



Susan S. Masterton
Attorney

Law/External Affairs
FLTLH00103
1313 Blair Stone Rd.
Tallahassee, FL 32301
Voice 850 599 1560
Fax 850 878 0777
susan.masterton@mail.sprint.com

November 15, 2004

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
& Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED-FPSC
FEB 15 PM 4:45
COMMISSION
CLERK

Re: Docket No. 041144-TP

Dear Ms. Bayó:

Enclosed for filing on behalf of Sprint-Florida, Incorporated are Sprint's First Set of Interrogatories (No. 1-22) and First Request for Production of Documents (Nos. 1-11) to KMC.

Copies are being served on the parties in this docket pursuant to the attached certificate of service.

If you have any questions, please do not hesitate to call me at 850/599-1560.

Sincerely,

Susan S. Masterton / (signature)

Susan S. Masterton

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- MMS _____
- RCA _____
- SCR _____
- SEC 1
- OTH _____

Enclosure

RECEIVED & FILED
(signature)
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
01558 FEB 15 03
FPSC-COMMISSION CLERK

**CERTIFICATE OF SERVICE
DOCKET NO. 041144**

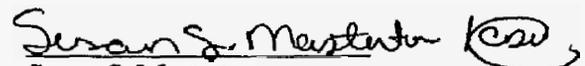
I HEREBY CERTIFY that a true and correct copy of the foregoing was served by electronic and U.S. mail this 15th day of November, 2004 to the following:

Division of Legal Services
Lee Fordham/ Dovie Rockette-Gray
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

KMC Data LLC/KMC Telecom III LLC/KMC Telecom V, Inc.
Marva B. Johnson
1755 North Brown Road
Lawrenceville, GA 30043-8119

Kelley Drye & Warren LLP
Yorkgitis/Mutschelknaus/Soriano
1200 19th Street, N.W.,
Fifth Floor
Washington, DC 20036

Messer Law Firm
Floyd R. Self, Esq.
P.O. Box 1876
Tallahassee, FL 32302-1876


Susan S. Masterton

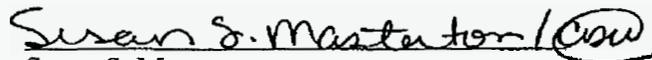
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Complaint of Sprint-Florida, Incorporated) Docket No. 041144-TP
Against KMC Telecom III LLC,)
KMC Telecom V, Inc. and KMC Data LLC,) Filed on: November 15, 2004
for failure to pay intrastate)
Access charges pursuant to its interconnection)
Agreement and Sprint's tariffs and for violation of)
Section 364.16(3)(a), Florida Statutes.)

**NOTICE OF SERVICE OF SPRINT'S FIRST SET OF INTERROGATORIES
(NOS. 1-22) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS
(NOS. 1-11) TO KMC TELECOM III LLC, KMC TELECOM V, INC. AND KMC
DATA LLC**

Sprint-Florida, Incorporated ("Sprint") hereby gives NOTICE that it has propounded its First Request for Production of Documents (Nos. 1-11), and First Set of Interrogatories (Nos. 1-22) to KMC, which are to be answered under oath in full accordance with rule 28-106.206, Florida Administrative Code, and Rule 1.340, Florida Rules of Civil Procedure and served upon the undersigned attorneys for Sprint by Monday December 6, 2004.

RESPECTFULLY SUBMITTED this 15th day of November, 2004



Susan S. Masterton
P.O. Box 2214
Tallahassee, FL 32316-2214
850-599-1560 (phone)
850-878-0777 (fax)
susan.masterton@mail.sprint.com

ATTORNEY FOR SPRINT

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Complaint of Sprint-Florida, Incorporated)	Docket No. 041144-TP
Against KMC Telecom III LLC,)	
KMC Telecom V, Inc. and KMC Data LLC,)	
for failure to pay intrastate)	
Access charges pursuant to its interconnection)	
Agreement and Sprint's tariffs and for violation of)	
Section 364.16(3)(a), Florida Statutes.)	

**SPRINT-FLORIDA, INCORPORATED'S FIRST SET OF INTERROGATORIES
(Nos. 1-22) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS
(Nos. 1-11) TO KMC TELECOM III LLC, KMC TELECOM V, INC. AND KMC
DATA LLC**

Pursuant to Rules 1.280, 1.340, and 1.350 Florida Rules of Civil Procedure, Sprint-Florida, Incorporated ("Sprint"), by and through its undersigned counsel, hereby serves its First Set of Interrogatories (Nos. 1-22) and First Request for Production of Documents (Nos. 1-11) to KMC Telecom III LLC, KMC Telecom V, Inc. and KMC Data LLC (collectively, "KMC"). The Interrogatories are to be answered under oath by officers or agents of KMC who are qualified to answer and who shall be fully identified. Pursuant to the applicable rules, response to these Interrogatories and PODs must be provided to Sprint within 30 days of service, on Wednesday December 15, 2004.

DEFINITIONS

"Act" refers to the Communications Act of 1934, as amended (including, without limitation, as amended by the Telecommunications Act of 1996).

"And" and "or" shall be construed both conjunctively and disjunctively, and each shall include the other whenever such construction will serve to bring within the scope of these interrogatories anything that would not otherwise be brought within their scope.

“Calling party number” A set of digits and related indicators (type of number, numbering, plan identification, screening indicator, presentation indicator) that provide numbering information related to the calling party.

“Charge number” or “Charge party number” means the delivery of the calling party's billing number in a signaling system 7 environment by a local exchange carrier to any interconnecting carrier for billing or routing purposes and the subsequent delivery of such number to end users.(47 C.F.R. 64.1600 (d)).

“CLEC” means a local exchange carrier that is not an ILEC.

“Communication” includes, without limitation of its generality, correspondence, statements, agreements, contracts, discussions, conversation, speeches, meetings, remarks, questions, answers, panel discussions and symposia, whether written or oral. The term includes, without limitation of its generality, both communications and statements which are face-to-face and those which are transmitted by documents or by media such as e-mail, intercoms, telephones, television or radio, data systems, and electronic reproductions and delivery systems.

“Concerning” shall mean comprising, describing, evidencing, referring to, responding to, quoting, or pertaining in any way to any part of a specified subject matter and/or to the contents or subject matter of any document including the specified subject matter.

"Document" or "documentation" means any medium upon which intelligence or information can be recorded or retrieved, and includes, without limitation, the original and each copy, regardless of origin and location, of any book, pamphlet, periodical, letter, memorandum (including any memorandum or report of a meeting or conversation), invoice, bill, order, form, receipt, financial statement, accounting entry, diary, calendar,

telex, telegram, e-mail, facsimile ("fax"), cable, report, recording, contract, agreement, study, handwritten note, drawing, sketch, graph, index, list, tape, photograph, microfilm, data sheet or data processing tape, disk, file stored on computer, or any other written, recorded, transcribed, punched tape, filmed or graphic matter, however produced or reproduced, which is in your possession, custody, control or otherwise accessible to you or which was, but is no longer, in your possession, custody or control.

Each of the words "each," "any" and "all" means each, any, and all.

"Employee(s)" means those persons in the direct employment of either Sprint or KMC, past and present.

"Enhanced Services" means services offered over common carrier transmission facilities used in interstate communications which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additions, different, or restructure information; or involve subscriber interactions with stored information. (47 C.F.R. 64.702(a)).

"FCC" refers to the Federal Communications Commission.

"FPSC" or "Commission" refers to the Florida Public Service Commission.

"Identification" or "identify" when used in reference to: (i) a document other than a contract or agreement, means to state: (1) its date; (2) its author; (3) the type of document; (4) its title; (5) its present location; (6) the name of each of its present custodians; (ii) a contract or agreement, means: (1) state the date of its making; (2) identify the parties thereto; (3) state whether the contract is oral or in writing; (4) state fully and precisely and separately all of the terms of said contract; (iii) a person other than an individual,

means to state: (1) its full name; (2) its nature of organization, including the name of the state or country under the laws of which it was organized; (3) the address of its principal place of business; and (4) its principal line of business; (iv) a communication, requires you, if any part of the communications was written, to identify the document or documents which refer to or evidence the communication, and to the extent that the communication was not written, to identify the persons participating in the communication and to state the date, manner, place, and substance of the communication.

“ILEC” means an incumbent local exchange carrier as defined in 47 U.S.C., Section 251 (h).

“Information Services” means the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing, but does not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service. (47 U.S.C. §153)

“Local interconnection trunk” or “local interconnection facility” means a one or two way channel provided as a common traffic artery between switching equipment for the purpose of linking two networks for the mutual exchange of local traffic.

“Local traffic” means traffic that is originated and terminated within a given local calling area, or Expanded Area Service (“EAS”) area, as defined by state Commissions, or, if not defined by State Commissions, then as defined in existing Sprint tariffs.

“Person” and “persons” include individuals, firms, partnerships, associations, joint ventures, corporations, government entities, or other groups, however organized.

“Possession, custody or control” includes actual and constructive possession. Any document which is not in your immediate physical possession, but to which you have or had a right to compel or secure production from a third person or which is otherwise subject to your control, shall be obtained and produced as directed.

“PRI circuit” or “primary rate interface circuit” means a circuit that provides a method of access to the telephone network and provides integration of multiple voice and data transmission channels on the same line.

“Relate to” means concern, consist of, refer to, pertain to, reflect, evidence, or to be in any way logically or factually connected with the matter discussed.

“Representative(s)” means those persons, past and present not in the direct employment of either Sprint or KMC, including outside counsel, who represent or represented the interests of Sprint or KMC in matters related to this proceeding.

“Sprint” refers to Sprint-Florida, Incorporated.

“Telecommunications service,” and “service” are used herein to have the same definitions contained in the federal and state statutes, rules and regulations.

“You,” “your” or “KMC” refers to KMC Telecom III LLC, KMC Telecom V, Inc. or KMC Data LLC and any parent or subsidiary corporations, DBAs, FKAs, and the employees, agents, representatives, or consultants of KMC Telecom III LLC, KMC Telecom V, Inc. or KMC Data LLC or any parent or subsidiary corporations.

“Voice Over Internet Protocol” or “VoIP” means real-time, multidirectional voice communication that uses internet protocol.

INSTRUCTIONS FOR INTERROGATORIES

These Interrogatories are to be answered with reference to all information in your possession, custody or control or reasonably available to you. When the information requested by an Interrogatory varies over time, state the response for each period of time as to which the response differs, and identify the time periods. If you cannot answer an Interrogatory in full after exercising due diligence to secure all the information requested, or do not have precise information with regard to any part of any Interrogatory, you should so state in your response, describing in full your effort to obtain the information requested, and then proceed to respond to the fullest extent possible. If you object to any part of any Interrogatory, answer all parts of the Interrogatory to which you do not object, and as to each part to which you do object, separately set forth the specific basis for the objection.

These Interrogatories are continuing in nature to the extent required or permitted by the Florida Rules of Civil Procedure and the Commission's Rules and Regulations (collectively, "the Rules"). In the event you obtain additional information with respect to any request after it has been answered and for which supplementation is called for by the Rules, you are required to supplement your response promptly following receipt of such additional information, giving the additional information to the same extent as originally requested. If you are unwilling to supplement your responses, please state the basis for your refusal to supplement.

If any response required by way of answer to these Interrogatories is considered to contain confidential or protected information, please furnish this information subject to an appropriate protective agreement.

In the event you assert that any information requested herein is privileged, you should identify any such information and any supporting documents in your written response, by date, and provide a general description of its content. You also should identify all persons who participated in the preparation of the document and all persons, inside or outside of KMC, who received a copy, read or examined any such document. In addition, you should describe, with particularity, the grounds upon which privilege is claimed.

In the event that you assert that any requested information is not available in the form requested, in your written response thereto, you should disclose the following:

- a. The form in which the requested information currently exists (identifying documents by title or description);
- b. The earliest dates, time period, and location that representatives of Sprint may inspect your files, records or documents in which the information currently exists.

For each Interrogatory answered, provide the name of the person or persons answering, the title of such person(s), and the name of the witness or witnesses who will be prepared to testify concerning the matters contained in each response. If you do not intend to call or present a witness who is prepared to testify concerning the matters contained in any response, please so state.

Unless otherwise indicated, the information sought in these Interrogatories relates to KMC's and Sprint's operations in all states served by KMC. However, where a response to an Interrogatory is true for, or reflects KMC's position on a region-wide basis, Sprint requests that KMC so indicate in the response.

INSTRUCTIONS FOR PODS

This Request for Production of Documents is to be answered with reference to all information in your possession, custody or control or reasonably available to you. When the information requested by a request varies over time, state the response for each period of time as to which the response differs, and identify the time periods. If you cannot answer a request in full after exercising due diligence to secure all the information requested, or do not have precise information with regard to any part of a request, you should so state in your response, describing in full your efforts to obtain the information requested, and then proceed to respond to the fullest extent possible. If you object to any part of a request, answer all parts of the request to which you do not object, and as to each part to which you do object, separately set forth the specific basis for the objection.

This Request for Production of Documents is continuing in nature to the extent required or permitted by the Florida Rules of Civil Procedure and the Commission's Rules and Regulations (collectively, "the Rules"). In the event you obtain additional information with respect to any request after it has been answered and for which supplementation is called for by the Rules, you are required to supplement your response promptly following receipt of such additional information, giving the additional information to the same extent as originally requested. If you are unwilling to supplement your responses, please state the basis for your refusal to supplement.

If any response required by way of answer to this Request for Production of Documents is considered to contain confidential or protected information, please furnish this information subject to the Protective Agreement entered into for this proceeding.

In the event you assert that any requested information is not available in the form requested, in your written response thereto, you should disclose the following:

a. The form in which the requested information currently exists (identifying documents by title or description); and

b. The earliest dates, time period, and location that representatives of Sprint may inspect your files, records or documents in which the information currently exists.

INTERROGATORIES

1. Please state, by number of calls and in minutes of use (MOU) by month for the past 24 months, any traffic KMC delivered to Sprint over local interconnection trunks or local PRI circuits with a charge party number that differed from the calling party number (i.e., the number from which the call originates) or without any calling party number information.

RESPONSE:

2. Please state, by number of calls and in MOU by month for the past 24 months, any traffic KMC delivered to Sprint over local interconnection trunks or local PRI circuits that KMC believes to be VoIP traffic.

RESPONSE:

3. Please identify, and designate the amount of traffic applicable to each, the names and addresses of any ILEC, CLEC, IXC, or other telecommunications services provider, information services provider or enhanced services provider that has sent or is sending traffic to KMC that KMC delivers to Sprint over the local interconnection trunks or local PRI circuits identified above.

RESPONSE:

4. Please identify and describe the terms of any contractual agreement between KMC and any other ILEC, CLEC, IXC, or other telecommunications services provider, information services provider or enhanced services provider that terminates or exchanges traffic with KMC.

RESPONSE:

5. (a) Is all of the traffic flowing from KMC to Sprint over local interconnection trunks local traffic as defined in KMC's interconnection agreements with Sprint?

(b) Does all of the KMC traffic flowing to Sprint over local interconnection facilities originate on KMC's local network?

(c) If the answer to (b) is no, does any traffic originate on the network of another ILEC, CLEC, IXC, or other telecommunications services provider, information services provider or enhanced services provider?

(d) If the answer to (c) is yes, what contractual commitments does KMC have with the other carrier or entity that delivers the traffic to KMC to identify the jurisdiction of the traffic sent to KMC for delivery to Sprint and to send all calling records without manipulation?

RESPONSE:

6. Please provide a detailed identification and quantification of any “enhanced services” traffic that KMC delivers to Sprint for local termination, including a full explanation of the basis for claiming the traffic is “enhanced services” traffic or is otherwise exempt from the application of access charges or other intercarrier compensation.

RESPONSE:

7. (a) Has KMC taken any actions that cause the alteration or change of the charge party number parameter in the SS7 signalling for traffic KMC delivers to Sprint for termination? If so, please explain what actions were taken and when.

(b) Please identify any documents or communications, including but not limited to internal correspondence or e-mails or notes regarding conversations or meetings, setting forth, discussing or otherwise relating to any actions considered or taken by KMC as described in this interrogatory.

RESPONSE:

8. In KMC's Motion to Dismiss at ¶20 KMC states that "Thus, if such traffic was indeed masked upon termination, it was masked prior to delivery to KMC by a third party not presently named by Sprint in its Complaint." How would another provider obtain a nonworking KMC number and insert it into the Charge Party Number parameter in the SS7 signalling?

RESPONSE:

9. Sprint has traced traffic from multiple IXC's that KMC delivered to Sprint for termination. This traffic showed the same pseudo charge party number (as defined in footnote 9 of Sprint's Complaint) identified on all these calls. How did the same KMC number appear as the charge party number on these calls from multiple providers?

RESPONSE:

10. Sprint noticed a dramatic change in the pattern and volume of traffic KMC delivered to Sprint for termination beginning on May 22, 2004. Please explain the reasons for this dramatic change, including any changes to KMC's business relationships that may have contributed to this change.

RESPONSE:

11. What were KMC's findings after reviewing sample data from Sprint as described in Sprint's Complaint at ¶19? Please identify any documents, including but not limited to internal documents such as letters, emails, or analysis, relating to these findings.

RESPONSE:

12. Please state for each of the following numbers whether the numbers are assigned to KMC and, if so, please identify the specific KMC entity to which the number is assigned?

239-689-2995
850-201-0579

RESPONSE:

13. Please describe the situations in which KMC's network would use a charge party number that has been altered or inserted within the SS7 signal.

RESPONSE:

14. Please describe the past and current relationship between KMC and the enhanced service provider identified by KMC in KMC's Motion to Dismiss (¶18-20).

RESPONSE:

15. Please identify all correspondence, customer orders, bills, customer disputes or other documents between KMC and the enhanced service provider identified by KMC in its Motion to Dismiss.

RESPONSE:

16. (a) What services and functionalities did KMC provide to the enhanced service provider identified in KMC's Motion to Dismiss?

(b) Please describe the terms and conditions of KMC's provision of these services and functionalities by KMC, including any restrictions placed by KMC on the enhanced service provider's use of these services or functionalities.

RESPONSE:

17. (a) Did KMC know that the enhanced service provider identified by KMC in its Motion to Dismiss was transporting interexchange traffic to KMC?

(b) If the answer is yes, at what point did KMC become aware that the enhanced service provider was transporting interexchange traffic to KMC?

(c) Please identify any correspondence or other documents regarding any actions taken by KMC related to this interexchange traffic.

RESPONSE:

18. (a) Was KMC aware that the enhanced service provider identified by KMC in its Motion to Dismiss was sending significant volumes of traffic over the PRI trunks it purchased from KMC, as described in ¶20 of KMC's Motion to Dismiss?

(b) Did KMC take any actions to evaluate this traffic? If so, please describe any actions taken and identify any documents discussing or otherwise relating to this traffic.

RESPONSE:

19. What compensation, if any, did KMC receive from the enhanced service provider identified by KMC in KMC's Motion to Dismiss to deliver interexchange traffic to Sprint for termination? Please identify any documents in KMC's possession related to this compensation.

RESPONSE:

20. To KMC's knowledge, do any ILECs, CLECs, IXCs, or other telecommunications services providers, information services providers or enhanced services providers (other than the enhanced service provider identified in KMC's Motion to Dismiss) transport interexchange traffic to KMC for termination to Sprint? If so, please provide full explanation of the business relationships with these carriers or other entities and identify supporting documentation.

RESPONSE:

21. KMC's website (<http://www.kmctelecom.com/advcomm/services/clearthrough.cfm>) offers 'The Perfect Solution for our Carrier's Carrier Partners', and indicates that 'Carrier Terminating Access Service Applications' are intended to facilitate [our Carrier Partners'] success' and that as a Carrier's Carrier, KMC will 'support you with our local service'.

(a) Please explain how KMC utilizes its local service to support 'Carrier Terminating Access Service Applications', including how KMC instructs its Carrier Partners to deliver traffic to KMC.

(b) Please explain how KMC ensures that the proper jurisdiction of the traffic is maintained in its handling of the terminating access traffic delivered to KMC by its Carrier Partners.

RESPONSE:

22. KMC's website (<http://www.kmctelecom.com/advcomm/services/clearthrough.cfm>) indicates that 'KMC Carrier Terminating Access Service Pricing Considerations' discount 'Interstate and Intrastate traffic' below the average ILEC tandem rates. Please explain why KMC would offer discounted pricing to its Carrier Partners if KMC was terminating the traffic to Sprint's network at Sprint's tariffed access rates.

RESPONSE:

REQUEST FOR PRODUCTION OF DOCUMENTS

1. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 4.
2. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 5.
3. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 7.
4. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 11.
5. Please provide any and all documents identified by you in your response to or otherwise relied on by you related to your response to Interrogatory No. 15.
6. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 16.
7. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 17.
8. Please provide any and all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 18.
9. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 19.
10. Please provide copies of any and all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 20.
11. Please provide copies of any other documents relied on by you or related to your response to Sprint's First Set of Interrogatories Nos. 1-20.

Respectfully submitted this 15th day of November 2004.

Susan S. Masterton / (usu)

Susan S. Masterton

P.O. Box 2214

Tallahassee, FL 32316-2214

Voice: 850-599-1560

Fax: 850-878-0777 (fax)

susan.masterton@mail.sprint.com

ATTORNEY FOR SPRINT

LAW OFFICES
Messer, Caparello & Self
A Professional Association

Post Office Box 1876
Tallahassee, Florida 32302-1876
Internet: www.lawfla.com

January 5, 2005

BY HAND DELIVERY

Ms. Blanca Bayó, Director
Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 041144-TP

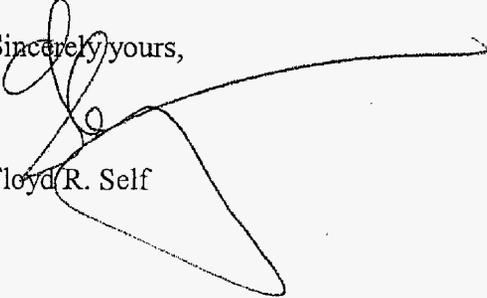
Dear Ms. Bayó:

Enclosed for filing on behalf of KMC Telecom III LLC, KMC Telecom V, Inc. and KMC Data LLC are an original and one copy of KMC's Notice of Service of KMC's Responses to Sprint-Florida, Incorporated's First Set of Interrogatories and First Request for Production of Documents in the above referenced docket.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,


Floyd R. Self

FRS/amb
Enclosures
cc: Parties of Record

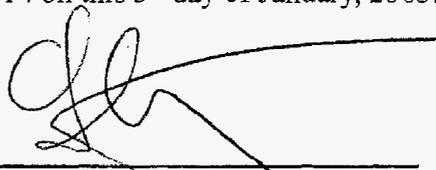
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Complaint against KMC Telecom III LLC,)
KMC Telecom V, Inc., and KMC Data LLC)
for alleged failure to pay intrastate access charges) Docket No. 041144-TP
pursuant to its interconnection agreement and) Filed: January 5, 2005
Sprint's tariffs and for alleged violation of Section)
364.16(3)(a), F.S., by Sprint-Florida, Incorporated)

**NOTICE OF SERVING KMC's RESPONSES TO
SPRINT-FLORIDA, INCORPORATED'S
FIRST SET OF INTERROGATORIES AND
FIRST REQUEST FOR PRODUCTION OF DOCUMENTS**

KMC Telecom III LLC, KMC Telecom V, Inc., and KMC Data LLC (collectively "KMC"), by and through its undersigned counsel, hereby files and serves Notice that it has served its Responses to Sprint-Florida, Incorporated's First Set of Interrogatories and First Request for Production of Documents on by e-mail on Susan S. Masterton, Esq. at susan.masterton@mail.sprint.com and U. S. Mail on Susan Masterton, Esq., Sprint-Florida Incorporated, P.O. Box 2214, Tallahassee, FL 32316-2214 on this 5th day of January, 2005.

Respectfully submitted,



Floyd R. Self, Esq.
MESSER, CAPARELLO & SELF, P.A.
215 South Monroe Street, Suite 701
Tallahassee, Florida 32301
(850) 222-0720 (voice)
(850) 224-4359 (facsimile)
fself@lawfla.com

Edward A. Yorkgitis, Jr.
KELLEY DRYE & WARREN LLP
1200 19th Street, N.W., Fifth Floor
Washington, D.C. 20036
(202) 955-9600 (voice)
(202) 955-9792 (facsimile)
eyorkgitis@kelleydrye.com

Marva Brown Johnson
KMC Telecom Holdings, Inc.
1755 North Brown Road
Lawrenceville, GA 30043
(678) 985-6220 (voice)
(678) 985-6213 (facsimile)
marva.johnson@kmctelecom.com

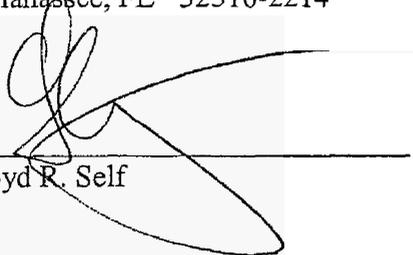
Attorneys for KMC Telecom III, LLC,
KMC Telecom V, Inc., and KMC Data LLC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing have been served upon the following parties by hand delivery (*), electronic mail (**) and/or U.S. Mail this 5th day of January, 2005.

Lee Fordham, Esq.*
General Counsel's Office, Room 370
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Susan Masterton, Esq.**
Sprint-Florida, Incorporated
P.O. Box 2214
Tallahassee, FL 32316-2214



Floyd R. Self

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Complaint of Sprint-Florida, Incorporated)	Docket No. 041 144-TP
Against KMC Telecom III LLC,)	
KMC Telecom V, Inc. and KMC Data LLC,)	
for failure to pay intrastate access charges)	
pursuant to its interconnection agreement and)	
Sprint's tariffs and for violation of)	
Section 364.16(3)(a), Florida Statutes.)	
<hr/>		

**RESPONSE OF KMC TELECOM III LLC, KMC TELECOM V, INC.
AND KMC DATA LLC TO SPRINT'S FIRST SET OF INTERROGATORIES
(NOS. 1-22) AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 1-11)**

KMC Telecom III LLC, KMC Telecom V, Inc., and KMC Data LLC (collectively "KMC"), by and through their undersigned counsel, hereby submit their Responses to Sprint-Florida, Incorporated's ("Sprint") First Set of Interrogatories and First Request for Production of Documents (the "Discovery Requests").

GENERAL OBJECTIONS

A. KMC objects to Sprint's Discovery Requests and all Instructions and Definitions associated with those Discovery Requests to the extent they purport to impose obligations that are different from, or go beyond, the obligations imposed under Rules 1.280, 1.340, and 1.351 of the Florida Rules of Civil Procedures, and the Rules of the Florida Public Service Commission ("the Commission").

B. KMC objects to the Discovery Requests and all Instructions and Definitions associated with those Discovery Requests to the extent they seek information outside the scope of the issues raised in this proceeding, and to the extent their principal purpose appears to be to harass KMC and unnecessarily impose costs on KMC.

C. KMC objects to the Discovery Requests and all Instructions and Definitions associated with those Discovery Requests to the extent they seek documents or information protected by the attorney-client privilege, the attorney work-product doctrine, or any other applicable privileges or doctrines. Any inadvertent disclosure of such privileged documents or information shall not be deemed to be a waiver of the attorney-client privilege, attorney work-product doctrine, or other applicable privileges or doctrines.

D. KMC objects to each Discovery Request to the extent that it is vague and ambiguous, particularly to the extent that it uses terms that are undefined or vaguely defined in the Discovery Requests.

E. KMC objects to the Discovery Requests and all Instructions and Definitions associated with those Discovery Requests to the extent they seek confidential business, financial, or other proprietary documents or information. KMC further objects to the Discovery Requests to the extent they seek documents or information protected by the privacy protections of the Florida or United States Constitutions, or any other law, statute, or doctrine.

F. KMC objects to the Discovery Requests to the extent they seek documents or information equally available to Sprint as to KMC through public sources or records, because such requests subject KMC to unreasonable and undue annoyance, oppression, burden, and expense.

G. The responses provided herein by KMC are not intended, and shall not in any way be construed, to constitute an admission or representation that responsive documents in fact do or do not exist, or that any such documents are relevant or admissible. KMC expressly reserves the right to rely, at any time, on subsequently discovered documents.

H. To the extent KMC responds to Sprint's Discovery Requests, KMC reserves the right to amend, replace, supersede, and/or supplement its responses as may become

appropriate in the future. However, it undertakes no continuing or ongoing obligation to update its responses.

I. KMC objects to the Discovery Requests and all Instructions and Definitions associated with those Discovery Requests to the extent that they seek to impose an obligation on KMC to respond on behalf of subsidiaries, affiliates, or other persons that are not subject to the jurisdiction of this Commission on the grounds that such discovery is overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.

J. KMC has interpreted the Discovery Requests to apply to KMC's regulated intrastate operations in Florida and will limit its responses accordingly. To the extent that any Discovery Requests or any Instructions and Definitions associated with those Discovery Requests are intended to apply to matters that take place outside the State of Florida and which are not related to Florida intrastate operations subject to the jurisdiction of this Commission, KMC objects to such Discovery Requests as irrelevant, overly broad, unduly burdensome, and oppressive.

K. KMC objects to the Discovery Requests to the extent they seek information that is not reasonably calculated to lead to the discovery of admissible evidence and not relevant to the subject matter of this arbitration proceeding.

L. KMC objects to the Discovery Requests to the extent they are duplicative and overlapping, cumulative of one another, overly broad, and/or seek responses in a manner that is unduly burdensome, expensive, oppressive, or excessively time-consuming to KMC.

M. KMC is a large corporation with employees located in many different locations in Florida and with affiliates that have employees who are located in various states providing services on KMC's behalf. In the course of its business, KMC creates countless documents that are not subject to retention of records requirements of the Commission or the

Federal Communications Commission (“FCC”). These documents are kept in numerous locations and are frequently moved from site to site as employees change jobs or a KMC business is reorganized. Therefore, it is possible that not every document will be identified in response to Sprint’s Discovery Requests. KMC will conduct a reasonable and diligent search of those files that are reasonably expected to contain the requested information. To the extent that the Discovery Requests or all Instructions and Definitions associated with those Discovery Requests purport to require more, KMC objects on the grounds that compliance would impose an undue burden or expense on KMC.

N. KMC objects to the Discovery Requests and all Instructions and Definitions associated with those Discovery Requests to the extent they seek to obtain “all,” “each,” or “every” document, item, customer, or such other piece of information because such discovery is overly broad and unduly burdensome.

O. KMC objects to the Discovery Requests and all Instructions and Definitions associated with those Discovery Requests to the extent they seek to have KMC create documents not in existence at the time of the Discovery Requests because such discovery is overly broad and unduly burdensome.

P. KMC objects to the Discovery Requests and all Instructions and Definitions associated with those Discovery Requests to the extent they are not limited to any stated period of time or a stated period of time that is longer than is relevant for purposes of the issues in this proceeding, as such discovery is overly broad and unduly burdensome.

Q. KMC objects to the disclosure of confidential or proprietary information or trade secrets prior to entry of a protective order restricting disclosure of such information in a manner to be agreed upon by the parties. KMC further objects to the disclosure of confidential or proprietary information of third-parties which KMC is required to maintain as confidential

pursuant to agreements with such parties and/or pursuant to statute, administrative decree, or court order. Any proprietary or confidential information or documents will be produced upon the execution of a confidentiality agreement or protective order that limits the use of these documents and information to this proceeding and limits access to all documents and information designated as “Highly Confidential” to outside counsel for Sprint, expert consultants and witnesses, and only those persons within Sprint whose access to the documents is necessary to conducting this litigation and, in no case, to any person within Sprint involved in sales and marketing.

R. KMC objects to the definition of “document” to the extent it seeks to impose an obligation that is greater than that imposed by Rules 1.280, 1.340, and 1.351 of the Florida Rules of Civil Procedure, and to the extent that it would pose an unreasonable and undue annoyance, burden, and expense on KMC. KMC’s objection includes, but is not limited to, the definition of “document” to the extent it includes network transmissions, switch data, or other electronic routing information which was not generated in the form of a written or printed record, on the grounds that it would be unduly burdensome and expensive to require KMC to search through computer records or other means of electronic or magnetic data storage or compilation.

S. KMC objects to each and every Discovery Request that seeks information regarding “Voice Over Internet Protocol” (“VoIP”) which subject matter is outside the jurisdiction of this Commission and, as such, these Requests are irrelevant, overly broad, unduly burdensome, and oppressive.

INTERROGATORIES

Interrogatory 1: Please state, by number of calls and in minutes of use (MOU) by month for the past 24 months, any traffic KMC delivered to Sprint over local interconnection trunks or local PRI circuits with a charge party number that differed from the calling party number (i.e., the number from which the call originates) or without any calling party number information.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications irrelevant to these proceedings and not reasonably calculated to lead to the discovery of admissible evidence. KMC objects to this Interrogatory as unduly burdensome because KMC does not in the ordinary course record or maintain information regarding the calls in which the charge party number differed from the calling party number. Further, all KMC network switch recordings are confidential and proprietary. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, overly broad, and subject to multiple interpretations. By way of example only, it is unclear whether the Interrogatory is seeking responses with regard to the information in the calling party number and charge party fields as originally generated and sent (or not) by the originating local exchange carrier, the calling party number and charge party as received by KMC from the immediate "upstream" carrier (if any), or information in the calling party number and charge party manipulated (if ever) by KMC. Finally, KMC objects to this Interrogatory because it seeks documents or information equally available to Sprint as to KMC through Sprint's own business records because

KMC delivers to Sprint without alteration, all systems signaling seven (“SS7”) parameters, including originating line information (“OLI”) parameters, created in connection with its primary rate interface (“PRI”) services and in accordance with industry standards as set forth in Lucent Technical Reference Document 235-080-100. Sprint has raised claims that are entirely related to KMC’s provision of PRI services to a specific enhanced services customer as identified in KMC’s Motion to Dismiss. For ease of reference, in Attachment – Interrogatory No. 1” KMC has provided the Lucent Technical Reference Document 235-080-100 sections that apply to the populating of OLI parameters specific to PRI services.

RESPONSE PROVIDED BY: Timothy E. Pasonski, Vice President – Corporate Systems and Marva Brown Johnson, Vice President and Senior Counsel – Regulatory Affairs, KMC.

Interrogatory 2: Please state, by number of calls and in MOU by month for the past 24 months, any traffic KMC delivered to Sprint over local interconnection trunks or local PRI circuits that KMC believes to be VoIP traffic.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC further objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. Specifically, KMC objects to this Interrogatory because it seeks information relating solely to VoIP which falls within the jurisdiction of the Federal Communications Commission and, therefore, is outside the scope of these proceedings. Further, all KMC network switch recordings are confidential and

proprietary. Moreover, KMC objects to this Interrogatory because the term VoIP refers to a broad variety of services, functions, and capabilities that is used to describe a number of divergent network configurations, and thus the Interrogatory is vague, ambiguous, and subject to multiple interpretations. Finally, KMC objects to this Interrogatory because it is overly broad and unduly burdensome. Many calls which meet the definition of VoIP as used by Sprint, may be received by KMC from KMC customers or Sprint as time division multiplex traffic (traditional circuit switched traffic), with their VoIP nature totally undetectable by KMC and without relevance for purposes of KMC terminating the call or routing and transmitting the call to the “downstream” carrier.

Without waiving and subject to the foregoing objections, KMC states the following: KMC has no PRI circuits with Sprint by which it exchanges traffic with Sprint in Florida. Since the access charge system was established in 1983 through the present, enhanced service providers and information service providers (collectively, “enhanced service providers”) have been classified as “end users” rather than “carriers” for purposes of the access charge rules, and therefore they do not pay the per-minute access charges that long-distance companies pay to local telephone companies. In fact, enhanced service providers are considered “end users” when they purchase services from local telephone companies. Enhanced service providers purchase local “business lines,” including “PRIs,” from local telephone companies such as KMC. Consequently, enhanced service providers pay the same rates as any other business customers. In order to provide its local services to end user business customers, including enhanced service providers, KMC has no reason to know or form a belief as to whether the traffic being sent to it, whether for completion on its own network, or the network of another local

telephone company that will terminate the traffic, as to whether the traffic is VoIP or not. KMC Telecom III, LLC, does not provide any IP conversion services or functionalities on its network. Concomitantly, there was no business reason for KMC to require that its end user customers specifically identify whether they would use these business services, including PRIs, to originate VoIP traffic. Similarly, in providing its termination services to ILECs, CLECs, or IXCs, KMC has no reason to know or to form a belief as to whether such traffic is VoIP or not.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel –
Regulatory Affairs, KMC and Counsel.

Interrogatory 3: Please identify, and designate the amount of traffic applicable to each, the names and addresses of any ILEC, CLEC, IXC, or other telecommunications provider, information services provider or enhanced services provider that has sent or is sending traffic to KMC that KMC delivers to Sprint over the local interconnection trunks or local PRI circuits identified above.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications. The Interrogatory seeks information irrelevant to these proceedings and not reasonably calculated to lead to the discovery of admissible evidence, in that it requests information with respect to carriers and traffic in which no actual or alleged change in the charge party number occurred due to the tactics of KMC. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, and overly broad in

that it asks KMC to “designate the amount of traffic applicable to each;” a phrase subject to multiple interpretations. Further, all KMC network switch recordings are confidential and proprietary. In addition, Sprint makes reference to “local interconnection trunks or local PRI circuits identified above,” but neither of the two previous interrogatories requested the identification of any such interconnection trunks or PRI circuits. KMC also objects because the Interrogatory seeks highly confidential and proprietary information, including but not limited to, carrier-specific traffic information with which KMC has business relationships as a competitor of Sprint.

Without waiving and subject to the foregoing objections, KMC states that it is KMC’s standard business practice to only send KMC end user traffic to Sprint over the local interconnection trunks. KMC has no PRI circuits with Sprint by which it exchanges traffic with Sprint in Florida.

RESPONSE PROVIDED BY: Gary Simerly, Director – Network Engineering, KMC.

Interrogatory 4: Please identify and describe the terms of any contractual agreement between KMC and any other ILEC, CLEC, IXC, or other telecommunications services provider, information services provider or enhanced services provider that terminates or exchanges traffic with KMC.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory

because it is overly broad and unduly burdensome. By way of example only, the agreements at issue address a wide variety of issues, none of which may address treatment of Charge Party Number information or that specifically mention VoIP traffic. The Interrogatory demands that KMC accept factual assumptions for which there is no adequate basis. Finally, KMC objects to this Interrogatory because it seeks highly sensitive, confidential, and proprietary information.

Without waiving and subject to the foregoing objections, KMC states the following: The terms of KMC's contractual agreements with ILECs in Florida are contained in interconnection agreements which are on file and which are available for public inspection with the Florida Public Service Commission. KMC typically exchanges traffic with other carriers (CLECs and IXCs) via KMC's tariff terms and, when direct connection is involved, via a mutual traffic exchange agreement ("MTE"). KMC's standard mutual traffic exchange agreement is attached as "Attachment – Interrogatory No. 4". Exhibit A: KMC Standard Mutual Traffic Exchange Agreement. Finally, enhanced service providers and information service providers are treated as end users under applicable law and KMC provides services to enhanced services providers accordingly. As such, enhanced service providers and information service providers do not "terminate or exchange traffic with KMC," but rather rely on KMC's network to originate and terminate their traffic using these end user services.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel – Regulatory Affairs, KMC and Counsel.

Interrogatory 5:

- (a) Is all of the traffic flowing from KMC to Sprint over local interconnection trunks local traffic as defined in KMC's interconnection agreements with Sprint?
- (b) Does all of the KMC traffic flowing to Sprint over local interconnection facilities originate on KMC's local network?
- (c) If the answer to (b) is no, does any traffic originate on the network of another ILEC, CLEC, IXC, or other telecommunications services provider, information services provider or enhanced services provider?
- (d) If the answer to (c) is yes, what contractual commitments does KMC have with the other carrier or entity that delivers the traffic to KMC to identify the jurisdiction of the traffic sent to KMC for delivery to Sprint and to send all calling records without manipulation?

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, overly broad, subject to multiple interpretations, and seeks confidential and proprietary information.

Without waiving and subject to the foregoing objections, KMC states:

- a) **KMC Response:** No, all of the traffic "flowing from KMC to Sprint over local interconnection trunks" is not "local traffic" as defined in KMC's interconnection agreements with Sprint in Florida. The parties' implementation of the interconnection agreements and their course of dealing allow that some portion of the traffic exchanged between Sprint and KMC over the local interconnection trunks may be enhanced services, information services, and/or ISP-bound traffic as defined under these agreements and the applicable law.

- b) **KMC Response:** All of the KMC traffic flowing to Sprint over local interconnection facilities is KMC end-user traffic.
- c) **KMC Response:** No. KMC's incorporates its response to Interrogatory No. 5 (b) as though fully set forth herein. Further, as explained in KMC's response to Interrogatory No. 4, enhanced service providers and information service providers are end users. As such, traffic does *not* originate or terminate "on the networks" of such providers but rather on the networks of the telecommunications carriers, such as KMC and Sprint, that provide services to such providers.
- d) **KMC Response:** Not applicable.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel,
Regulatory Affairs, KMC.

Interrogatory 6: Please provide a detailed identification and quantification of any "enhanced services" traffic that KMC delivers to Sprint for local termination, including a full explanation of the basis for claiming the traffic is "enhanced services" traffic or is otherwise exempt from the application of access charges or other intercarrier compensation.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to

the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, overly broad, and subject to multiple interpretations. Finally, KMC objects to this Interrogatory to the extent that it calls for a legal conclusion.

Without waiving and subject to the foregoing objections, KMC states that KMC does not have a detailed identification and quantification of any “enhanced services” traffic that KMC delivers to Sprint for local termination. KMC has no business reason for tracking or otherwise identifying or quantifying such traffic. As explained in response to Interrogatory No. 2, enhanced service providers are treated as end users, may purchase services from local exchange carriers out of business services tariffs, and the traffic originated by enhanced services providers using such services has historically been exempt from access charges. Enhanced services traffic originated on KMC-provided PRI circuits is treated as local traffic for intercarrier compensation purposes.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel,
Regulatory Affairs, KMC.

Interrogatory 7:

- (a) Has KMC taken any actions that cause the alteration or change of the charge party number parameter in the SS7 signalling for traffic KMC delivers to Sprint for termination? If so, please explain what actions were taken and when.
- (b) Please identify any documents or communications, including but not limited to internal correspondence or e-mails or notes regarding conversations or meetings, setting forth, discussing or otherwise relating to any actions considered or taken by KMC as described in this interrogatory.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to

intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, overly broad, and subject to multiple interpretations.

Without waiving and subject to the foregoing objections, KMC states:

- a) KMC has taken no such action.
- b) In light of KMC's response to (a), not applicable.

RESPONSE PROVIDED BY: Gary Simerly, Director – Network Engineering, KMC.

Interrogatory 8: In KMC's Motion to Dismiss at ¶ 20 KMC states that "Thus, if such traffic was indeed masked upon termination, it was masked prior to delivery to KMC by a third party not presently named by Sprint in its Complaint." How would another provider obtain a nonworking KMC number and insert it into the Charge Party Number parameter in the SS7 signalling?

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it is vague, ambiguous, and demands that KMC accept as true factual assumptions for which there is no basis. This Interrogatory further asks KMC to improperly engage in speculation as to the alleged knowledge and actions of unidentified third parties.

Without waiving and subject to the foregoing objections, and as KMC indicated in its response to Interrogatory 1, KMC delivers, unaltered or otherwise suppressed, all

SS7 signalling parameters received and/or created by KMC's switch in accordance with industry standards and guidelines.

RESPONSE PROVIDED BY: Gary Simerly, Director – Network Engineering and Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC.

Interrogatory 9: Sprint has traced traffic from multiple IXC's that KMC delivered to Sprint for termination. This traffic showed the same pseudo charge party number (as defined in footnote 9 of Sprint's Complaint) identified on all these calls. How did the same KMC number appear as the charge party number on these calls from multiple providers?

Response: KMC incorporates its general objections as though more fully set forth herein. KMC further objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. KMC also objects to this Interrogatory because it is vague and ambiguous. By way of example only, Sprint uses the undefined term "pseudo charge party number." Industry standards and Lucent 5ESS switching technology do not provide for the use of a "pseudo charge party number." The Interrogatory also demands that KMC accept as true factual assumptions for which Sprint provides no basis, *i.e.* that there is traffic that Sprint has traced and identified with a particular charge number that appears on traffic from multiple providers. Further, all KMC network switch recordings are confidential and proprietary.

Without waiving and subject to the foregoing objections, KMC states that KMC cannot provide Sprint with any information regarding traffic that “Sprint has traced traffic from multiple IXC’s that KMC delivered to Sprint for termination.” All of the traffic identified in Sprint’s claim was traffic originated, to the best of KMC’s knowledge, on PRIs provided to the enhanced service provider identified in KMC’s Motion to Dismiss and as such was delivered to KMC via the PRIs provided to this customer. None of the traffic received was delivered to KMC by an IXC. As KMC indicated in its response to Interrogatory 1, KMC records, creates, and delivers, unaltered or otherwise suppressed, all SS7 signalling parameters received and/or created by KMC’s switch in accordance with industry standard guidelines for provisioning of PRIs to enhanced service providers as set forth in Lucent 5ESS Technical Reference Document 235-080-100 as indicated in KMC’s response to Interrogatory 1.

RESPONSE PROVIDED BY: Gary Simerly, Director – Network Engineering, KMC and Marva Brown Johnson, Vice President and Senior Counsel – Regulatory Affairs, KMC.

Interrogatory 10: Sprint noticed a dramatic change in the pattern and volume of traffic KMC delivered to Sprint for termination beginning on May 22, 2004. Please explain the reasons for this dramatic change, including any changes to KMC’s business relationships that may have contributed to this change.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC objects to this Interrogatory to the extent it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications irrelevant to these proceedings. KMC specifically objects to this

Interrogatory because it is vague, ambiguous, and subject to multiple interpretations. It demands that KMC accept as true factual assumptions for which Sprint provides no basis, *i.e.* that there was a “dramatic” change in the volume and “pattern” of traffic. Further, this Interrogatory requests detailed information regarding this alleged “dramatic” change but fails to provide any identifying or specific information for that claimed change or to define the terms “dramatic” or “pattern.”

Without waiving and subject to the foregoing objections, KMC states that KMC has information that KMC believes is responsive to this Interrogatory because it relates to traffic changes in Florida on or about May 22, 2004, but that such information is confidential. KMC will provide a confidential response only pursuant to a fully executed protective agreement.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel – Regulatory Affairs, KMC and Counsel.

Interrogatory 11: What were KMC’s findings after reviewing sample data from Sprint as described in Sprint’s Complaint at ¶ 19? Please identify any documents, including but not limited to internal documents such as letters, emails, or analysis, relating to these findings.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory to the extent that it seeks confidential and proprietary information, and information, documents, and communications protected by the attorney-client privilege.

Without waiving and subject to the foregoing objections, KMC states that there are no documents, other than attorney-client privileged documents, relating to these findings. KMC further notes that KMC was unable to conduct any meaningful analysis based on the data provided by Sprint or based on KMC's own records because many of the assertions made by Sprint required KMC to speculate as to activities that took place in advance of the traffic being delivered to KMC's network. Given the limitations of the data provided by Sprint and/or otherwise available to KMC, the only reasonable and accurate assertions that KMC could make was that all of the traffic identified in Sprint's claim was associated with PRIs provided by KMC to the enhanced service provider identified in KMC's Motions to Dismiss. In addition, upon receipt of the sample data from Sprint, KMC made the following assessment: (1) Sprint only provided sample data, which was insufficient for KMC to conduct any meaningful analysis or to justify any extrapolation beyond the sample itself; (2) Sprint's assertions about the calls and the call flow appeared to rely upon information that is not in KMC's custody, and, as such, KMC lacked sufficient information to conduct any meaningful analysis; and, (3) some portion of the traffic that Sprint identified in its sample data was traffic that KMC believes may have been carried by Sprint's IXC entity, and, as such, KMC would need to conduct an audit of Sprint's IXC traffic in Florida in order to better assess the merits of Sprint's claims.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel,
Regulatory Affairs, KMC.

Interrogatory 12: Please state for each of the following numbers whether the numbers are assigned to KMC and, if so, please identify the specific KMC entity to which the number is assigned?

239-689-2995
850-201-0579

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information irrelevant to these proceedings and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is vague and ambiguous in that the phrase “assigned to KMC” is subject to multiple interpretations.

Without waiving and subject to the foregoing objections, and assuming that by “assigned to KMC” Sprint is referring to the numbering assignment process established and managed by the North American Numbering Administrator (“NANPA”), as KMC stated in its Motion to Dismiss, all these numbers are assigned to KMC’s certificated local exchange entity KMC Telecom III, LLC.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel,
Regulatory Affairs, KMC.

Interrogatory 13: Please describe the situations in which KMC’s network would use a charge party number that has been altered or inserted within the SS7 signal.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it is vague, ambiguous, makes factual assumptions for which there is no basis, and is subject to multiple interpretations. This Interrogatory further asks KMC to engage in improper speculation as to a hypothetical situation. In addition, this Interrogatory seeks confidential, proprietary information.

Without waiving and subject to the foregoing objections, KMC incorporates its response to Interrogatory No. 1 as though fully stated herein. KMC's network does not use a charge party number that has been altered or inserted within the SS7 signal, but only that SS7 signaling information which has been created in accordance with Lucent Technical Reference Document 235-080-100.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel -- Regulatory Affairs, KMC and Counsel.

Interrogatory 14: Please describe the past and current relationship between KMC and the enhanced service provider identified by KMC in KMC's Motion to Dismiss (¶¶ 18-20).

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC further objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states, interstate communications irrelevant to these proceedings, and the relationship between KMC and

the referenced enhanced service provider conducted outside the state of Florida, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. KMC specifically objects to this Interrogatory to the extent that it seeks confidential and proprietary information, and information, documents, and communications protected by the attorney-client privilege.

Without waiving and subject to the foregoing objections, KMC will describe the past and current relationship between KMC and the referenced enhanced service provider to the extent it relates to traffic exchanged with Sprint over local interconnection trunks in Florida subject to and upon the execution of a fully executed protective agreement.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC and Counsel.

Interrogatory 15: Please identify all correspondence, customer orders, bills, customer disputes or other documents between KMC and the enhanced service provider identified by KMC in its Motion to Dismiss.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is overly broad because it is not limited to information regarding traffic sent on

local interconnection trunks between KMC and Sprint, and it is subject to multiple interpretations. In addition, this Interrogatory seeks confidential and proprietary information, and information, documents, and communications protected by the attorney-client privilege.

Without waiving and subject to the foregoing objections, KMC will identify documents between KMC and the referenced enhanced service provider concerning traffic exchanged between KMC and Sprint over local interconnection trunks in Florida subject to and upon the execution of a fully executed protective agreement.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC and Counsel.

Interrogatory 16:

- (a) What services and functionalities did KMC provide to the enhanced service provider identified in KMC's Motion to Dismiss?
- (b) Please describe the terms and conditions of KMC's provision of these services and functionalities by KMC, including any restrictions placed by KMC on the enhanced service provider's use of these services or functionalities.

Response: KMC incorporates its general objections as though more fully set forth herein.

(a) KMC objects to this Interrogatory as cumulative. *See* Objections and Response to Interrogatory 14, which are incorporated herein.

(b) KMC objects to this Interrogatory as irrelevant to these proceedings and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is overly broad and subject to multiple interpretations. In addition, specifically objects to this Interrogatory to the extent that it

seeks confidential, privileged, and proprietary information, and documents, communications. Without waiving and subject to the foregoing objections, KMC will describe the terms and conditions of KMC's provision of services and functionalities by KMC to the referenced enhanced services provider concerning traffic exchanged between KMC and Sprint over local interconnection trunks in Florida subject to and upon the execution of a fully executed protective agreement.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC and Counsel.

Interrogatory 17:

- (a) Did KMC know that the enhanced service provider identified by KMC in its Motion to Dismiss was transporting interexchange traffic to KMC?
- (b) If the answer is yes, at what point did KMC become aware that the enhanced service provider was transporting interexchange traffic to KMC?
- (c) Please identify any correspondence or other documents regarding any actions taken by KMC related to this interexchange traffic.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, overly broad, subject to multiple interpretations, and demands that KMC accept as true factual assumptions for which there is no basis, for example that the referenced enhanced services provider was originating interexchange traffic over the PRI circuits it had purchased from KMC. In addition, this Interrogatory

seeks confidential and proprietary information, and information, documents, and communications protected by the attorney-client privilege.

Without waiving and subject to the foregoing objections, as KMC described in response to Interrogatory No. 2, since enhanced service providers purchase local “business lines,” including “PRIs,” from local telephone companies such as KMC, KMC has no reason to know or form a belief as to whether the traffic being sent to it, whether for completion on its own network, or the network of another local telephone company that will terminate the traffic, is interexchange or any other traffic.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC and Counsel.

Interrogatory 18:

- (a) Was KMC aware that the enhanced service provider identified by KMC in its Motion to Dismiss was sending significant volumes of traffic over the PRI trunks it purchased from KMC, as described in ¶ 20 of KMC’s Motion to Dismiss?
- (b) Did KMC take any actions to evaluate this traffic? If so, please describe any actions taken and identify any documents discussing or otherwise relating to this traffic.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, overly broad, subject to multiple interpretations, and

demands that KMC accept factual assumptions as true for which there is no basis. By way of example only, this Interrogatory requests information regarding alleged “significant” volumes of traffic and what actions KMC took to “evaluate” the traffic, but fails to define or explain the meaning of the terms “significant” or “evaluate” as they are used in this Interrogatory. In addition, this Interrogatory seeks confidential and proprietary information, and information, documents, and communications protected by the attorney-client privilege. Finally, incorporates its Objections and Response to Interrogatory 14 as though more fully set forth herein.

- a. **KMC Response:** Without waiving and subject to the foregoing objections, KMC states that it is not uncommon for enhanced service providers to send “significant volumes of traffic” over PRIs. In fact, only customers that have “significant volumes of traffic” would have an economically justified need for PRI services. As such, KMC had no business reason to specifically identify or otherwise take notice of or exception to the traffic that the enhanced service provider identified by KMC in KMC’s Motion to Dismiss delivered to KMC.
- b. **KMC Response:** Without waiving and subject to the foregoing objections, KMC states that because PRIs are capable of accommodating large volumes of traffic KMC had no business reason to “evaluate” or otherwise take notice of or exception to the traffic that the enhanced service provider identified by KMC in KMC’s Motion to Dismiss delivered to KMC. KMC did not take any actions to “evaluate” this traffic.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel,
Regulatory Affairs, KMC and Counsel.

Interrogatory 19: What compensation, if any, did KMC receive from the enhanced service provider identified by KMC in KMC's Motion to Dismiss to deliver interexchange traffic to Sprint for termination? Please identify any documents in KMC's possession related to this compensation.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, overly broad, subject to multiple interpretations, and demands that KMC accept as true factual assumptions for which there is no basis, for example that the referenced enhanced service provider generated interexchange traffic for KMC to terminate. In addition, this Interrogatory seeks confidential and proprietary information, and information, documents, and communications protected by the attorney-client privilege.

Without waiving and subject to the foregoing objections, as KMC described in response to Interrogatory No. 2, since enhanced service providers purchase local "business lines," including "PRIs," from local telephone companies such as KMC, KMC was compensated at the applicable business line or PRI rates."

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel,
Regulatory Affairs, KMC and Counsel.

Interrogatory 20: To KMC's knowledge, do any ILECs, CLECs, IXCs, or other telecommunications services providers, information services providers or enhanced services providers (other than the enhanced service provider identified in KMC's Motion to Dismiss) transport interexchange traffic to KMC for termination to Sprint? If so, please provide full explanation of the business relationships with these carriers or other entities and identify supporting documentation.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is overly broad and unduly burdensome. Finally, this Interrogatory seeks confidential and proprietary information.

Without waiving and subject to the foregoing objections, please see the KMC response to Interrogatory Nos. 3 and 19.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel,
Regulatory Affairs, KMC and Counsel.

Interrogatory 21: KMC's website (<http://www.kmctelecom.com/advcomm/services/clearthrough.cfm>) offers 'The Perfect Solution for our Carrier's Carrier Partners', and indicates that 'Carrier Terminating Access Service Applications' are intended to facilitate [our Carrier Partners'] success' and that as a Carriers' Carrier, KMC will 'support you with our local service.'

(a) Please explain how KMC utilizes its local service to support “Carrier Terminating Access Service Applications,” including how KMC instructs its Carrier Partners to deliver traffic to KMC.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is overly broad. In addition, this Interrogatory seeks confidential and proprietary information.

Notwithstanding and without waiving these objections, KMC states that many interexchange carriers utilize ILECs for tandem services in order to deliver traffic to third party carriers for termination. Often, this traffic is destined for local carriers like KMC. When interexchange carriers direct connect to KMC for origination and termination of switched access traffic for users on KMC’s network, this results in obvious cost savings by allowing the IXC to avoid the additional tandem transiting functions that the ILECs typically bill in a tandem transit call flow and it may also result in additional cost savings because the IXC can now purchase transport directly from KMC for delivery of this traffic. As such, KMC’s website specifically references the fact that these services include “access and transport of traffic over KMC Telecom's SONET Optical-Fiber Ring.”

Though Sprint has highlighted a specific reference from KMC's website, KMC trusts that Sprint actually read the entire web site document, a printout of which is "Attachment – Interrogatory No. 21." That document specifically references calls that "utilize KMC Telecom's SONET network for the origination and termination of end user traffic," *i.e.*, traffic originating or terminating with KMC network customers.

In addition, Sprint references the "discounts" that are received on these services. As noted herein, these "discounts" are relative to the combined rates charged (a) by the ILEC for its tandem services and (b) by KMC for its origination or termination of the traffic. As an example, and as indicated in KMC's Switched Access Tariff for the State of Florida, KMC's highest Tandem Switching rate per minute of use charge in Florida is for Zone 3 and is \$0.0009240, while Sprint's Tandem Switching charge per its Florida tariff is \$0.0016930. Clearly, direct connection with KMC's network provides the IXC with a discount over Sprint's charges for tandem switching and transporting the traffic to KMC.

KMC instructs its Carrier Partners to deliver traffic related to its Carrier Terminating Access Service in Florida as set forth in KMC's tariff and in accordance with industry standard guidelines.

RESPONSE PROVIDED BY: Myles Falvella, Vice President – Marketing, KMC and Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC.

(b) Please explain how KMC ensures that the proper jurisdiction of the traffic is maintained in its handling of the terminating access traffic delivered to KMC by its Carrier Partners.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is vague, ambiguous, overly broad, subject to multiple interpretations, and demands that KMC accept as true factual misrepresentations or misunderstandings that Sprint has regarding generic statements made on KMC's website. In addition, KMC objects to this Interrogatory because it is overly broad. In addition, this Interrogatory seeks confidential and proprietary information.

Without waiving and subject to the foregoing objections, KMC instructs its Carrier Partners to deliver traffic related to its Carrier Terminating Access Service in Florida as set forth in KMC's tariff and in accordance with industry standard guidelines. As described above, the traffic in question is originated or terminated on KMC's local network and exchanged directly with KMC's Carrier Partners without the intervention of the tandem switching and transport services of Sprint's network.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel –
Regulatory Affairs, KMC

Interrogatory 22: KMC's website

(<http://www.kmctelecom.com/advcomm/services/clearthrough.cfm>) indicates that 'KMC Carrier Terminating Access Service Pricing Considerations' discount 'Interstate and

Intrastate traffic' below the average ILEC tandem rates. Please explain why KMC would offer discounted pricing to its Carrier Partners if KMC was terminating the traffic to Sprint's network at Sprint's tariffed access rates.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is overly broad, unduly burdensome and improperly argumentative. KMC objects to the Interrogatory to the extent it demands that KMC accept as true factual assumptions for which there is no basis. This Interrogatory seeks confidential and proprietary information.

Notwithstanding and without waiving these objections, KMC states that KMC is unable to answer Sprint's question because KMC's website as included herein as "Attachment – Interrogatory No. 21." KMC Carrier Terminating Access Services Web Description, does not include any statement that "KMC would offer discounted pricing to its Carrier Partners if KMC was terminating the traffic to Sprint's network at Sprint's tariffed access rates." Sprint's Interrogatory includes inappropriate and inaccurate assumptions and misrepresentations as to representations made on KMC's website. A reading of the entire service description related to "KMC Carrier Terminating Access Service Pricing Considerations" reveals that "All services include access and transport of traffic over KMC Telecom's SONET Optical Fiber-Ring." This description does not support explicitly or implicitly that any of the traffic in question would terminate to

Sprint's network. In addition, as noted in KMC's Response to Interrogatory No. 21, many interexchange carriers utilize ILECs for tandem services in order to deliver traffic to third party carriers such as KMC for termination. When interexchange carriers direct connect to KMC for origination and termination of switched access traffic for users on KMC's network, this results in obvious cost savings by allowing the IXC to avoid the additional tandem transiting functions that the ILECs typically bill. As such, KMC's website specifically references the fact that these services include "access and transport of traffic over KMC Telecom's SONET Optical-Fiber Ring," implying direct connection with KMC and a bypassing of the ILEC, such as Sprint. As noted in KMC's Response to Interrogatory 21, KMC's Switched Access Tariff for the state of Florida, KMC's Tandem Switching basic per minute of use charge in Florida for Zone 3 is \$0.0009240 (Zone 3), \$0.000880 (Zone 2), and \$0.0007920 (Zone 1), while Sprint's Tandem Switching charge per its Florida tariff is \$0.0016930. Clearly utilizing KMC's network directly rather than transiting Sprint's network to access KMC's network would result in a practical discount to the interexchange carrier.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel –
Regulatory Affairs, KMC.

PRODUCTION OF DOCUMENT REQUESTS

1. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 4.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 4 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, KMC will provide the documents identified in KMC's response to this interrogatory.

2. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 5

Response: KMC repeats and incorporates by reference its objections to Interrogatory 5 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, the only documents identified or relied upon were the interconnection agreements between Sprint and KMC, which Sprint already has in its possession.

3. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 7.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 7 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, there are no documents.

4. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 11.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 11 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, other than attorney-client privileged communications, there are no documents.

5. Please provide any and all documents identified by you in your response to or otherwise relied on by you related to your response to Interrogatory No. 15.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 15 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, KMC will provide the documents identified in KMC's response to this interrogatory upon the execution of a non-disclosure agreement.

6. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 16.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 16 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, KMC will provide the documents identified in KMC's response to this interrogatory upon the execution of a non-disclosure agreement.

7. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 17.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 17 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, there are no documents.

8. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 18.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 18 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, there are no documents.

9. Please provide copies of all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 19.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 19 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, the only documents that KMC has identified would be the KMC billing records which KMC believes are not relevant given its response to Interrogatory No. 19.

10. Please provide copies of any and all documents identified by you in your response to or otherwise relied on by you or related to your response to Interrogatory No. 20.

Response: KMC repeats and incorporates by reference its objections to Interrogatory 20 as though more fully set forth herein.

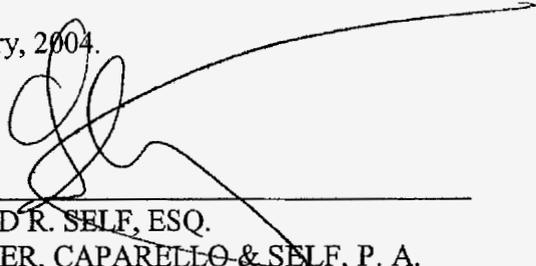
Without waiving and subject to the foregoing objections, there are no documents.

11. Please provide copies of any other documents relied on by you or related to your response to Sprint's First Set of Interrogatories. Nos.1-20.

Response: KMC repeats and incorporates by reference its objections to Interrogatories Nos. 1-20 as though more fully set forth herein.

Without waiving and subject to the foregoing objections, KMC will provide any responsive and non-privileged documents as is described in the individual interrogatory response, with confidential documents that are to be produced being produced only upon the execution of the appropriate non-disclosure agreement.

Respectfully submitted this 5th day of January, 2004.



FLOYD R. SELF, ESQ.
MESSER, CAPARELLO & SELF, P. A.
Post Office Box 1876
Tallahassee, FL 32302-1876
(850) 222-0720
fself@lawfla.com

Edward A. Yorkgitis, Jr.
Kelley Drye & Warren LLP
1200 19th Street, N.W., Fifth Floor
Washington, D.C. 20036
(202) 955-9600 (voice)
(202) 955-9792 (facsimile)
cyorkgitis@kelleydrye.com
aklein@kelleydrye.com

Marva Brown Johnson
KMC Telecom Holdings, Inc.
1755 North Brown Road
Lawrenceville, GA 30043
(678) 985-6220 (voice)
(678) 985-6213 (facsimile)
marva.johnson@kmctelecom.com

Attorneys for KMC Telecom III LLC, KMC
Telecom V, Inc., and KMC Data LLC

ATTACHMENT INTERROGATORY NO. 1

235-080-100

KMC RESPONSE - 000001

May, 2003

must also be set to "Y".

6.29 MAIN DN

Description: This field contains a default directory number that should be used when a user-provided CPN is discarded or when the user does not provide a CPN on Circuit-Switched Voice and Circuit-Switched Data calls.

MAIN DN should only be populated when the far office is a PBX (Private Branch Exchange) and the near office is a public switch (central office or toll office). MAIN DN should be filled with the main directory number of the PBX or some other number which can be called.

Software Release: 5E6 and later

Valid Entries: a 10-digit directory number in the form NPANXXXXXX

- where NPA is: 200 - 999

Data Rules:

If MAIN DN is entered, then TRK DIR must be set to "2W" or "INC". If TRKCLS is not "EDSL" or "EDSLHM", then MAIN DN cannot be entered.

6.30 CPN BN OPT

Description: This field indicates the CPN/BN (Calling Party Number/Billing Number) option subscribed to by a PRI. This option specifies whether the CPN and BN should be delivered for Circuit-Switched Voice or Circuit-Switched Data calls. This option is assigned at the near end switch and depends on the number that the far end switch wishes to receive.

Software Release: 5E6 and later

Required Field.

Default: NONE

Valid Entries:

Valid CPN BN OPT Entries	
Entry	Definition
NONE	No CPN/BN option on this PRI. Neither CPN nor BN is sent on outgoing calls.
CPNONLY	CPN only option. Only the CPN will be sent. If the CPN is not available, no number is sent.
CPNPREF	CPN preferred option. The CPN is sent if it is available, otherwise, the BN is sent if it is available. If neither the CPN or the BN is available, then no number is sent. The Billing Number may be populated with XXX-000-0000 (where XXX is the far end NPA of the incoming trunk) depending on the type of call and what information is received about the calling party.
BNONLY	BN only option. Only the BN is sent. If it is not available, then no number is sent. The Billing Number may be populated with XXX-000-0000 (where XXX is the far end NPA of the incoming trunk) depending on the type of call and what information is received about the calling party.
BNPREF	BN preferred option. The BN is sent if it is available, otherwise, the CPN is sent if it is available. If neither the CPN or the BN is available, then no number is sent. The Billing Number may be populated with XXX-000-0000 (where XXX is the far end NPA of the incoming trunk) depending on the type of call and what information is received about the calling party.
CPNUP	Only the CPN is sent, if it is available, and the CPN will be considered user-provided and not screened. This option should be used on PRIs where the near office is a PBX and the far office is a public switch (central office or toll office). If the CPN is not available then no number is sent.

ATTACHMENT INTERROGATORY NO. 1

KMC RESPONSE - 000002

235-080-100

May, 2003

In a private network (PBX to PBX), the "BNONLY" option should not be assigned to PRIs connecting the private switches for customers that want to receive the calling party number from both callers within the private network and callers outside of the private network. See Table 1 for a description of how to assign CPN BN OPT for different switch configurations interconnected via PRIs. If TRKCLS is not "EDSL" or "EDSLHM", the CPN BN OPT must contain the default value of "NONE". If a value other than "NONE" is entered, then TRK DIR must be set to "2W" or "OUT".

6.31 PRIV OVER

Description: May private DNs be sent over a PRI? Private DNs should not be sent from a public switch (central office or toll office) to a private network switch (PBX) except in special cases where the PBX has agreed not to send the number to the terminating party. To block private numbers from being sent over a PRI, set PRIV OVER to "N". To allow private numbers to be sent over a PRI, set PRIV OVER to "Y".

Software Release: 5E6 and later

Required Field.

Default: N

Valid Entries: Y, N

Data Rules:

If "Y" is entered, then TRK DIR must be set to "2W" or "OUT".

If TRKCLS is not "EDSL" or "EDSLHM", then PRIV OVER must contain the default value of "N".

If "Y" is entered, CPN BN OPT must not be "NONE".

- **NOTE:** PRIV OVER is not used in conjunction with STA ID, only with CPN BN OPT. If PRIV OVER is set to "Y", CPN BN OPT must be set to other than "NONE".

6.32 CPN SCRN

Description: Should a user-provided CPN be screened on incoming calls over this PRI for Circuit-Switched Voice and Circuit-Switched Data calls?

Software Release: 5E6 and later

Required Field.

Default: N

Valid Entries: Y, N

Data Rules:

CPNs received in a public switch (PBX) may or may not be screened. When CPN SCRN is set to "Y", then the PBX ID field (also on this form) must be entered. The PBX ID value must appear on a SCRNRNG form (5212 Record) which will define the valid DNs that CPN will be screened against. If "Y" is entered, then TRK DIR must be set to "2W" or "INC".

CPNs received in a private switch should not be screened since they may have already been screened by a public switch and since the CPN could have come from anywhere in the public network. CPNs received in a public switch from another public switch should not be screened for the same reason.

Figure 3 contains suggested CPN SCRN assignments for different switch configurations interconnected via PRIs.

235-080-100

May, 2003

If TRKCLS is not "EDSL" or "EDSLHM", then CPN SCRNM must contain the default value of "N".

6.33 CPN DISC

Description: Should a user-provided CPN be discarded and replaced with a network provided CPN when certain criteria are met during incoming calls over this PRI for Circuit-Switched Voice and Circuit-Switched Data calls? These criteria are met when a user-provided CPN is screened and fails, or when a user-provided CPN is not screened.

When CPN DISC is set to "N", the user-provided CPN is never discarded and is used as the CPN. When CPN DISC is set to "Y" and the above-mentioned criteria met, then the user-provided CPN will be discarded and replaced with a network-provided DN (if one is available). This network-provided DN should be entered as the MAIN DN.

Software Release: 5E6 and later

Required Field.

Default: N

Valid Entries: Y, N

Data Rules:

User-provided CPNs on calls to public switches (central office or toll office) from private switches (PBX) should be discarded if screening fails or is not done.

User-provided CPNs on calls to public switches from another public switch should not be discarded, because they should not be screened.

User-provided CPNs on calls to private switches from public switches or another public switch should not be discarded, because they should not be screened.

Figure 3 contains suggested CPN DISC assignments for different switch configurations interconnected via PRIs.

If TRKCLS is not "EDSL" or "EDSLHM", then CPN SCRNM must be "N". If "Y" is entered, then TRK DIR must be set to "2W" or "INC".

6.34 INHIBIT TCM

Description: Should the TCM (Traveling Class Mark) be inhibited from being sent to the far-end switch for calls routed by ARS over a PRI trunk? If "Y", the TCM will not be sent; if "N", it will be sent.

Software Release: 5E6 and later

Required Field.

Default: N

Valid Entries: Y, N

- **NOTE:** The TCM will always be sent for calls routed by ARS over a PRI. This field should be set to "Y" when all of the following conditions are met to prevent an assert:
 - The trunk is a PRI (TRKCLS = "EDSL" or "EDSLHM).
 - The calls are routed by ARS over the PRI.

235-080-100

May, 2003

- An Interexchange Carrier is at the far-end of the PRI.
- The calls are leaving the private network (off-net).

8.35 RDTA GRP

Description: Is this trunk group a Remote Digital Test Access trunk group? RDTA uses the Remote Protocol Access feature to set up a connection on an ISDN line or trunk which is then used for testing.

Software Release: 5E7 and later

Required Field.

Default: N

Valid Entries: Y, N

Data Rules:

If RDTA GRP is "Y", then

- the following fields on the TKGRP form must have these entries:

BRCS must be "N"

CBC must be "N"

DATA RATE must be entered

INSEP must be blank

PBX ID must not be entered

PRIVACY must not be "Y"

TRK DIR must be "2W" or "OUT"

TRKCLS must be "EDSL"

- and TRK DIR is "OUT", GLARE ACTION and BILL DN must not be entered.
- and TRK DIR is "2W", GLARE ACTION must be "ALLCTRL" or "NONECTRL".
- all corresponding TRUNK forms must have a BRCS entry of "N" and their DENs entered on the RDTAPORT form with the OE NUMBER field containing an OE TYPE of "D".
- the value of this TGN must not be entered on any MCRTIDX form (5304 Record) or any RTIDX form (5303 Record) as TRUNK GROUP NUMBER.

KMC RESPONSE - 000005

235-080-100

May, 2003

For 5E10 and later, when the TGN/MEMB(s) defined on the TRUNK form have RDTA GRP set to "Y" on its associated TKGRP form, BRCS must be set to "N" on the TRUNK form, and the value of DEN or NEN on the TRUNK form must be entered on an RDTAPORT form (as OE NUMBER) where OE TYPE is set to "D" or "N", respectively.

6.36 E911 CPN

Description: If this is an "EDSL" or "EDSLHM" trunk group, will it use the Calling Party Number instead of the trunk billing number for E911 queries? "Y" indicates that the Calling Party Number will be used; "N" indicates that the trunk billing number will be used.

Software Release: 5E7 and later

Required Field.

Default: N

Valid Entries: Y, N

Data Rules:

When E911 CPN is "Y", TRK DIR must be "INC" or "2W", and TRKCLS must be "EDSL" or "EDSLHM".

7.23 NPA SOURCE

Description: The NPA SOURCE field is used to indicate the numbering plan area code source of the CPN (Calling Party Number) to the PRI (Primary Rate Interface) trunk originating software. The NPA SOURCE is used on PRI trunk originations when the CPN is 7 digits and the NXX of the CPN is non-unique. This field supports the Number Portability - NPA-NXX Growth secured feature, see Division 2, Section 4A198.

Software Release: 5E12 and later.

Valid Entries:

Valid NPA SOURCE Entries	
Entry	Definition
BASENPA	use the base numbering plan area
CPN10DIGITS	the CPN on the incoming PRI trunk must always be 10 digits
FENPA	use the far end numbering plan area

Data Rules:

When CPN SCRN is "Y", NPA SOURCE must be entered.

When NPA SOURCE is "FENPA", FAR END NPA must be entered.

When RN SCRN is "Y", NPA SOURCE must be entered.

Lucent Translators Guide

235-980-100

ATTACHMENT INTERROGATORY NO. 1

May, 2003

KMC RESPONSE - 000007

7.9 CPN BILLING

Description: Is Calling Party Number allowed to be used as billing number? The CPN BILLING field was added to support the CPN (Calling Party Number) Billing on PRI special feature. This field indicates whether the CPN (Calling Party Number) provided from the far office in the SETUP message over a PRI should be used as the billing number in the AMA record. The default option is to use the BILLING DN assigned to the trunk group in the AMA record. The CPN must pass screening before it is used in the AMA record.

Software Release: 5E9(1) and later.

Required Field:

Default: N

Valid Entries: Y, N

Data Rules:

"N" must be entered if TRKCLASS is not "EDSL" or "EDSLHM".

WARNING: If CPN BILLING is "Y" and CPN SCRNM is "N", screening of the Calling Party Number is not be performed.

TRAFFIC TERMINATION AND BILLING AGREEMENT

This **Traffic Termination And Billing Agreement** ("Agreement") is effective as of June 20, 2003 by and between Carrier _____ ("CarrierCarrier"), and KMC Telecom V, Inc. ("KMC"). CarrierCarrier and KMC shall be collectively referred to as the "Parties" or individually as a "Party." Pursuant to this Agreement, the Parties agree to interconnect with each other within each LATA in which they both operate as competitive local exchange carriers within the state of INSERT STATE, as described and according to the terms, conditions and pricing specified hereunder.

WITNESSETH:

WHEREAS, the Parties, operating as competitive local exchange carriers, want to interconnect their networks directly via technically feasible points of interconnection between their networks, or indirectly via third party providers, to provide Telecommunications Services to their respective Customers;

WHEREAS, this Agreement sets forth the provisions for the exchange of Telecommunications Traffic between the facilities operated by the Parties.

WHEREAS, this Agreement sets forth terms, conditions and charges for telecommunications services provided by one Party to the other Party in connection with the exchange of Telecommunications Traffic.

NOW, THEREFORE, in consideration of the mutual obligations as set forth below and other valuable consideration, the Parties hereby agree as follows:

1. DEFINITIONS

1.1. **Common Channel Signaling System No. 7** (i.e., **SS7** or **CCS**) is a global standard for telecommunications defined by the International Telecommunication Union (ITU) Telecommunication Standardization Sector (ITU-T). The standard defines the procedures and protocol by which network elements in the public switched telephone network (PSTN) exchange information over a digital signaling network to effect wireless (cellular) and wireline call setup, routing and control. The ITU definition of SS7 allows for national variants such as the American National Standards Institute (ANSI) and Bell Communications Research (Telcordia Technologies) standards used in North America and the European Telecommunications Standards Institute (ETSI) standard used in Europe.

1.2. **Exchange Access** shall mean the offering of access to telephone exchange services or facilities for the purpose of the origination or termination of telephone toll services as defined herein

1.3. **FCC** shall mean the Federal Communications Commission.

1.4. **Internet-Bound Traffic** shall mean any Telecommunications Traffic that originates on one Party's network and is delivered by the other Party to an Internet Service Provider in order to enable the originating Party's subscriber to communicate with destinations on the Internet.

1.5. **Local Access And Transport Area (LATA)** shall mean a contiguous geographic area — (A) established before the date of enactment of the Telecommunications Act of 1996 by a Bell operating company such that no exchange area includes points within more than 1 metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree; or (B) established or modified by a Bell operating company after such date of enactment and approved by the Commission. IntraLATA traffic is traffic, other than Internet-Bound Traffic, whose originating and terminating points are within a single LATA. InterLATA traffic is traffic, other than Internet-Bound Traffic, whose originating and terminating points are not contained within a single LATA.

1.6. **Local Exchange Carrier (LEC)** shall mean any person that is engaged in the provision of telephone exchange service or Exchange Access.

1.7. **Local Telephone Exchange Service** shall mean service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange. For the purposes of intercarrier compensation, Local Telephone Exchange Service shall include Internet Traffic. The exchange areas (also known as "local calling areas") established by the incumbent local exchange carrier(s) within INSERT STATE shall be the exchange areas used to determine whether traffic constitutes Local Telephone Exchange Service (including Internet Traffic) for purposes of this Agreement.

1.8. **Mutual Traffic Exchange** shall mean a form of compensation where one Party is compensated for terminating the other Party's Local Telephone Exchange Service Traffic (including Internet Traffic) by the reciprocal termination of its Telephone Exchange Service Traffic by the other Party (also referred to as "bill and keep").

1.9. **Number Portability** shall mean the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.

1.10. **Percent Local Usage (PLU)** is a calculation which represents the ratio of the sum of the Local Telephone Exchange Service traffic and Internet-Bound Traffic minutes to the sum of the Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic minutes exchanged between the Parties.

1.11. **Permanent Number Portability** shall mean number portability using the database method as described in 47 C.F.R. § 52.23 *et seq.*

1.12. **State Commission** shall mean the INSERT STATE Public Service Commission.

1.13. **Tandem Transit** or "**third party Tandem Transit**" shall mean an arrangement that provides indirect interconnection, via a third party's tandem, that is used by the Parties for the reciprocal

KMC RESPONSE - 000010

exchange of Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic between their respective Customers.

1.14. *Telecommunications* shall mean 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 and received.

1.15. *Telecommunications Service* shall mean the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

1.16. *Telecommunications Traffic* shall mean any Traffic that constitutes Telecommunications as defined herein.

1.17. *Telephone Toll Service* shall mean telephone service between stations in different exchange areas with a single LATA as defined in Section 1.17 hereof.

1.18. *Traffic* shall mean the transmission of writing, signs, signals, pictures, and sounds of all kinds by aid of wire, cable, or other like connection between the points of origin and reception of such transmission.

2. LATAs

This agreement governs the exchange of traffic between KMC and Carrier with respect to their operations in the LATAs 644, 646 and 985 within the state of STATE.

3. ROUTING AND RECORDING

3.1. The Parties shall establish the physical arrangements needed to route Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic between their networks in accordance with the terms of this Agreement. Prior to the establishment of direct trunking arrangements between their networks by mutual agreement as provided herein, the Parties shall route such traffic between their networks by means of a third-party tandeming arrangement to which they are both interconnected.

3.2. Each Party shall route Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic from its network to the other Party's network based on the NPA-NXX code of the dialed telephone number, in accordance with the Local Exchange Routing Guide (LERG). Each Party shall be responsible for updating the LERG to reflect the NPA-NXX codes assigned to that Party. Each Party shall be responsible for updating the routing instructions in its own switches to reflect the NPA-NXX assignments of the other Party as reflected in the LERG.

3.3. To the extent that a Party has implemented Permanent Number Portability in its switches, that Party shall be responsible for querying the applicable Number Portability database and routing to the other Party any Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic bound for numbers that have been ported to the other Party. Both Parties will act as the default carrier to perform Number Portability database queries for the

KMC RESPONSE - 000011

other Party in the event that either Party is unable to perform the routing necessary for LNP, according to the terms and conditions contained in the default carrier's Tariff. Each Party has the right to block default-routed calls entering its network in order to protect the public switched network from overload, congestion, or failure propagation. The Parties shall consult with each other in good faith to promptly establish reasonable procedures by which the customers of each Party may transfer service to the other Party while retaining their existing telephone numbers.

3.4. The Parties may agree to route Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic between their networks directly or by means of Tandem Transit providers.

3.5. Unless otherwise specifically agreed in writing for a specific route and/or specific traffic, regardless of the physical routing arrangements in place from time to time between the Parties' networks, each Party shall be financially responsible for the delivery of Traffic originating on its network to the other Party's switch or equivalent facility within a LATA. Where interconnecting facilities are shared, each Party will pay its proportionate share of the cost of the jointly-used facilities. An initial 'relative use factor' will be determined through collection and examination of actual minutes of use exchanged between the Parties. In the future, upon request, the Parties agree to perform joint traffic studies, based upon mutually agreeable measurement criteria, in order to validate and/or adjust the relative use factor. Such traffic audits will be performed no more than twice a year.

3.6. If traffic originating from one Party's network to a specific switch owned or operated by the other Party exceeds three (3) DS-1s for three consecutive months, the Parties will cooperatively engineer separate logical trunk groups for traffic bound for that switch, upon reasonable request of the Party that originates such traffic. Cooperative arrangements for efficient network engineering established under this section shall not affect the Parties' cost responsibilities as provided for in this Agreement.

3.7. The terminating Party (that is, the Party to whom Traffic is sent) shall be responsible for creating or obtaining any billing records needed in order to bill the originating Party. Measurement of minutes of use shall be in actual conversation seconds. Each Party shall calculate the number of minutes of traffic it terminates from the other Party based on standard automatic message accounting records made within that Party's network. All Common Channel Signaling Parameters will be provided, including automatic number identification ("ANI"), originating line information ("OLI"), calling company category, charge number, etc..

3.8. **Each Party agrees that it will accurately capture the actual usage** interchanged between the Parties for calculating any necessary compensation under this Agreement.

3.9. The Parties agree to provide a single state-wide percent local usage ("PLU") factor for all Traffic exchanged between the Parties directly and/or indirectly via a Tandem Transit provider. Each Party shall provide the initial PLU to the other within 30 days of execution of the Agreement. Adjustments to the applicable PLU, if any, may be made on a calendar-year quarterly basis, within 15 calendar days after the end of each quarter. When billing the other Party, a Party may classify Traffic as either Local telephone Exchange Service traffic (including ISP bound traffic) or Telephone Toll Service by using the appropriate Channel Signaling

Parameters or by applying such PLU factor.

3.10. To the extent a Party (the “Wholesale Service Provider Party”) transmits to the other Party (the “Terminating Party”) Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic originated by a third-party telecommunications carrier that is a wholesale customer (“Wholesale Transit Traffic”), such Wholesale Transit Traffic shall be treated in all respects as though it was originated by an end-user subscriber of the Forwarding Party. Where direct interconnection is used, a Wholesale Service Provider Party will not transmit to the Terminating Party traffic from a third party carrier that originates outside the LATA in which it is to be terminated. Each Party (even when acting as a Wholesale Service Provider) shall utilize its NPA/NXXs in such a way, and will provide the necessary information, so that the terminating Party shall be able to distinguish Local from IntraLATA Toll traffic and the true point of origin of traffic exchanged.

3.11. Upon written request by a Party, the Parties will cooperate in the exchange of billing, usage or other information to informally resolve questions regarding a Party’s billing or PLU declaration.

4. INTERCONNECTION

4.1 When direct interconnection is used, the Parties will use dedicated trunks to terminate Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic (Dedicated Trunks). All such Traffic may be combined on single trunk groups, i.e., separate trunk groups will not be used for each type of traffic exchanged.

4.2 Unless agreed to otherwise, Dedicated Trunks will be designed and configured as two-way trunks.

4.3 Where Dedicated Trunk interconnection is used, the Parties will use SS7 signaling. Where indirect interconnection is used i.e., via Tandem Transit providers, the Parties will ensure that SS7 signaling is used end-to-end.

4.4 Where direct interconnection is used, the Parties will designate at least one point of interconnection within the LATA. The Parties may mutually agree to any of the following methods for direct interconnection:

(a) a physical collocation facility established separately by a Party or by a third party with whom Carrier or KMC has contracted for such purposes;

(b) an entrance facility and transport (and any necessary multiplexing) provided by or leased from a Party or a third party, pursuant to its effective Tariff;

(c) a Mid-Span Meet, pursuant to Schedule C;

(d) a cage-to-cage or leased facilities arrangement pursuant to Schedule D;

(e) any other mutually-agreed to arrangement, as negotiated by the Parties.

5. COMPENSATION ARRANGEMENT

Compensation arrangements address the transport and termination of Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic between the Parties. Compensation for the transport and termination of Traffic not specifically addressed in this subsection 5 shall be as provided elsewhere in this Agreement, or if not so provided, as required by the Tariffs of the Party transporting and/or terminating the traffic.

The compensation arrangements between the Parties are as follows:

- 5.1. Local Telephone Exchange Service: Compensation for the transport and termination of Local Telephone Exchange Service Traffic will be by Mutual Traffic Exchange, i.e., bill and keep. The Parties further agree to review usage data at least ever six months. If at any time the amount of statewide Traffic Termination on either Party's network is more than 49,999 minutes per month and one Party has terminated sixty percent (60%) or more of the total traffic exchanged between the Parties for a ninety (90) day period, or is in excess of 499,999 minutes per month, the Parties agree to implement within ninety (90) days Reciprocal Compensation billing for said terminating usage at the rate of \$0.00XXXX per minute of use.
- 5.2. Internet-Bound Traffic: Compensation for Internet-Bound Traffic shall be by Mutual Traffic Exchange, i.e., bill and keep. The Parties further agree to review usage data at least ever six months. If at any time the amount of statewide Traffic Termination on either Party's network is more than 49,999 minutes per month and one Party has terminated sixty percent (60%) or more of the total traffic exchanged between the Parties for a ninety (90) day period, or is in excess of 499,999 minutes per month, the Parties agree to implement within ninety (90) days Reciprocal Compensation billing for said terminating usage at the rate of \$0.00XXXX per minute of use.
- 5.3. Telephone Toll Service: A Party terminating Telephone Toll Service Traffic shall bill the other Party at the rates set forth in the terminating Party's respective state and/or federal access tariff, as appropriate.
- 5.4. Payment. Each Party shall bill the other Party on a monthly basis for any compensation payable pursuant to this Agreement. Any compensation payable pursuant to this Agreement shall be payable within thirty (30) days of the bill date. Delays in billing shall not relieve the billed Party from responsibility for payment if the bill is rendered within twenty-four (24) months of the month in which the service being billed for is rendered. Billing disputes will be handled according to the procedures in Schedule E.
- 5.5. To the extent required to prevent double payment or double recovery by either Party where indirect interconnection is used, if either Party bills the Tandem Transit provider for terminating the other Party's traffic, or if either Party pays the Tandem Transit provider to terminate that Party's traffic (in addition to paying the Tandem Transit

provider's 'transit' charges), the Parties agree that no additional compensation for such traffic shall be billed or owed between the Parties.

5.6. The designation of traffic as Local Telephone Exchange Service traffic (and Internet-Bound Traffic) or Telephone Toll Service traffic for purposes of compensation shall be based on the horizontal and vertical coordinates associated with the originating and terminating NPA-NXXs of the call.

5.7. The Parties agree that their respective SS7 signaling costs shall offset each other, and no explicit compensation between the Parties shall apply.

6. BILLING OF MINUTES OF USE

6.1. Each Party shall measure terminating traffic from the other Party to determine the basis for chargeable minutes. The measured minutes will be the chargeable minutes.

6.2. Measured minutes or fractions thereof – the exact value of the fraction being a function of the switch technology where the measurement is made – are accumulated over standard 30-day billing periods, and are then rounded up to the nearest traffic minute.

6.3. Measurement of terminating traffic minutes for a call begins when the switch serving the calling party receives answer supervision indicating the called party has answered.

6.4. The measurement of terminating traffic minutes for a call ends when the switch serving the calling party receives disconnect supervision indicating the called party has disconnected.

7. AUDITS

If informal, cooperative efforts as described in subsection 3.12 do not resolve a Party's billing questions, upon thirty (30) days prior written notice, either Party may request an audit of the data used to bill the other Party or used to calculate the PLU and any such audit shall be accomplished during normal business hours at the office designated by the Party being audited. Audit requests shall not be submitted more frequently than one time per calendar year. A mutually acceptable independent auditor paid for by the Party requesting the audit may perform audits. A request for an audit must be received within one year of receipt of the records or usage reports from the audited Party. The Parties shall make additional payments and/or refunds as indicated by the results of an audit. All costs of an audit shall be borne by the Party requesting the audit, provided, however, that if an audit reveals that for any calendar year, one Party owes the other Party (net of all errors uncovered in the audit) a refund in an amount equal or greater to 20% of the amount billed to that Party during that calendar year, then the Party owing the refund shall bear the reasonable costs of the audit. Any disputes concerning audit results will be resolved pursuant to the Dispute Resolution procedures described in Section 8 of this Agreement.

8. DISPUTE RESOLUTION

Any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed by good faith negotiation between the Parties, in the first instance. Upon request of a Party, each Party will appoint a knowledgeable, responsible

representative with decision-making authority to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. Should such negotiations fail to resolve the dispute in a reasonable time, the Parties may, upon mutual agreement, submit the matter to alternative dispute resolution or, in the absence of such an agreement, either Party may initiate an appropriate action in any regulatory or judicial forum of competent jurisdiction.

9. GOVERNING LAW

This Agreement shall be governed by, construed under, interpreted and enforced in accordance with the laws of the State of INSERT STATE, excluding the choice of laws provisions and, where applicable, federal law.

10. REPRESENTATIONS AND WARRANTIES OF CARRIER

Carrier represents and warrants to KMC the following:

10.1. Carrier is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Delaware and is authorized to transact business in the State of INSERT STATE.

10.2. Carrier, and the undersigned signatories executing this Agreement on behalf of Carrier, are duly authorized and empowered to enter into this Agreement with KMC;

10.3. To the best of the undersigned's actual knowledge, neither the entering into of this Agreement nor the performance or satisfaction by Carrier of its obligations and liabilities hereunder nor the exercise by Carrier of any of its rights or options hereunder, will constitute or result in a violation or breach by Carrier of any judgment, order, writ, injunction or decree issued against or imposed upon it, or to the best of the undersigned's actual knowledge will result in a violation of any applicable Law.

11. REPRESENTATIONS AND WARRANTIES OF KMC

KMC represents and warrants to Carrier the following:

11.1. KMC Telecom V is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is authorized to transact business and holds a certain Certificate of Public Convenience and Necessity in the State of INSERT STATE;

11.2. KMC and the undersigned signatories executing this Agreement on behalf of KMC are duly authorized and empowered to enter into this Agreement with Carrier;

11.3. To the best of the undersigned's actual knowledge, neither the entering into of this Agreement nor the performance or satisfaction by KMC of its obligations and liabilities hereunder nor the exercise by KMC of any of its rights or options hereunder will constitute or result in a violation or breach by KMC of any judgment, order, writ, injunction or decree issued against or imposed upon it, or to the best of the undersigned's actual knowledge will result in a

violation of any applicable Law;

12. LIMITATIONS OF LIABILITY .

The Parties agree that the following limitations of liability shall apply:

12.1. Neither Party will be liable to the other for either Party's indirect, incidental, special or consequential damages (including, but not limited to, lost profits) arising, in whole or in part, from either Party's actions, omissions, mistakes, or negligence relating to performance under this Agreement (including, but not limited to, breaches of this Agreement). Nothing in this Agreement shall limit a Party's liability for willful misconduct, nor shall anything in this Agreement be construed to limit a Party's right to recover for the other Party's violations of any applicable statutes to the extent authorized by the relevant statute.

12.2. Neither Party shall be liable for any act or omission of another telecommunications company providing a portion of the services provided under this Agreement.

13. INDEMNIFICATION

13.1. General. Each Party shall indemnify and hold harmless the other Party, the other Party's officers, directors, employees, shareholders and agents (each an "Indemnified Person") against any losses, claims, damages, liabilities, penalties, actions, proceedings or judgments (each a "Loss," and, collectively, "Losses") to which an Indemnified Person may become subject, except if such Loss is directly caused by an Indemnified Person's gross negligence or willful misconduct, related to or arising out of (i) any act in violation of this Agreement, (ii) any misrepresentation or breach of any of representation and warranty contained in this Agreement, or (iii) the supply of inaccurate data in conjunction with the provision of any service provided pursuant to this Agreement.

13.2. Notice. Upon obtaining knowledge thereof, an Indemnified Person shall promptly give the other Party (the "Indemnifying Party") written notice of any Losses that the Indemnified Person has determined have given or could give rise to a claim for indemnification hereunder (a "Notice of Claim"). A Notice of Claim shall specify in reasonable detail the nature and all known particulars related to the Loss for which indemnification is sought under this Section 13. But failure to give a Notice of Claim shall not release the Indemnifying Party from indemnifying the Indemnified Person, unless the Indemnifying Party is actually prejudiced thereby.

13.3. Procedure for Third Party Claims. The Indemnifying Party will assume the defense of any Loss which is a claim by a third party against the Indemnified Person. The Indemnified Person shall have the right, but not the obligation, to participate, at its own cost and expense, in the defense or other opposition of any Loss through legal counsel selected by it and shall have the right, but not the obligation, to assert any and all cross-claims or counterclaims which it may have. The Indemnified Person shall, at the Indemnifying Party's expense, (i) at all times cooperate in all reasonable ways with, make its relevant files and records available for inspection and copying by, make its employees reasonably available to and otherwise render reasonable assistance to the Indemnifying Party upon request, and (ii) not compromise or settle such Loss without the prior written consent of the Indemnifying Party. If the Indemnifying Party proposes to settle or compromise any Loss, the Indemnifying Party shall give written notice to that effect (together with

a statement in reasonable detail of the terms and conditions of such settlement or compromise) to the Indemnified Person within a reasonable time prior to effecting such settlement or compromise. Notwithstanding anything contained herein to the contrary, the Indemnified Person shall have the right to object to the settlement or compromise of any such Loss whereupon (i) the Indemnified Person will assume the defense or other opposition of any such Loss and (ii) the Indemnifying Party shall be released from any and all liability with respect to any such Loss to the extent that such liability exceeds the liability which the Indemnifying Party would have had in respect of such a settlement or compromise.

13.4. **The provisions of this Section shall survive the expiration or sooner termination of this Agreement.**

14. ASSIGNMENT

Neither Party may assign or transfer or sublease this Agreement or any rights or obligations hereunder to another entity without the prior written consent of the other Party, which consent shall not be unreasonably withheld, except that this Agreement may be assigned or transferred without the other Party's consent to any subsidiary, parent or affiliated company of the Party, or pursuant to any reorganization, merger, or restructuring of its business, or pursuant to any sale or transfer of all or substantially all of its assets.

15. FORCE MAJEURE

Except as otherwise expressly provided in this Agreement, and except with respect to any failure to pay any sum due hereunder as a result of bankruptcy, insolvency or refusal or inability to pay, if either Party shall be delayed or hindered in whole or in part, or prevented from, the performance of any non-monetary covenant or obligation hereunder as a result of acts of God, fire or other casualty, earthquake, hurricane, flood, epidemic, landslide, enemy act, act of terrorism, war, riot, intervention by civil or military authorities of government, insurrection or other civil commotion, general unavailability of certain materials, strikes, boycotts, lockouts, labor disputes or work stoppage beyond the control of either Party hereto, then the performance of such covenant or obligation, shall be excused for the period of such delay hindrance or prevention and the period of the performance of such covenant or obligation shall be extended by the number of days equivalent to the number of days of such delay, hindrance or prevention.

16. NO WAIVER

No release, discharge or waive of any provision hereof shall be enforceable against or binding upon either Party unless in writing and executed by the other Party as the case may be. Neither the failure of either Party to insist upon a strict performance of any of the agreements, terms, covenants and conditions hereof, nor the acceptance of any payments from either Party with knowledge of a breach of this Agreement by the other Party in the performance of its obligations hereunder, shall be deemed a waiver of any rights or remedies that each Party may have or a waiver of any subsequent breach or default in any of such agreements, terms, covenants and conditions.

17. CONFIDENTIALITY OF PROPRIETARY DATA

The Parties agree that it may be necessary to exchange certain confidential information during the term of this Agreement including, without limitation, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data and similar information (collectively, “Confidential Information”). The Confidential Information shall either be in writing or other tangible forms and clearly marked with a confidential, private or proprietary legend (except for all information reviewed pursuant to Article 7 which shall be protected hereunder, whether or not so marked) or when the Confidential Information is communicated orally, it shall also be communicated that the Information is confidential, private or proprietary, and the fact that confidential information subject to this Agreement is communicated shall be continued in writing. The Confidential Information shall be returned to the owner within a reasonable time. Except as otherwise required by Law or the rules of the FCC, each Party agrees agree not to disclose Confidential Information to any third party other than to their respective directors, officers, employees and agents and advisors (including, legal, financial and accounting advisors) as needed to effectuate this Agreement. If Confidential Information must be produced to the FCC, it shall be provided pursuant to the FCC’s rule regarding confidential information.

18. TERM

This Agreement shall remain in effect for a period of one (1) year from the effective date (the “Initial Term”) and shall remain in effect after the Initial Term unless terminated by either Party. This Agreement shall take effect upon signing by both parties. Upon the expiration of the Initial Term, either Party may terminate this Agreement by providing written notice of termination to the other Party, such written notice to be provided at least ninety (90) days in advance of the date of termination. In the event of such termination, those service arrangements made available under this Agreement shall continue without interruption in accordance with the rates, terms and conditions herein on a month-to-month basis until a new agreement is executed by the Parties or the Parties agree to discontinue service.

19. AMENDMENT

The Parties may mutually agree to amend this Agreement in writing.

20. CHOICE OF LAW

The construction, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of Georgia, except for its conflicts of laws provisions. In addition, insofar as and to the extent federal law may apply, federal law will control.

21. NOTICES**21.1. Notice Requirements**

Any notice, demand, request, offer, consent, approval or communication to be provided under this Agreement shall be in writing and shall be deemed received: (i) two business days

after it is deposited, postage prepaid, in the United States mail, certified or registered mail with a return receipt requested, addressed (as the case may be) to KMC at KMC's address shown herein, or to Carrier at the address of Carrier shown herein; (ii) the next day after it is deposited with a nationally recognized and reputable air courier addressed (as the case may be) to KMC at KMC's address shown herein, or to Carrier at the address of Carrier shown herein; or (iii) the same day it is personally delivered (as the case may be) to KMC at KMC's address shown herein, or to CARRIER at the address of CARRIER shown herein.

21.2. Notices Addressees

Notices Addresses for the Parties are set forth as follows:

If to Carrier:

With a copy to:

If to KMC:

KMC Telecom Holdings, Inc.
Vice President and Senior Counsel – Regulatory Affairs
ATTENTION: Marva Brown Johnson
1755 North Brown Road
Lawrenceville, Georgia 30043
Telephone Number: 678-985-7900
Fax Number: 678-985-6213
Email: marva.johnson@kmctelecom.com

With a copy to:

KMC Telecom Holdings, Inc.
Legal Affairs
1545 Route 206
Bedminster, New Jersey 07921
Telephone Number: 908-470-2100
Fax Number: 908-719-8776
Email: riley.murphy@kmctelecom.com

21.3. Different Address

Either Party may designate a different representative and/or address for receiving notice hereunder by giving thirty (30) days prior written notice to the other Party in accordance with the provisions hereof.

21.4. Refusal of Notice

If any notice is tendered and is refused by the intended recipient, such notice, shall, nonetheless, be considered to have been given and shall be effective as of the date provided herein.

22. SEVERABILITY

If any clause or provision of this Agreement is illegal, invalid or unenforceable under applicable present or future laws effective during the term of this Agreement, the remainder of this Agreement shall not be affected. In lieu of each clause or provision of this Agreement, which is illegal, invalid and unenforceable, either Party may request the other Party's agreement to accept a substitute clause or provision as similar to the original as may be possible and may be legal, valid and enforceable. Notwithstanding the foregoing, in the event any clause or provision of this Agreement is illegal, invalid or unenforceable as aforesaid and the effect of such illegality, invalidity or unenforceability is that either Party no longer has the substantial and material benefit of its bargain under this Agreement, then, in such event, such Party may, in its discretion, request good faith renegotiations with the other Party of such illegal, invalid or unenforceable provision. If the Parties do not reach agreement on such substitute clause or provision or such renegotiated provision within thirty (30) days of the date of such request, either Party may cancel and terminate this Agreement upon providing reasonable advance written notice thereof to the other Party.

23. ACCORD AND SATISFACTION

Payment by either Party, or receipt or acceptance by a receiving Party hereto, of any payment due hereunder in an amount less than the amount required to be paid hereunder shall not be deemed an accord and satisfaction, or a waiver by the receiving Party of its right to receive and recover the full amount of such payment due hereunder, notwithstanding any statement to the contrary on any check or payment or on any letter accompanying such check or payment. The receiving Party may accept such check or payment without prejudice to the receiving Party's right to recover the balance of such payment due hereunder or to pursue any other legal or equitable remedy provided in this Agreement.

24. PROMOTIONS

Neither Party shall acquire any right under this Agreement to use, and shall not use, the name of the other Party or any marks, fanciful characters or designs of a Party or any of its related Affiliates or subsidiary companies.

25. NO RELATIONSHIP

The Parties hereby acknowledge that it is not their intention to create between themselves a partnership, joint venture, fiduciary, employment or agency relationship for the purposes of this Agreement, or for any other purpose whatsoever. Accordingly, notwithstanding any expressions or provisions contained herein or in any other document, nothing in this Agreement or in any documents executed or delivered or to be executed or delivered shall be construed or deemed to create, or to express an intent to create, a partnership, joint venture, fiduciary, employment or agent relationship of any kind or nature whatsoever between the Parties.

SCHEDULE A – LATAS

[INTENTIONALLY LEFT BLANK.]

SCHEDULE B – NUMBER PORTABILITY AND INTERIM NUMBER PORTABILITY

[INTENTIONALLY LEFT BLANK.]

SCHEDULE C – MID-SPAN MEETS

1. Mid-Span Meets

1.1 The Parties may agree to establish a Mid-Span Meet arrangement in accordance with the terms of this Schedule. In a Mid-Span Meet, each Party extends its facilities to meet the other Party. The point where the facilities meet is the Mid-Span point. Each Party bears its own costs to establish and maintain a Mid-Span Meet arrangement, and/or shares any common costs associated with the arrangement. However, the Parties also agree that a technical arrangement for a Mid-Span Meet may involve one Party placing and extending its own (or leased) fiber facilities to the Wire Center of the other Party, with sufficient additional length on the fiber to permit the receiving Party to terminate the fiber without requiring splicing of the fiber facilities prior to the terminal equipment in the receiving Party's Wire Center. In this situation, the Parties will negotiate reasonable compensation to be paid to the Party extending the facilities for the associated labor, materials, and conduit space used in extending its facilities beyond a negotiated Mid Span point.

1.2 The establishment of any Mid-Span Meet arrangement is expressly conditioned upon the Parties' reaching prior agreement on appropriate sizing and forecasting, equipment, ordering, provisioning, maintenance, repair, testing, augment, and compensation procedures and arrangements, reasonable distance limitations, and on any other arrangements necessary to implement the Mid-Span Meet arrangement. Any Mid-Span Meet arrangement requested at a third-party premises is expressly conditioned on the Parties' having sufficient capacity at the requested location to meet such request, on unrestricted 24-hour access for both Parties to the requested location, on other appropriate protections as deemed necessary by either Party, and on an appropriate commitment that such access and other arrangements may not be restricted for a reasonable period.

1.3 Mid-Span Meet arrangements shall be used only for the termination of Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic, unless and until such time as the Parties have agreed to appropriate compensation arrangements relating to the exchange of other types of traffic over such Mid-Span Meet, and only where facilities are available.

1.4 A Mid-Span Meet arrangement may be implemented by establishing direct End Office interconnection using an electrical or optical cross-connect between the Parties' respective collocation arrangements at the appropriate third-party LEC central office. Each Party will pay 50% of the non-recurring and recurring costs of the cross-connects provisioned by the third-party LEC. Except for the splitting of cross-connect costs, each Party shall be operationally and financially responsible for its own facilities on its side of the Interconnection Point.

SCHEDULE D – SPECIFIC INTERCONNECTION ARRANGEMENTS

1. Direct Interconnection. Where and to the extent sound engineering practice suggests the use of direct interconnection, the Parties agree to establish such direct interconnection between their networks as described below:

(a) [If an ILEC ‘cage-to-cage’ interface is used.] KMC and Carrier will implement a Mid-Span Meet interconnection. Carrier will provide KMC Channel Facility Assignment and Letter Of Agency (“LOA”) for a DS3 position on their APOT. KMC will order the DS3 cross connect from the ILEC (where the ILEC provides such cross connects) and will bill Carrier for its proportionate share of the recurring and non-recurring costs charged by ILEC for the cross connect. Once KMC receives the Design Layout Record (“DLR”)/Circuit Layout Record (“CLR”), the DLR/CLR will be forwarded to Carrier with the proposed date of DS3 testing. After the DS3 cross connect is tested per Section 3 of this Appendix 1, then trunk interconnection will be established per section 4 of this Appendix 1. The applicable ACLLI will be _____ and the ZCLLI will be _____.

(b) [If a leased interface is used.] KMC and Carrier will implement direct interconnection using _____ as the Local Access Provider. Carrier will purchase the interoffice facilities from _____ and bill KMC for its proportionate share of the recurring and non-recurring costs charged by _____ for the facility. KMC will provide Carrier with a LOA authorizing Carrier to use the _____ entrance facilities at the KMC wire center to interconnect to the KMC network at the DS3 level. Once Carrier receives the LOA, Carrier shall submit a DS3 order to _____ with a standard interval due date. Once Carrier receives the DLR/CLR, the DLR/CLR will be forwarded to KMC with the proposed date of DS3 testing. After the DS3 is tested per Section 3 of Appendix 1, then trunk interconnection will be established per section 4 of Appendix 1. The ACLLI will be _____ and the ZCLLI will be _____.

(c) [If other interface is used.]

3. Testing. The Parties will coordinate with each other to test the DS-3 and/or DS-1s in accordance with standard industry practices. The DS-3 test will be for a period of seventy-two (72) hours to verify continuity.

4. Initial Trunking Requirements. Once testing is successfully completed, KMC and Carrier will initially jointly engineer and provision two-way trunks, starting at channel 1 of the DS-3 or DS-1, into their respective switches for establishment of interconnection trunking. KMC will order the trunks from Carrier using Access Service Request (“ASR”) Exchange, which is ASOG ASR compliant to version 21. The trunk groups established pursuant to this MOU will be used to exchange Local Telephone Exchange Service traffic, Internet-Bound Traffic and/or Telephone Toll Service traffic only.

(a) The trunking will be established using the following parameters:

Traffic Class: PH

Traffic Type: Local Direct End Office Trunking or Toll Direct End Office Trunking

Signaling/Coding: SS7/B8ZS/ESF

Direction: Two Way

KMC Hunt: _____

Carrier Hunt: Most Idle or Anti-Clockwise

Glare: ODD/EVEN

Quantity of Trunks: To be jointly determined based on sound engineering practices.

TCIC Range: To be determined based on mutually agreed-to trunk quantities.

KMC OPC: _____

KMC Switch CLLI: _____

KMC OCN: _____

KMC CIC: _____

Carrier DPC: _____

Carrier Switch CLLI: _____

Carrier OCN: _____

Carrier CIC: _____

5. Signaling. The Parties will provide CCS Signaling to one another in all direct or indirect Interconnection trunking arrangements. The Parties will cooperate on the exchange of TCAP messages to facilitate interoperability of all CCS-based features and services, including but not limited to CLASS and Calling Name Delivery, to the extent each Party offers such features and functions to its Customers. All CCS Signaling parameters will be provided upon request (where such parameters are available and support signaling features and functions deployed within both Parties' networks), including called party number, Calling Party Number, calling party category, and charge number. All privacy indicators will be honored.

SCHEDULE E – DISPUTED AMOUNTS

1.1 Except as may otherwise be provided in this Agreement, each Party shall submit on a monthly basis an itemized statement of charges incurred by the other Party during the preceding month(s) for services rendered hereunder. Payment of billed amounts under this Agreement, whether billed on a monthly basis or as otherwise provided herein, shall be due, in immediately available U.S. funds, within thirty (30) days of the date of such statement.

1.2 Although it is the intent of both Parties to submit timely and accurate statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and the billed Party shall not be entitled to dispute the billing Party's statement(s) based on such Party's failure to submit them in a timely fashion.

1.3 No claims, under this Agreement or its Attachments, shall be brought for disputed amounts more than twenty-four (24) months from the date of occurrence which gives rise to the dispute. If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall within sixty (60) days of its receipt of the invoice containing such disputed amount give notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party and (ii) the Disputed Amount into an interest bearing escrow account with, or obtained from (in the case of a bond or letter of credit), an entity agreeable to both Parties. The Disputed Amount and all interest earned thereon shall thereafter be paid upon final determination of such dispute to either the Non-Paying Party if the dispute is upheld or the Billing Party if the dispute is not upheld.

1.4 If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within sixty (60) days after delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties shall appoint a designated representative that has authority to settle the dispute and that is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives, however all reasonable requests for relevant information made by one Party to the other Party shall be honored.

1.5 If the Parties are unable to resolve issues related to the Disputed Amounts within forty five (45) days after the Parties' appointment of designated representatives pursuant to this Schedule E, or if either Party fails to appoint a designated representative within forty five (45) days, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy pursuant to law or equity. The Commission may direct release of any or all funds (including any accrued interest) in the escrow account, plus applicable late fees, to be paid to either Party.

KMC RESPONSE - 000027

1.6 The Parties agree that all negotiations pursuant to this subsection 1.8 shall remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

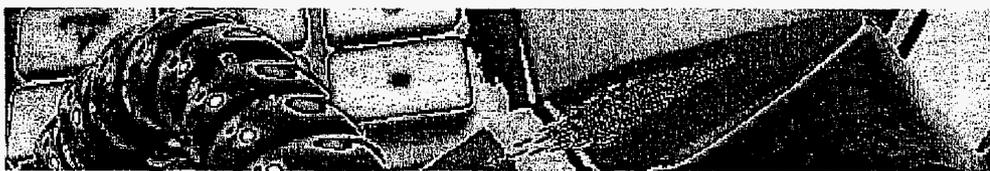
1.7 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law.

1.8 Set Off. Notwithstanding any other provision of this Agreement, if the Providing Party does not receive payment by the Due Date, the Providing Party may immediately set off any undisputed amounts owed by the Purchasing Party under this Agreement by any amount owed by the Providing Party to the Purchasing Party under any agreement between the Providing Party and the Purchasing Party and/or under any applicable tariff(s). The Providing Party shall within ten (10) days of exercising this set off right, provide the Purchasing Party with written notice of the set off with details thereof. If the right of set off is exercised, interest charges described in Section 1.7 shall apply to the unpaid balance and to the amount set off, however, such charges shall no longer apply to the amount set off after the date of set off.



- ABOUT KMC
- PRODUCTS AND SERVICES
- KMC CITIES
- TELECOM INFO
- PRESSROOM
- AGENTS
- CONTACT US
- GUESTIME SERVICE

- > ADVANCED COMMUNICATIONS SERVICES**
 - Products and Services
 - BUNDLED VALUES:
 - KMC Phone & Feature Bundles
 - LOCAL SERVICES:
 - KMC Business Line Service
 - KMC Custom Calling Features
 - LONG DISTANCE SERVICES:
 - KMC Long Distance Service
 - ENHANCED SERVICES:
 - KMC Voicemail Service
 - KMC Voice Conferencing Service
 - DATA SERVICES:
 - KMC Special Access Service
 - KMC Dedicated Internet Access
 - KMC ISDN BRI/PRI Service
 - PRIVATE LINE SERVICES:
 - KMC Private Line Services
 - CARRIER SERVICES:
 - KMC Carrier Transport Services
 - KMC Carrier Terminating Access
 - KMC Collocation Services
 - Network Resources
 - Testimonials
 - KMC Service Area Maps
 - Nationwide Data Services
 - KMC Home



Products and Services

KMC Carrier Terminating Access Services

The Perfect Solution for our Carrier's Carrier Partners

Leading edge technology is only the foundation. At KMC Telecom®, taking care of our partners is our business. Customized Customer Care begins when you're assigned a Provisioning Team Leader, who serves as your focal point for all inter-company activities, and who is familiar with your specific requirements and the way you conduct business. This individual and his/her support team coordinate all activities between your organization and KMC Telecom 'round-the-clock, and provide monitoring and support in any technical, service or billing problem situation. As your Carrier's Carrier, KMC Carrier Terminating Access Service Applications are intended to facilitate your success. We support you with our local service.

KMC Carrier Terminating Access Service

Among other full-service features, KMC Telecom's collection of wholesale services includes a variety of offerings for the origination and termination of traffic in KMC Telecom cities. All services include access and transport of traffic over KMC Telecom's SONET Optical-Fiber Ring.

KMC Domestic Origination/Termination Service-Perfect for carriers looking for the most competitive solution for the termination of its traffic. KMC Carrier Terminating Access Service facilitates the identification of your most competitive rates in areas designated as KMC Telecom City LATAs. Hence, you realize line cost savings.

KMC International Carrier Terminating Access Service-The perfect accompaniment to KMC's Domestic Terminating Access Service. While providing

ATTACHMENT INTERROGATORY NO. 21
KMC RESPONSE - 0000028

originating and terminating fields for your domestic traffic, KMC's International Access Service permits economical access to international dialing and requires no special equipment. With KMC Carrier Terminating Access Service, you can originate service from anywhere in KMC Telecom cities and terminate your calls to most countries worldwide.

KMC Carrier Terminating Access Service Pricing Considerations

- Interstate and Intrastate traffic is discounted in KMC collocated cities from the average ILEC tandem rates. The discount varies depending on the region and "zone" sensitivity.
- Time of day discounts may also apply.
- Of course, a dollar volume discount also applies.

The Feel of Fiber with Local Access

Local access with local fiber — Tier III and Tier IV cities are served with Lucent switching functionality. KMC Telecom is one of the largest nationwide fiber-optic facilities-based CLECs in the United States operating in the Tier III and Tier IV markets. We are the first fully integrated fiber-optic network in these markets and are prepared to deliver advanced VF applications for you to offer your customers now.

KMC Carrier Terminating Access Service Applications

We bring all the pieces together for you. Our advanced multi-service broadband network platform is built for the future. We layer voice services directly through our #5ESS-2000 Lucent switch and over our local SONET Ring network for greater cost-efficiency, increased reliability, better performance and products that easily accommodate technology advances. KMC's carrier's carrier product family includes a complete line of wholesale voice services.

Features of KMC Carrier Terminating Access Service

KMC Telecom offers features that only a converged "full-service network" can provide.

- ***Combined Pricing***-All revenue generated on KMC Telecom is combined for your dollar volume discount. By combining revenues, you realize a greater discount on every dollar spent.
- ***Combined Team Coverage***-One account team handles all of your business activities for all requirements and applications, ensuring the best possible service combination for your needs.
- ***Carrier's Carrier***-Since we're in the local business for Tier III and Tier IV cities, KMC Telecom is ready to partner with you-not compete against you.

ATTACHMENT INTERROGATORY NO. 21
KMC RESPONSE - 000029

- **SONET Transport**-KMC Carrier Terminating Access Services are cost-saving alternative tandem services that allow the carrier partner to utilize KMC Telecom's SONET network for the origination and termination of end user traffic.
- **Lucent Switching**-All KMC Telecom central offices employ Lucent #5ESS-2000 switches for the latest in switching technology.
- **Discounts**-Carrier partners will receive a discount on the traffic that is either originated or terminated from end offices in which KMC is collocated.
- **Lower Line Cost**-The carrier partner may reduce existing trunk quantities with the ILEC, thereby reducing line cost.
- **One-Stop-Shopping**-KMC Telecom is a one-stop-shop for complete LATA-wide termination in Tier III and Tier IV cities.

[Privacy Policy](#) | [Contact Us](#) | [Regulatory Info](#) | [Careers](#)

Copyright © 2000-2003 KMC Telecom. All Rights reserved.

ATTACHMENT INTERROGATORY NO. 21
KMC RESPONSE - 000030



- ABOUT KMC
- PRODUCTS AND SERVICES
- KMC CITIES
- TELECOM INFO
- PRESS ROOM
- AGENTS/CONTACT US
- CUSTOMER SERVICE

> ADVANCED COMMUNICATIONS SERVICES

Products and Services



Products and Services

BUNDLED VALUES:

[KMC Phone & Feature Bundles](#)

LOCAL SERVICES:

[KMC Business Line Service](#)

[KMC Custom Calling Features](#)

LONG DISTANCE SERVICES:

[KMC Long Distance Service](#)

ENHANCED SERVICES:

[KMC Voicemail Service](#)

[KMC Voice Conferencing Service](#)

DATA SERVICES:

[KMC Special Access Service](#)

[KMC Dedicated Internet Access](#)

[KMC ISDN/BRI/PRI Service](#)

PRIVATE LINE SERVICES:

[KMC Private Line Services](#)

CARRIER SERVICES:

[KMC Carrier Transport Services](#)

[KMC Carrier Terminating Access](#)

[KMC Collocation Services](#)

[Network Resources](#)

[Testimonials](#)

[KMC Service Area Maps](#)

[Nationwide Data Services](#)

[KMC Home](#)

KMC Carrier Terminating Access Services

The Perfect Solution for our Carrier's Carrier Partners

Leading edge technology is only the foundation. At KMC Telecom®, taking care of our partners is our business. Customized Customer Care begins when you're assigned a Provisioning Team Leader, who serves as your focal point for all inter-company activities, and who is familiar with your specific requirements and the way you conduct business. This individual and his/her support team coordinate all activities between your organization and KMC Telecom 'round-the-clock, and provide monitoring and support in any technical, service or billing problem situation. As your Carrier's Carrier, KMC Carrier Terminating Access Service Applications are intended to facilitate your success. We support you with our local service.

KMC Carrier Terminating Access Service

Among other full-service features, KMC Telecom's collection of wholesale services includes a variety of offerings for the origination and termination of traffic in KMC Telecom cities. All services include access and transport of traffic over KMC Telecom's SONET Optical-Fiber Ring.

KMC Domestic Origination/Termination Service-Perfect for carriers looking for the most competitive solution for the termination of its traffic. KMC Carrier Terminating Access Service facilitates the identification of your most competitive rates in areas designated as KMC Telecom City LATAs. Hence, you realize line cost savings.

KMC International Carrier Terminating Access Service-The perfect accompaniment to KMC's Domestic Terminating Access Service. While providing

ATTACHMENT INTERROGATORY NO. 21
KMC RESPONSE - 0000031

originating and terminating fields for your domestic traffic, KMC's International Access Service permits economical access to international dialing and requires no special equipment. With KMC Carrier Terminating Access Service, you can originate service from anywhere in KMC Telecom cities and terminate your calls to most countries worldwide.

KMC Carrier Terminating Access Service Pricing Considerations

- Interstate and Intrastate traffic is discounted in KMC collocated cities from the average ILEC tandem rates. The discount varies depending on the region and "zone" sensitivity.
- Time of day discounts may also apply.
- Of course, a dollar volume discount also applies.

The Feel of Fiber with Local Access

Local access with local fiber — Tier III and Tier IV cities are served with Lucent switching functionality. KMC Telecom is one of the largest nationwide fiber-optic facilities-based CLECs in the United States operating in the Tier III and Tier IV markets. We are the first fully integrated fiber-optic network in these markets and are prepared to deliver advanced VF applications for you to offer your customers now.

KMC Carrier Terminating Access Service Applications

We bring all the pieces together for you. Our advanced multi-service broadband network platform is built for the future. We layer voice services directly through our #5ESS-2000 Lucent switch and over our local SONET Ring network for greater cost-efficiency, increased reliability, better performance and products that easily accommodate technology advances. KMC's carrier's carrier product family includes a complete line of wholesale voice services.

Features of KMC Carrier Terminating Access Service

KMC Telecom offers features that only a converged "full-service network" can provide.

- ***Combined Pricing***-All revenue generated on KMC Telecom is combined for your dollar volume discount. By combining revenues, you realize a greater discount on every dollar spent.
- ***Combined Team Coverage***-One account team handles all of your business activities for all requirements and applications, ensuring the best possible service combination for your needs.
- ***Carrier's Carrier***-Since we're in the local business for Tier III and Tier IV cities, KMC Telecom is ready to partner with you-not compete against you.

- **SONET Transport**-KMC Carrier Terminating Access Services are cost-saving alternative tandem services that allow the carrier partner to utilize KMC Telecom's SONET network for the origination and termination of end user traffic.
- **Lucent Switching**-All KMC Telecom central offices employ Lucent #5ESS-2000 switches for the latest in switching technology.
- **Discounts**-Carrier partners will receive a discount on the traffic that is either originated or terminated from end offices in which KMC is collocated.
- **Lower Line Cost**-The carrier partner may reduce existing trunk quantities with the ILEC, thereby reducing line cost.
- **One-Stop-Shopping**-KMC Telecom is a one-stop-shop for complete LATA-wide termination in Tier III and Tier IV cities.

[Privacy Policy](#) | [Contact Us](#) | [Regulatory Info](#) | [Careers](#)

Copyright © 2000-2003 KMC Telecom. All Rights reserved.

ATTACHMENT INTERROGATORY NO. 24
KMC RESPONSE - 000033

LAW OFFICES
Messer, Caparello & Self
A Professional Association

Post Office Box 1876
Tallahassee, Florida 32302-1876
Internet: www.lawfla.com

January 28, 2005

BY HAND DELIVERY

Ms. Blanca Bayó, Director
Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 041144-TP

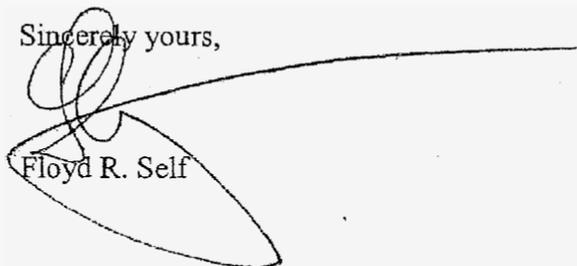
Dear Ms. Bayó:

Enclosed for filing on behalf of KMC Telecom III LLC, KMC Telecom V, Inc. and KMC Data LLC are an original and one copy of KMC's Notice of Service of KMC's Supplemental Responses to Sprint-Florida, Incorporated's First Set of Interrogatories (Nos. 10, 14, 15, 16 and 20) in the above referenced docket.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,



Floyd R. Self

FRS/amb
Enclosures
cc: Parties of Record

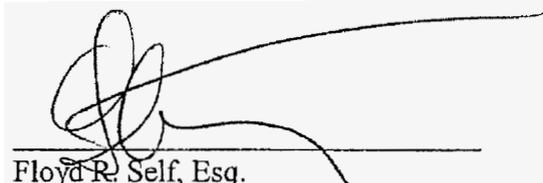
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Complaint against KMC Telecom III LLC,)
KMC Telecom V, Inc., and KMC Data LLC)
for alleged failure to pay intrastate access charges) Docket No. 041144-TP
pursuant to its interconnection agreement and) Filed: January 28, 2005
Sprint's tariffs and for alleged violation of Section)
364.16(3)(a), F.S., by Sprint-Florida, Incorporated)
_____)

**NOTICE OF SERVING KMC's SUPPLEMENTAL RESPONSES TO
SPRINT-FLORIDA, INCORPORATED'S
FIRST SET OF INTERROGATORIES (NOS. 10, 14, 15, 16 AND 20)**

KMC Telecom III LLC, KMC Telecom V, Inc., and KMC Data LLC (collectively "KMC"), by and through its undersigned counsel, hereby files and serves Notice that it has served the public Supplemental Responses to Sprint-Florida, Incorporated's First Set of Interrogatories (Nos. 10, 14, 15, 16, and 20) by e-mail on Susan S. Masterton, Esq. at susan.masterton@mail.sprint.com and the confidential Supplemental Responses to Sprint-Florida, Incorporated's First Set of Interrogatories (Nos. 10, 14, 15, 16, and 20) by hand delivery on Susan Masterton, Esq., Sprint-Florida Incorporated, 1313 Blair Stone Road, Tallahassee, FL 32301 on this 28th day of January, 2005.

Respectfully submitted,



Floyd R. Self, Esq.
MESSER, CAPARELLO & SELF, P.A.
215 South Monroe Street, Suite 701
Tallahassee, Florida 32301
(850) 222-0720 (voice)
(850) 224-4359 (facsimile)
fself@lawfla.com

Edward A. Yorkgitis, Jr.
KELLEY DRYE & WARREN LLP
1200 19th Street, N.W., Fifth Floor
Washington, D.C. 20036
(202) 955-9600 (voice)
(202) 955-9792 (facsimile)
cyorkgitis@kelleydrye.com

Marva Brown Johnson
KMC Telecom Holdings, Inc.
1755 North Brown Road
Lawrenceville, GA 30043
(678) 985-6220 (voice)
(678) 985-6213 (facsimile)
marva.johnson@kmctelecom.com

Attorneys for KMC Telecom III, LLC,
KMC Telecom V, Inc., and KMC Data LLC

CERTIFICATE OF SERVICE

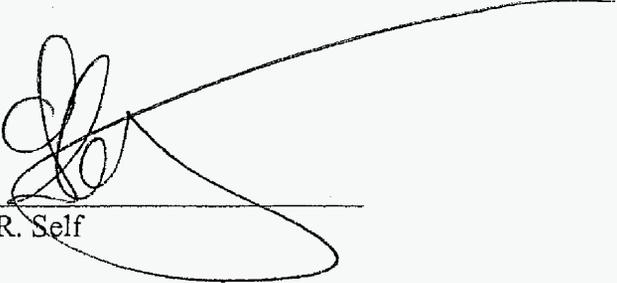
I HEREBY CERTIFY that true and correct copies of the foregoing have been served upon the following parties by hand delivery (*), electronic mail (**) and/or U.S. Mail this 28th day of January, 2005.

Lee Fordham, Esq.*
General Counsel's Office, Room 370
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Dovie L. Rockette-Gray*
General Counsel's Office, Room 370
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Ms. Nancy Pruitt*
Division of Competitive Markets and Enforcement
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Susan Masterton, Esq. (e-mail the public response, hand deliver the confidential responses)
Sprint-Florida, Incorporated
1313 Blair Stone
Tallahassee, FL 32301



Floyd R. Self

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Complaint of Sprint-Florida, Incorporated) Docket No. 041144-TP
Against KMC Telecom III LLC,)
KMC Telecom V, Inc. and KMC Data LLC,)
for failure to pay intrastate access charges)
pursuant to its interconnection agreement and)
Sprint's tariffs and for violation of)
Section 364.16(3)(a), Florida Statutes.)

**SUPPLEMENTAL RESPONSE OF KMC TELECOM III LLC,
KMC TELECOM V, INC. AND KMC DATA LLC TO SPRINT'S
FIRST SET OF INTERROGATORIES (NOS. 10, 14, 15, 16 AND 20)**

KMC Telecom III LLC, KMC Telecom V, Inc., and KMC Data LLC (collectively "KMC"), by and through their undersigned counsel, hereby submit their Supplemental Responses to Sprint-Florida, Incorporated's ("Sprint") First Set of Interrogatories (Nos. 10, 14, 15, 16, and 20).

INTERROGATORIES

Interrogatory No. 10:

Sprint noticed a dramatic change in the pattern and volume of traffic KMC delivered to Sprint for termination beginning on May 22, 2004. Please explain the reasons for this dramatic change, including any changes to KMC's business relationships that may have contributed to this change.

Response: KMC incorporates its general objections as though more fully set forth herein.

KMC objects to this Interrogatory to the extent it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications irrelevant to these proceedings. KMC specifically objects to this Interrogatory because it is vague, ambiguous, and subject to multiple interpretations. It

demands that KMC accept as true factual assumptions for which Sprint provides no basis, *i.e.* that there was a “dramatic” change in the volume and “pattern” of traffic. Further, this Interrogatory requests detailed information regarding this alleged “dramatic” change but fails to provide any identifying or specific information for that claimed change or to define the terms “dramatic” or “pattern.”

Without waiving and subject to the foregoing objections, KMC states that KMC has information that KMC believes is responsive to this Interrogatory because it relates to traffic changes in Florida on or about May 22, 2004, but that such information is confidential. KMC will provide a confidential response only pursuant to a fully executed protective agreement.

Supplemental Response: Subject to and without waiver of its foregoing objections, KMC further states as follows: See Confidential Attachment, Supplemental Response, Interrogatory No. 10 for the confidential information KMC believes may be responsive to this request.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel – Regulatory Affairs, KMC and Counsel.

Interrogatory No. 14: Please describe the past and current relationship between KMC and the enhanced service provider identified by KMC in KMC’s Motion to Dismiss (¶¶ 18-20).

Response: KMC incorporates its general objections as though more fully set forth herein. KMC further objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states, interstate communications irrelevant to these proceedings, and the relationship between KMC and

the referenced enhanced service provider conducted outside the state of Florida, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. KMC specifically objects to this Interrogatory to the extent that it seeks confidential and proprietary information, and information, documents, and communications protected by the attorney-client privilege.

Without waiving and subject to the foregoing objections, KMC will describe the past and current relationship between KMC and the referenced enhanced service provider to the extent it relates to traffic exchanged with Sprint over local interconnection trunks in Florida subject to and upon the execution of a fully executed protective agreement.

Supplemental Response: Subject to and without waiver of its foregoing objections, KMC further states as follows: See Confidential Attachment, Supplemental Response, Interrogatory No. 14.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC and Counsel.

Interrogatory No. 15: Please identify all correspondence, customer orders, bills, customer disputes or other documents between KMC and the enhanced service provider identified by KMC in its Motion to Dismiss.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is overly broad because it is not limited to information regarding traffic sent on

local interconnection trunks between KMC and Sprint, and it is subject to multiple interpretations. In addition, this Interrogatory seeks confidential and proprietary information, and information, documents, and communications protected by the attorney-client privilege.

Without waiving and subject to the foregoing objections, KMC will identify documents between KMC and the referenced enhanced service provider concerning traffic exchanged between KMC and Sprint over local interconnection trunks in Florida subject to and upon the execution of a fully executed protective agreement.

Supplemental Response: Subject to and without waiver of its foregoing objections, KMC further states as follows: See Confidential Attachment, Supplemental Response, Interrogatory No. 15. In addition, KMC further identifies the following public documents:

KMC Telecom Interstate and International Service Terms and Conditions. A copy of this will be provided to Sprint.

KMC Telecom Intrastate Florida tariffs. A copy of these documents will be provided to Sprint.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC and Counsel.

Interrogatory No. 16:

- (a) What services and functionalities did KMC provide to the enhanced service provider identified in KMC's Motion to Dismiss?
- (b) Please describe the terms and conditions of KMC's provision of these services and functionalities by KMC, including any restrictions placed by KMC on the enhanced service provider's use of these services or functionalities.

Response: KMC incorporates its general objections as though more fully set forth herein.

- (a) KMC objects to this Interrogatory as cumulative. *See* Objections and Response to Interrogatory 14, which are incorporated herein.
- (b) KMC objects to this Interrogatory as irrelevant to these proceedings and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is overly broad and subject to multiple interpretations. In addition, specifically objects to this Interrogatory to the extent that it seeks confidential, privileged, and proprietary information, and documents, communications. Without waiving and subject to the foregoing objections, KMC will describe the terms and conditions of KMC's provision of services and functionalities by KMC to the referenced enhanced services provider concerning traffic exchanged between KMC and Sprint over local interconnection trunks in Florida subject to and upon the execution of a fully executed protective agreement.

Supplemental Response: Subject to and without waiver of its foregoing objections, KMC further states as follows: See the information provided in response to Supplemental Response, Interrogatory Nos. 14 and 15, and the corresponding Confidential Attachments to those supplemental responses.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC and Counsel.

Interrogatory No. 20: To KMC's knowledge, do any ILECs, CLECs, IXCs, or other telecommunications services providers, information services providers or enhanced services providers (other than the enhanced service provider identified in KMC's Motion to Dismiss) transport interexchange traffic to KMC for termination to Sprint? If so, please provide full explanation of the business relationships with these carriers or other entities and identify supporting documentation.

Response: KMC incorporates its general objections as though more fully set forth herein. KMC specifically objects to this Interrogatory because it seeks information regarding communications outside the jurisdiction of the Commission, including but not limited to intrastate communications originating and terminating in other states and interstate communications, irrelevant to these proceedings, and not reasonably calculated to lead to the discovery of admissible evidence. In addition, KMC objects to this Interrogatory because it is overly broad and unduly burdensome. Finally, this Interrogatory seeks confidential and proprietary information.

Without waiving and subject to the foregoing objections, please see the KMC response to Interrogatory Nos. 3 and 19.

Supplemental Response: Subject to and without waiver of its foregoing objections, KMC further states as follows: See the information provided in response to Interrogatory No. 4.

RESPONSE PROVIDED BY: Marva Brown Johnson, Vice President and Senior Counsel, Regulatory Affairs, KMC and Counsel.

Respectfully submitted this 28th day of January, 2005.



FLOYD R. SELF, ESQ.
MESSER, CAPARELLO & SELF, P.A.
Post Office Box 1876
Tallahassee, Florida 32302-1876
(850) 222-0720
fself@lawfla.com

Edward A. Yorkgitis, Jr.
Kelley Drye & Warren LLP
1200 19th Street, N.W., Fifth Floor
Washington, D.C. 20036
(202) 955-9600 (voice)
(202) 955-9792 (facsimile)
eyorkgitis@kelleydrye.com
aklein@kelleydrye.com

Marva Brown Johnson
KMC Telecom Holdings, Inc.
1755 North Brown Road
Lawrenceville, GA 30043
(678) 985-6220 (voice)
(678) 985-6213 (facsimile)
marva.johnson@kmctelecom.com

Attorneys for KMC Telecom III, LLC,
KMC Telecom V, Inc., and KMC Data LLC

KMC Telecom

Interstate and International Service Terms and Conditions

This document contains the basic rates, terms and conditions applicable to all interstate and international interexchange services offered by KMC Telecom to all of its customers. This document replaces the applicable federal tariffs that were incorporated by reference into all of KMC Telecom's service orders and Customer Service Agreements.

Prior to August 1, 2001 (for interstate services) and prior to January 28, 2002 (for international services), these rates, terms and conditions were contained in federal telecommunications tariffs kept on file with, and monitored by, the Federal Communications Commission. As the result of a series of judicial and regulatory orders and changes in federal regulations, the Federal Communications Commission mandated that all providers of interstate and international interexchange services cease filing tariffs for these services. Pursuant to the change in federal regulation, beginning August 1, 2001, this document replaces the KMC Telecom interstate service tariff, and beginning January 28, 2002, this document replaces the KMC Telecom international service tariff, and, as such, all references in any service order or Customer Service Agreement to any tariff governing interstate or international interexchange services are deemed to incorporate this document in place of the respective tariff.

The rates, terms and conditions provided by KMC Telecom pursuant to intrastate (in-state) service tariffs are not affected by this document. For information concerning the rates, terms and conditions of intrastate services, please see the applicable state tariff that is incorporated by reference into your service order or Customer Service Agreement.

I. GENERAL TERMS AND CONDITIONS

1. Definitions

KMC Telecom: Means KMC Telecom LLC (f/k/a KMC Telecom Inc.); KMC Telecom II LLC (f/k/a KMC Telecom II, Inc.); KMC Telecom III LLC (f/k/a KMC Telecom III Inc.); as well as any of their agents, successors or assignees.

Customer: Refers to the person, firm or corporation which orders interstate or international interexchange common carrier services pursuant to any service order or Customer Service Agreement with KMC Telecom and is responsible for the payment of charges and compliance with the terms and conditions herein. Customer includes joint and authorized users.

Hz: Hertz.

Kbps: Kilobits per second, denotes thousands of bits per seconds.

Mbps: Megabits per second, denotes millions of bits per second.

NPA: Numbering Plan Area.

NXX: The central office designation for a telephone number.

PBX: Private Branch Exchange.

POP: Point of Presence.

7

2. Scope

a. The following terms and conditions apply to the interstate and international interexchange common carrier telecommunications services provided by KMC Telecom, which services do not include private carriage, carrier-to-carrier contracts, or other non-common-carrier services. The services of KMC Telecom consist of the furnishing of common carrier telecommunications services between and among domestic points within the United States and internationally, pursuant to a contractual offering of service to the general public.

b. The services offered herein may be used for any lawful purpose, including residential, business, governmental or other lawful use. There are no restrictions on sharing or resale of KMC Telecom's services. However, the Customer remains liable for all obligations under these terms and conditions notwithstanding such sharing or resale and regardless of KMC Telecom's knowledge of same. KMC Telecom shall have no liability to any person or entity other than the Customer. If service is jointly ordered by more than one Customer, each is jointly and severally liable for all obligations herein.

c. KMC Telecom services may be connected to the services or facilities of other telecommunications carriers only when authorized by, and in accordance with, the terms and conditions of any agreements with, and tariffs of, such other telecommunications carriers which are applicable to such connections.

3. Liability of KMC Telecom

a. The liability of KMC Telecom for damages arising out of the furnishing of its services, including but not limited to any mistakes, outages, omissions, interruptions, delays, errors, or other defects, representations, failures arising out of the use of these services or failure to furnish service, whether caused by act, omission or negligence, shall be limited to the extension of credit allowances as set forth in Section 4 hereof. The extension of such allowances for interruption shall be the sole remedy of the Customer, and the sole liability of KMC Telecom. KMC Telecom shall not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any KMC Telecom service, equipment or facilities, or the acts or omissions or negligence of KMC Telecom's employees or agents, even if the Customer advised KMC Telecom of the possibility of such loss or damage.

b. KMC Telecom shall not be liable for any delay or failure of performance of equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action or request of the United States government or any other government, including state and local governments, having or claiming jurisdiction over KMC Telecom, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state or local governments, or of any civil or military authority; national emergencies; insurrections; terrorists activities; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

c. KMC Telecom shall not be liable for any act, omission or defect of any entity furnishing services or facilities to KMC Telecom or to the Customer facilities or equipment used for or with KMC Telecom's services; or for the acts or omissions of common carriers or warehousemen.

d. KMC Telecom shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.

e. KMC Telecom does not guarantee nor make any warranty with respect to installations it provides for use in an explosive atmosphere. The Customer indemnifies and holds KMC

Telecom harmless from any liability whatsoever, and for any damages caused or claimed to have been caused in any way, directly or indirectly, as a result of any such installation.

f. KMC Telecom is not liable for any defacement of or damage to Customer's premises resulting from the furnishing of services or equipment or the installation or removal thereof, unless such defacement or damage is caused by the willful misconduct of KMC Telecom's employees or agents.

g. KMC Telecom shall be indemnified, defended and held harmless by the Customer against any claim, loss or damage arising from Customer's use of services, involving claims for libel, slander, invasion of privacy, or infringement of copyright arising from the Customer's use of KMC Telecom's facilities.

h. KMC Telecom's entire liability, if any, for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid KMC Telecom by Customer for the specific services giving rise to the claim. Any claim, action or proceeding against KMC Telecom which is not filed or commenced within one (1) year after the earlier of (a) the rendering of the service, or (b) the occurrence of the event with respect to which such claim arose, shall be deemed waived by Customer if not brought within such one year period.

i. With respect to the furnishing of KMC Telecom's services to public safety answering points or municipal emergency service providers, KMC Telecom's liability, if any, will be limited to the lesser of (a) the actual monetary damages incurred and proved by the Customer as the direct result of KMC Telecom's action, or failure to act, in providing the service, or (b) the sum of \$1,000.00.

j. In the event parties other than Customer, including but not limited to joint users and Customer's customers, shall have use of KMC Telecom's service directly or indirectly through Customer, then Customer agrees to forever indemnify and hold KMC Telecom harmless from and against any and all claims, demands, suits, actions, losses, damages, assessments or payments which may be asserted by said parties arising out of or relating to KMC Telecom's furnishing of service.

k. KMC TELECOM MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

4. Credit for Interruptions

a. A credit allowance will be made when an interruption occurs because of a failure of any component of service furnished by KMC Telecom. An interruption in service is considered to exist when a circuit, service or facility is unusable.

b. A credit allowance will be made for interruption periods lasting 20 minutes or longer. An interruption period begins when the Customer reports a circuit, service or facility to be interrupted and releases it for testing and repair. An interruption period ends when the circuit, service or facility is operative. If the Customer reports an interruption but declines to release the circuit, service or facility for testing and repair, no interruption period will be deemed to exist.

c. A credit allowance is applied on a pro rata basis, dependent on the duration of the interruption, against the monthly recurring charges payable by Customer, and shall be expressly indicated on the next Customer bill. Only those facilities on an interrupted portion of a circuit or service will receive a credit.

d. For calculating credit allowances, every month is considered to have 30 days. A credit

allowance will be calculated for any service interruption lasting 20 minutes or longer on the basis of the proportion of interrupted minutes to total monthly minutes.

e. Notwithstanding the paragraphs above, no credit allowance will be made for: interruptions due to noncompliance with these terms and conditions on the part of the Customer, authorized user, joint user, or other common carrier providing service connected to the service of KMC Telecom; interruptions due to the negligence of any person other than KMC Telecom, including but not limited to the Customer, other user, or other common carriers connected to KMC Telecom's facilities; interruptions due to the failure or malfunction of equipment not owned or controlled by KMC Telecom; interruptions of service during any period in which KMC Telecom is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions; periods of impaired service during which the Customer continues to use the service; interruptions of service during any period when the Customer has released service to KMC Telecom for maintenance purposes or for implementation of a Customer order for a change in service arrangements; interruptions of service during scheduled maintenance, after reasonable notice to Customer; interruptions of service resulting from the failure, malfunction or removal of facilities, power or equipment provided by the Customer; interruptions of service due to circumstances or causes beyond the control of KMC Telecom; or interruptions the credit allowance for which would amount to less than one dollar.

5. Obligations of the Customer

Obligations of the Customer shall include the following:

a. Customer shall be responsible for any damage to or loss of KMC Telecom's facilities or equipment caused by the acts or omissions of the Customer, or its employees, agents, contractors or suppliers, by malfunction or failure of any equipment or facility provided by Customer or its agents, employees or suppliers, or by fire, theft or other casualty on the Customer's premises, unless caused by the gross negligence or willful misconduct of KMC Telecom's employees or agents.

b. Customer shall provide at no cost to, and, as specified from time to time by, KMC Telecom, any personnel, equipment, space, power, heating and air conditioning needed to operate, and maintain a proper operating environment for, KMC Telecom facilities and equipment installed on the Customer's premises. Customer shall cooperate with KMC Telecom in choosing the location, size and characteristics of KMC Telecom's equipment space on Customer's premises, which shall define the point of termination of KMC Telecom's service. Customer may be required to pay, in the sole discretion of KMC Telecom, additional non-recurring charges for any additional points of termination within Customer's premises.

c. Customer shall obtain, maintain, and otherwise have full responsibility for all rights-of-way and conduit necessary for installation of KMC Telecom facilities from the building entrance or property line to the location of KMC Telecom's equipment space on the Customer's premises. Any costs associated with obtaining and maintaining the rights-of-way described herein, including any necessary building modification costs, shall be borne entirely by the Customer. Customer shall also be responsible for complying with all applicable laws, and obtaining all required permits or other approvals related to the location and installation of KMC Telecom facilities and equipment in the Customer's premises or within the rights-of-way for which the Customer is responsible. Customer and KMC Telecom may mutually agree to enter into a contract under which KMC Telecom will provide some or all such nonregulated services and facilities.

d. Customer shall provide a safe place to work and be responsible for complying with all

laws and regulations regarding the working conditions on the premises at which KMC Telecom employees and agents install or maintain KMC Telecom facilities and equipment. Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g., asbestos) prior to, during and after any construction or installation work. Customer may be required to install and maintain KMC Telecom facilities and equipment if, in KMC Telecom's opinion, the equipment space provided by the Customer is a hazardous area.

e. Customer shall grant or obtain permission for KMC Telecom employees or agents to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or removing the facilities or equipment of KMC Telecom and/or inspecting Customer-provided equipment which is connected to KMC Telecom facilities and equipment.

f. Customer shall be responsible for the provision, operation and maintenance of any Customer-provided terminal equipment connected to KMC Telecom facilities and equipment, and for ensuring that such Customer-provided equipment is compatible with KMC Telecom facilities and equipment. The magnitude and character of the voltages and currents impressed on KMC Telecom facilities, equipment and wiring by such Customer-provided equipment shall be such as not to cause damage to KMC Telecom facilities, equipment, and wiring or injury to KMC Telecom's employees or to other persons. Upon KMC Telecom's request, Customer will submit to KMC Telecom a complete manufacturer's specification sheet for each item of Customer-provided equipment that is or is proposed to be attached to KMC Telecom facilities and equipment. KMC Telecom may provide, at the Customer's expense, any additional protective equipment required in the sole opinion of KMC Telecom, to prevent damage or injury resulting from the connection of any Customer-provided equipment.

g. Customer warrants that the services ordered are interstate and/or international in nature. When a service or facility provided by KMC Telecom will be used to carry a mixture of telecommunications containing intrastate telecommunications, Customer warrants that the interstate and/or international telecommunications constitute more than 10 percent of the total telecommunications carried over the service or facility. If a regulatory body or other governmental agency questions the Customer's estimate of the percentage of interstate telecommunications, Customer will provide the data upon which the estimate is based within 30 days of a request by KMC Telecom. Customer shall keep records of system design and functions from which the percentage of interstate use can be estimated and, upon KMC Telecom's request, shall make such records available to KMC Telecom.

h. Customer shall cooperate with KMC Telecom to plan, coordinate and undertake any actions required to maintain maximum network capability following natural or man-made disasters, which affect services.

i. Customer's Use of Service. Customer covenants and agrees that it will not use, and will prohibit its joint and authorized users from using, any Service provided to Customer hereunder (i) for any unlawful purpose, for any use as to which Customer or its end user has not obtained all required government approvals, authorizations, licenses, consents, and permits, or in any unlawful manner; (ii) in any way that restricts, limits, or interferes with the use of KMC Telecom services by others or the operation of the network utilized by KMC Telecom hereunder or that may damage such network or may threaten health, safety, or property; or (iii) for purposes of perpetrating a fraud or harassing or infringing upon the rights of others. Customer is responsible for assuring that any and all of its uses comply with the applicable provisions of this Agreement. In any instance which KMC Telecom believes in good faith that the above provisions are not being followed, KMC Telecom may immediately restrict, suspend, or discontinue providing services, without liability on the part of KMC Telecom, and promptly notify

Customer of the action that KMC Telecom has taken and the reason for such action. To the extent doing so does not interfere with its ability to prevent violations of the above requirements (as determined in KMC Telecom's sole discretion), KMC Telecom will attempt in good faith to limit any restriction, suspension, or discontinuance implemented under this Section to the locations, phone numbers, or services with respect to which the violation is taking place. KMC Telecom shall not be responsible for any aspect of any service or facilities provided to Customer after such services or facilities have been delivered to Customer. KMC Telecom's responsibilities with respect to service prior to delivery to Customer are as set out in this Agreement. As between KMC Telecom and Customer, Customer is responsible for all charges attributable to Customer's use of the services, including charges resulting from fraudulent or unauthorized use of services, including but not limited to KMC Calling Card Services, by any third party, local access charges, all use or requirements for utilization of a service after its delivery to Customer, and all billing, billing adjustments/credits, customer service, creditworthiness and other service-related requirements of Customer's uses.

6. Payments

Obligations of the Customer with regard to payments shall include:

- a. Customer shall be responsible for payment of all applicable charges and fees, including but not limited to charges for fraudulent use, including but not limited to the fraudulent use of KMC Calling Card Services, for facilities and services furnished to the Customer or to authorized or joint users or to the Customer's customers. KMC Telecom's services are provided on a "take or pay" basis, that is, Customer is responsible for the applicable charges for services as ordered, whether or not Customer actually uses all or part of those services or capacity.
- b. Customer shall pay any applicable federal, state, local or foreign use, excise, sales, gross receipts or privilege taxes, charges or surcharges (however designated), value-added and other taxes, duties or similar liabilities, chargeable to or against KMC Telecom because of services or facilities provided to Customer in addition to any charges and fees for services and facilities; provided, however, if Customer believes it is exempt from any such taxes, Customer shall provide KMC Telecom with an exemption certificate evidencing such claimed exemption. Customer shall indemnify, defend and hold harmless KMC Telecom against any damages, losses, claims or judgments arising out of any exemption claimed by Customer, including, without limitation, any liens, attachments, fines or penalties. If any entity imposes charges on KMC Telecom because of services or facilities provided to Customer, such charges shall be charged to and payable by Customer in addition to the service charges and fees.
- c. Customer shall pay outstanding charges in full within 30 days of the invoice date. Charges not paid by Customer within 30 days, or paid in funds not immediately available to KMC Telecom, shall be subject to interest at the lower of 1.5% per month or the maximum lawful rate. Charges normally will be invoiced in advance, with monthly recurring charges invoiced on or about the first of the month for which the charges apply. In the event of a KMC Telecom billing error or omission, Customer shall be responsible for any back billing invoiced by KMC Telecom within 2 years of the original date of service.
- d. Customer agrees that KMC Telecom may conduct an independent verification of Customer's financial condition at any time, and Customer agrees to promptly supply such financial information as may be reasonably requested by KMC Telecom. If, in the sole opinion of KMC Telecom, Customer presents an undue risk of nonpayment at any time, KMC Telecom may require that Customer pay its bills within a specified number of days, pay in advance of the furnishing or continuation of any service, and/or make such payments in cash or the equivalent of cash.

e. If required by KMC Telecom, Customer shall make an advance payment before services are furnished, which advance payment will be credited to the Customer's initial bill. KMC Telecom may, in its sole discretion, require such an advance payment, which may be in addition to a security deposit.

f. If required by KMC Telecom, Customer shall make a security deposit before a service is furnished or continued, to be held as a guarantee for the payment of charges. KMC Telecom may require such a deposit, which may be in addition to an advance payment, if KMC Telecom considers this action necessary to safeguard its interests. A deposit shall not relieve the Customer of the responsibility for prompt payment of bills on presentation. No interest shall be paid on the deposit unless otherwise agreed by KMC Telecom or required by law. At any time, at its option, KMC Telecom may return the deposit or credit it to the Customer's account. When a service is discontinued, the amount of any applicable deposit will be applied to the Customer's account and any credit balance remaining will be refunded. Failure to comply with Sections 6.d., 6.e., or this Section 6.f. shall result in immediate termination of services and shall subject the Customer to termination charges to be determined by KMC Telecom.

g. **Disputed Payments:** If Customer reasonably disputes a portion of a KMC Telecom invoice, Customer must pay the full undisputed portion of the invoice by the due date and submit to KMC Telecom, as soon as reasonably practicable, but in no event later than thirty (30) days of the date of the invoice, a written claim specifying the amount withheld and the basis for and specifics underlying the dispute. Nothing herein shall be construed to limit KMC Telecom's rights under Sections 6.d, 6.e, and 6.f above or to obtain from Customer assurances satisfactory to KMC Telecom in its sole discretion of Customer's ability to pay the amount in dispute in the event it is determined that Customer owes KMC Telecom any or all of the amount in dispute. Customer irrevocably waives any and all right to seek an adjustment to, withhold payment in respect of, or otherwise dispute any invoice charge not disputed within thirty (30) days of the date of the invoice by written claim as provided above. KMC Telecom and Customer shall attempt to resolve amicably any billing dispute with reasonable promptness. Within five (5) days of resolution of the dispute, Customer shall pay the portion of the disputed amount owed, if any, plus interest at the rate set forth above. Any amount determined to be received in error by KMC Telecom from Customer shall be credited to Customer in the next invoice generated by KMC Telecom to Customer following such determination and any unused credits shall be carried forward in succeeding invoices until the entire credit is used or the final invoice is generated under an agreement containing or incorporating these Terms and Conditions, whichever is earlier.

7. Indemnification

In addition to the provisions of Section 3.e, 3.g, and 3.j, with respect to any service or facility provided by KMC Telecom, or otherwise in the event of Customer's breach of any of the provisions of these terms and conditions, Customer shall indemnify, defend and hold harmless KMC Telecom from and against all claims, actions, damages, liabilities, costs and expenses, for:

a. any loss, destruction or damage to property of KMC Telecom or any third party, or the death or injury of any person, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitee; and

b. any claim, loss, damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including without limitation, use of KMC Telecom's services and facilities in a manner not contemplated by this agreement between Customer and KMC

Telecom.

8. Cancellation of Service

If Customer cancels a service order or terminates service before the completion of the term of service specified in the service order or Customer Service Agreement for any reason, Customer agrees to pay to KMC Telecom all costs, fees and expenses incurred by KMC Telecom in connection with construction and with such termination. In addition, Customer shall be liable, at KMC Telecom's sole discretion, for termination charges up to a maximum amount equal to the total of all prospective fees and charges, including but not limited to all fees and charges associated with (1) the provision of a dedicated service applicable for the remaining term, (2) the provision of other services as set forth in Article II "Service Plan Information" in these Terms and Conditions, and (3) as such termination charges may be specified in the Customer's service order or Customer Service Agreement.

9. Discontinuance of Service

a. If Customer fails to pay timely any amount owing to KMC Telecom and such failure continues for ten days after written notice to the Customer, KMC Telecom may discontinue or suspend service, refuse additional applications for service and/or refuse to complete any pending orders for service without incurring any liability, and/or pursue any other remedies as may be provided at law or in equity.

b. If Customer violates any other material term or condition of the furnishing of service or any law, rule or regulation governing the services provided hereunder, and such violation continues for thirty days after written notice thereof to Customer, KMC Telecom may discontinue or suspend service, refuse additional applications for service and/or refuse to complete any pending orders for service without incurring any liability, and/or pursue any other remedies as may be provided at law or in equity. Customer hereby waives such thirty-day notice requirement in the case of any violation which, in the sole opinion of KMC Telecom, if allowed to continue may result in damage to property, injury or death of any person, or impairment of the operation of KMC Telecom's facilities or which may otherwise expose KMC Telecom to civil or criminal liability.

c. Upon KMC Telecom's discontinuance of service to the Customer, Customer shall be liable, at KMC Telecom's sole discretion, for termination charges up to a maximum amount equal to the total of all prospective fees and charges, including but not limited to all fees and charges associated with the provision of a dedicated service, applicable for the remaining term, or as such termination charges are specified in the applicable service order or Customer Service Agreement, in addition to all other remedies that may be available to KMC Telecom at law or in equity or under any other provisions of these terms and conditions.

d. Upon the Customer filing for bankruptcy or reorganization or failing to discharge an involuntary petition therefore within the time permitted by law, or an assignment for the benefit of creditors, appointment of a trustee or receiver or similar event with respect to Customer, KMC Telecom may, in addition to any other remedy available at law or in equity, immediately discontinue or suspend service, refuse additional applications for service and/or refuse to complete any pending orders for service without incurring any liability.

e. Upon condemnation of any significant portion of the facilities or associated equipment used by KMC Telecom to provide service to Customer or if a casualty renders all or any significant portion of such facilities or equipment inoperable beyond reasonable repair, KMC Telecom may discontinue or suspend service, refuse additional orders for service and/or refuse to complete any pending orders for service upon notice to Customer, without incurring any liability.

f. Upon any governmental prohibition or required alteration of the services provided or ordered, or any violation of an applicable law or regulation, KMC Telecom may immediately discontinue or suspend service, refuse additional applications for service and/or refuse to complete any pending orders for service without incurring any liability.

g. KMC Telecom may terminate a Customer's Service Order or Customer Service Agreement without cause by providing the Customer with sixty (60) days prior written notice of its intent to terminate.

10. Changes in Equipment or Services

a. KMC Telecom may substitute, change or rearrange any equipment, facility or system used in providing services at any time and from time to time, but shall not thereby materially alter the technical parameters of the services provided pursuant to Customer's service order.

b. Customer shall not cause or allow any facility or equipment of KMC Telecom to be rearranged, moved, disconnected, altered or repaired without KMC Telecom's prior written consent.

c. Upon receipt of a written request from Customer, KMC Telecom will add, delete or change locations or features of specific circuits and/or equipment. Customer shall be liable for nonrecurring charges for such changes. If a request for deletion of a service represents a cancellation prior to the applicable term of service, Customer will be subject to KMC Telecom's termination charges.

11. Assignment

a. KMC Telecom may, without obtaining any further consent from Customer, assign any of its rights, privileges or obligations under this agreement to any subsidiary, parent company or affiliate of KMC Telecom; pursuant to any sale or transfer of any portion of the business of KMC Telecom; or pursuant to any financing, merger or reorganization of KMC Telecom.

b. Customer may, upon prior written consent of KMC Telecom, assign its rights, privileges or obligations under this agreement to any subsidiary, parent company or affiliate of Customer; pursuant to any sale or transfer of substantially all the business of Customer; or pursuant to any financing, merger or reorganization of Customer. Any attempt of Customer to make any assignment, transfer, or disposition of its rights, privileges or obligations under these terms and conditions without the prior written consent of KMC Telecom shall be null and void.

12. No License, Agency or Partnership

No license, express or implied, is granted by KMC Telecom to Customer by virtue of an agreement for the furnishing of service hereunder. Neither Customer nor any joint or authorized users shall represent or otherwise indicate to its customers or others that KMC Telecom jointly participates in the Customer's or joint user's services. The relationship between KMC Telecom and Customer shall not be that of partners or agents for one or the other, and shall be deemed not to constitute a partnership or agency agreement, unless such relationship or agreement is expressly agreed to in writing by both KMC Telecom and Customer.

13. Proprietary Information

Neither KMC Telecom nor Customer nor any joint or authorized user of Customer shall disclose any plans, drawings, trade secrets or other proprietary information of the other party which is made known in the course of furnishing service hereunder, except as may be required by law, without prior written consent.

14. Promotions

KMC Telecom reserves the right, from time to time, to provide promotional offerings.

15. Shortage of Equipment or Facilities

a. KMC Telecom reserves the right to limit or to allocate the use of its existing and future facilities when necessary because of a lack of facilities or due to any cause beyond KMC Telecom's control including but not limited to acts of God, fire, flood, explosion or other catastrophes; any law, order, regulation, direction, action or request of the United States government, or of any other government, including state and local governments, having or claiming jurisdiction over KMC Telecom, or of any department, agency, commission, bureau, corporation, or other instrumentality of any one or more of these federal, state or local governments, or of any civil or military authority; national emergencies; insurrections; terrorist activities; riots; wars; unavailability of rights-of-way or materials; or strikes, lock-outs, work stoppages, or other labor difficulties.

b. The furnishing of service under these terms and conditions is subject to the availability on a continuing basis of all facilities necessary to provide the service. Services may be provided using KMC Telecom's optic facilities, as well as, from time to time and at the sole discretion of KMC Telecom, facilities KMC Telecom may obtain from other carriers.

16. Ownership of Facilities

Title to all facilities and equipment, and related plans and proposals, provided by KMC Telecom in furnishing service in accordance with these terms and conditions remains in KMC Telecom, its agents or contractors. Customer shall not have, nor shall it assert, any right, title or interest in the fiber optic or other facilities and associated equipment, plans or proposals provided by KMC Telecom. Such facilities and equipment, plans and proposals shall be returned to KMC Telecom by the Customer whenever requested, within a reasonable period (but in any event not more than fifteen (15) days) following the request, in as good condition as reasonable wear will permit.

17. Governmental Authorizations

The provision of KMC Telecom's services is subject to and contingent upon KMC Telecom obtaining and retaining all governmental authorizations that may be required or be deemed necessary by KMC Telecom. Such authorizations may include but are not limited to governmental approvals, consents, licenses, franchises, and permits. KMC Telecom shall use reasonable efforts to obtain and keep in effect all such governmental authorizations. KMC Telecom shall be entitled to take, and shall have no liability whatsoever for, any action necessary to bring its facilities and/or services into conformance with any requirement or request of the Federal Communications Commission or other federal, state or local governing entities or agencies. Customer shall fully cooperate in and take any action as may be requested by KMC Telecom to comply with such governmental requirements.

18. Rights-of-Way

Where economically feasible (in the sole opinion of KMC Telecom), KMC Telecom shall use reasonable efforts to obtain and maintain, directly or through third parties, rights-of-way necessary for installation of the facilities used to provide KMC Telecom's services to Customer's property line, building entrance, or other service point as agreed to by KMC Telecom. Customer's use of such rights-of-way shall in all respects be subject to any agreements between KMC Telecom and such third parties relating thereto.

19. Term of Service

The term of service shall be as set forth in the Customer Service Agreement or other contract of service which incorporates the terms and conditions herein. If no such term of service has been

otherwise agreed to, the term shall be the minimum term of service. The minimum term of service is one month. Service is provided 24-hours per day, 7-days per week, subject to these Terms and Conditions. For purposes of these terms and conditions, a month is considered to have 30 days.

II. SERVICE PLAN INFORMATION

1. Dedicated Access Service

a. Dedicated Access Service provides dedicated, private line transmission capacity, and consists of an arrangement whereby a Customer or other common carrier uses a dedicated private line facility to access KMC Telecom's network.

(1) **Low Capacity Service (DS-0):** A low capacity service provides digital transmission at speeds up to and including 64 Kbps or, if provided over analog facilities, within the nominal frequency range of 300 and 3,000 Hz.

(2) **High Capacity Digital Service (DS-1):** A high capacity digital service provides duplex digital transmission at rates greater than 64 Kbps and up to and including 1.544 Mbps.

(3) **Very High Capacity Digital Service (DS-3):** A very high capacity digital service provides duplex digital transmission at rates greater than 1.544 Mbps.

2. KMC Long Distance Service

a. **Description:** KMC Long Distance Service (LDS) is a telecommunications service which is available for use by Customer twenty-four (24) hours per day. Customer may originate LDS from domestic locations served by KMC Telecom, and may terminate in all locations within the United States. LDS calls will be billed in 6 second increments with an initial billing period of 6 seconds. The service is offered in two variations depending upon the method the Customer employs to gain access to KMC Telecom's network for use of the service:

(1) Switched LDS is offered in Feature Group D (F.D.) exchanges where the Customer's local telephone lines are presubscribed by the local exchange company to KMC Telecom's LDS service, such that "1+" interLATA calls are automatically routed to KMC Telecom's network.

(2) Dedicated LDS is offered to the extent facilities are available and in those cases where KMC Telecom and Customer jointly arrange for the establishment of dedicated access facilities connecting the Customer's trunk-compatible PBX or other suitable equipment to KMC Telecom's POP. Customer shall be responsible for all costs and charges associated with the dedicated access facilities.

b. **Commitment Levels and Term Plans:** LDS is available on a month to month basis or on an optional 1, 2, or 3 year term plan. Discounts off the monthly rates are available to Customer according to the term plan selected.

c. **Termination of LDS:**

In addition to the appropriate provisions found in the General Terms and Conditions of Article I above and the Customer Service Agreement, a Customer who terminates a term plan prior to the term's expiration will be required to pay in one lump sum an amount equaling the selected

monthly commitment level times the number of months remaining in the term, plus an amount equal to any promotional credit, or discount, or waiver, if applicable, that was provided to the Customer.

d. Account Codes: Verified and Non-verified Account Codes are available per account in two to eight digits.

3. KMC Toll Free Service

a. **Description:** KMC Toll Free Service is an inbound telecommunications service which permits calls to be completed at the Customer's location without charge to the calling party. Access to the service is gained by dialing a ten (10) digit telephone number (800/888/877+NXX-XXXX) which will terminate at the Customer's location. Calls may originate from any location within the United States and may terminate at the Customer's location.

b. KMC Toll Free Service will be billed per call based on the duration of the call. Each call will be billed in 6-second increments with an initial billing period of 6 seconds. Usage discounts apply to aggregate monthly interstate and intrastate usage.

c. KMC Toll Free Service is offered in two variations depending upon the method the Customer employs to access KMC Telecom's network for use of the service:

(1) Switched KMC Toll Free Service calls are originated via normal shared use facilities and are terminated via the Customer's local exchange service access line.

(2) Dedicated KMC Toll Free Service calls are originated via normal shared use facilities and are terminated via dedicated access facilities connecting the Customer's premises and KMC Telecom's POP. This service is offered to the extent facilities are available and where KMC Telecom and the Customer jointly arrange for the establishment of dedicated access facilities connecting the Customer's trunk-compatible PBX or other suitable equipment to KMC Telecom's POP. The Customer shall be responsible for all costs and charges associated with the dedicated access facilities.

d. Commitment Levels and Term Plans: KMC Toll Free Service is available on a month to month basis or on an optional 1, 2, or 3 year term plan. Discounts off the monthly rates are available to Customer according to the term plan selected.

e. Termination of KMC Toll Free Service:

In addition to the appropriate provisions found in the General Terms and Conditions of Article I above and the Customer Service Agreement, a Customer who terminates a term plan prior to the terms expiration will be required to pay in one lump sum an amount equaling the selected monthly commitment level times the number of months remaining in the term, plus an amount equal to any promotional credit, or discount, or waiver, if applicable, that was provided to the Customer.

f. Routing Features

- (1) Day of Week Routing: Calls to a single 800/888/877 number can be routed to different terminating locations based on the day of the week. Weeks are divided into three groups (Monday-Friday, Saturday, and Sunday).
- (2) Holiday Routing: Routes calls placed on an 800/888/877 number to different terminating locations on holidays.
- (3) Time of Day Routing: Calls to a single toll free number are routed to different termination locations based on the following time slots: 7:00am-7:59am, 8:00am-8:59am, 9:00am-11:59am, 12:00pm-3:59pm, 4:00pm-4:59pm, 5:00pm-5:59pm,

6:00pm-11:59pm, and 12:00 am-6:59am.

- (4) Percentage Allocation Routing: Route calls placed on an 800/888/877 number to up to eight different terminating locations based on whole number percentages that add up to 100%.
- (5) Geographic Routing: Route calls based on NPA origination to different terminating locations.

g. Originating Features

- (1) **Extended Call Coverage (Option 1):** This allows 800/888/877 calls to come from Alaska and Hawaii. This option must be indicated with the 800 service order.
- (2) **Extended Call Coverage (Option 2):** This allows 800/888/877 calls to come from Puerto Rico and the U.S. Virgin Islands. This option must be indicated with the 800 service order.
- (3) **Tailored Call Coverage:** This allows 800/888/877 service to be blocked from any number of domestic area codes, NPA/NXXs or entire states. There is a limit of 29 exchanges for NPA/NXX blocking.

4. KMC Calling Card Service

a. Description: KMC Calling Card Service is provided to Customers for use when away from their established service location. Access to the service is gained by dialing a KMC Telecom designated 800 access number (800-NXX-XXXX), plus the Customer's/ User's KMC Calling Card authorization number and the called telephone number. The KMC Calling Card Service can also be used to place operator-assisted and directory assistance calls, subject to the application of additional charges. Beyond these standard features, KMC Calling Card Service includes the following enhanced features: conference calling, KMC Voice Mail access, voice messaging, and speed dialing. Use of these enhanced features is subject to separate charges. KMC Calling Card calls are billed in 6 second increments, with a 6 second minimum, except for calls to Alaska, Hawaii, Puerto Rico and the U.S. Virgin Islands, which are 6 second increments with a 30 second minimum. Descriptions of the additional features are as follows:

- (1) **Operator-Assisted Calls:** The KMC Calling Card can be used to place operator-assisted calls. The surcharges are applied per call, in addition to the standard usage charges.
- (2) **Directory Assistance Calls:** The KMC Calling Card can be used to place calls for Directory Assistance. A flat charge will apply per requested number (Requested Number Charge). At the Customer's option, KMC Telecom will automatically place a call to the requested number. For calls completed in this manner, a Call Completion Charge and the Standard Usage Charges will apply in addition to the Requested Number Charge.
- (3) **Enhanced Features Charges:** Enhanced features charges apply in lieu of standard usage charges. Usage charges are billed in six (6) second increments with a one-minute minimum. Enhanced features are available for use as described below:
 - (a) **Conference Calling:** Allows the User to establish a conference call by accessing the conference operator. Charges apply per established line and per minute of usage.

- (b) KMC Voice Mail Access: Allows the User to access KMC Voice Mail and to place return calls without having to hang-up and initiate a new calling card call.
- (c) Voice Messaging: Allows the User to leave up to a three minute voice recorded message that is stored for future delivery when the called number is busy or there is no answer.
- (d) Speed Dialing: Allows the User to access Speed Dialing by programming and storing up to nine frequently dialed numbers.

b. Rate Periods

<u>Non-Holiday</u> <u>Rate Periods</u>	<u>From</u>	<u>To But Not</u> <u>Including Days</u>	
Peak	8:00 a.m.	5:00 p.m.	M-F
Off-Peak	5:00 p.m.	8:00 a.m.	M-F
8:00 a.m.	8:00 a.m.	Sat-Sun	
8:00 a.m.	8:00 a.m.	Holidays	

Holidays: On Christmas Day (Dec. 25), New Year's Day (Jan. 1), Memorial Day, Independence Day (July 4), Labor Day (first Monday in Sept.) and Thanksgiving Day (fourth Thursday in Nov.); the Off-Peak Period rate applies unless a lower rate would normally apply.

5. Directory Assistance (DA)

KMC Telecom will connect Customers of any of KMC Telecom's interexchange outbound calling services to Directory Assistance (DA). A credit allowance for DA will be provided upon request if the Customer experiences poor transmission quality, is cut-off, receives an incorrect telephone number, or misdials the intended DA number (NPA+ 555-1212).

6. Toll Free Directory Assistance Listing

Toll Free Directory Assistance Listing service is available.

III. BASIC RATES

1. Dedicated Access Service

- a. Low Capacity Service (DS-0): \$65.00 Monthly Rate
- b. High Capacity Digital Service (DS-1): \$224.00 Monthly Rate
- c. Very High Capacity Digital Service (DS-3) \$3,664.00 Monthly Rate

2. Resale Services

For resale services, KMC Telecom will pass through to the Customer all charges imposed by facilities-based carriers providing service, plus any appropriate additional charges as listed in a resale agreement.

3. Non-Recurring Charges

- a. High Capacity Digital Service (DS-1): \$1,040.00
- b. Very High Capacity Digital Service (DS-3): \$1,400.00
- c. Low Capacity Service (DS-0): \$150.00

4. KMC Long Distance Service (LDS)

- a. Customers with existing contracts with KMC Telecom are subject to terms and conditions of those contracts.
- b. Outbound Switched Interstate LDS – All States, Puerto Rico, US Virgin Islands, Guam, and the Northern Marianas

M-T-M	Term		
	1 Year	2 Years	3 Years
\$0.25	\$0.24	\$0.23	\$0.22

- c. Outbound Dedicated Interstate LDS – All States, Puerto Rico, US Virgin Islands, Guam, and the Northern Marianas

M-T-M	Term		
	1 Year	2 Years	3 Years
\$0.23	\$0.22	\$0.21	\$0.20

- d. Account Codes per Account

Monthly	Non-Recurring
\$0.00	\$0.00

5. KMC Toll Free Service

- a. Customers with existing contracts with KMC Telecom are subject to terms and conditions of those contracts.
- b. Inbound Switched Interstate KMC Toll Free Service– All States, Puerto Rico, US Virgin Islands, Guam, and the Northern Marianas

M-T-M	Term		
	1 Year	2 Years	3 Years
\$0.25	\$0.24	\$0.23	\$0.22

- c. Inbound Dedicated Interstate KMC Toll Free Service – All States, Alaska, Hawaii, Puerto Rico, U.S. Virgin Islands, Guam, and the Northern Marianas

M-T-M	Term		
	1 Year	2 Years	3 Years
\$0.23	\$0.22	\$0.21	\$0.20

d.	Routing Features		
		<u>Monthly</u>	<u>Non-</u>
		<u>Recurring</u>	<u>Recurring</u>
(1)	Day of Week Routing	\$75.00	\$50.00
(2)	Holiday Routing	\$75.00	\$50.00
(3)	Time of Day Routing	\$75.00	\$50.00
(4)	Percentage Allocation Routing	\$75.00	\$50.00
(5)	Geographic Routing	\$75.00	\$50.00
e.	Originating Features		
		<u>Monthly</u>	<u>Non-</u>
		<u>Recurring</u>	<u>Recurring</u>
(1)	Extended Call Coverage (Option 1)	\$0.00	\$0.00
(2)	Extended Call Coverage (Option 2)	\$0.00	\$0.00
(3)	Tailored Call Coverage	\$0.00	\$0.00
f.	Service Charges per Line		

	Monthly
	<u>Recurring</u> <u>Non-Recurring</u>
	\$0.00 \$0.00

6. KMC Calling Card Service

a. Rates Per Minute

From	Continental US	Alaska	Hawaii	Puerto Rico	US Virgin Islands
Continental US	\$0.15	\$0.34	\$0.34	\$0.15	\$0.15
Alaska	\$0.39	\$0.49	\$0.49	\$0.49	\$0.49
Hawaii	\$0.39	\$0.49	\$0.49	\$0.49	\$0.49
Puerto Rico	\$0.20	\$0.45	\$0.45	\$0.55	\$0.55
US Virgin Islands	\$0.20	\$0.45	\$0.45	\$0.55	\$0.55

b.	<u>Surcharges</u>	<u>Per Call</u>
<u>Calling Card Surcharges (per call)</u>		
	US (48 contiguous states) Interstate.....	\$0.00
	US (48 contiguous states) Intrastate.....	\$0.35
	US to Puerto Rico, AK, HI, USVI.	\$0.90
	US to Canada	\$0.90
	US to All Other Countries	\$2.15
	International to International	\$2.50
	Calls originating from a payphone.....	\$0.35 (additional)

c.	<u>Operator Assisted Calls</u>	<u>Per Call</u>
	US.....	\$1.30
	Canada.....	\$1.35
	All other International Locations.....	\$10.00

d.	<u>Directory Assistance Calls</u>	<u>Per Call</u>
	Requested Number Charge	\$1.35
	Call Completion Charge	\$0.65

e.	<u>Enhanced Feature Charges</u>	
(1)	Conference Calling:	
	Per established line	\$2.50
	Per minute of use, per line:	
	Day	\$0.59
	Weekend	\$0.35
(2)	KMC Voice Mail Access:	
	Per minute of use:	\$0.32
(3)	Voice Messaging:	
	Per minute of use:	
	1 message	\$2.90
	Up to 5 messages	\$9.39
	Up to 10 messages	\$16.90
	Up to 20 messages	\$31.00
	Message status	\$0.00
(4)	Speed Dialing	\$0.00

7. Directory Assistance

Per call: \$0.95

8. Toll Free Directory Assistance Listing

Installation	\$25.00
Recurring Monthly Charge	\$25.00

Masterton, Susan S [CC]

From: Floyd Self [fself@lawfla.com]
Sent: Tuesday, December 14, 2004 10:45 AM
To: Poag, F Ben B [CC]; Luehring, Janette W [CC]; Khazraee, Sandra A [CC]; Masterton, Susan S [CC]; Grimaldi, Tom A [CC]
Subject: Re: 041144 KMC Complaint

Thank you, Susan.

Floyd R. Self, Esq.
Messer, Caparello & Self, P.A.
Direct Phone: 850-425-5213
Email Address: <fself@lawfla.com>
Web Address: <www.lawfla.com>

>>> "Masterton, Susan S [CC]" <susan.masterton@mail.sprint.com> 12/14/2004 9:42:21 AM >>>

Tom and Janette, I spoke with Floyd today and agreed to KMC's requested extension of the discovery response due date until January 4, 2005, based on the understanding that KMC is making a good faith effort to respond fully to the discovery. To the extent that KMC has concerns requiring clarification of terms we have used in some of the questions, Floyd has agreed that we will attempt to resolve those concerns via e-mail, so that KMC can properly respond to those questions on the 4th.

Floyd has indicated that he can have those areas needing clarification to us by this Friday or Monday. Since I will be out of the office from Monday afternoon through December 28th I have asked that he copy you and Janette, as well as Ben and Sandy, so that someone from Sprint should be available to assist him in getting the necessary clarification.

Susan S. Masterton
Attorney - Sprint External Affairs
1313 Blair Stone Road
P.O. Box 2214
Tallahassee, FL 32316-2214
Phone: 850-599-1560
Fax: 850-878-0777
susan.masterton@mail.sprint.com

10

Masterton, Susan S [CC]

From: Floyd Self [fself@lawfla.com]
Sent: Wednesday, December 22, 2004 12:28 PM
To: Poag, F Ben B [CC]; Whitt, Chrystal [CC]; Luehring, Janette W [CC]; Khazraee, Sandra A [CC]; Masterton, Susan S [CC]; Grimaldi, Tom A [CC]
Cc: BMiller@KelleyDrye.com; CYorkgitis@KelleyDrye.com; marva.johnson@kmctelecom.com
Subject: KMC clarifications, Florida 041144 KMC Complaint
Importance: High

Susan, et. al.,

Attached is a copy of the clarifications KMC is requesting for Sprint's first set of discovery to KMC in the Florida complaint case, Docket Number 041144.

I apologize for the delay in getting this to you on Monday as promised, but my email went down Monday and I am only now able to send and receive.

Please let me know if you have any questions.

Thank you, and happy holidays.

Floyd R. Self, Esq.
Messer, Caparello & Self, P.A.
Direct Phone: 850-425-5213
Email Address: <fself@lawfla.com>
Web Address: <www.lawfla.com>

KMC requests for clarification of Sprint's First Set of Interrogatories¹

1.² KMC wishes to clarify that, subject to any objections it will make, if the data is kept and is available, KMC will answer only for those calls and minutes where KMC removed the calling party number ("CPN") or altered the CPN KMC received from the previous carrier or ISP. KMC does not agree that the *charge party number* has any relevance to billing for reciprocal compensation, access charges, or other form of intercarrier compensation, and asks for an explanation from Sprint as to why charge party number is relevant.

2. KMC requests clarification of the phrase "believes to be VoIP traffic." Clarify that KMC need answer only if it has a method of distinguishing between a call that is VoIP, as Sprint defined it (real-time multidirectional voice traffic that uses IP), and another call that is not VoIP at the time KMC receives the traffic.

3. KMC requests clarification that, if it has a method of distinguishing between a call that is VoIP and another that is not VoIP, it will identify those carriers, etc. that were sending VoIP and, if KMC knows the amount of traffic sent by that carrier, etc., KMC will provide it. As further clarification, no "trunks or circuits" information was solicited in 1 or 2. That should simply be dropped from the request.

4. Clarify that KMC need provide information only for those entities identified in 3 as sending KMC VoIP traffic.

5. Clarify why traffic that comes from an ISP or ESP is not traffic that originates on KMC's network if KMC treats that ISP or ESP, in accordance with long-standing FCC policy, as an end user. KMC requests clarification that (d) is limited to terms related to manipulation or removal of CPN.

6. What is meant by "quantification?" What is meant by "identification?" Clarify what is meant by "exemption from . . . intercarrier compensation." Does Sprint mean exemption from compensation charged *by Sprint* to KMC?

7. See comments as to Interrogatory No. 1 regarding charge party number.

8. **Sprint should just simply restate this Interrogatory. It is a compound question, injected with assumptions, awfully worded and hypothetical, at best. Is Sprint asking a) does KMC send traffic to Sprint that uses nonworking KMC numbers in the charge party number parameter? And**

¹ Any requested clarifications will extend to the document requests as well. KMC reserves all rights to make objections on or before January 4, 2005, notwithstanding any request for clarification or any Sprint response to such request.

² Numbers to the paragraphs of this document correspond to Sprint's Interrogatory numbers.

b) if so, why does that number get inserted into the charge party number parameter (and who does it)? See also comments as to Interrogatory No. 1 regarding charge party number.

9. Similar to 8. Sprint should clarify specifically what traffic it is talking about, with examples from each of the multiple IXCs. Then clarify that Sprint is asking questions similar to those indicated in the suggested clarification to Interrogatory No. 8 above: e.g., a) admit that the traffic did show the same KMC non-working number in the charge party number, and b) explain why.

10. No clarification

11. No clarification.

12. No clarification, except see comments as to Interrogatory No. 1 regarding charge party number. Presumably, Sprint is alleging that these numbers were in the charge party number field.

13. See comments as to Interrogatory No. 1 regarding charge party number.

14. No clarification.

15. Clarify that KMC may narrow its response to correspondence, etc., related to traffic sent to Sprint over interconnection trunks in Florida.

16. Clarify that, in response to (a), KMC may narrow its response to services and functionalities related to traffic sent to Sprint over interconnection trunks in Florida. Clarify what Sprint is really interested in getting from (b).

17. (a) Rephrase the question to ask “Did KMC know *whether*,” not “Did KMC know *that*.” Clarify that (b) can be construed to be in the form “*if* KMC knew that”. Clarify what you are looking for in the currently vaguely worded (c).

18. What does Sprint mean by “significant?” What does Sprint mean by “evaluate?” Generally, this Interrogatory is quite vague and ambiguous.

19. Clarify that “interexchange traffic” should be construed to read “traffic.”

20. Clarify and narrow to apply only to interLATA IX traffic sent over local trunks to Sprint.

21. No clarification requested.

22. Clarify to ask whether and, if so, why KMC was offering a discount off ILEC tandem rates.

Masterton, Susan S [CC]

From: Masterton, Susan S [CC]
Sent: Monday, January 03, 2005 5:50 PM
To: 'Floyd Self'
Cc: Luehring, Janette W [CC]; Grimaldi, Tom A [CC]
Subject: RE: 041144, Sprint-KMC Access docket

Floyd, attached are Sprint's responses to KMC's requests for clarification. As stated in my previous e-mail (below) we expect KMC's response to Sprint's discovery tomorrow with any additional responses based on these clarifications to follow within 10 days (that is, by January 14th).

If you have any questions, please let me know.

Susan S. Masterton
Attorney - Sprint External Affairs
1313 Blair Stone Road
P.O. Box 2214
Tallahassee, FL 32316-2214
Phone: 850-599-1560
Fax: 850-878-0777
susan.masterton@mail.sprint.com

-----Original Message-----

From: Masterton, Susan S [CC]
Sent: Monday, January 03, 2005 10:53 AM
To: 'Floyd Self'
Cc: Luehring, Janette W [CC]; Grimaldi, Tom A [CC]
Subject: RE: 041144, Sprint-KMC Access docket

Floyd,

Given that we didn't get the requested clarifications until Wednesday December 22nd, instead of Friday Dec. 18th or Monday Dec. 20th as we had agreed, and also that they were much lengthier and involved than I had anticipated based on my earlier conversation with you, we have been delayed in putting together our response. I hope to forward our response by the end of today.

Notwithstanding, we still expect KMC's formal response to Sprint's November 15th discovery requests by tomorrow as promised. To the extent that our response to KMC's requests for clarification may resolve some issues concerning the discovery and enable KMC to provide additional or more complete responses, we would anticipate that KMC would supplement the responses filed tomorrow accordingly within 10 days of receiving our response to the request for clarifications. Should we still have disputes concerning KMC's fulfillment of its obligation to respond to Sprint's discovery after that, we would anticipate those issues to be resolved by the prehearing officer in response to

a Motion to Compel.

Susan S. Masterton
Attorney - Sprint External Affairs
1313 Blair Stone Road
P.O. Box 2214
Tallahassee, FL 32316-2214
Phone: 850-599-1560
Fax: 850-878-0777
susan.masterton@mail.sprint.com

-----Original Message-----

From: Floyd Self [mailto:fself@lawfla.com]
Sent: Monday, January 03, 2005 10:38 AM
To: Masterton, Susan S [CC]
Subject: 041144, Sprint-KMC Access docket

Susan,

When can we expect a response on the clarification questions we asked regarding the Sprint discovery???

Thanks.

Floyd R. Self, Esq.
Messer, Caparello & Self, P.A.
Direct Phone: 850-425-5213
Email Address: <fself@lawfla.com>
Web Address: <www.lawfla.com>

FL PSC Docket No. 041144

Sprint's Responses to KMC's requests for clarification

1. Sprint has alleged in its complaint that the charge party number associated with certain interexchange calls has been altered, causing the calls to appear to be local calls and resulting in Sprint billing KMC reciprocal compensation, rather than access charges, for those calls. (See ¶¶ 12-14) Because of this, information regarding the charge party number is relevant pursuant to Florida Civil Procedure Rule 1.280 (b) and, therefore, KMC is required to respond to Sprint's discovery seeking the information requested in Interrogatory No. 1. To the extent that KMC disagrees with Sprint that the charge party number is an appropriate basis for Sprint's allegations, this is a disputed issue that will be resolved through the 120.569, F.S., procedures for resolving disputed issues of material fact.

2. The word "believe" is defined in the American Heritage College Dictionary (Third Edition) to mean "expect, suppose or think." By "believes to be VoIP" Sprint means any traffic that KMC "expects, supposes or thinks" to be VoIP traffic. Sprint did not intend to limit KMC's obligation to answer the question in the manner suggested by KMC, that is, only if KMC has a method of distinguishing the traffic.

3. Sprint agrees with KMC's requested clarification to drop the reference to the "trunks or circuits" identified above. Sprint intended the question to refer to the traffic identified in Interrogatories No. 1 & 2, that is, traffic delivered over local interconnection trunks or PRI circuits for which the charge party number has been altered or removed or that KMC believes to be VoIP traffic. Sprint did not intend to limit KMC's obligation to answer the question in the manner suggested by KMC, that is, only if KMC has a method of distinguishing VoIP traffic.

4. Sprint did not intend to limit this question to only those entities identified by KMC as sending VoIP traffic. However, Sprint agrees that the question should be limited to entities that terminate or exchange traffic with KMC in Florida.

5. Sprint is confused by KMC's request for clarification related to Interrogatory No. 5. In its Interrogatory, Sprint has not stated a position on the question KMC appears to be addressing. Rather, Sprint has asked KMC if all of the KMC traffic flowing to Sprint over local interconnection facilities originates on KMC's local network. In addition, Sprint does not agree with KMC's requested clarification to subpart (d), as Sprint believes that such a clarification would unduly narrow the information Sprint is seeking through the interrogatory.

6. The word "identify" is defined in the American Heritage College Dictionary (Third Edition) to mean "to establish the origins, nature or characteristics of." The word "quantify" is defined in the American Heritage College Dictionary (Third Edition) to mean "to determine or express the number or amount." Sprint is asking KMC to provide a detailed explanation of the nature or characteristics of the "enhanced services" traffic

KMC delivers to Sprint for local termination and to provide the amount of such “enhanced services” traffic delivered by KMC to Sprint for local termination. In addition, KMC is correct that by “exempt from the application of access charges...” Sprint means exempt from compensation charged by Sprint to KMC.

7. See Sprint’s response related to Interrogatory No. 1 above.

8. Sprint agrees that KMC may answer the question as suggested in its request for clarification, that is, a) does KMC send traffic to Sprint that uses nonworking KMC numbers in the charge party number parameter? And b) If so, why does that number get inserted into the charge party number parameter (and who inserts it)? Also, see Sprint’s response to Interrogatory No. 1 regarding the relevance of the charge party number.

9. See Sprint’s Complaint, ¶¶ 13 and 15, for a description of the traffic Sprint is referring to. Sprint agrees that KMC may answer the question as suggested, that is, a) admit that the traffic did show the same KMC non-working number in the charge party number field and b) explain why.

12. See Sprint’s response related to Interrogatory No. 1 above.

13. See Sprint’s response related to Interrogatory No. 1 above.

15. Sprint agrees with the suggested limitation of the response to Florida.

16. Sprint agrees with the suggested limitation of the response to Florida. In b) Sprint is asking for a description of any terms and conditions placed by KMC on the provision of these services (such as, but not limited to, terms and conditions that might be found in a contract or tariff) as well as for a description of any restrictions KMC might place on the use of the services, such as, but not limited to, a restriction that access traffic must be properly identified and not masked as local traffic when it is delivered to KMC.

17. Sprint does not agree with KMC’s suggested rephrasing of subsection (a) and (b) of this question. In (c) Sprint is asking for any documents in KMC’s possession relating to any actions taken by KMC to attempt to discover or ascertain or upon discovering or ascertaining that the traffic delivered by the enhanced service provider was or was not interexchange traffic.

18. The term “significant” is defined in the American Heritage College Dictionary (Third Edition) to mean a “fairly large amount or quantity.” The word “evaluate” is defined in the American Heritage College Dictionary (Third Edition) to mean “to examine or judge carefully; appraise.” In subpart (a), Sprint is asking if KMC was aware that the enhanced service provider was sending large amounts of traffic over the PRI trunks it purchased from KMC. In subpart (b), Sprint is asking did KMC take any actions to examine or appraise the nature of these large volumes of traffic.

19. Sprint agrees with KMC’s requested clarification to delete the word “interexchange.”

20. Sprint agrees with KMC's requested clarification to narrow the question to apply to traffic sent over local trunks to Sprint, but Sprint does not agree with the request to narrow the question to "interLATA IX traffic."

22. Sprint does not believe KMC's requested clarification is necessary. On its website, KMC appears to be "offering" discounts off the "average ILEC tandem rate." Therefore, Sprint's question is relevant and appropriate as asked.

Masterton, Susan S [CC]

From: Floyd Self [fself@lawfla.com]
Sent: Thursday, January 06, 2005 12:04 PM
To: Masterton, Susan S [CC]
Subject: RE: KMC discovery responses, 041144

Yes. In the rush to get you the answers we did not have time to get the affidavits executed since Marva was on the road. I hope by Monday to have them.

Floyd R. Self, Esq.
Messer, Caparello & Self, P.A.
Direct Phone: 850-425-5213
Email Address: <fself@lawfla.com>
Web Address: <www.lawfla.com>

>>> "Masterton, Susan S [CC]" <susan.masterton@mail.sprint.com> 1/5/2005 4:48:08 PM
>>>

Floyd, Florida Rules of Civil Procedure 1.340 requires that all answers to Interrogatories be made under oath. Will you be sending the affidavits for each of the respondents to the Interrogatories along with the hard copies?

Thanks.

Susan S. Masterton
Attorney - Sprint External Affairs
1313 Blair Stone Road
P.O. Box 2214
Tallahassee, FL 32316-2214
Phone: 850-599-1560
Fax: 850-878-0777
susan.masterton@mail.sprint.com

-----Original Message-----

From: Floyd Self [mailto:fself@lawfla.com]
Sent: Wednesday, January 05, 2005 3:54 PM
To: Masterton, Susan S [CC]; CFordham@PSC.STATE.FL.US
Subject: KMC discovery responses, 041144

Attached is an electronic copy of the KMC responses to Sprint's first set of interrogatories and PODs in the Sprint complaint docket.

Susan, thanks for your patience.

Floyd R. Self, Esq.
Messer, Caparello & Self, P.A.
Direct Phone: 850-425-5213
Email Address: <fself@lawfla.com>
Web Address: <www.lawfla.com>

Masterton, Susan S [CC]

From: Floyd Self [fself@lawfla.com]
Sent: Monday, January 10, 2005 11:28 AM
To: Masterton, Susan S [CC]
Subject: RE: KMC discovery responses, 041144

Susan,

I have been out of the office. I will be reading the protective agreement and getting it back to you tomorrow. I have one of the confidential documents and KMC is gathering the others. As soon as I plow through my emails, I will have more for you.

Thanks.

Floyd R. Self, Esq.
Messer, Caparello & Self, P.A.
Direct Phone: 850-425-5213
Email Address: <fself@lawfla.com>
Web Address: <www.lawfla.com>

>>> "Masterton, Susan S [CC]" <susan.masterton@mail.sprint.com> 1/7/2005 1:44:56 PM
>>>
Floyd,

I haven't heard back from you regarding the protective agreement, so I have prepared and signed the attached Protective Agreement which is the same as the agreement Sprint and KMC entered into for Docket No. 031047-TP, except that I have changed the heading, docket numbers and dates as appropriate to this proceeding.

Given the delay that has already occurred in receiving any responses from KMC to Sprint's discovery, and KMC's representation at the time Sprint agreed to extend the due date for the responses that KMC needed the extra time in order to more fully respond to the discovery, Sprint would appreciate you expeditiously forwarding the responses KMC has indicated are confidential upon receipt of this executed protective agreement. (I am sending electronically the document executed by me and also hand delivering two copies of the original for KMC's execution and asking you to return one signed original to me for my files.)

Given the commitments you made at the time Sprint agreed to extend the due date for KMC's responses to Sprint's discovery from December 15 to January 4, Sprint was dismayed by KMC's failure to meaningfully respond to Sprint's discovery evident in the document served electronically on Sprint on January 5th. I realize that, due to KMC's delay in forwarding its requests for clarification to Sprint, KMC did not receive Sprint's responses to those requests until January 4th. In that document, Sprint had indicated that it would allow KMC an

additional 10 days to supplement its responses based on the clarifications before contemplating any action before the Commission to compel responses from KMC. However, given the the amount of time that has already passed since Sprint's initial service of the discovery and KMC's apparent intent to object, rather than respond, to the majority of the discovery, I would appreciate it if you could give me a good faith indication now as to whether KMC has any intention of supplementing its responses based on Sprint's clarifications forwarded to you on January 4th.

I look forward to your prompt reply to this e-mail.

Susan S. Masterton
Attorney - Sprint External Affairs
1313 Blair Stone Road
P.O. Box 2214
Tallahassee, FL 32316-2214
Phone: 850-599-1560
Fax: 850-878-0777
susan.masterton@mail.sprint.com

-----Original Message-----

From: Masterton, Susan S [CC]
Sent: Wednesday, January 05, 2005 5:12 PM
To: Masterton, Susan S [CC]; 'Floyd Self'; 'DROCKETT@PSC.STATE.FL.US'
Cc: 'CFordham@PSC.STATE.FL.US'
Subject: RE: KMC discovery responses, 041144

Floyd, also, please send a protective agreement ASAP so that Sprint will be able to obtain the confidential answers referred to in the interrogatories.

Susan S. Masterton
Attorney - Sprint External Affairs
1313 Blair Stone Road
P.O. Box 2214
Tallahassee, FL 32316-2214
Phone: 850-599-1560
Fax: 850-878-0777
susan.masterton@mail.sprint.com

-----Original Message-----

From: Masterton, Susan S [CC]
Sent: Wednesday, January 05, 2005 4:48 PM
To: 'Floyd Self'; 'drockette@psc.state.fl.us'
Cc: CFordham@PSC.STATE.FL.US
Subject: RE: KMC discovery responses, 041144

Floyd, Florida Rules of Civil Procedure 1.340 requires that all answers to Interrogatories be made under oath. Will you be sending the affidavits for each of

the respondents to the Interrogatories along with the hard copies?

Thanks.

Susan S. Masterton
Attorney - Sprint External Affairs
1313 Blair Stone Road
P.O. Box 2214
Tallahassee, FL 32316-2214
Phone: 850-599-1560
Fax: 850-878-0777
susan.masterton@mail.sprint.com

-----Original Message-----

From: Floyd Self [mailto:fself@lawfla.com]
Sent: Wednesday, January 05, 2005 3:54 PM
To: Masterton, Susan S [CC]; CFordham@PSC.STATE.FL.US
Subject: KMC discovery responses, 041144

Attached is an electronic copy of the KMC responses to Sprint's first set of interrogatories and PODs in the Sprint complaint docket.

Susan, thanks for your patience.

Floyd R. Self, Esq.
Messer, Caparello & Self, P.A.
Direct Phone: 850-425-5213
Email Address: <fself@lawfla.com>
Web Address: <www.lawfla.com>

Masterton, Susan S [CC]

From: Floyd Self [fself@lawfla.com]
Sent: Thursday, January 27, 2005 2:15 PM
To: Masterton, Susan S [CC]
Subject: RE: KMC additional discovery responses, 041144

Susan,

I have been delayed in getting documents to you, but you will have what I have by noon Friday.

Thank you.

Floyd R. Self, Esq.
Messer, Caparello & Self, P.A.
Direct Phone: 850-425-5213
Email Address: <fself@lawfla.com>
Web Address: <www.lawfla.com>

>>> "Masterton, Susan S [CC]" <susan.masterton@mail.sprint.com> 1/27/2005 11:41:23 AM >>>
Floyd,

Despite repeated representations from you that additional information will be forthcoming from KMC in response to Sprint's November 15, 2004 discovery requests, I have not yet received the promised information. If I do not receive by noon tomorrow (Friday, January 28, 2005): 1) the confidential information you indicated you would provide in relation to Interrogatory Nos. 10, 14, 15, and 16 and related PODs 5 and 6; 2) additional responsive information based on Sprint's January 3, 2005 clarifications or my January 21, 2005 e-mail; and 3) the required affidavits for each of the respondents to the Interrogatories, Sprint intends proceed with filing with the Commission a Motion to Compel KMC to respond to Sprint's discovery requests in accordance with the Florida Rules of Civil Procedure.

Susan S. Masterton
Attorney - Sprint External Affairs
1313 Blair Stone Road
P.O. Box 2214
Tallahassee, FL 32316-2214
Phone: 850-599-1560
Fax: 850-878-0777
susan.masterton@mail.sprint.com

-----Original Message-----

From: Masterton, Susan S [CC]
Sent: Wednesday, January 26, 2005 4:54 PM
To: 'Floyd Self'
Subject: RE: KMC additional discovery responses, 041144
Importance: High

I haven't received anything from you yet - did you send it and I just haven't gotten it?

Susan S. Masterton
 Attorney - Sprint External Affairs
 1313 Blair Stone Road
 P.O. Box 2214
 Tallahassee, FL 32316-2214
 Phone: 850-599-1560
 Fax: 850-878-0777
 susan.masterton@mail.sprint.com

-----Original Message-----

From: Floyd Self [mailto:fself@lawfla.com]
Sent: Tuesday, January 25, 2005 8:09 AM
To: Masterton, Susan S [CC]
Subject: KMC additional discovery responses, 041144

Susan,

I do not have an answer to all the questions in your last email regarding discovery, but I have many multiple emails this morning sent after my 7 PM conference call with Marva. I am reviewing now and will be delivering them to you this afternoon. When I have a sense of what there is, I will try to get you an update.

Thanks.

Floyd R. Self, Esq.
 Messer, Caparello & Self, P.A.
 Direct Phone: 850-425-5213
 Email Address: <fself@lawfla.com>
 Web Address: <www.lawfla.com>
