00
GEORGIA	\$25.50	\$525.00	\$375.00
KENTUCKY	\$36.00	\$550.00	\$375.00
LOUISIANA	\$34.00	\$500.00	\$350.00
MISSISSIPPI	\$24.50	\$475.00	\$325.00
N. CAROLINA	\$24.00	\$525.00	\$350.00
S. CAROLINA	\$27.50	\$525.00	\$350.00
TENNESSEE	\$25.00	\$500.00	\$350.00

These rates are for a 4-wire Unbundled Digital Loop capable of 56kbps or 64kbps data traffic. The loop extends from the Network Interface Device (NID) at the customer's premises to the Main Distribution Frame (MDF) at that customer's central office.

These rates do not include any other Unbundled Network Element (UNE) or any cross-connects to such UNEs or collocation space.

Additional Loop Rates

STATE	2-WIRE ISDN		4-WIRE DS1 DIGITAL	
	Monthly	NR	Monthly	NR
FLORIDA	\$40.00	\$306.00 / 1st \$283.00 / Add'l	\$80.00	\$540.00 / 1st \$465.00 / Add'l
N. CAROLINA	\$27.20	\$33.00	\$238.00	\$837.92 / 1st \$494.19 / Add'l

Dedicated Transport - DS1 Level

STATE	Monthly		NR
FLORIDA	\$1.60 \$59.75	- per mile - fac. term.	\$100.49
NORTH CAROLINA	\$23.00 \$90.00	- per mile - fac. term.	\$100.49

Interim Cross-Connect Rates

STATE	2-WIRE ANALOG		4-WIRE ANALOG	
	Monthly	NR	Monthly	NR
FLORIDA	\$ .30	\$15.20	\$ .50	\$15.20
LOUISIANA	\$ .30	\$20.80	\$ .50	\$20.80
MISSISSIPPI	\$ .30	\$13.00	\$ .50	\$13.00
N. CAROLINA	\$ .30	\$11.60	\$ .50	\$11.60
S. CAROLINA	\$ .30	\$8.00	\$ .50	\$8.00
TENNESSEE	\$ .30	\$19.20	\$ .50	\$19.20

### Unbundled Packet Switching UNE Proxy Pricing

Until cost studies are completed, BST will use the following rates on an interim basis.

The following rates will apply for Frame Relay UNEs in Florida.

	Non-Recurring	Recurring
User Network Interface - 56 Kbps	\$300	\$ 62
User Network Interface - 64 Kbps	300	70
User Network Interface - 1.536 Mbps	410	294
User Network Interface - 44.210 Mbps	1,050	2,426
Network Network Interface - 56 Kbps	300	62
Network Network Interface - 64 Kbps	300	70
Network Network Interface - 1.536 Mbps	410	294
Network Network Interface - 44.210 Mbps	1,050	2,426
Data Link Connection Identifier	25	1.50
Committed Information Rate		
0 Bps	0	0
1-32 Kbps	0	7
33-56 Kbps	0	12
57-64 Kbps	0	13
65-128 Kbps	0	18
129-256 Kbps	0	24
257-384 Kbps	0	28
385-512 Kbps	0	32
513-768 Kbps	0	36
769Kbps-1.536 Mbps	0	55
1.537-4 Mbps	0	120
5-10 Mbps	0	160
11-16 Mbps	0	226
17-34 Mbps	0	250
35-44.210 Mbps	0	370

**Agreement Between BellSouth Telecommunications, Inc. and DeltaCom, Inc. Regarding The Sale of  
BellSouth Telecommunications Services to Reseller For The Purposes of Resale**

**THIS AGREEMENT** is by and between BellSouth Telecommunications, Inc., ("BellSouth or Company"), a Georgia corporation, and DeltaCom, Inc. ("Reseller"), an Alabama corporation, and shall be deemed effective as of the execution date of this Fourth Amendment.

**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, Reseller is or seeks to become an alternative 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, Reseller desires to resell BellSouth's telecommunications services; and

WHEREAS, BellSouth has agreed to provide such services to Reseller for resale purposes and pursuant to the terms and conditions set forth herein;

NOW, THEREFORE, for and in consideration of the mutual premises and promises contained herein, BellSouth and Reseller do hereby agree as follows:

**I. Term of the Agreement**

A. The term of this Agreement shall begin with the execution of this Fourth Amendment and extend to June 30, 1999 and shall apply to all of BellSouth's serving territory as of January 1, 1996 in the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.

B. This Agreement shall be automatically renewed for two additional one year periods unless either party indicates its intent not to renew the Agreement. Notice of such intent must be provided, in writing, to the other party no later than 60 days prior to the end of the then-existing contract period. The terms of this Agreement shall remain in effect after the term of the existing agreement has expired and while a new agreement is being negotiated.

C. The rates pursuant by which Reseller is to purchase services from BellSouth for resale shall be at a discount rate off of the retail rate for the telecommunications service. The discount rates shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference. Such discount shall reflect the costs avoided by BellSouth when selling a service for wholesale purposes.

**II. Definition of Terms**

A. **CUSTOMER OF RECORD** means the entity responsible for placing application for service; requesting additions, rearrangements, maintenance or discontinuance of service; payment in full of charges incurred such as non-recurring, monthly recurring, toll, directory assistance, etc.

B. **DEPOSIT** means assurance provided by a customer in the form of cash, surety bond or bank letter of credit to be held by the Company.



- C. **END USER** means the ultimate user of the telecommunications services.
- D. **END USER CUSTOMER LOCATION** means the physical location of the premises where an end user makes use of the telecommunications services.
- E. **NEW SERVICES** means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.
- F. **OTHER LOCAL EXCHANGE COMPANY (OLEC)** means a telephone company certificated by the public service commissions of the Company's franchised area to provide local exchange service within the Company's franchised area.
- G. **RESALE** means an activity wherein a certificated OLEC, such as Reseller subscribes to the telecommunications services of the Company and then reoffers those telecommunications services to the public (with or without "adding value").
- H. **RESALE SERVICE AREA** means the area, as defined in a public service commission approved certificate of operation, within which an OLEC, such as Reseller, may offer resold local exchange telecommunications service.

### III. General Provisions

- A. Reseller may resell the tariffed local exchange and toll telecommunications services of BellSouth contained in the General Subscriber Service Tariff and Private Line Service Tariff subject to the terms, and conditions specifically set forth herein. Notwithstanding the foregoing, the exclusions and limitations on services available for resale will be as set forth in Exhibit B, attached hereto and incorporated herein by this reference.

BellSouth shall make available telecommunications services for resale at the rates set forth in Exhibit A to this agreement and subject to the exclusions and limitations set forth in Exhibit B to this agreement. It does not, however waive its rights to appeal or otherwise challenge any decision regarding resale that resulted in the discount rates contained in Exhibit A or the exclusions and limitations contained in Exhibit B. BellSouth reserves the right to pursue any and all legal and/or equitable remedies, including appeals of any decisions. If such appeals or challenges result in changes in the discount rates or exclusions and limitations, the parties agree that appropriate modifications to this Agreement will be made promptly to make its terms consistent with the outcome of the appeal.

- B. The provision of services by the Company to Reseller does not constitute a joint undertaking for the furnishing of any service.
- C. Reseller will be the customer of record for all services purchased from BellSouth. Except as specified herein, the Company will take orders from, bill and expect payment from Reseller for all services.
- D. Reseller will be the Company's single point of contact for all services purchased pursuant to this Agreement. The Company shall have no contact with the end user except to the extent provided for herein.

- E. The Company will continue to bill the end user for any services that the end user specifies it wishes to receive directly from the Company.
- F. The Company maintains the right to serve directly any end user within the service area of Reseller. The Company will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with end users of Reseller.
- G. Neither Party shall interfere with the right of any person or entity to obtain service directly from the other Party.
- H. Current telephone numbers may normally be retained by the end user. However, telephone numbers are the property of the Company and are assigned to the service furnished. Reseller has no property right to the telephone number or any other call number designation associated with services furnished by the Company, and no right to the continuance of service through any particular central office. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, whenever the Company deems it necessary to do so in the conduct of its business.
- I. The Company may provide any service or facility for which a charge is not established herein, as long as it is offered on the same terms to Reseller.
- J. Service is furnished subject to the condition that it will not be used for any unlawful purpose.
- K. Service will be discontinued if any law enforcement agency advises that the service being used is in violation of the law.
- L. The Company can refuse service when it has grounds to believe that service will be used in violation of the law.
- M. The Company accepts no responsibility to any person for any unlawful act committed by Reseller or its end users as part of providing service to Reseller for purposes of resale or otherwise.
- N. The Company will cooperate fully with law enforcement agencies with subpoenas and court orders for assistance with the Company's customers. Law enforcement agency subpoenas and court orders regarding end users of Reseller will be directed to Reseller. The Company will bill Reseller for implementing any requests by law enforcement agencies regarding Reseller end users.
- O. The characteristics and methods of operation of any circuits, facilities or equipment provided by any person or entity other than the Company shall not:
1. Interfere with or impair service over any facilities of the Company, its affiliates, or its connecting and concurring carriers involved in its service;
  2. Cause damage to their plant;

3. Impair the privacy of any communications; or

4. Create hazards to any employees or the public.

P. Reseller assumes the responsibility of notifying the Company regarding less than standard operations with respect to services provided by Reseller.

Q. Facilities and/or equipment utilized by BellSouth to provide service to Reseller remain the property of BellSouth.

R. White page directory listings will be provided in accordance with regulations set forth in Section A6 of the General Subscriber Service Tariff and will be available for resale.

S. BellSouth will provide customer record information to the Reseller provided the Reseller has the appropriate Letter(s) of Authorization. BellSouth may provide customer record information via one of the following methods: US mail, fax, or by electronic interface. BellSouth will provide customer record information via US mail or fax on an interim basis only.

Reseller agrees to compensate BellSouth for all BellSouth incurred expenditures associated with providing such information to Reseller. Reseller will adopt and adhere to the BellSouth guidelines associated with each method of providing customer record information.

T. BellSouth's retail voice mail services may be made available for resale at rates, terms and conditions as mutually agreed to by the parties.

#### IV. BellSouth's Provision of Services to Reseller

A. Reseller agrees that its resale of BellSouth services shall be as follows:

1. The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.

2. To the extent Reseller is a telecommunications carrier that serves greater than 5 percent of the Nation's presubscribed access lines, Reseller shall not jointly market its interLATA services with the telecommunications services purchased from BellSouth pursuant to this Agreement in any of the states covered under this Agreement. For the purposes of this subsection, to jointly market means any advertisement, marketing effort or billing in which the telecommunications services purchased from BellSouth for purposes of resale to customers and interLATA services offered by Reseller are packaged, tied, bundled, discounted or offered together in any way to the end user. Such efforts include, but are not limited to, sales referrals, resale arrangements, sales agencies or billing agreements. This subsection shall be void and of no effect for a particular state covered under this Agreement as of February 8, 1999 or on the date BellSouth is authorized to offer interLATA services in that state, whichever is earlier.

3. Hotel and Hospital PBX service are the only telecommunications services available for resale to Hotel/Motel and Hospital end users, respectively. Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to Independent Payphone Provider (IPP) customers. Shared Tenant Service customers can only be sold those telecommunications services available in the Company's A23 Shared Tenant Service Tariff.

4. Reseller is prohibited from furnishing both flat and measured rate service on the same business premises to the same subscribers (end users) as stated in A2 of the Company's Tariff except for backup service as indicated in the applicable state tariff Section A3.

5. If telephone service is established and it is subsequently determined that the class of service restriction has been violated, Reseller will be notified and billing for that service will be immediately changed to the appropriate class of service. Service charges for changes between class of service, back billing, and interest as described in this subsection shall apply at the Company's sole discretion. Interest at a rate as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff for the applicable state, compounded daily for the number of days from the back billing date to and including the date that Reseller actually makes the payment to the Company may be assessed.

6. The Company reserves the right to periodically audit services purchased by Reseller to establish authenticity of use. Such audit shall not occur more than once in a calendar year. Reseller shall make any and all records and data available to the Company or the Company's auditors on a reasonable basis. The Company shall bear the cost of said audit.

B. Resold services can only be used in the same manner as specified in the Company's Tariff. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual end user of the Company in the appropriate section of the Company's Tariffs. Specific tariff features, e.g. a usage allowance per month, shall not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer except as specified in Section A23. of the Company's Tariff referring to Shared Tenant Service.

C. Reseller may resell services only within the specific resale service area as defined in its certificate.

D. Telephone numbers transmitted via any resold service feature are intended solely for the use of the end user of the feature. Resale of this information is prohibited.

E. No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agreement. Reseller is strictly prohibited from any use, including but not limited to sales, marketing or advertising, of any BellSouth name or trademark.

#### V. Maintenance of Services

A. Reseller will adopt and adhere to the standards contained in the applicable BellSouth Work Center Interface Agreement regarding maintenance and installation of service.

B. Services resold under the Company's Tariffs and facilities and equipment provided by the Company shall be maintained by the Company.

- C. Reseller or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.
- D. Reseller accepts responsibility to notify the Company of situations that arise that may result in a service problem.
- E. Reseller will be the Company's single point of contact for all repair calls on behalf of Reseller's end users. The parties agree to provide one another with toll-free contact numbers for such purposes.
- F. Reseller will contact the appropriate repair centers in accordance with procedures established by the Company.
- G. For all repair requests, Reseller accepts responsibility for adhering to the Company's prescreening guidelines prior to referring the trouble to the Company.
- H. The Company will bill Reseller for handling troubles that are found not to be in the Company's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its retail customers for the same services.
- I. The Company reserves the right to contact Reseller's customers, if deemed necessary, for maintenance purposes.

#### VI. Establishment of Service

- A. After receiving certification as a local exchange company from the appropriate regulatory agency, Reseller will provide the appropriate Company service center the necessary documentation to enable the Company to establish a master account for Reseller. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, the Company will begin taking orders for the resale of service.
- B. Service orders will be in a standard format designated by the Company.
- C. When notification is received from Reseller that a current customer of the Company will subscribe to Reseller's service, standard service order intervals for the appropriate class of service will apply.
- D. The Company will not require end user confirmation prior to establishing service for Reseller's end user customer. Reseller must, however, be able to demonstrate end user authorization upon request.
- E. Reseller will be the single point of contact with the Company for all subsequent ordering activity resulting in additions or changes to resold services except that the Company will accept a request directly from the end user for conversion of the end user's service from Reseller to the Company or will accept a request from

another OLEC for conversion of the end user's service from the Reseller to the other LEC. The Company will notify Reseller that such a request has been processed.

F. If the Company determines that an unauthorized change in local service to Reseller has occurred, the Company will reestablish service with the appropriate local service provider and will assess Reseller as the OLEC initiating the unauthorized change, the unauthorized change charge described in F.C.C. Tariff No. 1, Section 13. Appropriate nonrecurring charges, as set forth in Section A4. of the General Subscriber Service Tariff, will also be assessed to Reseller. These charges can be adjusted if Reseller provides satisfactory proof of authorization.

G. The Company may, in order to safeguard its interest, require Reseller to make a deposit to be held by the Company as a guarantee of the payment of rates and charges, unless satisfactory credit has already been established. Any such deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.

H. Such deposit may not exceed two months' estimated billing.

L. The fact that a deposit has been made in no way relieves Reseller from complying with the Company's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of the Company providing for the discontinuance of service for non-payment of any sums due the Company.

J. The Company reserves the right to increase the deposit requirements when, in its sole judgment, the conditions justify such action.

K. In the event that Reseller defaults on its account, service to Reseller will be terminated and any deposits held will be applied to its account.

L. In the case of a cash deposit, interest at the rate of six percent per annum shall be paid to Reseller during the continuance of the deposit. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to Reseller by the accrual date.

## VII. Payment And Billing Arrangements

A. When the initial service is ordered by Reseller, the Company will establish an accounts receivable master account for Reseller.

B. The Company shall bill Reseller on a current basis all applicable charges and credits.

C. Payment of all charges will be the responsibility of Reseller. Reseller shall make payment to the Company for all services billed. The Company is not responsible for payments not received by Reseller from Reseller's customer. The Company will not become involved in billing disputes that may arise between Reseller and its customer. Payments made to the Company as payment on account will be credited to an accounts receivable master account and not to an end user's account.

- D.** The Company will render bills each month on established bill days for each of Reseller's accounts.
- E.** The Company will bill Reseller, in advance, charges for all services to be provided during the ensuing billing period except charges associated with service usage, which charges will be billed in arrears. Charges will be calculated on an individual end user account level, including, if applicable, any charges for usage or usage allowances. BellSouth will also bill all charges, including but not limited to 911 and E911 charges, telecommunications relay charges, and franchise fees, to Reseller.
- F.** The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available funds. Payment is considered to have been made when received by the Company.
- If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth in I. following, shall apply.
- G.** Upon proof of tax exempt certification from Reseller, the total amount billed to Reseller will not include any taxes due from the end user. Reseller will be solely responsible for the computation, tracking, reporting and payment of all federal, state and/or local jurisdiction taxes associated with the services resold to the end user.
- H.** As the customer of record, Reseller will be responsible for, and remit to the Company, all charges applicable to its resold services for emergency services (E911 and 911) and Telecommunications Relay Service (TRS) as well as any other charges of a similar nature.
- I.** If any portion of the payment is received by the Company after the payment due date as set forth preceding, or if any portion of the payment is received by the Company in funds that are not immediately available to the Company, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff.
- J.** Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, the Company. No additional charges are to be assessed to Reseller.
- K.** The Company will not perform billing and collection services for Reseller as a result of the execution of this Agreement. All requests for billing services should be referred to the appropriate entity or operational group within the Company.
- L.** Pursuant to 47 CFR Section 51.617, the Company will bill Reseller end user common line charges identical to the end user common line charges the Company bills its end users.
- M.** In general, the Company will not become involved in disputes between Reseller and Reseller's end user customers over resold services. If a dispute does arise that cannot be settled without the involvement of the Company, Reseller shall contact the designated Service Center for resolution. The Company will make every

effort to assist in the resolution of the dispute and will work with Reseller to resolve the matter in as timely a manner as possible. Reseller may be required to submit documentation to substantiate the claim.

#### VIII. Discontinuance of Service

A. The procedures for discontinuing service to an end user are as follows:

1. Where possible, the Company will deny service to Reseller's end user on behalf of, and at the request of, Reseller. Upon restoration of the end user's service, restoral charges will apply and will be the responsibility of Reseller.
2. At the request of Reseller, the Company will disconnect a Reseller end user customer.
3. All requests by Reseller for denial or disconnection of an end user for nonpayment must be in writing.
4. Reseller will be made solely responsible for notifying the end user of the proposed disconnection of the service.
5. The Company will continue to process calls made to the Annoyance Call Center and will advise Reseller when it is determined that annoyance calls are originated from one of their end user's locations. The Company shall be indemnified, defended and held harmless by Reseller and/or the end user against any claim, loss or damage arising from providing this information to Reseller. It is the responsibility of Reseller to take the corrective action necessary with its customers who make annoying calls. Failure to do so will result in the Company's disconnecting the end user's service.

B. The procedures for discontinuing service to Reseller are as follows:

1. The Company reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any other violation or noncompliance by Reseller of the rules and regulations of the Company's Tariffs.
2. If payment of account is not received by the bill day in the month after the original bill day, the Company may provide written notice to Reseller, that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. If the Company does not refuse additional applications for service on the date specified in the notice, and Reseller's noncompliance continues, nothing contained herein shall preclude the Company's right to refuse additional applications for service without further notice.
3. If payment of account is not received, or arrangements made, by the bill day in the second consecutive month, the account will be considered in default and will be subject to denial or disconnection, or both.
4. If Reseller fails to comply with the provisions of this Agreement, including any payments to be made by it on the dates and times herein specified, the Company may, on thirty days written notice to the person designated by Reseller to receive notices of noncompliance, discontinue the provision of existing



services to Reseller at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If the Company does not discontinue the provision of the services involved on the date specified in the thirty days notice, and Reseller's noncompliance continues, nothing contained herein shall preclude the Company's right to discontinue the provision of the services to Reseller without further notice.

5. If payment is not received or arrangements made for payment by the date given in the written notification, Reseller's services will be discontinued. Upon discontinuance of service on a Reseller's account, service to Reseller's end users will be denied. The Company will also reestablish service at the request of the end user or Reseller upon payment of the appropriate connection fee and subject to the Company's normal application procedures. Reseller is solely responsible for notifying the end user of the proposed disconnection of the service.

6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

#### IX. Liability

A. The liability of the Company for damages arising out of mistakes, omissions, interruptions, preemptions, delays errors or defects in transmission, or failures or defects in facilities furnished by the Company, occurring in the course of furnishing service or other facilities and not caused by the negligence of Reseller, or of the Company in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision shall in no event exceed an amount equivalent to the proportionate charge to Reseller for the period of service during which such mistake, omission, interruption, preemption, delay, error or defect in transmission or defect or failure in facilities occur. The Company shall not be liable for damage arising out of mistakes, omission, interruptions, preemptions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company, (1) caused by customer-provided equipment (except where a contributing cause is the malfunctioning of a Company-provided connecting arrangement, in which event the liability of the Company shall not exceed an amount equal to a proportional amount of the Company billing for the period of service during which such mistake, omission, interruption, preemption, delay, error, defect in transmission or injury occurs), or (2) not prevented by customer-provided equipment but which would have been prevented had Company-provided equipment been used.

B. The Company shall be indemnified and saved harmless by Reseller against any and all claims, actions, causes of action, damages, liabilities, or demands (including the costs, expenses and reasonable attorneys' fees, on account thereof) of whatever kind or nature that may be made by any third party as a result of the Company's furnishing of service to Reseller.

C. The Company shall be indemnified, defended and held harmless by Reseller and/or the end user against any claim, loss or damage arising from the use of services offered for resale involving:

1. Claims for libel, slander, invasion of privacy or infringement of copyright arising from Reseller's or end user's own communications.

2. Claims for patent infringement arising from acts combining or using Company services in connection with facilities or equipment furnished by the end user or Reseller.

3. All other claims arising out of an act or omission of Reseller or its end user in the course of using services.

D. Reseller accepts responsibility for providing access for maintenance purposes of any service resold under the provisions of this Tariff. The Company shall not be responsible for any failure on the part of Reseller with respect to any end user of Reseller.

#### X. Treatment of Proprietary and Confidential Information

A. Both parties agree 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 and like information (hereinafter collectively referred to as "Information"). Both parties agree that all Information shall either be in writing or other tangible format and clearly marked with a confidential, private or proprietary legend, or, when the Information is communicated orally, it shall also be communicated that the Information is confidential, private or proprietary. The Information will be returned to the owner within a reasonable time. Both parties agree that the Information shall not be copied or reproduced in any form. Both parties agree to receive such Information and not disclose such Information. Both parties agree to 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. 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; or 3) previously known to the receiving party without an obligation to keep it confidential.

#### XI. Resolution of Disputes

Except as otherwise stated in this Agreement, the parties agree that 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 petition the applicable state Public Service Commission for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by that Public Service Commission concerning this Agreement.

#### XII. Limitation of Use

The parties agree that 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.

#### XIII. 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.

**XIV. 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.

**XV. 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.

**XVI. More Favorable Provisions****A. The parties agree that if ---**

1. the Federal Communications Commission ("FCC") or the Commission finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations, or

2. the FCC or the Commission preempts the effect of this Agreement, then, in either case, upon such occurrence becoming final and no longer subject to administrative or judicial review, the parties shall immediately commence good faith negotiations to conform this Agreement to the requirements of any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or Commission action giving rise to such negotiations. The parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date except to the extent that such retroactive effect is expressly required by such FCC or Commission decision, rule, regulation or preemption.

**B.** In the event that BellSouth, either before or after the effective date of this Agreement, enters into an agreement with any other telecommunications carrier (an "Other Resale Agreement") which provides for the provision within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee of any of the arrangements covered by this Agreement upon rates, terms or conditions that differ in any material respect from the rates, terms and conditions for such arrangements set forth in this Agreement ("Other Terms"), BellSouth shall be deemed thereby to have offered such other Resale Agreement to Reseller in its entirety. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.

**C.** In the event that after the effective date of this Agreement the FCC or the Commission enters an order (a "Resale Order") requiring BellSouth to provide within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee any of the arrangements covered by this agreement upon Other Terms, then upon such Resale Order becoming final and not subject to further administrative or judicial review, BellSouth shall be deemed to have offered such arrangements to Reseller upon such Other Terms, in their entirety, which Reseller may only accept in their entirety, as provided in Section XVI.E. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.

D. In the event that after the effective date of this Agreement BellSouth files and subsequently receives approval for one or more intrastate tariffs (each, a "Resale Tariff") offering to provide within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee any of the arrangements covered by this Agreement upon Other Terms, then upon such Resale Tariff becoming effective, BellSouth shall be deemed thereby to have offered such arrangements to Reseller upon such Other Terms, which Reseller may accept as provided in Section XVI.E. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.

E. The terms of this Agreement, other than those affected by the Other Terms accepted by Reseller, shall remain in full force and effect.

F. **Corrective Payment.** In the event that --

1. BellSouth and Reseller revise this Agreement pursuant to Section XVI.A, or
2. Reseller accepts a deemed offer of an Other Resale Agreement or Other Terms, then BellSouth or Reseller, as applicable, shall make a corrective payment to the other party to correct for the difference between the rates set forth herein and the rates in such revised agreement or Other Terms for substantially similar services for the period from the effective date of such revised agreement or Other Terms until the date that the parties execute such revised agreement or Reseller accepts such Other Terms, plus simple interest at a rate equal to the thirty (30) day commercial paper rate for high-grade, unsecured notes sold through dealers by major corporations in multiples of \$1,000.00 as regularly published in *The Wall Street Journal*.

## XVII. 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 or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.

OLEC Account Team  
3535 Colonnade Pkwy, Room E4E1  
Birmingham, AL 35243

DeltaCom, Inc.

General Counsel  
700 Boulevard South, Suite 101  
Huntsville, AL 35802

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.

## XVIII. Amendments

This Agreement may be amended at any time upon written agreement of both parties.

**XIX. Entire Agreement**

This Agreement 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.

EXHIBIT 5

Type of Service	AL		FL		GA		KY		LA	
	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1 Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2 Contract Service Arrangements	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No
3 Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4 Promotions - < 90 Days	Yes	No	Yes	No	Yes	No	No	No	Yes	No
5 Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
6 911/E911 Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
7 N11 Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
8 Non-Recuring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Type of Service	MS		NC		SC		TN	
	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1 Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2 Contract Service Arrangements	Yes	No	Yes	Yes	Yes	No	Yes	Yes
3 Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
4 Promotions - < 90 Days	Yes	No	No	No	Yes	No	No	No
5 Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6 911/E911 Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7 N11 Services	No	No	No	No	Yes	Yes	Yes	Yes
8 Non-Recuring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No

Additional Comments:

- 1 Grandfathered services can be resold only to existing subscribers of the grandfathered service.
- 2 Where available for resale, promotions will be made available only to end users who would have qualified for the promotion had it been provided by BellSouth directly.
- 3 Lifeline/Link Up services may be offered only to those subscribers who meet the criteria that BellSouth currently applies to subscribers of these services. In Tennessee, Reseller shall purchase BellSouth's Message Rate Service at the stated tariff rate, less the wholesale discount. Reseller must further discount the wholesale Message Rate Service to LifeLine customers with a discount which is no less than the minimum discount that BellSouth now provides. Reseller is responsible for recovering the Subscriber Line Charge from the National Exchange Carriers Association interstate toll settlement pool just as BellSouth does today.
- 4 In Louisiana and Mississippi, all Contract Service Arrangements entered into by BellSouth or terminating after the effective date of the Commission Order will be subject to resale without the wholesale discount. All CSAs which are in place as of the effective date of the Commission order will not be eligible for resale.
- 5 In North Carolina, only those Contract Service Arrangements entered into after April 15, 1997 will be available for resale.

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports (Cont'd)

Louisiana

Rate Elements	Rate	Per
Monthly		
Residence Port	\$2.50	
Business Port	\$7.00	
PBX Trunk Port	\$7.00	
Rotary Service	\$3.50	
Usage-Mileage Bands		
0 (0 miles)	\$0.02	Init.Min.
	\$0.01	Add'l min.
A (1-10 miles)	\$0.04	Init.Min.
	\$0.02	Add'l min.
B (11-16 miles)	\$0.06	Init.Min.
	\$0.04	Add'l min.
C (17-22 miles)	\$0.10	Init.Min.
	\$0.07	Add'l min.
D (23 - 30 miles Basic LCA and Intra Parish Expanded LCA)	\$0.14	Init.Min.
	\$0.10	Add'l min.
E (Greater than 30 miles Basic LCA and Intra Parish Expanded LCA)	\$0.14	Init.Min.
	\$0.14	Add'l min.
F (23 - 30 miles Inter-Parish Expanded LCA)	\$0.14	Init.Min.
	\$0.10	Add'l min.
G (31 - 40 miles Inter-Parish Expanded LCA)	\$0.14	Init.Min.
	\$0.14	Add'l min.
H (Greater than 40 miles Inter-Parish)	\$0.14	Init.Min.
	\$0.14	Add'l min.

Mississippi

N.Carolina

S.Carolina

Rate Elements	Rates	Per	Rate Elements	Rates	Rate Elements	Rates
Monthly			Monthly		Monthly	
Residence Port	\$3.75		Residence Port	\$2.00	Residence Port	\$4.00
Business Port	\$7.50		Business Port	\$6.00	Business Port	\$10.50
PBX Trunk Port	\$7.50		PBX Trunk Port	\$8.00	PBX Trunk Port	\$10.50
Rotary Service	\$3.75		Rotary Service	\$1.50	Rotary Service	\$3.00
Usage - Mile Bands			Usage - (STS)		Usage - (STS)	
A (0 miles)	\$0.02	Init.Min.	- Init.Min.	\$0.05	- Basic Svc.Area	\$0.02
	\$0.01	Add'l min.	- Add'l min.	\$0.02	- Expanded Svc.Area	\$0.12
B (1-10 miles)	\$0.04	Init.Min.				
C (11-16 miles, existing LCA described in A3.6 greater than 16 miles, and calls to county seat greater than 16 miles)	\$0.02	Add'l min.				
	\$0.06	Init.Min.				
D (17-30 miles)	\$0.04	Add'l min.				
	\$0.08	Init.Min.				
	\$0.07	Add'l min.				
E (31-55 miles Blvd LATA)	\$0.08	Init.Min.				
	\$0.07	Add'l min.				
F (31-55 miles Jackson LATA)	\$0.12	Init.Min.				
	\$0.10	Add'l min.				
G (56-85 miles Blvd LATA)	\$0.18	Init.Min.				
	\$0.14	Add'l min.				

Tennessee

Rate Elements	Rates	Per
Monthly		
Residence Port	\$4.00	
Business Port	\$10.00	
PBX Trunk Port	\$10.00	
Rotary Service	\$8.50	
Usage - Mile Bands		
0-16 miles	\$0.02	mon
17-30 miles	\$0.05	mon
31-50 miles	\$0.10	mon

**Collocation Agreement**

**By and Between**

**BellSouth Telecommunications, Inc.**

**and**

**DeltaCom, Inc.**



**Amendment to  
The Interconnection Agreement  
Between DeltaCom, Inc.  
and BellSouth Telecommunications, Inc.  
Dated March 12, 1997**

Pursuant to this Agreement (the "Amendment") DeltaCom, Inc. ("Interconnector") and BellSouth Telecommunications, Inc., ("BellSouth") hereinafter referred to collectively as the "Parties" hereby agree to amend that certain Interconnection Agreement between the Parties dated March 12, 1997 ("Interconnection Agreement").

**I. SCOPE OF AMENDMENT**

A. BellSouth hereby grants to Interconnector a right to occupy that certain enclosed area designated by BellSouth within a BellSouth Central Office, of a size and dimension which is specified by Interconnector and agreed to by BellSouth (hereinafter "Collocation Space"). BellSouth will design and construct at Interconnector's agreed upon expense, a wall or other delineation to establish a clear division between the Collocation Space and other areas of the Central Office dedicated to BellSouth's use.

B. Interconnector shall use the Collocation Space for the purposes of providing services to Interconnector's customers, installing, maintaining and operating Interconnector's equipment (to include testing and monitoring equipment) which is used to interconnect with telecommunications services and facilities provided by BellSouth. Pursuant to Article III, following, Interconnector may place Interconnector-owned fiber entrance facilities to the Collocation Space in which case the arrangement is designated "Expanded Interconnection." Placement of equipment in the Collocation Space without the use of Interconnector-owned entrance facilities is designated "Service Interconnection." In addition to, and not in lieu of, interconnection to BellSouth services and facilities, Interconnector may connect to other interconnectors within the designated Central Office. The Collocation Space may be used for no other purposes except as specifically described herein or authorized in writing by BellSouth.

C. Interconnector may not provide or make available space within the Collocation Space to any third party. Notwithstanding the foregoing, any wholly owned affiliate of Interconnector (i.e., Interconnector's Parent, subsidiary or any entity under common ownership and control with Interconnector) who elects to be made a party to this Amendment may collocate within any Central Office in a separate Collocation Space pursuant to this Amendment by completing the Application/Inquiry process provided for in this Amendment. Any violation of this provision shall be deemed a material breach of this Amendment.

D. Interconnector agrees to pay the rates and charges identified at Exhibit A attached hereto.

E. A Collocation Space will be provided to Interconnector at each Central Office identified at Exhibit B attached hereto, which Exhibit shall be updated from time to time as additional Central Offices are made subject to the terms of this Amendment.

## II. TERM OF AMENDMENT

A. Term. The term of this Amendment shall be for an initial period of two (2) years, beginning on the Interconnection Agreement date stated above and ending two (2) years later on the month and day corresponding to such date. The Parties agree that any renegotiation of this Amendment upon expiration of the term shall be pursuant to 47 U.S.C. §252. Until the revised agreement becomes effective, the Parties shall continue to abide by the rates, terms and conditions of this Amendment.

B. Upon expiration of the initial term, those service arrangements made available under this Amendment and existing at the time of termination shall continue without interruption under one of the following as agreed to by the Parties: (a) a new agreement executed by the Parties, (b) standard Interconnection terms and conditions approved and made generally effective by the appropriate regulatory agency in each of BellSouth's nine State region, (c) Tariff terms and conditions generally available to interconnecting companies, or (d) if none of the above is available, under the terms of this Amendment on a month-to-month basis until an arbitration proceeding has been concluded by the Parties.

C. Commencement Date. The "Commencement Date" shall be the first day after Interconnector's equipment becomes operational as described in Article II.D, following.

D. Occupancy. BellSouth will notify Interconnector when the Collocation Space is ready for occupancy. Interconnector must place operational telecommunications equipment in the Collocation Space and connect with BellSouth's network within one hundred eighty (180) days after receipt of such notice. BellSouth may consent to an extension beyond 180 days upon a demonstration by Interconnector that circumstances beyond its reasonable control prevented Interconnector from completing installation by the prescribed date. If Interconnector fails to place operational telecommunications equipment in the Collocation Space within 180 days and such failure continues for a period of thirty (30) days after receipt of written notice from BellSouth, then and in that event Interconnector's right to occupy the Collocation Space terminates and BellSouth shall have no further obligations to Interconnector with respect to said Collocation Space. Termination of Interconnector's rights to the Collocation Space pursuant to this paragraph shall not operate to release Interconnector from its obligation to reimburse BellSouth for all costs reasonably incurred by BellSouth in preparing the Collocation Space, but rather such obligation shall survive this Amendment. For purposes of this paragraph, Interconnector's telecommunications equipment will be deemed operational when cross-connected to BellSouth's network for the purpose of service provision.

E. Termination. Interconnector may terminate occupancy in a particular Collocation Space upon thirty (30) days prior written notice to BellSouth. Upon termination of such occupancy, Interconnector at its expense shall remove its equipment and other property from the Collocation Space. Interconnector shall have thirty (30) days from the termination date to complete such removal; provided, however, that Interconnector shall continue payment of monthly fees to BellSouth until such date as Interconnector has fully vacated the Collocation Space. Should Interconnector fail to vacate the Collocation Space within thirty (30) days from the termination date, BellSouth shall have the right to remove the equipment and other property of Interconnector at Interconnector's expense and with no liability for damage or injury to Interconnector's property unless caused by the negligence or intentional misconduct of BellSouth.

**FIFTH AMENDMENT  
TO  
INTERCONNECTION AGREEMENT BETWEEN  
DELTACOM, INC. AND  
BELLSOUTH TELECOMMUNICATIONS, INC.  
DATED MARCH 12, 1997**

Pursuant to this Agreement (the "Fifth Amendment"), DeltaCom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties", hereby agree to further amend that certain Interconnection Agreement, as heretofore amended, between the Parties dated March 12, 1997 ("Interconnection Agreement").

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

1. Article V of the Agreement is hereby modified to include the following:
  - C.5. Attachment G of this Agreement contains the Rates, Terms and Conditions for local interconnection of Frame Relay services.
2. Attachment G, shown here as Exhibit A, is hereby incorporated herein by reference to the Agreement.
3. The Parties agree that all of the other provisions of the Agreement, dated March 12, 1997, shall remain in full force and effect including any amendments thereto.
4. The Parties further agree that either or both of the Parties are authorized to submit this Amendment to the appropriate state public service commission or other regulatory body having jurisdiction over the matter of this Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996. However, this Amendment is effective without further approval needed.

**ORIGINAL**

**Exhibit A****Attachment G****A. Frame Relay Service Traffic**

The following provisions will apply only to Frame Relay Service and Exchange Access Frame Relay Service in those states in which DeltaCom is certified and providing Frame Relay Service as a Local Exchange Carrier and where traffic is being exchanged between DeltaCom and BellSouth Frame Relay Switches in the same LATA.

A.1 The Parties agree to establish two-way Frame Relay facilities between their respective Frame Relay Switches to the mutually-agreed upon Frame Relay Service point(s) of interconnection ("POIs") within the LATA. All POIs shall be within the same Frame Relay Network Serving Area as defined in Section A40 of BellSouth's General Subscriber Services Tariff.

A.1.1 Upon the request of either Party, such interconnection will be established where BellSouth and DeltaCom have Frame Relay Switches in the same LATA. Where there are multiple Frame Relay switches in the central office of a Party, an interconnection with any one of the switches will be considered an interconnection with all of the switches at that central office for purposes of routing packet traffic.

A.1.2 The Parties agree to provision local and IntraLATA Frame Relay Service and Exchange Access Frame Relay Service (both intrastate and interstate) over Frame Relay Trunks between the respective Frame Relay switches and the POIs.

A.1.3 The Parties agree to assess each other reciprocal charges for the facilities that each provides to the other according to the Percent Local Circuit Use ("PLCU") factor PLCU, determined as follows:

- (i) Frame Relay framed packet data is transported within Virtual Circuits ("VC"). For the purposes of calculating the PLCU, if all the data packets transported within a VC remain within the LATA, then consistent with the local definitions in this Agreement, the traffic on that VC is local ("Local VC").

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

DeltaCom, Inc.

By: *Steven D. Moses*

Name: Steven D. Moses

Title: Sr. Vice President,  
Network Services

Date: 7/21/98

BellSouth Telecommunications, Inc.

By: *Jerry D. Hendrix*

Name: Jerry D. Hendrix

Title: Director-Interconnection  
Services/Pricing

Date: 7/22/98

Exhibit A**Attachment G**

- (ii) If the originating and terminating locations of the two way packet data traffic are not in the same LATA, the traffic on that VC is interLATA.
- (iii) The PLCU shall be determined by dividing the total number of Local VCs, by the total number of VCs on each Frame Relay facility at the end of the reporting period. The Parties agree to renegotiate the method for determining PLCU, at either Parties' request, and within 90 days, if either Party notifies the other that it has found that this method does not adequately represent the PLCU.
- (iv) If there are no VCs on a facility when it is billed, the PLCU will be zero.

**A.2** BellSouth will provide the Frame Relay Trunk(s) between the Parties' respective Frame Relay Switches. The Parties will be compensated as follows: BellSouth will invoice, and DeltaCom will pay, the total non-recurring and recurring charges for the trunk facility. DeltaCom will then invoice, and BellSouth will pay, an amount calculated by multiplying the BellSouth billed charges for the trunk facility by one-half of DeltaCom's PLCU.

**A.3** Each Party will provide a Frame Relay network-to-network interface ("NNI") port to the other Party for each trunk facility provided pursuant to A.2, above. Compensation for NNI ports shall be based upon the NNI rates set forth in the BellSouth F.C.C Tariff No. 1. Pursuant to that tariff, DeltaCom may select a month-to-month or term rate structure for the NNI ports BellSouth provides to DeltaCom. Whatever rate structure DeltaCom selects shall be deemed to be the same rate structure that applies to the NNI port DeltaCom provides to BellSouth. There shall be no termination liability to either party for the local portion of the NNI port as determined by the DeltaCom PLCU at the time of termination.

**A.4** Compensation for the NNI ports shall be calculated as follows:

- A.4.1** For NNI ports provided by BellSouth to DeltaCom, BellSouth will invoice, and DeltaCom will pay, the total non-recurring and recurring charges for the NNI port. DeltaCom will then invoice, and BellSouth will pay, an amount calculated by multiplying the BellSouth billed non-recurring and recurring charges for the NNI port by one-half of DeltaCom's PLCU.

**Exhibit A****Attachment G**

**A.4.2** For NNI ports provided by DeltaCom to BellSouth, DeltaCom will invoice, and BellSouth will pay, the total non-recurring and recurring charges for the NNI port. BellSouth will then invoice, and DeltaCom will pay, an amount determined as follows: DeltaCom's combined interLATA and local usage will be calculated by subtracting one-half of DeltaCom's PLCU factor from one hundred percent. The difference will then be multiplied by the total charges initially billed by DeltaCom for the NNI port. BellSouth will then invoice, and DeltaCom will pay, this amount to BellSouth.

**A.5** A Permanent Virtual Circuit ("PVC") is a logical channel from a frame relay network interface (e.g., NNI or User Network Interface) to another frame relay network interface. A PVC is created when a Data Link Channel Identifier ("DLCI") is mapped together with another DLCI. Neither Party will charge the other Party any DLCI or Committed Information Rate ("CIR") charges for the PVC from its Frame Relay switch to its own subscriber's premises.

**A.6** For the PVC between the DeltaCom and BellSouth Frame Relay switches, compensation for the DLCI and CIR charges are based upon the rates in the BellSouth FCC Tariff No. 1. Compensation for PVC and CIR rate elements shall be calculated as follows:

For PVCs between the BellSouth Frame Relay switch and the DeltaCom Frame Relay switch, BellSouth will invoice, and DeltaCom will pay, the total non-recurring and recurring DLCI and CIR charges. If the VC is a Local VC, DeltaCom will invoice and BellSouth will pay, 100% of the DLCI and CIR charges initially billed by BellSouth for that PVC. If the VC is not local, no compensation will be paid to DeltaCom for the PVC.

**A.6.2** Each Party will compensate the other Party for any applicable Feature Change or Transfer of Service Charges as set forth in BellSouth's Tariff F.C.C. No. 1. **A.6.3** The Parties agree to limit the sum of the CIR for the VCs on a given NNI port to not more than two times the port speed.

**A.7** Except as expressly provided herein, this Agreement does not address or alter in any way either Party's provision of Exchange Access Frame Relay Service or interLATA Frame Relay Service. All charges by each Party to

**Exhibit A****Attachment G**

the other for carriage of Exchange Access Frame Relay Service or interLATA Frame Relay Service are included in the BellSouth access tariffs.

A.8 Until such time as BellSouth obtains authority to provide in-region, interLATA service, DeltaCom will identify and report its PLCU to BellSouth on a quarterly basis.

A.9 Either Party may request a review or audit of the various service components, including but not limited to a Party's determination of its PLCU, consistent with the provisions of section E2 of the BellSouth State Access Services tariffs or Section 2 of the BellSouth FCC No.1 Tariff.

A.10 If during the term of this Agreement, BellSouth obtains authority to provide in-region, interLATA service, the Parties shall renegotiate the provisions of A.2, A.4, A.6 and A.8 to account for BellSouth's PLCU. In the event the parties are unable to reach agreement within one hundred eighty (180) days of the date BellSouth receives interLATA authority, the matter shall be resolved pursuant to the dispute resolution provisions set forth in the Interconnection Agreement.



### III. USE OF COLLOCATION SPACE

A. Nature of Use. BellSouth shall permit Interconnector to place, maintain and operate in the Collocation Space any equipment that Interconnector is authorized, as described herein, by BellSouth and by Federal or State regulators to place, maintain and operate in collocation space and that is used by Interconnector to provide services which Interconnector has the legal authority to provide. The equipment must at a minimum comply with the BellCore Network Equipment Building System (NEBS) General Equipment Requirements (TR-NWT-000063) and National Electric Code standards. Interconnector may elect to enclose the Collocation Space. Interconnector shall not use the Collocation Space for marketing purposes. Interconnector shall place no signs or marking of any kind (except for a plaque or other identification affixed to Interconnector's equipment and reasonably necessary to identify Interconnector's equipment, and which shall include a list of emergency contacts with telephone numbers), in the area surrounding the Collocation Space or on the grounds of the Central Office housing the Collocation Space.

B. Entrance Facilities. Interconnector may elect to place Interconnector-owned entrance facilities into the Collocation Space. BellSouth will designate the point of interconnection in proximity to the central office building housing the Collocation Space, such as an entrance manhole or a cable vault. Interconnector will provide and place cable at the point of interconnection of sufficient length to be pulled through conduit and into the splice location. No splicing will be permitted in the entrance manhole. Interconnector will provide a sufficient length of fire retardant riser cable, to which the entrance cable will be spliced, which will extend from the splice location to the Interconnector's equipment in the Collocation Space. Interconnector must contact BellSouth for instructions prior to placing the entrance facility cable in the manhole. Interconnector is responsible for maintenance of the entrance facilities. Dual entrance will be permitted where capacity exists. The interconnection point for entrance facilities extending from a rooftop antenna will be designated by BellSouth on the Application/Inquiry response.

C. Demarcation Point. A point-of-termination bay(s) will designate the point(s) of interconnection between Interconnector's equipment and/or network and BellSouth's network. Each party will be responsible for maintenance and operation of all equipment/facilities on its side of the demarcation point. Interconnector may, at its option, provide its own point-of-termination bay(s) in accordance with BellSouth's guidelines and specifications, which BellSouth will provide upon request.

D. Interconnector's Equipment and Facilities. Interconnector is solely responsible for the design, engineering, testing, performance, monitoring, maintenance, and repair of the equipment and facilities used by Interconnector in the Collocation Space. Without limitation of the foregoing provisions, Interconnector will be responsible for servicing, supplying, repairing, installing and maintaining the following on its side of the demarcation point: (1) cable(s); (2) equipment; (3) point-of-termination cross-connects; (4) point of termination maintenance, including replacement fuses and circuit breaker restoration, if not performed by BellSouth; and (5) connection cable(s) and associated equipment which may be required within the Collocation Space to the points of interconnection.

E. Easement Space. From time to time BellSouth may require access to the Collocation Space. BellSouth retains the right to access such space for the purpose of making equipment and building modifications (e.g., running, altering or removing racking, ducts, electrical wiring, HVAC, and cables). BellSouth will give reasonable notice to Interconnector when access to the Collocation Space is required. Interconnector may elect to be present whenever BellSouth performs work in the Collocation Space. The Parties agree that Interconnector will not bear any of the expense associated with this work.

F. Access and Administration. Interconnector shall have access to the Collocation Space twenty-four (24) hours a day, seven (7) days a week. A security escort will be required at Central Offices where separate, secured ingress and egress are not available and access would require Interconnector to traverse restricted areas. All employees, agents and contractors of Interconnector having access to the Collocation Space shall comply with BellSouth's policies and practices pertaining to fire, safety and security, and each such employee, agent or contractor shall display an identification badge issued by Interconnector or certified vendor which contains a current photo, the individual's name and company name/logo. Interconnector agrees to comply with all laws, ordinances and regulations affecting the use of the Collocation Space. Upon expiration of this Amendment, Interconnector shall surrender the Collocation Space to BellSouth in the same condition as when first occupied by the Interconnector except for ordinary wear and tear.

G. Interference or Impairment. Notwithstanding any other provisions of this Amendment, equipment and facilities placed in the Collocation Space shall not interfere with or impair service provided by BellSouth or by any other interconnector located in the Central Office; shall not endanger or damage the facilities of BellSouth or of any other interconnector, the Collocation Space, or the Central Office; shall not compromise the privacy of any communications carried in, from, or through the Central Office; and shall not create an unreasonable risk of injury or death to any individual or to the public. If BellSouth reasonably determines that any equipment or facilities of Interconnector violate the provisions of this paragraph, BellSouth shall give written notice to Interconnector, which notice shall direct Interconnector to cure the violation within twenty-four (24) hours or, at a minimum, to commence curative measures within 24 hours and to exercise reasonable diligence to complete such measures as soon as possible thereafter. If Interconnector fails to take curative action within 24 hours or if the violation is of a character which poses an immediate and substantial threat of damage to property, injury or death to any person, or interference/impairment of the services provided by BellSouth, then and only in that event BellSouth may take such action as it deems appropriate to correct the violation, including without limitation the interruption of electrical power to Interconnector's equipment. BellSouth will endeavor, but is not required, to provide notice to Interconnector prior to taking such action and shall have no liability to Interconnector for any damages arising from such action, except to the extent that such action by BellSouth constitutes gross negligence or willful misconduct.

H. Personalty and its Removal. Subject to requirements of this Amendment, Interconnector may place or install in or on the Collocation Space such facilities and equipment as it deems desirable for the conduct of business. Personal property, facilities and equipment placed by Interconnector in the Collocation Space shall not become a part of the Collocation Space, even if nailed, screwed or otherwise fastened to the Collocation Space, but shall retain their status as personalty and may be removed by Interconnector at any time. Any damage caused to the Collocation Space by Interconnector's employees, agents or representatives during the removal of such property shall be promptly repaired by Interconnector at its expense.

I. Alterations. In no case shall Interconnector or any person acting on behalf of Interconnector make any rearrangement, modification, improvement, addition, repair, or other alteration to the Collocation Space or the BellSouth Central Office without the written consent of BellSouth, which consent shall not be unreasonably withheld. The cost of any such specialized alterations shall be paid by Interconnector.

#### IV. ORDERING AND PREPARATION OF COLLOCATION SPACE

A. Application for Space. Interconnector shall submit to BellSouth a complete and accurate Application and Inquiry document, together with payment of the Application Fee as stated in Exhibit A. The Application shall contain a detailed description and schematic drawing of the equipment to be placed in Interconnector's Collocation Space(s) and an estimate of the amount of square footage required. BellSouth will respond to Interconnector's Application in writing following the completion of review, planning and design activities. Such response will include estimates on space availability, space preparation costs and space availability dates.

B. Bona Fide Firm Order. Interconnector shall indicate its intent to proceed with equipment installation in a BellSouth Central Office by submitting a Bona Fide Firm Order to BellSouth. A Bona Fide Firm Order requires Interconnector to complete the Application/Inquiry process described in Article IV.A preceding, submit an updated Application document based on the outcome of the Application/Inquiry process, and pay all applicable fees referenced in Article V, following. The Bona Fide Firm Order must be received by BellSouth no later than thirty (30) days after BellSouth's response to Interconnector's Application/Inquiry. Space preparation for the Collocation Space will not begin until BellSouth receives the Bona Fide Firm Order and all applicable fees.

C. Use of Certified Vendor. Interconnector shall select an equipment installation vendor which has been approved as a BellSouth Certified Vendor to perform all engineering and installation work required in the Collocation Space. BellSouth shall provide Interconnector a list of Certified Vendors upon request. The Certified Vendor shall be responsible for installing Interconnector's equipment—and components, extending power cabling to the BellSouth power distribution frame, performing operational tests after installation is complete, and notifying BellSouth's equipment engineers and Interconnector upon successful completion of installation. The Certified Vendor shall bill Interconnector directly for all work performed for Interconnector pursuant to this Amendment and BellSouth shall have no liability for nor responsibility to pay such charges imposed by the Certified Vendor.

D. Alarm and monitoring. BellSouth shall place environmental alarms in the Central Office for the protection of BellSouth equipment and facilities. Interconnector shall be responsible for placement, monitoring and removal of environmental and equipment alarms used to service the Collocation Space, if such equipment is desired by Interconnector for the protection of its own equipment and facilities. Upon request, BellSouth will provide Interconnector with applicable tariffed service(s) to facilitate remote monitoring of collocated equipment by Interconnector.

E. Basic Telephone Service. Upon request of Interconnector, BellSouth will provide basic telephone service to the Collocation Space under the rates, terms and conditions of the then current tariff offering for the service requested.

F. Space Preparation. BellSouth shall pro rate the costs of any renovation or upgrade to Central Office space or support mechanisms which is required to accommodate physical collocation. Interconnector's pro rated share will be calculated by multiplying such cost by a percentage equal to the amount of square footage occupied by Interconnector divided by the total Central Office square footage receiving renovation or upgrade. For this section, support mechanisms provided by BellSouth may include, but not be limited to heating/ventilation/air conditioning (HVAC) equipment, HVAC duct work, cable support structure, fire wall(s), mechanical upgrade, asbestos abatement, ground plane addition, or separate ingress/egress construction. Such renovation or upgrade will be evaluated and the charges assessed on a

per Central Office basis. BellSouth will make best efforts to provide for occupancy of the Collocation Space on the negotiated date and will advise Interconnector of delays. Interconnector agrees BellSouth shall not be liable to Interconnector for delays in providing possession of the Collocation Space.

G. Space Enclosure. Upon request of Interconnector, BellSouth shall construct an equipment arrangement enclosure of a size and dimension jointly agreed upon by the Parties. Interconnector may request enclosed floor space in increments of one hundred (100) square feet, with a minimum of one hundred (100) square feet. Interconnector may, at its option, arrange with a BellSouth certified contractor to construct the space enclosure in accordance with BellSouth's guidelines and specifications. Such contractor shall directly bill Interconnector for activities associated with the space enclosure construction.

H. Cancellation. If Interconnector cancels its order for the Collocation Space(s), Interconnector will reimburse BellSouth for any expenses incurred up to the date that written notice of the cancellation is received. In no event will the level of reimbursement under this paragraph exceed the maximum amount Interconnector would have otherwise paid for work undertaken by BellSouth if no cancellation of the order had occurred.

## V. RATES AND CHARGES

Interconnector shall pay for Collocation Space(s) according to the rates contained in Exhibit A attached hereto and pursuant to the following:

A. Non-recurring Fees. In addition to the Application Fee referenced in Article IV preceding, Interconnector shall remit payment of a Cable Installation Fee, Space Construction Fee, as applicable, and one-half (1/2) of the estimated Space Preparation Fee coincident with submission of a Bona Fide Firm Order. The outstanding balance of the actual Space Preparation Fee shall be due thirty (30) days following Interconnector's receipt of a bill or invoice from BellSouth. BellSouth shall provide documentation to establish the actual Space Preparation Fee. Cable Installation Fee(s) are assessed per entrance fiber placed. No Cable Installation Fee is required for Service Interconnection. The Space Preparation Fee will be pro rated as prescribed in Article IV.F preceding. The Space Enclosure Construction Fee will be assessed for the materials and installation cost of the equipment enclosure. BellSouth's engineering and other labor time associated with establishing the Physical Collocation Arrangement will be assessed as Additional Engineering charges, under provisions in BellSouth's F.C.C. Number 1 Tariff, Sections 13.1 and 13.2. An estimate of the Additional Engineering charges will be provided by BellSouth to Interconnector in the Application Response.

B. Floor Space. The floor space charge includes charges for lighting, heat, air conditioning, ventilation and other allocated expenses associated with maintenance of the Central Office but does not include amperage necessary to power Interconnector's equipment. When the Collocation Space is enclosed by walls or other divider, Interconnector shall pay floor space charges based upon the number of square feet so enclosed. When the Collocation Space is not enclosed, Interconnector shall pay floor space charges based upon the number of square feet contained in a shadow print of Interconnector's equipment racks and POT bay, plus a factor of 2.50 multiplied by the shadow print, which represents Interconnector's share of wiring and provisioning aisle space for provisioning and maintenance activities. Floor space charges are due beginning with the date on which BellSouth releases the Collocation Space for occupancy or on the date Interconnector first occupies the Collocation Space, whichever is sooner.

C. Power. Charges for -48V DC power will be assessed per ampere per month based upon the certified vendor engineered and installed power feed fused ampere capacity. Rates include redundant feeder fuse positions (A&B) and cable rack to Interconnector's equipment or space enclosure. Fuses and power feed cables (A&B) must be engineered (sized), furnished and installed by Interconnector's certified vendor. The Interconnector's certified vendor must also provide a copy of the engineering power specification prior to the Commencement Date. In the event BellSouth shall be required to construct additional DC power plant or upgrade the existing DC power plant in a central office as a result of Interconnector's request to collocate in that central office ("Power Plant Construction"). Interconnector shall pay all costs associated with the Power Plant Construction. The determination of whether Power Plant Construction is necessary shall be within BellSouth's sole, but reasonable, discretion. BellSouth will notify Interconnector of the need for the Power Plant Construction and will estimate the costs associated with the Power Plant Construction if BellSouth were to perform the Power Plant Construction. Interconnector shall pay BellSouth one-half of the estimated Power Plant Construction costs prior to commencement of the work. Interconnector shall pay BellSouth the balance due (actual cost less one-half of the estimated cost) within thirty (30) days of completion of the Power Plant Construction. Interconnector has the option to perform the Power Plant Construction itself, provided, however, that such work shall be performed by a BellSouth certified contractor and such contractor shall comply with BellSouth's guidelines and specifications. Where the Power Plant Construction results in construction of a new power plant room, upon termination of this Amendment, Interconnector shall have the right to remove its equipment from the power plant room, but shall otherwise leave the room intact. Where the Power Plant Construction results in an upgrade to BellSouth's existing power plant, upon termination of this Amendment, such upgrades shall become the property of BellSouth.

D. Security Escort. A security escort will be required whenever Interconnector or its approved agent desires access to the entrance manhole or must traverse a restricted area within BellSouth's central office. Rates for a BellSouth security escort are assessed in one-half (1/2) hour increments according to the schedule appended hereto as Exhibit A.

E. Rate "True-Up". The Parties agree that the interim prices reflected herein shall be "true-up" (up or down) based on final prices either determined by further agreement or by final order, including any appeals, in a proceeding involving BellSouth before the regulatory authority for the State in which the services are being performed or any other body having jurisdiction over this Amendment (hereinafter "Commission"). Under the "true-up" process, the interim price for each service shall be multiplied by the volume of that service purchased to arrive at the total interim amount paid for that service ("Total Interim Price"). The final price for that service shall be multiplied by the volume purchased to arrive at the total final amount due ("Total Final Price"). The Total Interim Price shall be compared with the Total Final Price. If the Total Final Price is more than the Total Interim Price, Interconnector shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to Interconnector. Each party shall keep its own records upon which a "true-up" can be based and any final payment from one party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records or the Parties regarding the amount of such "true-up," the Parties agree that the Commission shall be called upon to resolve such differences.

F. Other. Payment of all other charges under this Amendment shall be due thirty (30) days after receipt of the bill (payment due date). Interconnector will pay a late payment charge of one and one-half percent (1-1/2%) assessed monthly on any balance which remains unpaid after the payment due date.

VI. **INSURANCE**

A. Interconnector shall, at its sole cost and expense, procure, maintain, and keep in force insurance as specified in this Article VI and underwritten by insurance companies licensed to do business in the states contained in Exhibit B attached hereto and having a BEST Insurance Rating of B + X (B + ten).

B. Interconnector shall maintain the following specific coverages:

1. Commercial General Liability coverage in the amount of ten million dollars (\$10,000,000.00) or a combination of Commercial General Liability and Excess/Umbrella coverage totaling not less than ten million dollars (\$10,000,000.00). BellSouth shall be named as an ADDITIONAL INSURED on ALL applicable policies as specified herein.

2. Statutory Workers Compensation coverage and Employers Liability coverage in the amount of one hundred thousand dollars (\$100,000.00) each accident, one hundred thousand dollars (\$100,000.00) each employee by disease, and five hundred thousand dollars (\$500,000.00) policy limit by disease.

3. Interconnector may elect to purchase business interruption and contingent business interruption insurance, having been advised that BellSouth assumes no liability for loss of profit or revenues should an interruption of service occur.

C. The limits set forth in Article VI.B above may be increased by BellSouth from time to time during the term of this Amendment upon thirty (30) days notice to Interconnector to at least such minimum limits as shall then be customary with respect to comparable occupancy of BellSouth structures.

D. All policies purchased by Interconnector shall be deemed to be primary and not contributing to or in excess of any similar coverage purchased by BellSouth. All insurance must be in effect on or before the date equipment is delivered to BellSouth's Central Office and shall remain in effect for the term of this Amendment or until all Interconnector's property has been removed from BellSouth's Central Office, whichever period is longer. If Interconnector fails to maintain required coverages, BellSouth may pay the premiums thereon and seek reimbursement of same from Interconnector.

E. Interconnector shall submit certificates of insurance reflecting the coverages required pursuant to this Section a minimum of ten (10) days prior to the commencement of any work in the Collocation Space. Interconnector shall arrange for BellSouth to receive thirty (30) days advance notice of cancellation from Interconnector's insurance company. Interconnector shall forward a certificate of insurance and notice of cancellation to BellSouth at the following address:

BellSouth Telecommunications, Inc.  
Attn: Risk Management Coordinator  
3535 Colonnade Parkway, S9A1  
Birmingham, Alabama 35243

F. Interconnector must conform to recommendations made by BellSouth's fire insurance company to the extent BellSouth has agreed to, or shall hereafter agree to, such recommendations.

G. Failure to comply with the provisions of this Section will be deemed a material breach of this Amendment.

## VII. *MECHANICS LIENS*

If any mechanics lien or other liens shall be filed against property of BellSouth, or any improvement thereon by reason of or arising out of any labor or materials furnished or alleged to have been furnished or to be furnished to or for Interconnector or by reason of any changes, or additions to BellSouth property made at the request or under the direction of the Interconnector. Interconnector shall, within thirty (30) days after receipt of written notice from BellSouth either pay such lien or cause the same to be bonded off BellSouth's property in the manner provided by law. Interconnector shall also defend on behalf of BellSouth, at Interconnector's sole cost and expense, any action, suit or proceeding which may be brought for the enforcement of such liens and Interconnector shall pay any damage and discharge any judgment entered thereon.

## VIII. *INSPECTIONS*

BellSouth shall conduct an inspection of Interconnector's equipment and facilities in the Collocation Space(s) prior to the activation of facilities between Interconnector's equipment and equipment of BellSouth. BellSouth may conduct an inspection if Interconnector adds equipment and may otherwise conduct routine inspections at reasonable intervals mutually agreed upon by the Parties. BellSouth shall provide Interconnector with a minimum of forty-eight (48) hours or two (2) business days, whichever is greater, advance notice of all such inspections.

## IX. *SECURITY*

Only BellSouth employees, BellSouth certified vendors and authorized employees or agents of Interconnector will be permitted in the BellSouth Central Office. Interconnector shall provide its employees and agents with picture identification which must be worn and visible at all times while in the Collocation Space or other areas in or around the Central Office. BellSouth may refuse entry to any person who fails to display the identification required by this section.

## X. *INDEMNITY / LIMITATION OF LIABILITY*

### A. Liability Cap.

1. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by Interconnector, any Interconnector customer or by any other person or entity, for damages associated with any of the services provided by BellSouth pursuant to or in connection with this Amendment, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article.

BellSouth's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Amendment, for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by Interconnector, by any Interconnector customer or by any other persons or entity resulting from the gross negligence or willful misconduct of BellSouth and claims for damages by Interconnector resulting from the failure of BellSouth to honor in one or more material respects any one or more of the material provisions of this Amendment shall not be subject to such limitation of liability.

2. With respect to any claim or suit, whether based in contract, tort or any other theory of legal liability, by BellSouth, any BellSouth customer or by any other person or entity, for damages associated with any of the services provided by Interconnector pursuant to or in connection with this Amendment, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of the remainder of this Article, Interconnector's liability shall be limited to an amount equal to the proportionate charge for the service provided pursuant to this Amendment for the period during which the service was affected. Notwithstanding the foregoing, claims for damages by BellSouth, any BellSouth customer or any other person or entity resulting from the gross negligence or willful misconduct of Interconnector and claims for damages by BellSouth resulting from the failure of Interconnector to honor in one or more material respects any one or more of the material provisions of this Amendment shall not be subject to such limitation of liability.

B. Neither Party shall be liable for any act or omission of any other telecommunications company to the extent such other telecommunications company provides a portion of a service provided by Interconnector to its customers.

C. Neither Party shall be liable for damages to the other Party's terminal location, point of interconnection, or the other Party's customers' premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, except to the extent the damage is caused by such Party's gross negligence or willful misconduct.

D. No Consequential Damages - Except as otherwise provided in this Article X, neither Party shall be liable to the other Party for any indirect, incidental, consequential, reliance, or special damages suffered by such other Party (including without limitation damages for harm to business, lost revenues, lost savings, or lost profits suffered by such 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. Each Party hereby agrees to hold harmless the other Party and such other Party's affiliates, and their respective officers, directors, employees and agents from all such damages. Provided, however, nothing contained in this Article X shall limit a Party's liability to the other for (i) willful or intentional misconduct, gross negligence, or failure to honor one or more of the material provisions of this Amendment in one or more material respects; (ii) bodily injury, death or damage to tangible real or tangible personal property proximately caused by a Party's negligent act or omission or that of its agents, subcontractors or employees, nor shall anything contained in this Article X limit the Parties' indemnification obligations as specified herein.

E. Obligation to Indemnify.

1. Each Party (the "Indemnifying Party") shall, and hereby agrees to, defend at the other Party's request, indemnify and hold harmless the other Party and each of its officers, directors, employees and agents (each, an "Indemnitee") against and in respect of any loss, debt, liability, damage,



obligation, claim, demand, judgment or settlement of any nature or kind, known or unknown, liquidated or unliquidated, including without limitation all reasonable costs and expenses incurred (legal, accounting or otherwise) (collectively, "Damages") arising out of, resulting from or based upon any pending or threatened claim, action, proceeding or suit by any third party (a "Claim") (i) arising from any breach of any representation, warranty or covenant made by such indemnifying party in this Amendment, or (ii) based upon injuries or damage to any person or property arising out of or in connection with this Amendment that are the result of the Indemnifying Party's actions, breach of Applicable Law, or the actions of the Indemnifying Party employees, agents and subcontractors.

2. Promptly after receipt of notice of any Claim or the commencement of any action for which a Party may seek indemnification pursuant to this Article X, the Indemnitee shall promptly give written notice clearly referencing this Article X to the Indemnifying Party of such Claim or action; provided, however, the Indemnitee's failure to so notify the Indemnifying Party will not relieve the latter from any liability it may have to the Indemnitee except to the extent the Indemnifying Party is actually prejudiced by such failure. The Indemnitee shall cooperate, at the indemnifying Party's expense, with all reasonable requests made by the Indemnifying Party for assistance or information relating to such Claim or action. The Indemnitee will have the right to participate in the investigation, defense and settlement of such Claim or action, with separate counsel chosen and paid for by the Indemnitee. However, the Indemnifying Party will have the right to control the defense and settlement of such Claim or action.

F. Each Party's failure to perform under this Amendment shall be excused by labor strikes, civil commotion, criminal actions taken against them, acts of God, and other circumstances beyond their reasonable control.

G. The obligations of the Parties contained within this Article X shall survive the expiration of this Amendment.

## **XI. PUBLICITY**

Either Party agrees to submit to the other Party all advertising, sales promotion, press releases, and other publicity matters relating to this Amendment or mentioning or implying the tradenames, logos, trademarks or service marks (hereinafter "Marks") of the other Party and/or any of its affiliated companies or language from which the connection of said Marks therewith may be inferred or implied, or mentioning or implying the names of any personnel of the other Party and/or any of its affiliated companies, and each Party further agrees not to publish or use such advertising, sales promotions, press releases, or publicity matters without the other Party's prior written consent.

## **XII. DESTRUCTION OF COLLOCATION SPACE**

In the event a Collocation Space is wholly or partially damaged by fire, windstorm, tornado, flood or by similar causes to such an extent as to be rendered wholly unsuitable for Interconnector's permitted use hereunder, then either party may elect within ten (10) days after such damage, to terminate this Amendment, and if either party shall so elect, by giving the other written notice of termination, both parties shall stand released of and from further liability under the terms hereof. If the Collocation Space shall suffer only minor damage and shall not be rendered wholly unsuitable for Interconnector's permitted use, or

is damaged and the option to terminate is not exercised by either party. BellSouth covenants and agrees to proceed promptly without expense to Interconnector, except for improvements not the property of BellSouth, to repair the damage. BellSouth shall have a reasonable time within which to rebuild or make any repairs, and such rebuilding and repairing shall be subject to delays caused by storms, shortages of labor and materials, government regulations, strikes, walkouts, and causes beyond the control of BellSouth, which causes shall not be construed as limiting factors, but as exemplary only. Where allowed and where practical in the sole judgment of BellSouth, Interconnector may erect a temporary facility while BellSouth rebuilds or makes repairs. In all cases where the Collocation Space shall be rebuilt or repaired, Interconnector shall be entitled to an equitable abatement of rent and other charges, depending upon the unsuitability of the Collocation Space for Interconnector's permitted use, until such Collocation Space is fully repaired and restored and Interconnector's equipment installed therein (but in no event later than thirty (30) days after the Collocation Space is fully repaired and restored).

### **XIII. EMINENT DOMAIN**

If the whole of a Collocation Space shall be taken by any public authority under the power of eminent domain, then this Amendment shall terminate as of the day possession shall be taken by such public authority and rent and other charges for the Collocation Space shall be paid up to that day with proportionate refund by BellSouth of such rent and charges as may have been paid in advance for a period subsequent to the date of the taking. If any part of the Collocation Space shall be taken under eminent domain, BellSouth and Interconnector shall each have the right to terminate this Amendment and declare the same null and void, by written notice of such intention to the other party within ten (10) days after such taking.

### **XIV. FORCE MAJEURE**

Neither party shall be in default by reason of any failure in performance of this Amendment, in accordance with its terms and conditions, if such failure arises out of causes beyond the control of the nonperforming party including, but not restricted to, acts of God, acts of government, insurrections, fires, floods, accidents, epidemics, quarantines, restrictions, strikes, freight embargoes, inability to secure raw materials or transportation facilities, acts or omissions of carriers or any and all other causes beyond the party's control.

### **XV. ASSIGNMENT**

Interconnector acknowledges that this Amendment does not convey any right, title or interest in the Central Office to Interconnector. Interconnector may not sublet its rights under this Amendment, nor shall it allow a third party to use or occupy the Collocation Space at any time or from time to time without the prior written consent, and at the sole discretion, of BellSouth. This Amendment is not assignable by either party without the prior written consent of the other party, and any attempt to assign any of the rights, duties or obligations of this Amendment without such consent is void. Notwithstanding the foregoing, either party may assign any rights, duties or obligations of this Amendment to a parent, subsidiary or affiliate without the consent of the other party.

**XVI. NONEXCLUSIVITY**

Interconnector understands that this Amendment is not exclusive and that BellSouth may enter into similar agreements with other parties. Assignment of space pursuant to all such agreements shall be determined by space availability and made on a first come, first served basis.

**XVII. NO IMPLIED WAIVER**

No consent or waiver by either party to or of any breach of any covenant, term, condition, provision or duty of the other party under this Amendment shall be construed as a consent to or waiver of any other breach of the same or any other covenant, term, condition, provision or duty. No such consent or waiver shall be valid unless in writing and signed by the party granting such consent or waiver.

**XVIII. NOTICES**

Except as otherwise provided herein, any notices or demands that are required by law or under the terms of this Amendment shall be given or made by Interconnector or BellSouth in writing and shall be given by hand delivery, or by certified or registered mail, and addressed to the Parties as follows:

To BellSouth:

BellSouth Telecommunications, Inc.  
3535 Colonnade Parkway, South E4E1  
Birmingham, Alabama 35243  
Attn: Nancy Nelson

To Interconnector:

DeltaCom, Inc.  
206 West 9th Street  
West Point, Georgia 31833  
Attn: Janine Kemp

With copy to:

DeltaCom, Inc.  
700 Boulevard South, Suite 101  
Huntsville, Alabama 35802  
Attn: General Counsel

Such notices shall be deemed to have been given in the case of certified or registered mail when deposited in the United States mail with postage prepaid.

**XIX. RESOLUTION OF DISPUTES**

Except as otherwise stated in this Amendment, the Parties agree that if any dispute arises as to the interpretation of any provision of this Amendment or as to the proper implementation of this Amendment, the parties will petition the Commission in the state where the services are provided pursuant to this Amendment for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by the Public Service Commission concerning this Amendment.

**XX. SECTION HEADINGS**

The section headings used herein are for convenience only, and shall not be deemed to constitute integral provisions of this Amendment.

**XXI. AUTHORITY**

Each of the parties hereto warrants to the other that the person or persons executing this Amendment on behalf of such party has the full right, power and authority to enter into and execute this Amendment on such party's behalf and that no consent from any other person or entity is required as a condition precedent to the legal effect of this Amendment.

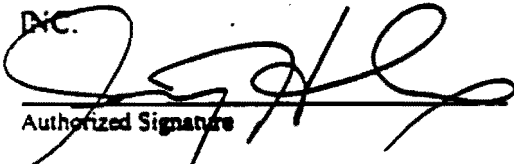
**XXII. REVIEW OF AMENDMENT**

The parties acknowledge that each has had an opportunity to review and negotiate this Amendment and has executed this Amendment only after such review and negotiation. The parties further agree that this Amendment shall be deemed to have been drafted by both Licensor and Licensee and the terms and conditions contained herein shall not be construed any more strictly against one party or the other. This Amendment is entered without prejudice to any positions which either Party has taken, or may take in the future, before any legislative, regulatory, judicial or other governmental body.

The Parties agree that all of the other provisions of the Interconnection Agreement dated March 12, 1997, including any amendments thereto, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment by their duly authorized representatives in one or more counterparts, each of which shall constitute an original, on the date indicated below.

BELLSOUTH TELECOMMUNICATIONS,  
INC.

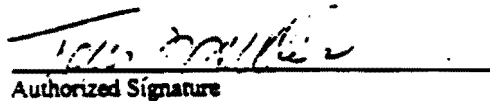
  
Authorized Signature

Jerry D. Hendrix  
Print or Type Name

Director  
Title

10/3/97  
Date

DELTACOM, INC.

  
Authorized Signature

Tom Mullis  
Print or Type Name

Sr. Vice President  
Title

10/2/97  
Date

## Schedule of Rates and Charges

<u>Rate Element Description</u>	<u>Type of Charge</u>	<u>Charge</u>	
Application Fee	NRC (per Arrangement, per C.O.)	\$3,850.00	
Subsequent Application Fee (Note 1)	NRC (per Arrangement, per C.O.)	\$1,600.00	
Space Preparation Fee (Note 2)	NRC (per Arrangement, per C.O.)	ICB	
Space Enclosure Construction Fee (Note 2)	NRC (per 100 square feet)	\$4,500.00	
Space Preparation and Construction Reimbursement for ATHINGAMA	NRC (see Note 3)	\$26,000.00	
Additional Engineering Fee (Note 4)	NRC	ICB	
Cable Installation	NRC (per entrance cable)	\$2,750.00	
Floor Space	Zone A Zone B	RC (per square foot) RC (per square foot)	\$7.50 \$6.75
Power	RC (per amp)	\$5.00	
Cable Support structure	RC (per entrance cable)	\$13.35	
Cross-Connects	2-wire 4-wire DS1 DS3	RC (per cross-connect) RC (per cross-connect) RC (per cross-connect) RC (per cross-connect)	\$0.30 \$0.50 \$8.00 \$72.00
	2-wire 4-wire DS1 DS3	NRC (first cross-connect) NRC (first cross-connect) NRC (first cross-connect) NRC (first cross-connect)	\$19.20 \$19.20 \$155.00 \$155.00
	2-wire 4-wire DS1 DS3	NRC (each additional cross-connect) NRC (each additional cross-connect) NRC (each additional cross-connect) NRC (each additional cross-connect)	\$19.20 \$19.20 \$27.00 \$27.00
POT Bay	2-wire 4-wire DS1 DS3	RC (per cross-connect) RC (per cross-connect) RC (per cross-connect) RC (per cross-connect)	\$0.40 \$1.20 \$1.20 \$8.00
Additional Security Access Cards	NRC-ICB (each)	\$10.00	

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**FIFTH AMENDMENT  
TO  
INTERCONNECTION AGREEMENT BETWEEN  
DELTACOM, INC. AND  
BELLSOUTH TELECOMMUNICATIONS, INC.  
DATED MARCH 12, 1997**

Pursuant to this Agreement (the "Fifth Amendment"), DeltaCom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties", hereby agree to further amend that certain Interconnection Agreement, as heretofore amended, between the Parties dated March 12, 1997 ("Interconnection Agreement").

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

1. Article V of the Agreement is hereby modified to include the following:
  - C.5. Attachment G of this Agreement contains the Rates, Terms and Conditions for local interconnection of Frame Relay services.
2. Attachment G, shown here as Exhibit A, is hereby incorporated herein by reference to the Agreement.
3. The Parties agree that all of the other provisions of the Agreement, dated March 12, 1997, shall remain in full force and effect including any amendments thereto.
4. The Parties further agree that either or both of the Parties are authorized to submit this Amendment to the appropriate state public service commission or other regulatory body having jurisdiction over the matter of this Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996. However, this Amendment is effective without further approval needed.

**Attachment G**

**A. Frame Relay Service Traffic**

The following provisions will apply only to Frame Relay Service and Exchange Access Frame Relay Service in those states in which DeltaCom is certified and providing Frame Relay Service as a Local Exchange Carrier and where traffic is being exchanged between DeltaCom and BellSouth Frame Relay Switches in the same LATA.

A.1 The Parties agree to establish two-way Frame Relay facilities between their respective Frame Relay Switches to the mutually-agreed upon Frame Relay Service point(s) of interconnection ("POIs") within the LATA. All POIs shall be within the same Frame Relay Network Serving Area as defined in Section A40 of BellSouth's General Subscriber Services Tariff.

A.1.1 Upon the request of either Party, such interconnection will be established where BellSouth and DeltaCom have Frame Relay Switches in the same LATA. Where there are multiple Frame Relay switches in the central office of a Party, an interconnection with any one of the switches will be considered an interconnection with all of the switches at that central office for purposes of routing packet traffic.

A.1.2 The Parties agree to provision local and IntraLATA Frame Relay Service and Exchange Access Frame Relay Service (both intrastate and interstate) over Frame Relay Trunks between the respective Frame Relay switches and the POIs.

A.1.3 The Parties agree to assess each other reciprocal charges for the facilities that each provides to the other according to the Percent Local Circuit Use ("PLCU") factor PLCU, determined as follows:

- (i) Frame Relay framed packet data is transported within Virtual Circuits ("VC"). For the purposes of calculating the PLCU, if all the data packets transported within a VC remain within the LATA, then consistent with the local definitions in this Agreement, the traffic on that VC is local ("Local VC").

## Schedule of Rates and Charges (cont.)

<u>Rate Element Description</u>	<u>Type of Charge</u>	<u>Charge</u>
Direct Connection (Note 5)		
(1) Fiber Arrangement	RC (per cable, per linear foot)	\$0.06
-with Initial Application	NRC (per Arrangement)	n/a
-Subsequent to Application	NRC (per Arrangement)	\$246.00
(2) Copper or Coaxial Arrangement	RC (per cable, per linear foot)	\$0.03
-with Initial Application	NRC (per Arrangement)	n/a
-Subsequent to Application	NRC (per Arrangement)	\$246.00
Security Escort		
Basic - first half hour	NRC-ICB	\$41.00
Overtime - first half hour	NRC-ICB	\$48.00
Premium - first half hour	NRC-ICB	\$55.00
Basic - additional half hour	NRC-ICB	\$25.00
Overtime - additional half hour	NRC-ICB	\$30.00
Premium - additional half hour	NRC-ICB	\$35.00

Notes

NRC: Non-recurring Charge - one-time charge  
 RC: Recurring Charge - charged monthly  
 ICB: Individual Case Basis - one-time charge

- (1) Subsequent Application Fee. BellSouth requires the submission of an Application Fee for modifications to an existing arrangement. However, when the modifications do not require BellSouth to expend capital (e.g., additional space or power requirements, BST termination/cross-connect equipment, etc.), BellSouth will assess the Subsequent Application Fee in lieu of the Application Fee.
- (2) Space Preparation Fee. The Space Preparation Fee is a one-time fee, assessed per arrangement, per location. It recovers costs associated with the shared physical collocation area within a central office, which include survey, engineering, design and building modification costs. BellSouth will pro rate the total shared space preparation costs among the collocators at each location based on the amount of square footage occupied by each collocator. This charge may vary depending on the location and the type of arrangement requested.

Space Enclosure Construction Fee. The Space Enclosure Construction Fee is a one-time fee, assessed per enclosure, per location. It recovers costs associated with providing an optional equipment arrangement enclosure, which include architectural and engineering fees, materials, and



Schedule of Rates and Charges (cont.)

Notes (cont.)

- (2) (cont.)  
installation costs. This fee is assessed in 50 square-foot increments, with a minimum space enclosure size of 100 square feet. Interconnector may, at its option, arrange with a BellSouth certified contractor to construct the space enclosure in accordance with BellSouth's guidelines and specifications. In this event, the contractor shall directly bill Interconnector for the space enclosure, and this fee shall not be applicable.
- (3) A one-time fee of twenty-six thousand dollars (\$26,000) shall be charged for the one hundred (100) square-foot fire-walled enclosure currently occupied by Interconnector in the ATHNGAMA Central Office when Interconnector elects to convert such arrangement in place from Virtual Collocation to Physical Collocation. Should additional construction work be required to either "make-ready" the space per Interconnector's request or to enclose additional square footage, BellSouth shall assess construction charges on an individual case basis. Such construction charges will be provided by BellSouth in the Application Response.
- (4) Additional Engineering Fee. BellSouth's engineering and other labor costs associated with establishing the Physical Collocation Arrangement shall be recovered as Additional Engineering charges, under provisions in BellSouth's F.C.C. Number 1 Tariff, Sections 13.1 and 13.2. An estimate of the Additional Engineering charges shall be provided by BellSouth in the Application Response.
- (5) Direct Connection. As stated in Article I.B of the Collocation Agreement, Interconnector may connect to other interconnectors within the designated Central Office in addition to, and not in lieu of, interconnection to BellSouth services and facilities. Interconnector must use its Certified Vendor to place the direct connection. The Direct Connection NRC is assessed when direct connection is the only work requested by Interconnector. If any other work in addition to the direct connection is being requested, whether for an initial installation of a Collocation Space or for an augmentation to an existing Collocation Space, an Application Fee or a Subsequent Application Fee will be assessed in lieu of the Direct Connection NRC. Construction charges may also apply; BellSouth shall provide an estimate of these charges in the Application Response.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of collocation agreement negotiated by BellSouth Telecommunications, Inc. with DeltaCom, Inc. pursuant to Section 252(e) of the Telecommunications Act of 1996.

DOCKET NO. 971420-TP  
ORDER NO. PSC-98-0253-FOF-TP  
ISSUED: February 9, 1998

The following Commissioners participated in the disposition of this matter:

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

ORDER APPROVING COLLOCATION AGREEMENT

BY THE COMMISSION:

On October 24, 1997, BellSouth Telecommunications, Inc. (BST) and DeltaCom, Inc. (DeltaCom) filed a request for approval of a collocation agreement under the Telecommunications Act of 1996, 47 U.S.C. § 252(e) of the Telecommunications Act of 1996 (the Act). The agreement is attached to this Order as Attachment A and incorporated by reference herein.

Both the Act and Chapter 364, Florida Statutes, encourage parties to enter into negotiated agreements to bring about local exchange competition as quickly as possible. Under the requirements of 47 U.S.C. § 252(e), negotiated agreements must be submitted to the state commission for approval. Section 252(e)(4) requires the state to reject or approve the agreement within 90 days after submission or it shall be deemed approved.

This agreement covers a two-year period and governs the relationship between the companies regarding physical collocation, interconnection, and the resale of tariffed telecommunication services under 47 U.S.C. § 252(a)(1), and the exchange of traffic pursuant to 47 U.S.C. § 251. Under 47 U.S.C. § 252(a)(1), the agreement shall include a detailed schedule of itemized charges for interconnection and each service or network element included in the agreement. The agreement states that collocation space will be

DOCUMENT NUMBER-DATE

02007 FEB-98

FILED IN PSC-98-0253-FOF-TP

665

## Bona Fide Physical Collocation Arrangements

Central Office Name:  
Central Office CLLI Code:  
City:  
State:  
Date of Bona Fide Firm Order:

Central Office Name:  
Central Office CLLI Code:  
City:  
State:  
Date of Bona Fide Firm Order:

Central Office Name:  
Central Office CLLI Code:  
City:  
State:  
Date of Bona Fide Firm Order:

Central Office Name:  
Central Office CLLI Code:  
City:  
State:  
Date of Bona Fide Firm Order:

Central Office Name:  
Central Office CLLI Code:  
City:  
State:  
Date of Bona Fide Firm Order:

Central Office Name:  
Central Office CLLI Code:  
City:  
State:  
Date of Bona Fide Firm Order:

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of resale, interconnection, and unbundling agreement between BellSouth Telecommunications, Inc. and DeltaCom, Inc., pursuant to Section 252 of Telecommunications Act of 1996.

DOCKET NO. 970804-TP  
ORDER NO. PSC-97-1265-FOF-TP  
ISSUED: October 14, 1997

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
DIANE K. KIESLING  
JOE GARCIA

ORDER APPROVING RESALE, INTERCONNECTION,  
AND UNBUNDLING AGREEMENT

BY THE COMMISSION:

On July 1, 1997, BellSouth Telecommunications, Inc. (BST) and DeltaCom, Inc. (DeltaCom) filed a request for approval of an resale, interconnection, and unbundling agreement under the Telecommunications Act of 1996, 47 U.S.C. §252(e) of the Telecommunications Act of 1996 (the Act). The agreement is attached to this Order as Attachment A and incorporated by reference herein.

Both the Act and Chapter 364, Florida Statutes, encourage parties to enter into negotiated agreements to bring about local exchange competition as quickly as possible. Under the requirements of 47 U.S.C. § 252(e), negotiated agreements must be submitted to the state commission for approval. Section 252(e)(4) requires the state to reject or approve the agreement within 90 days after submission or it shall be deemed approved.

DOCUMENT NUMBER-DATE

10535 OCT 14 6 667

FPSC-RECORDS/REGISTRY

ORDER NO. PSC-97-1265-FOF-TP  
DOCKET NO. 970804-TP  
PAGE 3

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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

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

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of amendment to resale, interconnection, and unbundling agreement between DELTACOM, INC., and BELLSOUTH TELECOMMUNICATIONS, INC., pursuant to Section 252 of Telecommunications Act of 1996.

DOCKET NO. 971238-TP  
ORDER NO. PSC-98-0045-FOF-TP  
ISSUED: January 6, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
DIANE K. KIESLING  
JOE GARCIA

ORDER APPROVING AMENDED RESALE, INTERCONNECTION,  
AND UNBUNDLING AGREEMENT

BY THE COMMISSION:

On September 22, 1997, BellSouth Telecommunications, Inc., (BellSouth) and Deltacom, Inc., (Deltacom) filed a request for approval of the fourth amendment to their negotiated resale, interconnection, and unbundling agreement dated March 12, 1997, pursuant to 47 U.S.C. §252(e) of the Telecommunications Act of 1996 (the Act). The amended agreement is attached to this Order as Attachment A and incorporated by reference herein.

Both the Act and Chapter 364, Florida Statutes, encourage parties to enter into negotiated agreements to bring about local exchange competition as quickly as possible. Under the requirements of 47 U.S.C. § 252(e), negotiated agreements must be submitted to the state commission for approval. Section 252(e)(4) requires the state to reject or approve the agreement within 90 days after submission or it shall be deemed approved.

DOCUMENT NUMBER-DATE

00140 JAN-68

FPSC-REGISTRATION DIVISION

669

FOURTH AMENDMENT

TO

INTERCONNECTION AGREEMENT BETWEEN  
DELTACOM, INC. AND  
BELLSOUTH TELECOMMUNICATIONS, INC.  
DATED MARCH 12, 1997

Pursuant to this Agreement (the "Fourth Amendment"), DeltaCom, Inc. ("DeltaCom") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties", hereby agree to further amend that certain Interconnection Agreement, as heretofore amended, between the Parties dated March 12, 1997 ("Interconnection Agreement").

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

1. The Parties agree to delete in its entirety Section VIII(B) of the Interconnection Agreement and substitute the following Section VIII(B).

For originating and terminating interexchange toll traffic, each Party shall pay the other Party's tariffed switched network access service rate elements on a per minute of use basis. Said rate elements shall be as set out in the Parties' respective access services tariffs as those tariffs are amended from time to time during the term of this Agreement. The appropriate charges will be determined by the routing of the call. If DeltaCom is the BellSouth end user's presubscribed interexchange carrier or if the BellSouth end user uses DeltaCom as an interexchange carrier on a 10XXX basis, BellSouth will charge DeltaCom the appropriate tariff charges for originating network access services. If BellSouth is serving as the DeltaCom end user's presubscribed interexchange carrier or if the DeltaCom end user uses BellSouth as an interexchange carrier on a 10XXX basis, DeltaCom will charge BellSouth the appropriate BellSouth tariff charges for originating network access services. However, in states where DeltaCom has an effective access services tariff, the Parties agree that DeltaCom will charge BellSouth the appropriate DeltaCom tariff charges for originating network access services.

2. Except for Operator Provided Call Handling service provided by BellSouth in Alabama, Georgia and Kentucky, the Parties agree to amend Attachment C-10 of the Interconnection Agreement to include a rate of \$1.17 per work minute for Operator Provided Call Handling

3 The Parties agree to delete in its entirety Section VI(B) of the Interconnection Agreement and substitute the following Section VI(B):

With the exception of the local traffic specifically identified in subsection (C) hereafter, each party agrees to terminate local traffic originated and routed to it by the other party. Each Party will pay the other for terminating its local traffic on the other's network the local interconnection rate of \$.009 per minute of use in all states. Each Party will report to the other a Percent Local Usage ("PLU") and the application of the PLU will determine the amount of local minutes to be billed to the other party. Until such time as actual usage data is available, the parties agree to utilize a mutually acceptable surrogate for the PLU factor. For purposes of developing the PLU, each party shall consider every local call and every long distance call. Effective on the first of January, April, July and October of each year, the parties shall update their PLU.

4 The Parties agree to delete in its entirety Section VI(C) of the Interconnection Agreement and substitute the following Section VI(C):

If either party provides intermediary tandem switching and transport services for the other party's connection of its end user to a local end user of: (1) a CLEC other than DeltaCom; (2) an ILEC other than BellSouth; or (3) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a \$0.0015 per minute charge. However, BellSouth agrees that DeltaCom may cross-connect directly to such third Parties at the POI. In such an event, tariffed cross-connection non recurring charges will apply, and no transiting charge will apply.

5 Except for Number Services Intercept Access Service provided by BellSouth in the state of Georgia, the Parties agree to amend Attachment C-11 of the Interconnection Agreement delete the rate of \$0.30 per intercept query and replace said rate with a rate of \$0.25 per intercept query.

6 The Parties agree to amend the Interconnection Agreement to include Attachment attached to this Amendment and incorporated herein by this reference.

7 Amendment 1 to the Interconnection Agreement relating to resale, executed on March 12, 1997, is deleted in its entirety and replaced with Attachment 2, attached hereto and incorporated herein by this reference.

8 The Parties agree that all of the other provisions of the Interconnection Agreement shall remain in full force and effect.

9 The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate state public service commission or other regulatory body.



ALABAMA

EXHIBIT A  
 of 6

Proposed Interim Network Element Rates

Unbundled Element	PSC Proposed True-up Price
Network interface device (NID)	\$ 0.63
<b>Unbundled Loops (per month)</b>	
2-wire analog voice grade loop	\$ 18.00
Nonrecurring-first/additional	\$ 55.20
4-wire analog voice grade loop	\$ 28.80
Nonrecurring-first/additional	\$ 55.20
2-wire ISDN digital grade loop	\$ 28.80
Nonrecurring-first/additional	\$ 55.20
2-wire ADSL/HDSL loop	\$ 28.80
Nonrecurring-first/additional	\$ 55.20
4-wire HDSL loop	\$ 28.80
Nonrecurring-first/additional	\$ 55.20
4-wire DS1 digital grade loop	\$ 64.19
Nonrecurring-first/additional	\$675/\$315
<b>Unbundled Exchange Access IOC-Voice Grade</b>	
0-8 miles, fixed per mo	\$ 30.00
per mile, per month	\$ 2.05
9-25 miles, fixed per mo	\$ 30.00
per mile, per month	\$ 2.00
Over 25 miles, fixed per mo	\$ 30.00
per mile, per month	\$ 1.95
Nonrecurring	\$ 97.00
<b>Unbundled Local Switching</b>	
<b>Unbundled Exchange Ports</b>	
2-wire analog per mo	\$ 2.50
Nonrecurring-first/additional	\$50/\$18
4-wire analog (Coin) per mo	\$ 4.00
Nonrecurring-first/additional	\$50/\$18
4-wire ISDN DS1 per mo	\$ 308.00
Nonrecurring-first/additional	\$230/\$200
2-wire ISDN Digital per mo	\$ 11.91
Nonrecurring-first/additional	\$150/\$120
2-wire analog hunting per line per mo	\$ 0.25
Nonrecurring	\$ 3.00
<b>Unbundled Local Usage (Restructured Switching)</b>	
End office switching per mou	\$ 0.001700
Tandem switching per mou	\$ 0.001500
Common transport per mi/per mou	\$ 0.000040
Common transport facility termination per mou	\$ 0.000360

ALABAMA

EXHIBIT A  
2 of 6

Proposed Interim Network Element Rates

Unbundled Element	PSC Proposed True-up Price
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ALABAMA

EXHIBIT A  
 4 of 5

Proposed Interim Network Element Rates

Unbundled Element	PSC Proposed True-up Price
<b>800 Access Ten Digit Screening Service</b>	
Per 800 call utilizing 800 access ten digit screening service with 800 number delivery, per query	\$ 0.00360
Per 800 call utilizing 800 access ten digit screening service with 800 number delivery, with optional complex features, per query	\$ 0.00431
Per 800 call utilizing 800 access ten digit screening service with POTS number delivery, per query	\$ 0.00431
Per 800 call utilizing 800 access ten digit screening service with POTS number delivery, with optional complex features, per query	\$ 0.00431
<b>Nonrecurring (1st/additional)</b>	
Reservation charge per 800 number reserved	\$31.50/\$0.50
Est charge per 800 number est w/800 number delivery	\$69.90/1.50
Est charge per 800 number est w/POTS number delivery	\$69.90/1.50
Customized area of service per 800 number	\$3.00/\$1.50
Multiple interLATA carrier routing per carrier requested, per 800 number	\$3.50/\$2.00
Change charge per request	\$48.50/\$0.50
Call handling and destination features per 800 number	\$ 3.00
<b>Line Information Database Access Service</b>	
Common transport, per query, per month	\$ 0.00030
Validation, per query, per month	\$ 0.03800
Nonrecurring - establishment of charge	\$ 91.00
<b>Operator Services</b>	
<b>Operator Call Processing Access Service</b>	
Operator provided, per minute	
Using BST LIDB	\$ 1.36
Using foreign LIDB	\$ 1.38
Fully automated, per attempt	
Using BST LIDB	\$ 0.07
Using foreign LIDB	\$ 0.09
<b>Inward Operator Services Access Service</b>	
Verification per call	\$ 0.90
Emergency interrupt, per call	\$ 1.95
<b>Directory Assistance Access Service Calls</b>	
Per call	\$ 0.25

RATES AND CHARGES - GEORGIA

CHECK LIST ITEM NUMBER	RATE ELEMENT	PROPOSED RATES	
		MONTHLY RECURRING	NONRECURRING
2. Nondiscriminatory	Collocation - Physical *		
Access to	Application Fee		\$ 3,850.00
Network Elements	Space Preparation Fee		(CB)
	Space Construction Fee		\$ 4,500.00
	Cable Installation - Per Entrance Cable		\$ 2,750.00
	Floor Space Zone A, Per Square Foot	\$ 7.50	
	Floor Space Zone B, Per Square Foot	\$ 8.75	
	Power, Per AMP	\$ 5.00	
	Cable Support Structure, Per Entrance Cable	\$ 13.35	
	POT Bay (Optional Point of Termination Bay)		
	2-Wire	\$ 0.40	
	4-Wire	\$ 1.20	
	OS1	\$ 1.20	
	OS3	\$ 8.00	
	Cross-Connects		
	2-Wire Analog Cross Connect	\$ 0.30	\$ 12.60
	4-Wire Analog Cross Connect	\$ 0.50	\$ 12.60
	OS1 Cross Connect	\$ 8.00	\$ 155.00 - First \$ 27.00 - Addl
	OS3 Cross Connect	\$ 72.00	\$ 155.00 - First \$ 27.00 - Addl
	Security Escort		
	Base - 1st half hour		\$ 41.00
	Overtime - 1st half hour		\$ 48.00
	Premium - 1st half hour		\$ 55.00
	Base - additional		\$ 25.00
	Overtime - additional		\$ 30.00
	Premium - additional		\$ 35.00
	Collocation - Virtual		Rates as set forth in Section 20 of SST's FCC Tariff No. 1.
	Dark Fiber *, (2)		
	- Per each four-fiber dry fiber arrangement		\$ 1,808.19 - First \$ 922.95 - Addl
	- Per each fiber strand per route mile or fraction thereof	\$ 241.00	-

\* Indicates rates subject to demand  
 (basis)

The intermediary charge applies only to intermediary traffic and is applied in addition to applicable local interconnection charges

2. Rates under Dry Fiber rates contained in Sec. 7 of SST's Interstate Access Tariff, FCC No. 1

RATES AND CHARGES - GEORGIA

CHECK LIST ITEM NUMBER	RATE ELEMENT	PROPOSED RATES	
		MONTHLY RECURRING	NONRECURRING
6 Unbundled Local Switching	Unbundled Local Switching *		
	End Office Switching, usage, per mou (1)	\$ 0.0016	
	Tandem Switching, per mou	\$ 0.0017	
	Unbundled Ports		
	- 2 Wire Analog Port, per line	\$ 1.13	\$ 50.00   - First
			\$ 18.00   - Add'l
	- 4 Wire Analog Port, per line	\$ 1.13	\$ 50.00   - First
			\$ 18.00   - Add'l
	- 2 Wire DIO Port, per line	\$ 12.68	\$ 50.00   - First
			\$ 18.00   - Add'l
	- 2 Wire DIO Port, per line	\$ 120.00	\$ 230.00   - First
			\$ 200.00   - Add'l
	- 2 Wire ISDN Port, per line	\$ 13.50	\$ 150.00   - First
			\$ 120.00   - Add'l
- 4 Wire ISDN Port, per line	\$ 308.00	\$ 230.00   - First	
		\$ 200.00   - Add'l	
	- Rotary Service (hungry), per line	\$ 0.20	\$ 3.00   - First
			\$ 3.00   - Add'l
7 (I) Access to 911 and 911 services	Access to 911 and 911 Services	Billed to appropriate municipality	
7 (II) Access to OA	Directory Assistance Access Service		
	OA Call Completion Access Service, per attempt *	\$ 0.08	
	Number Services Interact Access Service, per query *	\$ 0.04	
	OA Access Service Call, per call *	\$ 0.20	
	Directory Transport		
	- Sw. Local Channel - OS1 Level, per LC	\$ 133.81	\$ 868.97   - First
			\$ 488.83   - Add'l
	- Sw. Dedicated Transport - OS1 level, Per Mile *	\$ 23.50	
	- Facilities LINK *	\$ 30.00	\$ 100.49
	- Switched Common Transport, per OA Acc. Svc. Minute *	\$ 0.00087	
	- Switched Common Transport, per OA Acc. Svc. Call Mile *	\$ 0.00000	
	- Access Tandem Switching, per OA Acc. Svc. Minute *	\$ 0.0017	
	- OA Interconnection, per OA Acc. Svc. Call	\$ 0.00268	
	- Installation, trunk side svc., per trunk or signaling connection		\$ 915.00   - First
			\$ 100.00   - Add'l
	OA Database Service		
	- Use Fee, per OAS customer's end user request	\$ 0.0350	
	- Monthly recurring charge	\$ 150.00	
	Direct Access to OA Service		
	- OAS Service Establishment Charge		\$ 1,000.00
	- OAS Database Service Charge per month	\$ 5,000.00	
	- OAS per Query Charge	\$ 3.023	

\* Indicates rates subject to Federal

Notes: Does not include retail services. Retail services are available at wholesale rates.

RATES AND CHARGES - GEORGIA

CHECK LIST ITEM NUMBER	RATE ELEMENT	PROPOSED RATES	
		MONTHLY RECURRING	NONRECURRING
10. (Cont'd)	Service Control Points (Cont'd)		
	800 Access Ten Digit Screening Service		
	• Per 800 Call Utilizing 800 Acc. Ten Digit Screening Svc. w/800 Number Delivery, per message *	\$ 0.00075	
	• Per 800 Call Utilizing 800 Acc. Ten Digit Screening Svc. w/800 Number Delivery, for 800 Numbers, w/ Optional Complex Features, per message *	\$ 0.00075	
	• Per 800 Call Utilizing 800 Acc. Ten Digit Screening Svc. w/POTS Number Delivery, per message *	\$ 0.00075	
	• Per 800 Call Utilizing 800 Acc. Ten Digit Screening Svc. w/POTS Number Delivery, w/Optional Complex Features, per message *	\$ 0.00075	
	• Reservation Charge per 800 Number reserved		\$ 27.50   - First
			\$ 0.50   - Adft
	• Establishment Charge per 800 number established w/ 800 Number Delivery		\$ 63.00   - First
			\$ 2.00   - Adft
	• Est. Charge per 800 number est. w/POTS Number Delivery		\$ 63.00   - First
			\$ 2.00   - Adft
	• Customized Area of Service Per 800 Number		\$ 3.00   - First
			\$ 1.50   - Adft
	• Multiple InterLATA Carrier Routing per carrier requested, per 800 number		\$ 3.50   - First
			\$ 2.00   - Adft
	• Change Charge per request		\$ 42.00   - First
			\$ 0.50   - Adft
	• Call Handling and Destination Features per 800 number		\$ 3.00
	Selective Routing *		
	Line or PBX Trunk, each	\$0.00	\$ 10.00

\*Indicates rates subject to review.

RATES AND CHARGES - KENTUCKY

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed Price - True-Up
<b>Unbundled Loops</b>		
2-Wire Analog Voice Grade Loop, Per Month Nonrecurring	\$25.00 (\$140.00 1st/45.00 addl)*	\$17.00 \$58.40
4-Wire Analog Voice Grade Loop, Per Month Nonrecurring	\$45.00 (\$140.00 1st/45.00 addl)*	\$27.20 \$58.40
2-Wire ISDN Digital Grade Loop, Per Month Nonrecurring		\$27.20 \$58.40
2-Wire ADSL/HDSL Loop, Per Month Nonrecurring		\$17.00 \$58.40
4-wire HDSL Loop, Per Month Nonrecurring		\$27.20 \$58.40
4-Wire DS1 Digital Grade Loop, Per Month Nonrecurring	\$140.00 (\$775.00 1st/335.00 addl)	
<b>Unbundled Exchange Access IOC</b>		
0 - 8 Miles, Fixed Per Month	\$30.00	
Per Mile, Per Month	\$2.05	
9 - 25 Miles, Fixed Per Month	\$30.00	
Per Mile, Per Month	\$2.00	
Over 25 Miles, Fixed Per Month	\$30.00	
Per Mile, Per Month	\$1.95	
Nonrecurring		
<b>Unbundled Local Switching*</b>		
<b>Unbundled Exchange Ports</b>		
2-wire Analog, Per Month Nonrecurring		\$2.70 \$50.00 1st/18.00 addl
4-wire Analog (Coin), Per Month Nonrecurring		\$4.00 \$50.00 1st/18.00 addl
4-wire ISDN DS1, Per Month Nonrecurring		\$333.00 \$230.00 1st/200.00 addl
2-Wire ISDN Digital, Per Month Nonrecurring		\$15.00 \$150.00 1st/120.00 addl
2-Wire Analog Hunting - per line - Per Month Nonrecurring		\$3.00 \$3.00
*Nonrecurring rates for unbundled loops have been adjusted downward during negotiations and are not tariffed rates.		

RATES AND CHARGES - KENTUCKY

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed Price True-Up
Validation, Per Query	\$0.03800	
Nonrecurring - Establishment or Change	\$91.00	
<b>Operator Services</b>		
<b>Operator Call Processing Access Service</b>		
Operator Provided, Per Minute		
Using BST LIOB		\$1.60
Using Foreign LIOB		\$1.62
Fully Automated, Per Attempt		
Using BST LIOB		\$0.09
Using Foreign LIOB		\$0.11
<b>Inward Operator Services Access Service</b>		
Verification, Per Call	\$0.90	
Emergency Interrupt, Per Call	\$1.95	
<b>Directory Assistance Access Service Calls</b>		
Per Call	\$0.271744	
<b>Directory Assistance Database Service</b>		
Use Fee, Per DADS Cust's EU Request/Listing	\$0.035	
Monthly Recurring	\$150.00	
<b>Direct Access to Directory Assistance Service (DADAS)</b>		
Database Service Charge, Per Month	\$5,000.00	
Database Query Charge, Per Query	\$0.023	
Nonrecurring - DADAS Service Establishment	\$1,000.00	
<b>DACC Access Service</b>		
Per Call Attempt		\$0.25
Recording Cost Per Announcement		
Loading Cost Per Audio Unit		
<b>Number Services Intercept Access Service</b>		
Per Intercept Query		\$0.25



RATES AND CHARGES - KENTUCKY

NETWORK LOCAL INTERCONNECTION/ELEMENT	Proposed Price - Existing Tariff	Proposed Price - True-Up
<b>Security Escort</b>		
Basic - 1st half hour		\$41.00
Overtime - 1st half hour		\$48.00
Premium - 1st half hour		\$55.00
Basic - additional		\$25.00
Overtime - additional		\$30.00
Premium - additional		\$35.00

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports (Cont'd)

Louisiana

Rate Elements	Rate	Per
Monthly		
Residence Port	\$2.50	
Business Port	\$7.00	
PBX Trunk Port	\$7.00	
Rotary Service	\$3.50	
Usage-Mileage Bands		
0 (0 miles)	\$0.02	Incl.Min.
	\$0.01	Add'l min.
A (1-10 miles)	\$0.04	Incl.Min.
	\$0.02	Add'l min.
B (11-16 miles)	\$0.06	Incl.Min.
	\$0.04	Add'l min.
C (17-22 miles)	\$0.10	Incl.Min.
	\$0.07	Add'l min.
D (23 - 30 miles Basic LCA and Intra Parish Expanded LCA)	\$0.14	Incl.Min.
	\$0.10	Add'l min.
E (Greater than 30 miles Basic LCA and Intra Parish Expanded LCA)	\$0.14	Incl.Min.
	\$0.14	Add'l min.
F (23 - 30 miles Inter-Parish Expanded LCA)	\$0.14	Incl.Min.
	\$0.10	Add'l min.
G (31 - 40 miles Inter-Parish Expanded LCA)	\$0.14	Incl.Min.
	\$0.14	Add'l min.
H (Greater than 40 miles Inter-Parish)	\$0.14	Incl.Min.
	\$0.14	Add'l min.

Mississippi

N. Carolina

S. Carolina

Rate Elements	Rate	Per	Rate Elements	Rate	Rate Elements	Rate
Monthly			Monthly		Monthly	
Residence Port	\$3.75		Residence Port	\$2.00	Residence Port	\$4.00
Business Port	\$7.50		Business Port	\$6.00	Business Port	\$10.50
PBX Trunk Port	\$7.50		PBX Trunk Port	\$8.00	PBX Trunk Port	\$10.50
Rotary Service	\$3.75		Rotary Service	\$1.50	Rotary Service	\$3.00
Usage - Mile Bands			Usage - (STB)		Usage - (STB)	
A (0 miles)	\$0.02	Incl.Min.	- Incl.Min.	\$0.05	- Basic Svc.Area	\$0.02
	\$0.01	Add'l min.	- Add'l min.	\$0.02	- Expanded Svc.Are	\$0.12
B (1-10 miles)	\$0.04	Incl.Min.				
	\$0.02	Add'l min.				
C (11-16 miles, existing LCA described in A3.6 greater than 16 miles, and calls to country east greater than 16 miles)	\$0.06	Incl.Min.				
	\$0.04	Add'l min.				
D (17-30 miles)	\$0.08	Incl.Min.				
	\$0.07	Add'l min.				
E (31-55 miles Basic LATA)	\$0.08	Incl.Min.				
	\$0.07	Add'l min.				
F (31-55 miles Jackson LATA)	\$0.12	Incl.Min.				
	\$0.10	Add'l min.				
G (56-85 miles Basic LATA)	\$0.16	Incl.Min.				
	\$0.14	Add'l min.				

Tennessee

Rate Elements	Rate	Per
Monthly		
Residence Port	\$4.00	
Business Port	\$10.00	
PBX Trunk Port	\$10.00	
Rotary Service	\$8.50	
Usage - Mile Bands		
1 (0-16 miles)	\$0.02	incl
2 (17-30 miles)	\$0.06	incl
3 (>30 miles)	\$0.10	incl

Interim UDL-4W Rates

STATE	RECURRING	NON-RECURRING	
		1ST	ADD'L
ALABAMA	\$27.00	\$475.00	\$325.00
FLORIDA	\$30.50	\$510.00	\$350.00
GEORGIA	\$25.50	\$525.00	\$375.00
KENTUCKY	\$36.00	\$550.00	\$375.00
LOUISIANA	\$34.00	\$500.00	\$350.00
MISSISSIPPI	\$24.50	\$475.00	\$325.00
N. CAROLINA	\$24.00	\$525.00	\$350.00
S. CAROLINA	\$27.50	\$525.00	\$350.00
TENNESSEE	\$25.00	\$500.00	\$350.00

These rates are for a 4-wire Unbundled Digital Loop capable of 56kbps or 64kbps data traffic. The loop extends from the Network Interface Device (NID) at the customer's premises to the Main Distribution Frame (MDF) at that customer's central office.

These rates do not include any other Unbundled Network Element (UNE) or any cross-connects to such UNEs or collocation space.

Additional Loop Rates

STATE	2-WIRE ISDN		4-WIRE DS1 DIGITAL	
	Monthly	NR	Monthly	NR
FLORIDA	\$40.00	\$306.00 / 1st \$283.00 / Add'l	\$80.00	\$540.00 / 1st \$465.00 / Add'l
N. CAROLINA	\$27.20	\$33.00	\$238.00	\$837.92 / 1st \$494.19 / Add'l

**Unbundled Packet Switching UNE Proxy Pricing**

Until cost studies are completed, BST will use the following rates on an interim basis.

The following rates will apply for Frame Relay UNEs in Florida.

	Non-Recurring	Recurring
User Network Interface - 56 Kbps	\$300	\$ 62
User Network Interface - 64 Kbps	300	70
User Network Interface - 1.536 Mbps	410	294
User Network Interface - 44.210 Mbps	1,050	2,426
Network Network Interface - 56 Kbps	300	62
Network Network Interface - 64 Kbps	300	70
Network Network Interface - 1.536 Mbps	410	294
Network Network Interface - 44.210 Mbps	1,050	2,426
Data Link Connection Identifier	25	1.50
Committed Information Rate		
0 Bps	0	0
1-32 Kbps	0	7
33-56 Kbps	0	12
57-64 Kbps	0	13
65-128 Kbps	0	18
129-256 Kbps	0	24
257-384 Kbps	0	28
385-512 Kbps	0	32
513-768 Kbps	0	36
769Kbps-1.536 Mbps	0	55
1.537-4 Mbps	0	120
5-10 Mbps	0	160
11-16 Mbps	0	226
17-34 Mbps	0	250
35-44.210 Mbps	0	370

ATTACHMENT 2

- C. **END USER** means the ultimate user of the telecommunications services.
- D. **END USER CUSTOMER LOCATION** means the physical location of the premises where an end user makes use of the telecommunications services.
- E. **NEW SERVICES** means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.
- F. **OTHER LOCAL EXCHANGE COMPANY (OLEC)** means a telephone company certificated by the public service commissions of the Company's franchised area to provide local exchange service within the Company's franchised area.
- G. **RESALE** means an activity wherein a certificated OLEC, such as Reseller subscribes to the telecommunications services of the Company and then reoffers those telecommunications services to the public (with or without "adding value").
- H. **RESALE SERVICE AREA** means the area, as defined in a public service commission approved certificate of operation, within which an OLEC, such as Reseller, may offer resold local exchange telecommunications service.

**III. General Provisions**

A. Reseller may resell the tariffed local exchange and toll telecommunications services of BellSouth contained in the General Subscriber Service Tariff and Private Line Service Tariff subject to the terms, and conditions specifically set forth herein. Notwithstanding the foregoing, the exclusions and limitations on services available for resale will be as set forth in Exhibit B, attached hereto and incorporated herein by this reference.

BellSouth shall make available telecommunications services for resale at the rates set forth in Exhibit A to this agreement and subject to the exclusions and limitations set forth in Exhibit B to this agreement. It does not however waive its rights to appeal or otherwise challenge any decision regarding resale that resulted in the discount rates contained in Exhibit A or the exclusions and limitations contained in Exhibit B. BellSouth reserves the right to pursue any and all legal and/or equitable remedies, including appeals of any decisions. If such appeals or challenges result in changes in the discount rates or exclusions and limitations, the parties agree that appropriate modifications to this Agreement will be made promptly to make its terms consistent with the outcome of the appeal.

B. The provision of services by the Company to Reseller does not constitute a joint undertaking for the furnishing of any service.

C. Reseller will be the customer of record for all services purchased from BellSouth. Except as specified herein, the Company will take orders from, bill and expect payment from Reseller for all services.

D. Reseller will be the Company's single point of contact for all services purchased pursuant to this Agreement. The Company shall have no contact with the end user except to the extent provided for herein.

ATTACHMENT 2

- 3 Impair the privacy of any communications; or
- 4 Create hazards to any employees or the public.

P. Reseller assumes the responsibility of notifying the Company regarding less than standard operations with respect to services provided by Reseller.

Q. Facilities and/or equipment utilized by BellSouth to provide service to Reseller remain the property of BellSouth.

R. White page directory listings will be provided in accordance with regulations set forth in Section A6 of the General Subscriber Service Tariff and will be available for resale.

S. BellSouth will provide customer record information to the Reseller provided the Reseller has the appropriate Letter(s) of Authorization. BellSouth may provide customer record information via one of the following methods: US mail, fax, or by electronic interface. BellSouth will provide customer record information via US mail or fax on an interim basis only.

Reseller agrees to compensate BellSouth for all BellSouth incurred expenditures associated with providing such information to Reseller. Reseller will adopt and adhere to the BellSouth guidelines associated with each method of providing customer record information.

T. BellSouth's retail voice mail services may be made available for resale at rates, terms and conditions as mutually agreed to by the parties.

IV. BellSouth's Provision of Services to Reseller

A. Reseller agrees that its resale of BellSouth services shall be as follows:

1. The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.

2. To the extent Reseller is a telecommunications carrier that serves greater than 5 percent of the Nation's presubscribed access lines, Reseller shall not jointly market its interLATA services with the telecommunications services purchased from BellSouth pursuant to this Agreement in any of the states covered under this Agreement. For the purposes of this subsection, to jointly market means any advertisement, marketing effort or billing in which the telecommunications services purchased from BellSouth for purposes of resale to customers and interLATA services offered by Reseller are packaged, used, bundled, discounted or offered together in any way to the end user. Such efforts include, but are not limited to, sales referrals, resale arrangements, sales agencies or billing agreements. This subsection shall be void and of no effect for a particular state covered under this Agreement as of February 8, 1999 or on the date BellSouth is authorized to offer interLATA services in that state, whichever is earlier.

ATTACHMENT 2

- C. Reseller or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by the Company, other than by connection or disconnection to any interface means used, except with the written consent of the Company.
- D. Reseller accepts responsibility to notify the Company of situations that arise that may result in a service problem.
- E. Reseller will be the Company's single point of contact for all repair calls on behalf of Reseller's end users. The parties agree to provide one another with toll-free contact numbers for such purposes.
- F. Reseller will contact the appropriate repair centers in accordance with procedures established by the Company.
- G. For all repair requests, Reseller accepts responsibility for adhering to the Company's prescreening guidelines prior to referring the trouble to the Company.
- H. The Company will bill Reseller for handling troubles that are found not to be in the Company's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its retail customers for the same services.
- I. The Company reserves the right to contact Reseller's customers, if deemed necessary, for maintenance purposes.

VI. Establishment of Service

- A. After receiving certification as a local exchange company from the appropriate regulatory agency, Reseller will provide the appropriate Company service center the necessary documentation to enable the Company to establish a master account for Reseller. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, the Company will begin taking orders for the resale of service.
- B. Service orders will be in a standard format designated by the Company.
- C. When notification is received from Reseller that a current customer of the Company will subscribe to Reseller's service, standard service order intervals for the appropriate class of service will apply.
- D. The Company will not require end user confirmation prior to establishing service for Reseller's end user customer. Reseller must, however, be able to demonstrate end user authorization upon request.
- E. Reseller will be the single point of contact with the Company for all subsequent ordering activity resulting in additions or changes to resold services except that the Company will accept a request directly from the end user for conversion of the end user's service from Reseller to the Company or will accept a request from

ATTACHMENT 2

- D. The Company will render bills each month on established bill days for each of Reseller's accounts.
- E. The Company will bill Reseller, in advance, charges for all services to be provided during the ensuing billing period except charges associated with service usage, which charges will be billed in arrears. Charges will be calculated on an individual end user account level, including, if applicable, any charges for usage or usage allowances. BellSouth will also bill all charges, including but not limited to 911 and E911 charges, telecommunications relay charges, and franchise fees, to Reseller.
- F. The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available funds. Payment is considered to have been made when received by the Company.
- If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth in I. following, shall apply.
- G. Upon proof of tax exempt certification from Reseller, the total amount billed to Reseller will not include any taxes due from the end user. Reseller will be solely responsible for the computation, tracking, reporting and payment of all federal, state and/or local jurisdiction taxes associated with the services resold to the end user.
- H. As the customer of record, Reseller will be responsible for, and remit to the Company, all charges applicable to its resold services for emergency services (E911 and 911) and Telecommunications Relay Service (TRS) as well as any other charges of a similar nature.
- I. If any portion of the payment is received by the Company after the payment due date as set forth preceding, or if any portion of the payment is received by the Company in funds that are not immediately available to the Company, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff.
- J. Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, the Company. No additional charges are to be assessed to Reseller.
- K. The Company will not perform billing and collection services for Reseller as a result of the execution of this Agreement. All requests for billing services should be referred to the appropriate entity or operational group within the Company.
- L. Pursuant to 47 CFR Section 51.617, the Company will bill Reseller end user common line charges identical to the end user common line charges the Company bills its end users.
- M. In general, the Company will not become involved in disputes between Reseller and Reseller's end user customers over resold services. If a dispute does arise that cannot be settled without the involvement of the Company, Reseller shall contact the designated Service Center for resolution. The Company will make every



**ATTACHMENT 2**

services to Reseller at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If the Company does not discontinue the provision of the services involved on the date specified in the thirty days notice, and Reseller's noncompliance continues, nothing contained herein shall preclude the Company's right to discontinue the provision of the services to Reseller without further notice.

5. If payment is not received or arrangements made for payment by the date given in the written notification, Reseller's services will be discontinued. Upon discontinuance of service on a Reseller's account, service to Reseller's end users will be denied. The Company will also reestablish service at the request of the end user or Reseller upon payment of the appropriate connection fee and subject to the Company's normal application procedures. Reseller is solely responsible for notifying the end user of the proposed disconnection of the service.

6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

**IX. Liability**

A. The liability of the Company for damages arising out of mistakes, omissions, interruptions, preemptions, delays errors or defects in transmission, or failures or defects in facilities furnished by the Company, occurring in the course of furnishing service or other facilities and not caused by the negligence of Reseller, or of the Company in failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision shall in no event exceed an amount equivalent to the proportionate charge to Reseller for the period of service during which such mistake, omission, interruption, preemption, delay, error or defect in transmission or defect or failure in facilities occur. The Company shall not be liable for damage arising out of mistakes, omission, interruptions, preemptions, delays, errors or defects in transmission or other injury, including but not limited to injuries to persons or property from voltages or currents transmitted over the service of the Company, (1) caused by customer-provided equipment (except where a contributing cause is the malfunctioning of a Company-provided connecting arrangement, in which event the liability of the Company shall not exceed an amount equal to a proportional amount of the Company billing for the period of service during which such mistake, omission, interruption, preemption, delay, error, defect in transmission or injury occurs), or (2) not prevented by customer-provided equipment but which would have been prevented had Company-provided equipment been used.

B. The Company shall be indemnified and saved harmless by Reseller against any and all claims, actions, causes of action, damages, liabilities, or demands (including the costs, expenses and reasonable attorneys' fees, on account thereof) of whatever kind or nature that may be made by any third party as a result of the Company's furnishing of service to Reseller.

C. The Company shall be indemnified, defended and held harmless by Reseller and/or the end user against any claim, loss or damage arising from the use of services offered for resale involving:

1. Claims for libel, slander, invasion of privacy or infringement of copyright arising from Reseller's or end user's own communications.

2. Claims for patent infringement arising from acts combining or using Company services in connection with facilities or equipment furnished by the end user or Reseller

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XIV. 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.

XV. 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.

XVI. More Favorable Provisions

A. The parties agree that if --

1. the Federal Communications Commission ("FCC") or the Commission finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules or regulations, or

2. the FCC or the Commission preempts the effect of this Agreement, then, in either case, upon such occurrence becoming final and no longer subject to administrative or judicial review, the parties shall immediately commence good faith negotiations to conform this Agreement to the requirements of any such decision, rule, regulation or preemption. The revised agreement shall have an effective date that coincides with the effective date of the original FCC or Commission action giving rise to such negotiations. The parties agree that the rates, terms and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date except to the extent that such retroactive effect is expressly required by such FCC or Commission decision, rule, regulation or preemption.

B. In the event that BellSouth, either before or after the effective date of this Agreement, enters into an agreement with any other telecommunications carrier (an "Other Resale Agreement") which provides for the provision within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee of any of the arrangements covered by this Agreement upon rates, terms or conditions that differ in any material respect from the rates, terms and conditions for such arrangements set forth in this Agreement ("Other Terms"), BellSouth shall be deemed thereby to have offered such other Resale Agreement to Reseller in its entirety. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.

C. In the event that after the effective date of this Agreement the FCC or the Commission enters an order (a "Resale Order") requiring BellSouth to provide within the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee any of the arrangements covered by this agreement upon Other Terms, then upon such Resale Order becoming final and not subject to further administrative or judicial review, BellSouth shall be deemed to have offered such arrangements to Reseller upon such Other Terms, in their entirety, which Reseller may only accept in their entirety, as provided in Section XVI E. In the event that Reseller accepts such offer, such Other Terms shall be effective between BellSouth and Reseller as of the date on which Reseller accepts such offer.

ATTACHMENT 2

This Agreement may be amended at any time upon written agreement of both parties.

**XIX. Entire Agreement**

This Agreement 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.

EXHIBIT B

Type of Service	AL		FL		GA		KY		LA	
	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1 Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2 Contract Service Arrangements	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No
3 Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4 Promotions - < 90 Days	Yes	No	Yes	No	Yes	No	No	No	Yes	No
5 Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
6 911/E911 Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
7 N11 Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
8 Non-Recurring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Type of Service	MS		NC		SC		TN	
	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1 Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2 Contract Service Arrangements	Yes	No	Yes	Yes	Yes	No	Yes	Yes
3 Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
4 Promotions - < 90 Days	Yes	No	No	No	Yes	No	No	No
5 Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6 911/E911 Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7 N11 Services	No	No	No	No	Yes	Yes	Yes	Yes
8 Non-Recurring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No

Additional Comments:

- 1 Grandfathered services can be resold only to existing subscribers of the grandfathered service.
- 2 Where available for resale, promotions will be made available only to end users who would have qualified for the promotion had it been provided by BellSouth directly.
- 3 Lifeline/Link Up services may be offered only to those subscribers who meet the criteria that BellSouth currently applies to subscribers of these services. In Tennessee, Reseller shall purchase BellSouth's Message Rate Service at the stated tariff rate, less the wholesale discount. Reseller must further discount the wholesale Message Rate Service to LifeLine customers with a discount which is no less than the minimum discount that BellSouth now provides. Reseller is responsible for recovering the Subscriber Line Charge from the National Exchange Carriers Association interstate toll settlement pool just as BellSouth does today.
- 4 In Louisiana and Mississippi, all Contract Service Arrangements entered into by BellSouth or terminating after the effective date of the Commission Order will be subject to resale without the wholesale discount. All CSAs which are in place as of the effective date of the Commission order will not be eligible for resale.
- 5 In North Carolina, only those Contract Service Arrangements entered into after April 15, 1997 will be available for resale.

**WARNING:**

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# BEFORE THE FLORIDA PUBLIC SERVICE

## COMMISSION

In re: Complaint and/or petition DOCKET NO. 991267-TP  
for arbitration by Global NAPS, ORDER NO. PSC-99-2526-PCO-TP  
Inc. for enforcement of Section ISSUED: December 23, 1999  
VI(B) of its interconnection  
agreement with BellSouth  
Telecommunications, Inc., and  
request for relief.

## ORDER DENYING INTERVENTION

### I. Case Background

On August 31, 1999, Global NAPS, Inc. (GNAPs) filed a complaint against BellSouth Telecommunications, Inc. (BellSouth) for alleged breach of the parties' interconnection agreement. GNAPs asserts that BellSouth has failed to properly compensate GNAPs for delivery of traffic to Internet Service Providers that are GNAPs' customers. On September 27, 1999, BellSouth filed its Answer to GNAPs' complaint. This matter has been set for an administrative hearing on January 25, 2000.

On November 15, 1999, ITC^DeltaCom Communications, Inc. d/b/a ITC^DeltaCom (ITC) filed a Petition to Intervene in this proceeding. On November 23, 1999, BellSouth filed a Response to ITC's Petition. On November 30, 1999, GNAPs filed a Memorandum in Support of ITC's Petition to Intervene.

### II. Arguments

ITC asserts that it should be allowed to intervene in this proceeding because the agreement at issue is the agreement negotiated between ITC and BellSouth. ITC states that its negotiated agreement with BellSouth was approved by the Commission on October 7, 1997, and that GNAPs later adopted the agreement pursuant to Section 252(i) of the Telecommunications Act. ITC further explains that in this proceeding, the Commission will interpret portions of the agreement addressing reciprocal compensation for traffic to Internet Service Providers (ISPs). ITC maintains that it must be allowed to intervene because any decision in this proceeding will ultimately impact future interpretations of this same agreement. Thus, ITC argues that its rights under that agreement and its substantial interests will be affected by this proceeding.

In its Response, BellSouth emphasizes that the only agreement in this proceeding is the agreement between GNAPs and BellSouth, regardless of the fact that GNAPs obtained the agreement through the 252(i) adoption process. BellSouth argues that GNAPs is asking the Commission to enforce the agreement between GNAPs and BellSouth, not the agreement between BellSouth and ITC. Thus, BellSouth argues the ITC has no standing to intervene in this proceeding.

BellSouth further asserts that ITC has incorrectly stated that BellSouth raised the issue of ITC's intent during the negotiation of the original agreement. BellSouth notes that ITC has not cited to any part of BellSouth's pleadings to support this statement. BellSouth maintains that it has not raised ITC's intent as an issue in this proceeding and that ITC's intent is irrelevant to the issues in this case. BellSouth argues that only the intent of BellSouth and GNAPs is relevant in this case. BellSouth emphasizes that ITC is not a party to the agreement underlying this dispute; therefore, ITC does not have a substantial interest in this proceeding. As such, BellSouth asks that ITC's Petition be denied.

GNAPs argues that ITC is entitled to intervene in this proceeding pursuant to Rule 28-106.205, *Florida Administrative Code*, because ITC's substantial interests will be affected by the Commission's determinations in this case. GNAPs maintains that under Florida case law, if a person alleges that as a result of an administrative proceeding his substantial interests will be affected, and if the proceeding is of the type designed to protect against the alleged injury, then that person has standing to intervene.<sup>1</sup> GNAPs states that ITC has indicated that its substantial interests will be affected by the outcome of this proceeding; therefore, it is entitled to intervene.

GNAPs argues that ITC's substantial interests will be affected because the terms of the agreement that ITC negotiated with BellSouth are at issue in this case. In resolving the GNAPs complaint, the Commission will make a determination on the applicability of provisions in the agreement. GNAPs argues that in so doing, the Commission will affect not only GNAPs substantial interests, but ITC's as well. Thus, GNAPs maintains that this proceeding has the potential to cause ITC an injury, in fact, of sufficient immediacy that should entitle ITC to intervene.

GNAPs further contends that prior Commission decisions prohibiting intervention in arbitration and complaint proceedings do not require that ITC be prohibited from intervening in this case.<sup>2</sup> GNAPs asserts that this case may be distinguished because it actually revolves around an agreement that was originally negotiated between ITC and BellSouth. Thus, GNAPs believes that ITC should be allowed to intervene because the Commission will be interpreting the agreement that ITC negotiated with BellSouth. GNAPs adds that because of this unique situation, allowing ITC to intervene will not "open the floodgates" to third-party intervention in complaint and arbitration proceedings under the Act.

Finally, GNAPs notes that other state commissions have allowed intervention in proceedings in which terms of interconnection agreements were at issue.<sup>3</sup> GNAPs emphasizes that other state Commissions have allowed intervention in situations where any decision by the Commission could have a negative binding precedential effect on third-parties. In this case, GNAPs believes that ITC has clearly demonstrated that the Commission's decisions in this case may have a negative binding precedential effect because it is ITC's agreement that is being interpreted. Therefore, GNAPs supports ITC's Petition to Intervene in this proceeding.

<sup>1</sup>*Citing Village Park Mobile Home Association, Inc. v. Department of Business Regulation*, 506 So. 2d 426 (Fla. 1st DCA 1987). <sup>2</sup>*Citing Order No. PSC-98-0476-PCO-TP*, issued April 2, 1998, in Docket No. 971478-TP. <sup>3</sup>*Citing In re: Emergency Petitions of ICG Telecom Group, Inc. and ITC DeltaCom Communications, Inc. For a Declaratory Ruling*, Alabama PSC Docket No. 26619 (March 4, 1999). III. **Determination**

First, I begin by noting that the applicable rule in this instance is Rule 25-22.039, *Florida Administrative Code*. The Commission's rule on intervention has been granted an exception from the Uniform Rules. Our rule remains in effect.

When a petitioner's standing in an action is contested, the burden is upon the petitioner to demonstrate that he does, in fact, have standing to participate in the case. Department of Health and Rehabilitative Services v. Alice P., 367 So. 2d 1045, 1052 (Fla. 1st DCA 1979). To prove standing, the petitioner must demonstrate that he will suffer an injury in fact, which is of sufficient immediacy to entitle him to a Section 120.57 hearing, and that his injury is of a type or nature that the proceeding is designed to protect. Ameristeel Corp. v. Clark, 691 So. 2d 473 (Fla. 1997); and Agrico Chemical Company v. Department of Environmental Regulation, 406 So. 2d 478 (Fla. 2nd DCA 1981). ITC has demonstrated neither.

Early in the arbitration proceedings brought before the Commission under the Act, it was determined that, pursuant to the Act, only the party requesting interconnection and the incumbent local exchange company may be parties to arbitration proceedings. This reflects a Congressional intent that interconnection agreements should be reached through negotiations between a requesting carrier and an incumbent local exchange company; or, failing that, through arbitration proceedings litigated before state commissions by the parties to the negotiations. The arbitration proceedings are limited to the issues raised by the immediate parties to the particular negotiations. The outcome of arbitration proceedings is an agreement between those parties that is binding only on them. The Act does not contemplate participation by other entities who are not parties to the negotiations and who will not be parties to the ultimate interconnection agreement that results. Entities not party to the negotiations are not proper parties in arbitration proceedings, even though they may, in some indirect way, be affected by a particular decision. This conclusion is consistent with the conclusion reached by the Prehearing Officer at page 2 in Order No. PSC-96-0933-PCO-TP, which established procedure in Docket No. 960833-TP:

Upon review of the Act, I find that intervention with full party status is not appropriate for purposes of the Commission conducting arbitration in this docket. Section 252 contemplates that only the party requesting interconnection and the incumbent local exchange company shall be parties to the arbitration proceeding. For example, Section 252(b)(1) of the Act states that the "carrier or any other party to the negotiation" may request arbitration. (emphasis added) Similarly Section 252(b)(3) says "a non-petitioning party to a negotiation may respond to the other party's petition" within 25 days. (emphasis added) Section 252(b)(4) requires this Commission to limit its consideration to the issues raised by the petition and the response. None of these statutory provisions provides for intervenor participation.

That conclusion is also applicable to complaints arising from agreements approved by the Commission under the Act, whether they are entered into through negotiation of the parties or through the adoption process set forth in Section 252(i) of the Act. This same rationale has been employed by this Commission on numerous occasions in denying third party petitions to intervene in arbitration proceedings or in proceedings brought seeking performance under interconnection agreements. See Order Nos. PSC-96-0933-PCO-TP; PSC-98-0007-PCO-TP; PSC-98-0008-FOF-TP; PSC-98-0226-FOF-TP; PSC-98-0227-FOF-TP; PSC-98-0476-PCO-TP; PSC-98-0642-PCO-TP; and PSC-98-0454-PCO-TP. The agreement, and thus, the dispute, is limited to two parties. Therefore, the proceeding is not designed to address the type of injury alleged by ITC.

Furthermore, even though GNAPs may have adopted the ITC/BellSouth agreement, the agreement at issue is now the GNAPs/BellSouth agreement. Nothing in the Act indicates an intent to treat complaints regarding agreements adopted pursuant to Section 252(i) any differently than other complaint cases. In many aspects, adoption of an agreement pursuant to Section 252(i) is simply a shortening of the negotiation process. There are still, ultimately, only two parties to the agreement. Although many or all of the terms in the agreement may be the same as those found in the ITC/BellSouth agreement, our decision in this case will consider only the GNAPs/BellSouth agreement and evidence relevant to that agreement. Our final decision will apply only to GNAPs and BellSouth. Therefore, any decision in this case will be based upon evidence presented by the parties to this case, and as such, will have no precedential value for any other case involving the same terms and conditions of an agreement between different parties. As such, ITC has not demonstrated an injury of sufficient immediacy to warrant intervention in this proceeding.

Finally, I disagree with GNAPs that allowing ITC to intervene in this proceeding would not "open the floodgates" to third party intervention in arbitrations and complaint proceedings, a concern which has been raised by this Commission in the past. GNAPs argues primarily that ITC should be allowed to intervene because the terms of the GNAPs/BellSouth agreement are the same terms as those in the ITC agreement that ITC negotiated. That same statement could, however, be made about many other agreements approved by this Commission. Numerous Notices of Adoption of Interconnection agreements are filed for our approval every month. Also, with the reinstatement of the FCC's "pick and choose" rule, many companies are specific selecting rates, terms, and conditions from previously approved agreements. As such, the same arguments presented for ITC's intervention in this case, if accepted, could carry over to many other complaint cases, thus opening the "floodgates."

Although the terms in the GNAPs/BellSouth agreement are identical to the terms in the ITC/BellSouth agreement, the agreement at issue in this case is only the GNAPs/BellSouth agreement. As this Commission has previously stated:

It is hardly surprising that business relationships and commercial terms to which certain market players agree influence, sometimes strongly, the nature of subsequent relationships and terms sought by others. This is not justification to return to the old regulatory routine where all interested persons could participate in matters involving regulated utility providers. Under the Act, the rules of the road are different. This is a contract dispute between the parties to the specific contract, and only those parties may participate in this case.

Order No. PSC-98-0454-PCO-TP, at p. 5. Accordingly, ITC's petition to intervene in Docket No. 991267-TP is denied.

Based upon the foregoing, it is

ORDERED by Commissioner E. Leon Jacobs, as Prehearing Officer, that the Petition to Intervene filed by ITC^DeltaCom Communications, Inc. d/b/a ITC^DeltaCom is denied.

By ORDER of Commissioner E. Leon Jacobs, Jr. as Prehearing Officer, this 23rd day of December, 1999.

/s/ E. Leon Jacobs, Jr.

E. LEON JACOBS, JR.

Commissioner and Prehearing Officer

*This is a facsimile copy. A signed copy of the order may be obtained by calling 1-850-413-6770.  
( S E A L )*

BK

#### NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.



Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, *Florida Administrative Code*, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, *Florida Administrative Code*, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, *Florida Administrative Code*. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint and/or petition for arbitration by Global NAPS, Inc. for enforcement of Section VI(B) of its interconnection agreement with BellSouth Telecommunications, Inc., and request for relief.	DOCKET NO. 991267-TP ORDER NO. PSC-00-0802-FOF-TP ISSUED: April 24, 2000
--	--

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON  
SUSAN F. CLARK  
E. LEON JACOBS, JR.

APPEARANCES:

Jon C. Moyle, Jr., Esquire, and Cathy M. Sellers, Esquire, Moyle Flanigan Katz Kolins Raymond & Sheehan, P.A., 118 North Gadsden Street, Tallahassee, Florida 32301 and Christopher W. Savage, Esquire, Cole, Raywid & Braverman, L.L.P., 1919 Pennsylvania Avenue, N.W., Suite 200, Washington, D.C. 20006.  
On behalf of Global NAPS, Inc..

Michael P. Goggin, Esquire, and E. Earl Edenfield, Esquire, 150 South Monroe Street, #400, Tallahassee, Florida 32301  
On behalf of BellSouth Telecommunications, Inc..

Beth Keating, Esquire, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
On behalf of the Commission Staff.

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VIA FAX - REG. RELATIONS  
TALLAHASSEE, FL

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FINAL ORDER ON COMPLAINT

BY THE COMMISSION:

I. CASE BACKGROUND

On August 31, 1999, Global NAPs, Inc. (Global NAPs or GNAPs) filed a complaint against BellSouth Telecommunications, Inc. (BellSouth) for alleged breach of the parties' Interconnection Agreement (Agreement). The subject Agreement was initially executed by ITC^DeltaCom, Inc., (DeltaCom) on July 1, 1997, and was previously approved by the Commission by Order No. PSC-97-1265-FOF-TP, issued October 14, 1997, in Docket No. 970804-TP. DeltaCom's Agreement is effective in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. On January 18, 1999, GNAPs adopted the DeltaCom Agreement in its entirety.

In its complaint, GNAPs asserts that BellSouth has failed to properly compensate GNAPs for delivery of traffic to Internet Service Providers (ISPs) that are GNAPs' customers. GNAPs states that BellSouth has failed to comply with specific provisions of the Agreement concerning the payment of reciprocal compensation to GNAPs. GNAPs asks for relief, including payment of reciprocal compensation and attorney's fees, plus interest.

On September 27, 1999, BellSouth filed its Answer to GNAPs' complaint. Based on the complaint, and BellSouth's response, this matter was set for hearing on January 25, 2000.

On November 15, 1999, DeltaCom filed a petition to intervene in this proceeding. By Order No. PSC-99-2526-PCO-TP, DeltaCom's petition was denied.

II. Compensation for Traffic to Internet Service Providers

As stated above, the issue before us is whether, according to the terms of their Interconnection Agreement, GNAPs and BellSouth are required to compensate each other for delivery of traffic to ISPs. The Agreement in question is an amended version of an Agreement between ITC^DeltaCom and BellSouth, executed in July 1997, and amended in August 1997. This Agreement was subsequently adopted by GNAPs, pursuant to Section 252(i) of the Telecommunications Act of 1996 (the Act).

A. AGREEMENT TERMS

The following provisions are pertinent to this dispute:

49. "Local Traffic" means any telephone call that originates in one exchange or LATA and terminates in either the same exchange or LATA, or a corresponding Extended Area Service ("EAS") exchange. The terms Exchange, and EAS exchanges are defined and specified in Section A3. of BellSouth's General Subscriber Service Tariff.

(Agreement, Attachment B, page 8).

With the exception of the local traffic specifically identified in subsection (C) hereafter, each party agrees to terminate local traffic originated and routed to it by the other party. Each Party will pay the other for terminating its local traffic on the other's network the local interconnection rate of \$.009 per minute of use in all states. Each Party will report to the other a Percent Local usage ("PLU") and the application of the PLU will determine the amount of local minutes to be billed to the other party. Until such time as actual usage data is available, the parties agree to utilize a mutually acceptable surrogate for the PLU factor. For purposes of developing the PLU, each party shall consider every local call and every long distance call. Effective on the first of January, April, July and October of each year, the parties shall update their PLU.

(Fourth Amendment to Agreement, page 2).

1. GNAPS

GNAPs witness Rooney argues that BellSouth agreed to pay GNAPs reciprocal compensation for local traffic, including traffic to ISPs, pursuant to the language in the Agreement. He maintains that, otherwise, the parties did not discuss the topic of traffic to ISPs, nor did BellSouth tell GNAPs that it would not pay reciprocal compensation for traffic to ISPs under the adopted Agreement. Witness Rooney explains that he found this particularly relevant, because in his experiences in other states, the incumbent local exchange company (ILEC) would usually try to put conditions on the adoption if the ILEC had a problem with provisions in the Agreement. In this case, however, he maintains that BellSouth did not.

Witness Rooney further emphasizes that the Agreement does not contain a means to segregate traffic bound for ISPs from other traffic. Thus, the witness argues that it is clear that traffic to ISPs is subject to reciprocal compensation under the definition of

local traffic. Furthermore, while witness Rooney agrees that the obligation to pay reciprocal compensation only applies to local traffic, he emphasizes that at the time the Agreement was drafted, ISP-bound traffic was being treated as local traffic and that nothing in the Agreement indicates that it should be treated otherwise. He notes that the FCC's ruling on the jurisdictional status of traffic to ISPs, FCC Order 99-68, issued February 26, 1999, (Declaratory Ruling) was released well after the original DeltaCom/BellSouth Agreement was executed. We note that FCC Order 99-68 was also released after GNAPs adopted the DeltaCom Agreement.

In addition, in response to questions about the impact of the FCC Order 99-68 on the definition of local traffic and reciprocal compensation under the Agreement, Witness Rooney contends:

That definition [in the agreement] includes traffic that begins and ends within one LATA. And as I understand it, for purposes of the contract you begin and end in a LATA if it is rated to begin and end in a LATA. The thing is that at the time this contract came about, this is before the decision by the FCC. So you have nothing that is going to suggest that what was understood here to be subject to reciprocal compensation is what the FCC is talking about.

Further emphasizing that the FCC's decision came out after the DeltaCom Agreement was executed, witness Rooney states:

So here you just have to look entirely within the contract as to what this means. And in here there is no way of separating out ISP-bound traffic from other local traffic, thus ISP-bound traffic is being treated like other local traffic.

GNAPs further argues that a decision reached in Alabama interpreting the DeltaCom Agreement to require reciprocal compensation for traffic to ISPs collaterally estops BellSouth from even arguing this case in Florida on the same Agreement. GNAPs argues:

The issue at hand in this case--whether the DeltaCom agreement, that Global NAPs adopted under Section 252(i), calls for compensation for ISP-bound calling--is exactly the issue that BellSouth fought and lost in Alabama.

And while Global NAPs is a different entity from DeltaCom, Global NAPs submits that its adoption of the DeltaCom contract under Section 252(i) means that, as a matter of law, it is in privity with DeltaCom on the question of the meaning of the DeltaCom contract that Global NAPs has adopted here. It follows that BellSouth may not properly relitigate that issue in this case.

It appears, however, that GNAPs has raised the issue of collateral estoppel for the first time in its post-hearing brief; therefore, BellSouth did not have an opportunity to address this argument. As such, we have not considered this argument and it does not serve as the basis for our decision.

## 2. BellSouth

BellSouth's witness Scollard responds that the DeltaCom Agreement has always stated that "reciprocal compensation is due only for the termination of local traffic and thus compensation is not due for ISP-bound traffic." (emphasis in original). Witness Scollard emphasizes that GNAPs adopted the Agreement on January 18, 1999, some time after BellSouth had publicly stated that it would not pay reciprocal compensation for traffic to ISPs. He argues that the FCC upheld BellSouth's position just a little over a month later. The witness further emphasizes that on April 14, 1999, GNAPs filed a tariff with the FCC that acknowledged the interstate nature of ISP-bound traffic.

BellSouth witness Halprin also argues that the FCC Order 99-68 supports BellSouth's position. Witness Halprin contends that the FCC clearly stated that ISP-bound traffic remains classified as interstate and does not terminate locally. He adds that calls to ISPs are "technically indistinguishable" from interstate dial-around calls, and, therefore, they "transcend the confines of local exchange areas. . . ."

BellSouth witness Shiroishi concedes, however, that subsequent to the execution of the DeltaCom Agreement, BellSouth did develop clarifying language addressing traffic to ISPs. Witness Shiroishi agrees that the clarifying language was never incorporated as an amendment to the Agreement adopted by GNAPs, although she maintains that this was due to BellSouth's own understanding of the clarity of the Agreement.

In its brief, BellSouth further argues that the plain language in the Agreement clearly provides only for reciprocal compensation for local traffic. BellSouth maintains that GNAPs has provided no

evidence to demonstrate that the parties mutually intended to treat ISP traffic as if it were local for purposes of the Agreement.

#### DETERMINATION

We agree with BellSouth that the language in the Agreement adopted by GNAPs is clear and only calls for reciprocal compensation for local traffic. We emphasize, however, that the Agreement does not segregate traffic to ISPs from the rest of local traffic.

We note that in past decisions on somewhat similar issues, we have determined that circumstances that existed at the time the companies entered into the agreement, as well as the subsequent actions of the parties should be considered in determining what the parties intended when the language in the agreement is not clear. See Order No. PSC-98-1216-FOF-TP; and Order No. PSC-99-0658-FOF-TP.

In James v. Gulf Life Insur. Co., 66 So.2d 62, 63 (Fla. 1953), the Florida Supreme Court referred to Contracts, 12 Am.Jur. § 250, pages 791-93, for the general proposition concerning contract construction:

Agreements must receive a reasonable interpretation, according to the intention of the parties at the time of executing them, if that intention can be ascertained from their language . . . Where the language of an agreement is contradictory, obscure, or ambiguous, or where its meaning is doubtful, so that it is susceptible of two constructions, one of which makes it fair, customary, and such as prudent men would naturally execute, while the other makes it inequitable, unusual, or such as reasonable men would not be likely to enter into, the interpretation which makes a rational and probable agreement must be preferred . . . An interpretation which is just to both parties will be preferred to one which is unjust.

In Order No. PSC-98-1216-FOF-TP, we also agreed that, in the construction of an agreement, the circumstances in existence at the time the agreement was made are evidence of the parties' intent. Triple E Development Co. v. Floridagold Citrus Corp., 51 So.2d 435, 438, rhg. den. (Fla. 1951). What a party did or omitted to do after the agreement was made may be properly considered. Vana Agnew v. Fort Myers Drainage Dist., 69 F.2d 244, 246, rhg. den., (5th Cir.). Courts may look to the subsequent action of the

parties to determine the interpretation that they themselves place on the contractual language. Brown v. Financial Service Corp., Intl., 489 F.2d 144, 151 (5th Cir.) citing LaLow v. Codomo, 101 So.2d 390 (Fla. 1958). See Order No. PSC-98-1216-FOF-TP at p. 16.

In this case, however, we believe that the plain language of the Agreement shows that the parties intended the payment of reciprocal compensation for all local traffic, including traffic bound for ISPs. Therefore, it is not necessary to look beyond the written agreement to the actions of the parties at the time the agreement was executed or to the subsequent actions of the parties to determine their intent.

As noted above, we find it particularly noteworthy that there is nothing in the Agreement that specifically addresses traffic bound for ISPs, nor is there any mechanism in the Agreement to account for such traffic, as explained by GNAPs. Thus, nothing in the Agreement indicates that this traffic was to be treated differently than local traffic. In addition, while BellSouth may have already made its position on traffic to ISPs publicly-known by the time GNAPs adopted the DeltaCom Agreement, BellSouth never modified the Agreement adopted by GNAPs to reflect its position, as noted by GNAPs' witness Rooney, even though BellSouth's witness Shiroishi indicated that BellSouth had developed such an amendment.

In addition, GNAPS witness Selwyn testified that the FCC has not precluded the state commissions from addressing this issue. We agree. Paragraph 27 Of the Declaratory Ruling states that

. . . nothing in this Declaratory Ruling precludes state commissions from determining, pursuant to contractual principles or other legal or equitable considerations, that reciprocal compensation is an appropriate interim inter-carrier compensation rule pending completion of the rulemaking we initiate [it this order].

We emphasize that the FCC's Order was issued after GNAPs adopted the DeltaCom/BellSouth Agreement; therefore, even if the language in the Agreement necessitated consideration of the surrounding circumstances at the time the agreement was executed to determine the parties' intent, the FCC Order 99-68 could not demonstrate or support either parties' argument regarding such intent or understanding of the law at the time the Agreement was adopted.

Although we need not look beyond the plain language in the Agreement in this instance, we note that we do not believe that the intent of the parties at the time of the adoption is the relevant intent when interpreting an Agreement adopted pursuant to Section



252(i) of the Act. Rather, we believe the intent of the original parties is the determining factor when the Agreement language is not clear. Otherwise, original and adopting parties to an Agreement could receive differing interpretations of the same Agreement, which is not consistent with the purpose of Section 252(i) of the Act. We also note that we believe the underlying Agreement negotiated by the original parties terminates on the date established by the original parties to the Agreement. Therefore, adopting an Agreement under Section 252(i) cannot perpetuate the terms of an agreement beyond the life of the original agreement.

**B. ADDITIONAL ARGUMENTS**

In addition to the arguments regarding the Agreement language and the intent of the parties, the parties also presented technical and policy arguments regarding traffic to ISPs. We have considered these additional arguments, as set forth below, although the basis of our decision is the plain-meaning of the language in the Agreement.

1. Jurisdictional Nature of Calls to ISPs

BellSouth argues that the FCC has consistently held, beginning with its original access order in 1983, that enhanced service providers (ESPs), which include ISPs, serve their customers through interstate access. BellSouth witness Shiroishi testifies that, "Throughout the evolution of the Internet, the FCC repeatedly has asserted that ISP-bound traffic is interstate." She adds that the FCC concluded in paragraph 12 of the Declaratory Ruling that calls do not terminate at the ISP's local server, but, instead, continue to the ultimate destination or destinations, which may be in another state. BellSouth witness Halprin agrees that, "It is a settled matter at this point in the public debate that the ISP Internet communications do not terminate at the ISP's local server."

In response, GNAPs witness Selwyn agrees that the FCC has held since 1983 that calls placed to ESPs are jurisdictionally interstate. He explains, however, that the FCC has required in a number of contexts that ISP traffic should be treated as local.

GNAPs witness Goldstein further argues that

[s]ince ISP-bound calls are technically identical to local calls, the logical result from a technical perspective is to include ISP-bound calls with the category of 'local' calls in contracts regarding interconnection between carriers and inter-carrier compensation. Any claim that contracting parties would have had any technical or cost-related reason for distinguishing ISP-bound calls from other local calls is false.

The witness adds that, technically, ISP-bound calls are "indistinguishable from local voice calls," and contends that "[f]rom a traffic perspective, an ISP's modem pool looks very much like an incoming PBX trunk group." GNAPs witness Selwyn added that ISP calls are also economically equivalent to local calls.

Although BellSouth witness Milner argues that the supervisory signals or the signaling protocol used does not determine the nature of the traffic, the evidence shows that BellSouth does, however, treat traffic to ISPs as local in a number of ways. BellSouth witness Halprin agreed that, among other things, the FCC "has directed that ISPs and other ESPs be provisioned out of intrastate tariffs, that revenues be counted as intrastate for ARMIS reports, etc." He argues, however, that ILECs have no choice in these matters, noting that attempts to alter the reporting status of the traffic have been rebuffed by the FCC.

2. Methods of Compensation

Witness Banerjee argues that, because the FCC has ruled that ISP-bound calls are jurisdictionally interstate, not local, the proper model of interconnection that applies to ISP-bound calls is the same as that between an originating ILEC and an interexchange carrier (IXC). In support of this point, witness Banerjee states that the ISP is not an end-user of a serving ALEC but rather a carrier.

Witness Banerjee further argues that the principle of cost causation suggests that,

*for the purposes of an Internet call, the subscriber is properly viewed as a customer of the ISP, not of the originating ILEC (or even of the ALEC serving the ISP). The ILEC and the ALEC simply provide access-like functions to help the Internet call on its way, just as they might provide originating or terminating carrier access to help an IXC carry an interstate long distance call. [emphasis in original]*

He contends that the ISP should compensate local carriers through usage-based access charges, as IXCs do, and recover that cost directly from the ISP customer. The witness also disagrees with the FCC regarding the appropriateness of the access charge exemption, because he believes it is a form of subsidy to ISPs, their customers, and the ALECs that serve the ISPs. He argues that the

*subsidy likely stimulates demand for Internet use beyond economically efficient levels--a fact not lost on anyone who has followed the phenomenal growth of Internet traffic over the past five years. However, if that subsidy to Internet users and providers (in short, the "Internet industry") were deemed to be in the public interest, then, as I explained before, it should be made explicit and provided for in a competitively neutral manner.*

He continues that "the next-best cost-causative form of compensation would be an equitable sharing between the ILEC and the ALEC of revenues earned by the ALEC from the lines and local exchange usage that it sells to the ISP."

After the first two choices for a compensation model, which would likely each earn considerable revenues for the ILEC, witness Banerjee states that "the third-best and a reasonable interim form of compensation would be bill and keep or, in effect, exchange of

ISP-bound traffic between the ILEC and the ALEC at no charge to each other."

In response, GNAPs witness Selwyn states that bill and keep is based on the notion that the volume of calls flowing in each direction is balanced. He maintains that traffic is not likely to be in balance, and as a result, carriers have typically adopted the reciprocal compensation model.

### 3. Cost Recovery

If reciprocal compensation is not paid, GNAPs witness Selwyn argues that the originating carrier avoids the costs associated with call termination. GNAPs witness Rooney agrees, and argues that because traffic may not be balanced, BellSouth would, essentially, be using GNAPs' facilities for free.

BellSouth witness Banerjee argues that when the compensation exceeds the actual cost to the ALEC of handling that traffic, ALECs will try to garner as much ISP in-bound traffic as possible in order to reap the benefits of reciprocal compensation. BellSouth witness Halprin states that the current model results in reciprocal compensation that greatly overcompensates ALECs for terminating traffic to ISPs originating on BellSouth's network. The witness maintains that because of the major differences between Internet usage and usage of the public switched telephone network, a per-minute charge is not appropriate if it is developed on the basis of the characteristics of local voice calling patterns.

GNAPs witness Selwyn contends that the \$.009 per minute rate contained in the DeltaCom Agreement represents the cost that each participating LEC, the incumbent and the ALEC, incurs in terminating local traffic, or conversely avoids when someone else assumes responsibility for that function. In the case of a BellSouth customer and an ISP served by BellSouth, the witness argues that BellSouth incurs a termination cost for traffic delivered to the ISP, which is avoided if the ISP is the customer of an ALEC. According to witness Selwyn, in either case, BellSouth would have the same cost. He argues, therefore, that the current method of compensation is economically neutral. He adds that if the rate were lower, ALECs would seek high-volume call originating customers, because the ALECs would be underpaying BellSouth for terminating calls.

Witness Selwyn further notes that a call set-up rate could have been established for calls to ISPs, with separate call duration elements, if the duration of calls to ISPs were, in fact, a material cost factor. He emphasizes, however, that such a provision is not in the DeltaCom Agreement adopted by GNAPs.

DETERMINATION

While we have heard and considered the above arguments, the basis for our decision is set forth above in Section I of this Order. We believe the language is clear and that it requires the payment of reciprocal compensation for traffic to ISPs. We note that the evidence is also clear that a cost is involved in the delivery of this traffic, including traffic to ISPs, and while a rate structure other than reciprocal compensation could have been used in the Agreement, it was not. The rate in the Agreement was set before GNAPs adopted it and was not modified by GNAPs and BellSouth. Therefore, there is no basis to set a different rate in this case. The rate in the Agreement controls.

III. ATTORNEY'S FEES

The parties have taken similar positions on this issue. The parties seem to agree that the language in the Agreement is clear that the prevailing party is entitled to attorneys' fees.

DETERMINATION

We agree. The language in the Agreement is clear that the prevailing party in a dispute under this Agreement is entitled to attorneys' fees. Therefore, GNAPs is entitled to collect attorneys' fees associated with this dispute.

IV. CONCLUSION

Based on the foregoing, we find that reciprocal compensation is due under the Agreement adopted by GNAPs for all local traffic, including traffic to ISPs, at the rate set forth in the Agreement. Furthermore, the Agreement clearly provides that the prevailing party is entitled to receive attorneys' fees. Thus, based on our decision herein, GNAPs is entitled to attorneys' fees.

It is therefore

ORDERED by the Florida Public Service Commission that the dispute between Global NAPs, Inc. and BellSouth Telecommunications, Inc. is resolved as set forth in the body of this Order. It is further

ORDERED that Global NAPs, Inc. is entitled to attorneys' fees as set forth herein. It is further

ORDERED that this Docket shall be closed.

ORDER NO. PSC-00-0802-FOF-TP  
DOCKET NO. 991267-TP  
PAGE 13

By ORDER of the Florida Public Service Commission this 24th  
day of April, 2000.

/s/ Blanca S. Bayó  
BLANCA S. BAYÓ, Director  
Division of Records and Reporting

This is a facsimile copy. A signed  
copy of the order may be obtained by  
calling 1-850-413-6770.

( S E A L )

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ORDER NO. PSC-00-0802-FOF-TP  
DOCKET NO. 991267-TP  
PAGE 14

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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

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

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint and/or petition  
for arbitration by Global NAPS,  
Inc. for enforcement of Section  
VI(B) of its interconnection  
agreement with BellSouth  
Telecommunications, Inc., and  
request for relief.

DOCKET NO. 991267-TP  
ORDER NO. PSC-00-1511-FOF-TP  
ISSUED: August 21, 2000

The following Commissioners participated in the disposition of  
this matter:

J. TERRY DEASON, Chairman  
E. LEON JACOBS, JR.

FINAL ORDER GRANTING EXTENSION OF TIME AND  
DENYING MOTION FOR RECONSIDERATION

BY THE COMMISSION:

On August 31, 1999, Global NAPs, Inc. (Global NAPs or GNAPs) filed a complaint against BellSouth Telecommunications, Inc. (BellSouth) for alleged breach of the parties' interconnection agreement. The subject agreement was initially executed by ITC^DeltaCom, Inc., (DeltaCom or ITC^DeltaCom) on July 1, 1997, and was previously approved by the Commission in Docket No. 970804-TP, by Order No. PSC-97-1265-FOF-TP, issued October 14, 1997. DeltaCom's agreement was effective in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee. On January 18, 1999, GNAPs adopted the DeltaCom agreement in its entirety.

In its complaint, GNAPs asserted that BellSouth had failed to properly compensate GNAPs for delivery of traffic to Internet Service Providers that are GNAPs' customers. GNAPs also alleged that the terms of the agreement provide for reciprocal compensation for the delivery of local traffic, including ISP traffic. GNAPs stated that BellSouth has failed to comply with specific provisions of the agreement concerning the payment of reciprocal compensation to GNAPs. GNAPs asked for relief, including payment of reciprocal compensation and attorney's fees, plus interest.

On September 27, 1999, BellSouth filed its Answer to GNAPs' complaint. Based on the complaint, and BellSouth's response, this matter was set for hearing.

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VIA FAX - REG. RELATIONS  
TALLAHASSEE, FL

*Scanned to: Vicki Evelyn*



On November 15, 1999, DeltaCom filed a petition to intervene in this proceeding. By Order No. PSC-99-2526-PCO-TP, DeltaCom's petition was denied. Thereafter, a hearing on GNAPs' complaint was held on January 25, 2000.

By Order No. PSC-00-0802-FOF-TP, issued April 24, 2000, we rendered our post-hearing decision. Therein, we determined that:

we believe that the plain language of the Agreement shows that the parties intended the payment of reciprocal compensation for all local traffic, including traffic bound for ISPs. Therefore, it is not necessary to look beyond the written agreement to the actions of the parties at the time the agreement was executed or to the subsequent actions of the parties to determine their intent.

Order at p. 7.

Subsequently, on May 9, 2000, BellSouth filed a Motion for Reconsideration of our decision. On May 19, 2000, GNAPs filed a Motion for Extension of Time to Respond to the Motion for Reconsideration. Thereafter, GNAPs filed its response to BellSouth's motion on May 24, 2000. BellSouth did not respond to GNAPs' request for additional time to respond to the Motion for Reconsideration.

This is our decision on these motions.

I. Motion for Extension of Time

GNAPs asserts that neither Commission staff counsel nor counsel for BellSouth oppose its request for a two-day extension to respond to the Motion for Reconsideration. GNAPs contends that the extension will not affect any other time frames in this case.

As noted above, BellSouth did not file a response to the Motion.

The extension is hereby granted. The two-day extension will neither cause any undue burden to any party nor will it give any undue advantage to either party.

II. Motion for Reconsideration

A. BellSouth

The proper standard of review for a motion for reconsideration is whether the motion identifies a point of fact or law which was overlooked or which we failed to consider in rendering our Order. See Stewart Bonded Warehouse, Inc. v. Bevis, 294 So. 2d 315 (Fla. 1974); Diamond Cab Co. v. King, 146 So. 2d 889 (Fla. 1962); and Pingree v. Quaintance, 394 So. 2d 161 (Fla. 1st DCA 1981). In a motion for reconsideration, it is not appropriate to reargue matters that have already been considered. Sherwood v. State, 111 So. 2d 96 (Fla. 3rd DCA 1959); citing State ex. rel. Jaytex Realty Co. v. Green, 105 So. 2d 817 (Fla. 1st DCA 1958). Furthermore, a motion for reconsideration should not be granted "based upon an arbitrary feeling that a mistake may have been made, but should be based upon specific factual matters set forth in the record and susceptible to review." Stewart Bonded Warehouse, Inc. v. Bevis, 294 So. 2d 315, 317 (Fla. 1974).

BellSouth contends that we should reconsider our decision because we have failed to consider or overlooked points of fact and law. BellSouth argues that this is the result of our rendering a decision based on facts outside the record, contrary to the law of the case as set forth by the prehearing officer in this case, and contrary to federal law.

First, BellSouth argues that we based our decision on facts outside the record. BellSouth references statements in the our Order wherein we indicate that the relevant intent in interpreting an adopted agreement is the intent of the original parties and that the original and adopted agreement should receive the same interpretation.<sup>1</sup> BellSouth contends that these statements result in an inconsistent decision.

Based on the referenced statements in our Order, BellSouth argues that the GNAPs/BellSouth agreement must receive the same interpretation as the DeltaCom agreement. BellSouth emphasizes that the Commission has, however, not yet interpreted the DeltaCom/BellSouth agreement. Thus, BellSouth argues that the Commission has either prejudged the outcome of the DeltaCom complaint, which is currently being addressed in a separate docket, or it has made a decision contrary to its own interpretation of Section 252(i) of the Act by requiring BellSouth to pay reciprocal compensation under an adopted agreement, when BellSouth may not be required to do so under the terms of the underlying agreement. Regardless, BellSouth contends that we have strayed from the law of the case as set forth by the prehearing officer when DeltaCom was excluded from this proceeding.

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<sup>1</sup>Order at p. 7-8.

BellSouth further argues that the prehearing officer specifically stated in his order denying DeltaCom intervention in this proceeding:

. . . our decision in this case will consider only the GNAPs/BellSouth agreement and evidence relevant to that agreement. Our final decision will apply only to GNAPs and BellSouth. Therefore, any decision in this case will be based on evidence presented by the parties to this case and as such, will have no precedential value for any other case involving the same terms and conditions of an agreement between different parties. . .

Order No. PSC-99-2526-PCO-TP at pp. 5-6.

BellSouth contends that our final determination that the GNAPs/BellSouth agreement and DeltaCom/BellSouth agreement must be interpreted the same is inconsistent with the holding of the prehearing officer. BellSouth argues that we changed the process and evidentiary standard established by the prehearing officer, i.e. the "law of the case," in rendering our final decision. Therefore, BellSouth argues that it was denied due process to address the intent of the parties in negotiating the DeltaCom/BellSouth agreement.

BellSouth also argues that our decision departs from prior Commission decisions on compensation for ISP traffic. BellSouth notes that in this case, we stated that evidence of intent was not necessary, while in previous Commission decisions, the Commission analyzed evidence regarding the intent of the negotiating parties. BellSouth adds that even though we stated that we did not believe evidence of intent was necessary in this case, we still included an analysis of facts reflecting the parties' intent, including a criticism of BellSouth for failing to seek modification of the agreement before allowing GNAPs to adopt it. BellSouth contends that this analysis is not only based upon an erroneous understanding of the facts, but also upon a misunderstanding of BellSouth's obligations under Section 252(i) of the Act.

BellSouth further contends that had we applied the same analysis in this case that we used in prior decisions in cases regarding reciprocal compensation, then BellSouth would have prevailed. BellSouth emphasizes that here, there was evidence that BellSouth did not intend to treat ISP traffic as if it were local, and GNAPs even admitted that it knew BellSouth did not believe it should be treated as local. BellSouth adds that this Commission seems to improperly "infer" negative intent on behalf of BellSouth

because BellSouth did not clarify the language in the agreement before executing the adoption by GNAPs. BellSouth argues that this inference is inconsistent with the testimony of BellSouth's witness Shiroishi, who explained that GNAPs adopted the DeltaCom/BellSouth agreement to circumvent the negotiation process and to obtain reciprocal compensation language different from the standard language proposed by BellSouth.

BellSouth also argues that our decision violates federal law. BellSouth states that we found the language in the agreement is clear and only calls for reciprocal compensation for local traffic. Order at p. 6. Thus, based on this statement, BellSouth believes that it should have prevailed because the FCC has stated that traffic to ISPs is interexchange traffic, not local traffic. BellSouth contends that we deviated from our own prior orders and rendered a legal determination that traffic to ISPs is "local traffic," and as such, is subject to reciprocal compensation. BellSouth argues that this decision is clearly erroneous and should, therefore, be reconsidered.

In addition, BellSouth argues that our decision will have extensive negative consequences because every adopted agreement will have to be interpreted consistent with the original agreement. BellSouth emphasizes that the prehearing officer in this case denied intervention by the original party to the agreement, consistent with Commission policy on the handling of complaints under the Act. Thus, BellSouth contends that we will have to determine the rights of the parties to original agreements, before addressing complaints regarding adopted agreements, and will have to do so without the benefit of evidence regarding the actions and intent of the original parties. BellSouth argues that this will either violate the ALEC's due process rights, or we will have to reconsider its policy against intervention in complaint proceedings, unless it decides to refrain from rendering decisions on complaints regarding adopted agreements until the underlying agreement has been interpreted.

BellSouth also maintains that this Commission's policy is discriminatory to BellSouth, because BellSouth will never be able to amend any mistakes it may have made in the original agreements, and those mistakes will be carried over to the adopted agreements. ALECs, however, will be able to opt into another agreement if they determine that they have made a bad deal with BellSouth.

Finally, BellSouth argues that we should not feel reassured that "mistakes" will only be perpetuated as long as the original agreement is in effect. BellSouth notes that while we acknowledged, in this case, that the underlying agreement in this case expired last year, in other reciprocal compensation cases, we

have, essentially, perpetuated reciprocal compensation provisions beyond the life of the agreement by requiring the parties in arbitrations to "handle the [reciprocal compensation] issue consistent with the prior agreement."<sup>2</sup> Even though the provisions may not be specifically perpetuated in adopted agreements beyond the life of the original agreement, BellSouth argues that we are consistently perpetuating them through the arbitration process.

For all these reasons, BellSouth asks that we reconsider our decision in this case.

B. GNAPs

In its response, GNAPs argues that BellSouth has not met the standard for reconsideration in that it has not identified any mistake of fact or law made by this Commission in rendering its decision in this case. Thus, GNAPs contends that the Motion should be denied.

Specifically, GNAPs argues that our decision was based exclusively on facts in the record of this case. GNAPs contends that BellSouth has not identified any extra-record facts relied upon by the Commission. GNAPs further emphasizes that we clearly identified all of the facts upon which our decision is based and that all such facts are in the record.

GNAPs argues that we concluded that the Agreement does not differentiate between traffic bound for ISPs and "local traffic" and does not contain a mechanism to compensate for traffic to ISPs apart from reciprocal compensation. Therefore, we determined that the language in the agreement was clear in that it provides for reciprocal compensation for all local traffic, including traffic bound for ISPs. GNAPs adds that because we looked only at the plain language of the agreement, there was no need to further examine the subjective intent of the parties.

GNAPs further contends that BellSouth's argument that we relied upon the intent of the parties to the DeltaCom/BellSouth agreement, and therefore, upon extra-record facts, is inaccurate. GNAPs explains that this Commission very clearly stated that it did not need to look to substantive intent in this case. We merely added, as dicta, an explanation that if we did have to look to additional evidence of intent in a case addressing a less clearly worded agreement, then the relevant intent would be the intent of the original parties to the agreement. GNAPs emphasizes that we applied "hornbook law" to conclude that evidence of subjective

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<sup>2</sup>Citing Dockets Nos. 990149-TP, 990691-TP and 990750-TP.

intent is necessary only when a contract is ambiguous. In this case, however, this Commission found that the contract was not ambiguous, and therefore, we did not look beyond the language in the contract.

GNAPs also maintains that even if we did look to evidence of the intent of the original parties to the DeltaCom/BellSouth agreement, there was some evidence in the record regarding that intent. GNAPs explains that its witness Rooney provided an exhibit at hearing that was the testimony of a relevant DeltaCom employee presented in a dispute regarding this same contract before the Alabama Commission. GNAPs contends that this is direct evidence in this record as to the intent of the original parties to the agreement. GNAPs also notes that BellSouth also presented evidence that BellSouth had developed language to clarify its agreement, but never incorporated the clarification into the DeltaCom/BellSouth agreement. GNAPs believes, therefore, that it is reasonable to infer that BellSouth intended the plain meaning of the original contract language to prevail.

GNAPs also disputes BellSouth's conclusion that we have prejudiced BellSouth in its ongoing dispute with DeltaCom by rendering a decision in this case. GNAPs contends that BellSouth has not been precluded by this decision from making any argument it may see fit to make in the DeltaCom case. Therefore, BellSouth has not demonstrated any error made by this Commission.

GNAPs adds that there is also no basis for us delay ruling until the DeltaCom case has been concluded, because we have already determined that the agreement is clear. Therefore, we should resist any attempts by BellSouth to delay implementation of the agreement terms.

As for BellSouth's reliance upon the prehearing officer's Order Denying Intervention, GNAPs argues that BellSouth has failed to note that the prehearing officer's order was issued three days after the parties had already filed rebuttal testimony in this case. GNAPs contends that regardless of the prehearing officer's decision, BellSouth had already decided not to present detailed evidence of the subjective intent of the parties to the underlying agreement. Therefore, GNAPs argues that BellSouth's contention that we somehow changed the evidentiary standard of this case is without merit. BellSouth simply chose to stick with one strategy for presenting its case, while GNAPs took a "cover the bases" approach. GNAPs maintains that just because BellSouth has now realized that it may have "dropped the ball," does not mean that this Commission made a mistake in rendering its decision, or that BellSouth was somehow denied due process.

GNAPs notes that BellSouth has even attached the affidavit of Jerry Hendrix to its Motion for Reconsideration in an attempt to get us to consider additional testimony in this case. GNAPs contends that this testimony could have been presented at hearing, includes no new facts, and is simply BellSouth's attempt to rectify its own strategic mistakes. GNAPs further argues that in order to reopen the record of a case, there must be a significant change of circumstances not present at the time of the proceedings, or a demonstration that a great public interest will be served.<sup>3</sup> GNAPs argues that BellSouth has failed to demonstrate any basis for reopening the record to admit evidence that could and should have been a part of the original proceeding. GNAPs adds that if BellSouth were allowed to admit the evidence, then GNAPs would have to have an opportunity to cross-examine and rebut the testimony, which would lead to a perpetuation of this case, which the doctrine of administrative finality was designed to prevent except in the most extreme circumstances.

GNAPs also disagrees with BellSouth's contention that the prehearing officer's ruling somehow placed a substantive constraint on how this Commission could rule on the merits of this dispute. GNAPs argues that the doctrine of "law of the case" simply holds that the highest jurisdictional decision controls, as opposed to the prehearing officer's decision controlling the decision of this Commission.<sup>4</sup> GNAPs argues that under the "law of the case" doctrine, we could conclude, as a matter of law, that the DeltaCom/BellSouth agreement is unambiguous, based on the decision in this case. GNAPs explains that BellSouth would not be prejudiced in any way, because it has already had an opportunity in this case to contest the clarity of the language in the contract. However, under BellSouth's theory of the "law of the case," GNAPs emphasizes that the prehearing officer's denial of DeltaCom's petition to intervene would be a substantive determination that this Commission could not find that the contract is unambiguous. GNAPs contends that this is clearly not the intent of the prehearing officer's ruling.

In addition, GNAPs argues that we based our decision on the clear language in the agreement and upon fundamental principles of contract interpretation. GNAPs emphasizes that although the

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<sup>3</sup>Citing Austin Tupler Trucking, Inc. v. Hawkins, 377 So. 2d 679 (Fla. 1979), and Peoples Gas System v. Mason, 187 So. 2d 335 (Fla. 1966).

<sup>4</sup>Citing Brunner Enterprises v. Department of Revenue, 452 So. 2d 550 (Fla. 1984), and Greene v. Massey, 384 So. 2d 24 (Fla. 1980).

Commission took a slightly different approach than that taken by the Commission in previous cases addressing reciprocal compensation provisions, the contract at issue here is a different contract.

GNAPs explains that this Commission's decision is also consistent with federal law. GNAPs contends that every federal court that has considered a state decision finding that reciprocal compensation is due for traffic to ISPs has determined that the state decision is consistent with federal law.<sup>5</sup> GNAPs further notes that BellSouth lost on this same issue in federal court in Atlanta five days before filing its Motion for Reconsideration with this Commission. GNAPs states that the federal court acknowledged the DC Circuit's recent reversal of the FCC's Reciprocal Compensation Order, and explained that the DC Circuit had vacated the FCC's Order because the FCC had failed to explain why the FCC's end-to-end analysis for determining whether a call to an ISP is local

. . . is relevant to discerning whether a call to an ISP should fit within the local call model of two collaborating LECs or the long-distance model of a long-distance carrier collaborating with two LECs.

BellSouth Telecommunications, Inc. v. MCIMetro Access Transmission Services, Inc., 2000 U.S. Dist. LEXIS 6743 at \*\*10-11 (N.D. Ga. 2000). Thus, GNAPs contends that the DC Circuit determined that the portions of the FCC's Reciprocal Compensation Order upon which BellSouth relies do not really make much sense. As such, GNAPs believes that this Commission's decision is consistent with federal law.

Finally, GNAPs argues that our decision is not discriminatory to BellSouth and will not place BellSouth in a situation in which it can never correct a mistake until the agreement expires. GNAPs emphasizes that BellSouth will only be held to these contracts for as long as the contracts last. GNAPs states that this is no different than any other business that wishes it had made a better deal for itself. GNAPs contends that BellSouth was allowed to freely negotiate the underlying contract in accordance with the provisions of the Act. While Section 252(i) may amplify any mistake BellSouth may have made in those negotiations, that is a part of the process contemplated by Congress and considered by the

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<sup>5</sup>Citing Southwestern Bell Telephone v. Texas PUC, 208 F.3d 475, 483 (5th Cir. 2000); Illinois BellTel. v. WorldCom, 179 F.3d 566, 572 (7th Cir. 1999); and US West Communications v. MFS Intelenet, 196 F. 3d 1112, 1122-1123 (9th Cir. 1999).



FCC in its rulemaking to implement the Act. GNAPs points out that the FCC developed Rule 47 C.F.R. §51.809 specifically to address situations in which the LEC has made a deal so detrimental to itself that successive CLECs should be prevented from obtaining the same deal through Section 252(i) adoptions.

As for the issue of whether we have erred in other dockets by requiring the parties to continue to operate under the terms of their prior agreements until the FCC renders a final decision on compensation for traffic to ISPs, GNAPs argues that this appears to be an appropriate policy. Nevertheless, GNAPs argues that BellSouth should raise that issue in ongoing arbitration dockets, instead of in this case, because the argument is not a basis for reconsideration in this matter.

For all of these reasons, GNAPs asks that BellSouth's Motion for Reconsideration be denied.

### III. DETERMINATION

BellSouth argues that we erred by: 1) considering facts outside the record; 2) straying from the "law of the case," as established by the prehearing officer; 3) departing from prior Commission decisions on this issue; 4) deciding the issue contrary to federal law; and 5) rendering a decision which is discriminatory in its consequences to BellSouth.

#### 1. Consideration of Facts in Evidence

BellSouth contends that simply by indicating which parties' intent is the relevant intent when interpreting an agreement, we somehow considered facts outside the record of this case. BellSouth adds that in doing so, we not only strayed from the record of this case, but rendered a potentially inconsistent decision in that the agreement between ITC^DeltaCom and BellSouth has not yet been interpreted. We disagree. While we did indicate that the intent of the original parties to an agreement is the relevant intent in interpreting an agreement, we also stated that in this particular case, the language is clear as to what that intent was. Therefore, there was no need for us to look to further evidence, such as the actions of the original parties, in order to determine the underlying intent. Instead, we found that the evidence that is in the record of this proceeding, the agreement language, is clear and provides a sufficient basis upon which we determined that the parties intended for the payment of reciprocal compensation to include traffic bound for ISPs. BellSouth has not demonstrated that our decision is inconsistent, much less in error. As such, BellSouth has failed to identify a basis for reconsideration of our decision.

2. Impact of Prehearing Officer's Decision on Petition to Intervene

BellSouth also contends that when the prehearing officer in this case denied ITC^DeltaCom intervention in this proceeding, that decision precluded us from considering the intent of the underlying parties to the agreement in rendering our final decision. BellSouth argues that it based its presentation of its own case upon the prehearing officer's decision; thus, BellSouth believes it has been denied due process to address the intent of the underlying parties. On this point, we agree with GNAPs. While we did explain at pages 7 and 8 of the Order that we believe that the relevant intent in interpreting an Agreement is the intent of the original parties, not the adopting party, those statements are not the basis for the decision in the case, nor are they responsive to any issues presented for consideration by this Commission. Furthermore, although our statements in our final order are somewhat contrary to the prehearing officer's determination in denying ITC^DeltaCom intervention, the decision to deny intervention did not abrogate BellSouth's right to due process in this case. In fact, the specific issue we were asked to address was:

Under their Florida Partial Interconnection Agreement, are Global NAPs, Inc. and BellSouth Telecommunications, Inc. required to compensate each other for delivery of traffic to Internet Service Providers (ISPs)? If so, what action, if any, should be taken?

In order to answer this question, we did not find it necessary to analyze evidence as to the subjective intent of the parties, beyond its finding that the plain language of the agreement itself provides the best evidence of what the agreement requires. That is the only finding rendered in our Final Order. Discussion in the Order of the relevant intent when interpreting an adopted agreement is clearly dicta intended to provide all parties with guidance in the future as to how this Commission intends to approach the interpretation of adopted agreements, particularly when the language at issue is not as clear as it is in this case. The prehearing officer's decision did not prevent BellSouth from making any argument that the language is not clear, nor did it prevent BellSouth from putting on any evidence of the intent of the parties to the underlying agreement.

In denying ITC^DeltaCom intervention, the prehearing officer simply stated that only evidence presented by BellSouth and GNAPs would be considered in this proceeding. The Order Denying Intervention did not, however, preclude either of the parties from

presenting evidence of the intent of the original parties, nor did it restrict our ability to resolve the substantive issue in this case. In addition, we emphasize, as has GNAPs, that the Order Denying Intervention to ITC^DeltaCom was issued after BellSouth had already filed its rebuttal testimony. Thus, that decision could not have had any impact on the preparation of BellSouth's case. For these reasons, we do not believe that BellSouth has identified a mistake of fact or law made by this Commission in rendering our decision in this case.

3. Departure from Prior Commission Decisions on this Issue

BellSouth further argues that our decision in this case departs from our prior analysis and decisions regarding reciprocal compensation provisions in interconnection agreements. BellSouth emphasizes that in previous cases, we looked to evidence regarding the actions of the parties at the time they entered into agreements in order to determine the underlying intent. In this case, however, we only looked to the language in the agreement. BellSouth adds that even though we stated that we did not need to look to additional evidence of intent, we still analyzed and commented on matters that went beyond the language in the agreement.

Again, we do not believe that BellSouth's arguments on this point identify anything that this Commission did in this case that was in error. BellSouth has merely pointed out that our decision takes a somewhat different approach than that taken in past Commission decisions on similar issues. We did, however, acknowledge in our Final Order that we were taking a different approach than that taken in past decisions, and explained our basis for doing so. We are not required to follow prior decisions in arbitrating complaints under the Act, particularly when the contract at issue is a different contract than those previously interpreted.

As for the comments in the Order that BellSouth believes demonstrate an analysis of intent, we note that we clearly stated in our Final Order that the extraneous analysis was not the basis of our decision. As for noting that BellSouth never amended the agreement, even though amendatory language had apparently been developed, this merely indicates that we acknowledged that the language at issue was the language from the original ITC^DeltaCom/BellSouth Agreement. There is no indication in the Order that we drew any inferences regarding intent based upon BellSouth's failure to amend the agreement, negative or otherwise. Even if we did draw some "negative inference," it would not constitute a mistake of fact or law in our decision. Although we had already clearly stated in the Order that our decision was based

on the clear language of the Agreement, we were not precluded from "covering all the bases" and further addressing all the arguments presented. As such, BellSouth has not identified any mistake of fact or law made by this Commission in rendering our decision.

4. Decision Not Contrary to Federal Law

BellSouth also contends that our decision is contrary to the FCC's decision that traffic to ISPs is not local traffic. BellSouth contends that our decision clearly determines that traffic to ISPs is local traffic; therefore, it is in error. Staff, however, disagrees. As the FCC specifically acknowledged in its Reciprocal Compensation Order, Order 99-38 at ¶ 26,

A state commission's decision to impose reciprocal compensation obligations in an arbitration proceeding -- or a subsequent state commission decision that those obligations encompass ISP-bound traffic -- does not conflict with any Commission (FCC) rule regarding ISP-bound traffic.

While the U.S. Court of Appeals for the District of Columbia Circuit (DC Circuit or Court) recently vacated the FCC's decision in Order 99-38, the Court specifically stated that it did not reach a decision on the arguments raised by the ILECs regarding the state commissions' jurisdiction to compel payments for traffic to ISPs. Thus, there is still no indication at any level that state commissions are prevented from making their own determinations regarding the appropriate compensation for this traffic. Instead, the DC Circuit stated that it was vacating the FCC's ruling because the FCC had not satisfactorily explained why LECs that terminate calls to ISPs are not viewed

. . . as 'terminating . . . local telecommunications traffic,' and why such traffic is 'exchange access' rather than 'telephone exchange service' . . . .

Bell Atlantic Telephone Companies v. FCC, 206 F.3d 1, 9 (D.C. Cir. 2000). As GNAPs points out, these same statements taken from the FCC's Order 99-38 and this rationale are the primary basis that BellSouth has relied upon for its arguments that the traffic sent to ISPs should not be considered "terminated" for purposes of reciprocal compensation.

In this case, we determined that the language in the agreement was clear and that the parties intended to include traffic to ISPs within the definition of "local traffic." In reaching this

conclusion, we emphasized that there is nothing in the Agreement to indicate that traffic to ISPs should be treated otherwise. Without some indication in the agreement that traffic to ISPs was intended to be treated differently or somehow segregated from "local traffic," although dialed by the customer as a local call, we can find no basis for BellSouth's contention that the definition of "local traffic" is not clear. Certainly, the DC Circuit's ruling impairs, at a minimum, any basis for BellSouth's argument to the contrary. Regardless, BellSouth has not demonstrated that this Commission's decision conflicts with federal law, and as such, it has failed to identify an error of fact or law in our decision. Furthermore, as BellSouth points out in its own motion at page 8, fn. 6, much of this same argument was already presented to and considered by us in our Final Order.

#### 5. Decision Not Discriminatory to BellSouth

As for BellSouth's contentions that our decision is discriminatory and will "amplify the effect on BellSouth of errors in business judgment," we note much of BellSouth's argument goes to procedural difficulties that may arise in future cases. Such argument does not identify an error in this Commission's decision in this case. In fact, in discussions at the Agenda Conference when we considered our staff's post-hearing recommendation in this case, it was pointed out that in future cases, it may be necessary to allow intervention by the original party to the agreement--particularly if the agreement is not clear--if the party that has adopted an agreement files a complaint before an interpretation of that agreement has been rendered for the original parties.

BellSouth also contends that any perceived error in the agreements will be passed on to other ALECs that adopt the agreement. While this is true, it does not identify an error in our decision, although it may be a cautionary point for BellSouth to consider in its future negotiations.

Finally, BellSouth argues that we have been perpetuating these reciprocal compensation terms beyond the life of the agreements in some arbitration cases by telling the companies to continue operating under the terms of their prior agreements until the FCC reaches a decision regarding traffic to ISPs. In referencing our decisions in other cases, BellSouth has not identified an error in the decision in this case. We also note that we have not yet rendered a decision on the pending arbitration case (Docket No. 991220-TP) between these two companies. Thus, the terms of this agreement have not been extended through arbitration. In addition, the decisions referenced by BellSouth were based upon the evidence presented in those particular arbitration cases and upon the state of the law at the time of this Commission's decisions in those

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cases. Thus, BellSouth has not identified a basis for reconsideration of the decision in this case.

IV. CONCLUSION

Based on the foregoing, BellSouth's Motion for Reconsideration be denied. BellSouth has failed to identify any mistake of fact or law made by this Commission in rendering our decision in this case.

It is therefore

ORDERED by the Florida Public Service Commission that BellSouth Telecommunications, Inc.'s Motion for Reconsideration is hereby denied. It is further

ORDERED that Global NAPs, Inc.'s Motion for Extension of Time to Respond to Motion for Reconsideration is granted. It is further

ORDERED that this Docket shall be closed.

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By ORDER of the Florida Public Service Commission this 21st  
day of August, 2000.

/s/ Blanca S. Bayó

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

This is a facsimile copy. A signed  
copy of the order may be obtained by  
calling 1-850-413-6770.

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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

Any party adversely affected by the Commission's final action in this matter may request judicial review in Federal district court pursuant to the Federal Telecommunications Act of 1996, 47 U.S.C. § 252(e)(6).