Kimberly Caswell Vice President and General Counsel, Southeast Legal Department



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May 1, 2001

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

Docket No. 010645-1P Re: Petition of Verizon Florida Inc. for Approval of First Amendment to Interim Interconnection Agreement with AT&T Communications of the Southern States, Inc.

Dear Ms. Bayo:

Please find enclosed for filing an original and five copies of Verizon Florida Inc.'s Petition for Approval of First Amendment to Interim Interconnection Agreement with AT&T Communications of the Southern States, Inc. The amendment consists of a total of five pages. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this matter, please contact me at (813) 483-2617.

Very truly yours,

RA Kimberly Caswell

KC:tas Enclosures

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DOCUMENT NUMBER-DATE 05453 MAY-15 FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Verizon Florida Inc. for Approval) of First Amendment to Interim Interconnection) Agreement with AT&T Communications of the) Southern States, Inc.) Docket No. 010645-TP Filed: May 1, 2001

PETITION OF VERIZON FLORIDA INC. FOR APPROVAL OF FIRST AMENDMENT TO INTERIM INTERCONNECTION AGREEMENT WITH AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.

Verizon Florida Inc. (Verizon), formerly known as GTE Florida Incorporated, files this petition before the Florida Public Service Commission (Commission) seeking approval of the first amendment to the interim interconnection agreement with AT&T Communications of the Southern States, Inc. (AT&T). In support of this petition, Verizon states:

The Verizon/AT&T interim interconnection agreement was approved by the Commission by Order No. PSC-00-1776-FOF-TP issued September 28, 2000 in Docket No. 001274-TP. The attached amendment modifies the language in Section 2 of the interim agreement relating to the termination date. It also amends Section 6 relating to renegotiation of new terms.

Verizon respectfully requests that the Commission approve the attached amendment and that Verizon be granted all other relief proper under the circumstances.

Respectfully submitted on May 1, 2001.

By:

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

Attorney for Verizon Florida Inc. DOCUMENT NUMBER-DATE

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FIRST AMENDMENT TO THE INTERIM INTERCONNECTION AGREEMENT BETWEEN VERIZON FLORIDA INC., f/k/a GTE FLORIDA INCORPORATED, AND AT&T COMMUNICATIONS OF THE SOUTHERN STATES, INC.

THIS FIRST AMENDMENT TO THE INTERIM INTERCONNECTION

AGREEMENT ("Amendment") is entered into as of this 17th day of January, 2001, by and between Verizon Florida Inc., f/k/a GTE Florida Incorporated ("Verizon") and AT&T Communications of the Southern States, Inc. ("AT&T") (Verizon and AT&T being referred to collectively as the "Parties" and each individually as a "Party"). This Amendment amends the Interim Interconnection Agreement pertaining to services provided by Verizon and AT&T in the state of Florida (the "State").

RECITALS

WHEREAS, AT&T and GTE Florida Incorporated were Parties to an Interconnection, Resale and Unbundling Agreement (the "Underlying Agreement") that was arbitrated pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 (the "Act"), and approved by the Florida Public Service Commission ("FPSC") in Order No. PSC-97-0585-FOF-TP, dated May 22, 1997, in FPSC Docket No. 960847-TP;

WHEREAS, upon expiration of the Underlying Agreement, AT&T and GTE Florida Incorporated entered into the Interim Interconnection Agreement (the "Interim Agreement"), thereby permitting AT&T to operate under the terms of the Underlying Agreement, subject to the terms and conditions of the Interim Agreement;

WHEREAS, the Interim Agreement was approved by the FPSC in Order No. PSC-00-1776-FOF-TP, dated September 28, 2000, in Docket No. 001274-TP;

WHEREAS, the Interim Agreement expired or will expire by its terms effective January 17, 2001 ("Termination Date");

WHEREAS, Verizon and AT&T are currently in good faith negotiations regarding an interconnection agreement pursuant to Section 251 and 252 of the Act to replace the Interim Agreement (the "New Interconnection Agreement");

WHEREAS, negotiations between the Parties under Section 252 of the Act for the New Interconnection Agreement will not be completed before the Interim Agreement will expire or terminate;

WHEREAS, AT&T has maintained that interruption in service under the Agreement is impermissible under state and federal law, even though Verizon contends that the Interim Agreement will terminate or has been terminated; and WHEREAS, in light of the foregoing, and subject to the terms and conditions set forth herein, the Parties agree to amend the term of the Interim Agreement.

<u>AMENDMENT</u>

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

1. (A) The Parties hereby agree that Section 2 of the Interim Agreement shall be amended and restated in its entirety to read:

This Agreement shall remain in effect until July 17, 2001 ("Amended Termination Date"). If, on the Amended Termination Date, the Parties are engaged in good faith negotiations or arbitrations under Sections 251 and 252 of the Act for a new agreement, this Interim Agreement shall continue in effect on a month-to-month basis from the Amended Termination Date (i) until this Interim Agreement has been replaced by a new agreement, or (ii) until terminated by either Party, for any reason whatsoever, upon thirty (30) days written notice to the other Party, whichever is earlier.

(B) The Parties further agree that Section 6 of the Interim Agreement shall be amended and restated in its entirety to read:

If the Arbitrated Terms (as defined in Section 4) or any subsequent permanent rates, terms or charges, or the methodology from which they were derived, are deemed unlawful, are stayed or enjoined or are adjusted or otherwise modified, in whole or in part, by the FPSC in Docket No. 990649-TP or by any commission, court or other governmental authority having competent jurisdiction in any other rate proceeding (including any proceeding designed to implement deaveraged rates), then, subject to Section 23.12 of the Underlying Agreement, either Party may, on thirty (30) days written notice (delivered not later than thirty (30) days following the date on which such action has become legally binding and has otherwise become final and nonappealable), require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. If such new terms are not renegotiated within ninety (90) days after such notice, the Dispute shall be referred to the Alternative Dispute Resolution procedures set forth in the Underlying Agreement. Any adjusted or modified rates and charges established pursuant to, or in accordance with, an applicable order shall be applied prospectively from the effective date of the applicable order, unless the applicable order establishes a different effective date.

2. Except as provided herein, all other provisions contained in the Interim Agreement (and in the Underlying Agreement to the extent they are incorporated therein), including but not limited to all other terms, conditions and reservations of rights, shall remain unchanged and in full force and effect. Capitalized terms used, but not defined herein, shall have the meaning proscribed to them in the Interim Agreement and Underlying Agreement, as appropriate.

3. The Parties intend that, regardless of when this Amendment is approved by the Commission, the effective date of this Amendment shall be January 18, 2001 (the "Amendment Effective Date"). In light of this, the Parties hereby agree that their obligations pursuant to the Amendment shall remain in effect during the period when the Commission reviews and approves this Amendment, notwithstanding the Commission's possible initial rejection thereof during such period.

4. By entering into this Amendment, neither party waives any right, and hereby expressly reserves each and all of their rights, to challenge and/or defend the legality of the Interim Agreement. In addition, Verizon does not waive and hereby expressly reserves, its rights to challenge and/or defend the legality of certain arbitrated terms, rates and/or charges included in the Underlying Agreement ("Arbitrated Terms")¹ and operationally continued by the Interim Agreement, including its rights to assert or continue to assert that: (a) certain of the Arbitrated Terms are unlawful, illegal and improper, including, without limitation, the positions stated in any pending or future Verizon court challenge regarding certain of the Arbitrated Terms; (b) the Arbitrated Terms do not afford Verizon the opportunity to recover its actual costs, as mandated by the Act and applicable law; (c) the Arbitrated Terms should not become effective until such time as the Commission has established an explicit, specific, predictable, sufficient and competitively neutral universal service mechanism that provides Verizon the opportunity to recover its actual costs; and (d) certain provisions of the FCC's First, Second, Third and Fourth Report and Order in FCC Docket No. 96-98 and other FCC orders or rules (collectively, the "FCC Orders") are unlawful, illegal and improper. By entering into this Amendment, AT&T neither agrees with such assertions or contentions of Verizon, nor waives and hereby expressly reserves all of its rights to oppose or continue to oppose any and all such assertions or contentions by Verizon. Verizon further expressly reserves its past, present and future rights to challenge and seek review of any and all Arbitrated Terms or any permanent rates or charges established in any generic rate proceeding or any other proceeding, in any court or commission of competent jurisdiction or other available forum. AT&T likewise expressly reserves its past, present and future rights to challenge and seek review of any and all Arbitrated Terms of any permanent rates, charges or terms established in any generic rate

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¹ Verizon further reserves its rights pursuant to the Underlying Agreement in the event that such arbitrated rates and charges are impacted due to changes in legal requirements, including but not limited to the decisions by the United States Court of Appeals for the District of Columbia on March 7, 2000 (See GTE Services Corp. et al. v. Federal Communications Commission and the United States of America, No. 99-1176, consolidated with, No. 99-1201, 2000 U.S. App. LEXIS 4111 (D.C. Cir. 2000)) and the United States Court of Appeals for the Eighth Circuit on July 18, 2000 (See Iowa Utilities Bd. et al. v. Federal Communications Co

proceeding or any other proceeding, in any court or commission of competent jurisdiction or other available forum.

5. By entering into this Amendment, the Parties do not waive, and hereby expressly reserve their respective rights to assert: (a) ESP/ISP Traffic (i.e., any traffic bound to any enhanced service provider or Internet service provider) is (or is not) "local" traffic for which reciprocal compensation is due under Section 251(b)(5) of the Act and/or Part 51, Subpart H of the FCC Rules; and/or (b) that the Party originating such traffic is (or is not) otherwise obligated to pay to the other Party the local terminating switching rate for such traffic.

6. This Amendment constitutes the entire agreement of the Parties pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, proposals, and representations, whether written or oral, and all contemporaneous oral agreements, negotiations, proposals, and representations concerning such subject matter. No representations, understandings, agreements, or warranties, expressed or implied, have been made or relied upon in the making of this Amendment other than those specifically set forth herein.

7. If any provision in the Underlying Agreement or Interim Agreement conflicts with this Amendment, this Amendment shall control.

8. This Amendment shall be solely governed by and interpreted under applicable federal law and Florida law, without regard for any choice of law principles in Florida law.

9. This Amendment may be signed in counterparts and may be transmitted by facsimile.

IN WITNESS WHEREOF, each Party has executed this Amendment and it shall be effective upon the Amendment Effective Date.

Verizon Florida Inc., f/k/a GTE Florida Incorporated

By: 11emainer Name XEFFREY A. MASONER

Title: <u>VP-INTERLONNECTION</u> SUCS

AT&T Communications of the Southern States, Inc.

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Name: FREDRIK CEDERQUIST

Title: District Manager Negotiations

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of Verizon Florida Inc.'s Petition For Approval

of First Amendment to Interim Interconnection Agreement with AT&T Communications

of the Southern States, Inc. was sent via overnight delivery on April 30, 2001 to:

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

AT&T Communications of the Southern States, Inc. Attention: L. Fredrik Cederqvist 32 Avenue of the Americas New York, NY 10013

Kimberly Caswell