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April 17, 1998

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center
Room 110
Tallahassee, Florida 32399-0850

HAND DELIVERY

Re: Docket No. 980184-TP

Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket on behalf of Teleport Communications Group, Inc./TCG South Florida ("TCG") are the original and fifteen copies of the Prefiled Direct Testimony of Paul Kouroupas, together with prefiled Exhibits __ (PK-1) and __ (PK-2).

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,



Kenneth A. Hoffman

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

In re: Complaint of Teleport Communications)
Group Inc./TCG South Florida for Enforce-)
ment of Section IV.C of its Interconnection)
Agreement with BellSouth Telecommunications,)
Inc. and Request for Relief.)
_____)

Docket No. 980184-TP

DIRECT TESTIMONY

OF

PAUL KOUROUPAS

ON BEHALF OF

TELEPORT COMMUNICATIONS GROUP INC.

AND

TCG SOUTH FLORIDA

April 17, 1998

DOCUMENT NUMBER-DATE

04406 APR 17 88

FPSC RECORDS/REPORTING

1 **Q. Please state your name, address and business affiliation.**

2 A. My name is Paul Kouroupas. I am Vice President, Regulatory and External
3 Affairs for Teleport Communications Group Inc.. My business address is
4 2 Lafayette Center, 1133 21st Street, N.W., Suite 400, Washington, D.C.
5 20036.

6 **Q. On whose behalf are you testifying?**

7 A. I am testifying on behalf of Teleport Communications Group Inc., and its
8 Florida affiliate, TCG South Florida.

9 **Q. Please summarize your background and experience.**

10 A. I have worked for TCG for over five years, representing TCG before state
11 public utility commissions throughout the country. For the past three years,
12 I have been responsible for negotiating and overseeing the implementation
13 of interconnection agreements with incumbent local exchange carriers
14 ("ILECs"), including BellSouth Telecommunications, Inc. ("BellSouth"),
15 both prior and subsequent to the passage of the federal Telecommunications
16 Act of 1996 ("Act").

17 I graduated from Temple University in Philadelphia, Pennsylvania
18 with a Bachelor's degree in Communications. I also graduated from the
19 Catholic University of America's Columbus School of Law with a Juris
20 Doctorate degree and a specialty in Communications Law.

21 **Q. What is the purpose of your testimony?**

22 A. The purpose of my testimony is to discuss BellSouth's unilateral declaration
23 that calls placed by BellSouth end users to Internet Service Providers
24 ("ISPs") served by TCG's Florida affiliate, TCG South Florida, are not
25 subject to the reciprocal compensation arrangements established in TCG's

1 Interconnection Agreement with BellSouth.¹ I also explain why BellSouth's
2 belief that traffic to ISPs is somehow "exempt" from compensation of any
3 kind is erroneous.

4 **Q. What are your conclusions?**

5 A. BellSouth's action is so fundamentally unjustified and arbitrary that any
6 state regulator might correctly dismiss its position summarily. I note that
7 TCG's complaint discusses a number of state cases where regulators did
8 just that. At least fourteen states have required incumbent local exchange
9 carriers to pay reciprocal compensation for traffic terminated to ISPs, and
10 no state has upheld the ILEC position that BellSouth has embraced in this
11 case. In fact, BellSouth's position suffers from three flaws, any of which
12 could constitute a basis for the Commission to uphold TCG's complaint.
13 First, the plain language of TCG's Interconnection Agreement makes clear
14 that traffic destined for ISP end users is subject to reciprocal compensation
15 arrangements. Second, at the time TCG and BellSouth entered into the
16 Interconnection Agreement, this Commission had previously concluded in
17 a written order that end-user access to an ISP is local exchange traffic.²
18 Third, BellSouth's attempt to camouflage its behavior by referencing
19 Federal Communications Commission ("FCC") policies is entirely
20 groundless.

21 I believe it is important for the Commission to act as expediently as
22 possible to grant the relief sought in TCG's complaint. Otherwise,

¹Throughout the remainder of my testimony, whenever I refer to TCG I am also referring, where appropriate, to TCG South Florida.

²Order No. 21815 issued September 5, 1989 in Docket No. 880423-TP; see 89 F.P.S.C. 9:7 at 30 (1989).

1 BellSouth will continue to have the incentive to adopt post-agreement
2 unilateral actions with respect to future interconnection issues that could
3 financially harm TCG, or another alternative local exchange company
4 ("ALEC").

5 **Q. Can you summarize the nature of the dispute between TCG and**
6 **BellSouth?**

7 A. Yes. The dispute originates from the Interconnection Agreement between
8 TCG and BellSouth. Under the Telecommunications Act of 1996, the
9 Florida Commission has the primary jurisdiction to approve and administer
10 this Interconnection Agreement. This Commission has done so by
11 approving the BellSouth-TCG agreement in Docket No. 960862-TP, a copy
12 of which is attached to my testimony as Exhibit ___ (PK-1).

13 Section IV.C of the Interconnection Agreement provides that "[e]ach
14 party will pay the other for terminating its local traffic on the other's
15 network at the local interconnection rates," as set forth in the Agreement.

16 Local traffic is defined in Section 1.D. of the Agreement as:

17 any telephone call that originates and terminates in the same
18 LATA and is billed by the originating party as a local call,
19 including any call terminating in an exchange outside of
20 BellSouth's service area with respect to which BellSouth has
21 a local interconnection arrangement with an independent
22 LEC, with which TCG is not directly interconnected.
23

1 Approximately ten months after the Interconnection Agreement was
2 approved by the Commission, BellSouth apparently decided unilaterally
3 (*i.e.*, without negotiating the issue with TCG or requesting guidance from
4 this Commission) that local exchange calls from BellSouth's customers to
5 customers of TCG who offer enhanced, information service access to the
6 Internet should no longer be deemed "local traffic" but should instead be
7 classified as "interstate access service." Internet Service Providers are
8 perhaps the largest subset of entities that are also referred to as "information
9 service providers," and "enhanced service providers." The three terms are
10 largely synonymous.³ Since well before the AT&T divestiture or the
11 creation of long distance access charges such information services have
12 been differentiated from the end-to-end telecommunications services that
13 may be subject to interstate access service charges.

14 **Q. Is TCG's local exchange service offering designed according to industry**
15 **standards and practices?**

16 **A. Yes. TCG offers local service to its ISP customers per its price list for**
17 **business customers consistent with established practice and Florida Public**
18 **Service Commission ("FPSC") statutes and rules. In this respect, TCG's**
19 **practice is identical to BellSouth's. BellSouth bills customers who call**
20 **TCG's ISP customer for a local call. BellSouth bills its own customers who**
21 **call any ISPs who are also BellSouth customers as if this is purely a local**
22 **exchange call. After the Commission approved their Interconnection**
23 **Agreement, TCG included ISP traffic in the total terminating minutes that**

³Some "information services" do not involve computer processing; however, this distinction is not relevant to the matter at hand.

1 forms the basis for billed minutes, and BellSouth paid those bills; BellSouth
2 likewise billed TCG on the basis of total terminating minutes that included
3 ISP traffic, and TCG duly paid BellSouth's bills under the terms of the
4 Agreement. This exchange of traffic data simply extended the negotiated
5 agreement under which TCG and BellSouth conducted business prior to the
6 Commission's approval of TCG's Interconnection Agreement with
7 BellSouth.

8 **Q. What changed the relationship that TCG and BellSouth had under their**
9 **Interconnection Agreement approved by the Commission?**

10 A. Nothing — other than BellSouth's unilateral action that created this dispute.
11 On or about August 12, 1997, BellSouth notified TCG and other ALECs
12 that it would "neither pay, nor bill, local interconnection charges for traffic
13 terminated to an [enhanced service provider]," which "includes a variety of
14 service providers such as information service providers...and internet
15 service providers, among others." A copy of the August 12, 1997 letter
16 from BellSouth is attached to my testimony as Exhibit ___ (PK-2).

17 **Q. Is there any valid justification for BellSouth's action of August 12th?**

18 A. None whatsoever. BellSouth chose to withhold reciprocal compensation
19 payments unilaterally, *i.e.*, without seeking guidance from any regulatory
20 authority and without regard to the terms of its Interconnection Agreement
21 with TCG. There are three blatant flaws in BellSouth's rationale for its
22 unilateral action.

23 First, the plain language of TCG's interconnection agreement makes
24 clear that traffic destined for ISP end users is subject to reciprocal
25 compensation arrangements. Although the Internet is now the predominant

1 form of information service in use in the U.S., many other such services
2 have long existed.⁴ In all instances, the information or enhanced service
3 has been treated as a separate transaction from the local call used to access
4 the ISP. Thus, BellSouth's own long standing billing and tariff
5 development processes have consistently treated calls to ISPs as local calls
6 subject to reciprocal compensation arrangements.

7 Second, at the time BellSouth and TCG entered into their
8 Interconnection Agreement and at the time the Agreement was approved by
9 the Commission, the FPSC had held, consistent with the testimony of a
10 BellSouth witness, that calls terminated to ISPs are to be treated as local
11 exchange traffic.

12 Third, BellSouth's attempt to camouflage its behavior by referencing
13 FCC policies is entirely groundless. BellSouth states that ISPs are "exempt"
14 from interstate access charges but that traffic to ISPs is "interstate access
15 traffic."⁵ This is not correct. Although the treatment of ISPs has been
16 popularly referred to as an "exemption," this shorthand expression does not
17 accurately reflect interstate access charge rules.

18 **Q. Can this dispute be resolved solely by referencing the TCG-BellSouth**
19 **Interconnection Agreement?**

⁴Providers like Compuserve and Prodigy were in this business for many years prior to the current period of rapid growth in Internet and Information Service usage (like America Online). Many other specialized providers of the same services, such as General Electric Information Services Company (GEISCO), operations by Rockwell, Tymnet and many other have all operated information services that could be accessed on a local dial up basis, among other means.

⁵BellSouth Telecommunications, Inc.'s Answer and response to TCG Complaint, p.6, par. 25.

1 A. Yes. The fact that these calls have been treated as local traffic billable by
2 BellSouth and TCG is not contested. I explain below why these same calls
3 are not interstate access service. Therefore, TCG's position can be upheld
4 simply from the literal words in the Interconnection Agreement. TCG's
5 position also is sustained by the context in which the Interconnection
6 Agreement was developed and approved by the Commission. Prior to the
7 Commission's approval of the Interconnection Agreement at issue, TCG
8 and BellSouth were operating under a prior negotiated agreement approved
9 by the FPSC under state law. Thus, during negotiations with TCG, and
10 prior to approval of the Interconnection Agreement by the Commission,
11 BellSouth had available to it the facts which would have indicated that some
12 portion of TCG's and BellSouth's local traffic involved calls to ISPs.
13 Nevertheless, BellSouth never raised any issue concerning local calls to
14 ISPs in its negotiations with TCG or in the proceeding conducted by this
15 Commission to approve the interconnection agreement.

16 **Q. Are local calls placed to ISPs actually "interstate access service" as**
17 **BellSouth contends?**

18 A. No. BellSouth's claim is based upon its notion that there is an interstate
19 access charge "exemption" for ISPs, thus indicating (to BellSouth) that ISPs
20 are otherwise the same as the interexchange carriers that do pay interstate
21 access charges. It is true that the FCC has referred to an "exemption"
22 several times since the creation of access charge tariffs in 1984; although
23 recently the FCC has used more precise language.⁶ The FCC's previous

⁶For example, in its Access Charge Reform order issued in May, 1997, the FCC refrained from describing the current treatment as an "exemption," stating instead that it had determined earlier that ISPs "should not be required to pay

1 shorthand references were not correct. No such exemption is codified in
2 the interstate Access Charge Rules.⁷ In fact, until the FCC recently added
3 “information service providers” to an advisory panel on universal service,
4 neither the term “information service provider,” nor “enhanced service
5 provider” appeared in the Part 69 rules.

6 Those rules specify three types of interstate access charges: End
7 user charges, carrier’s carrier charges paid by IXCs (which includes
8 switched and special access) and special access surcharges.⁸ ISPs pay end
9 user charges; hence they are not “exempt” from access charges.

10 **Q. Is there any type of FCC exemption for ISPs regarding the “interstate**
11 **access service” under which BellSouth attempts to classify calls to ISPs?**

12 **A.** No, any rudimentary understanding of FCC rules proves that ISP traffic is
13 not interstate access service as identified in the TCG-BellSouth Agreement.
14 The most fundamental component of interstate access service is the
15 switching function itself. Under the FCC rules, these switching charges are

interstate access charges.” It concluded that “ISPs should remain classified as end users for purposes of the access charge system” and carefully did not compare ISPs to interexchange carriers. Access Charge Reform; Price Cap Performance Review for Local Exchange Carriers; Transport Rate Structure and Pricing End User Common Line Charges; First Report and Order; CC Dockets No. 96-262, 94-1, 91-213, and 95-72; (FCC 97-158) May 16, 1997, at paras. 341-348.

⁷47 Code of Federal Regulations, Part 69.

⁸47 CFR 69.5 (c). Section 69.115 reflects the same language about the special access surcharge. The special access surcharge applies to equipment connected to interstate common carrier private line services that allows the equipment user to access local public switched network lines. The special access surcharge provisions are interesting in this case because they do contain several true “exemptions.” Section 69.115(e). An ISP arrangement does not fit within any of these exemptions; therefore ISPs are exclusively considered “end users” for purposes of collecting the interstate subscriber line charges.

1 payable only by "interexchange carriers."⁹ However, ISPs are not carriers
2 subject to the access charge rules. ISPs, defined as enhanced service
3 providers under the FCC rules, are excluded from any interstate regulation.

4 Section 64.702 of the FCC rules provides:

5 [T]he term *enhanced service* shall refer to services offered
6 over common carrier transmission facilities used in interstate
7 communications which employ computer processing
8 applications that act on the format, content, code, protocol
9 or similar aspects of the subscriber's transmitted
10 information; provide the subscriber additional, different or
11 restructured information, or involve subscriber interaction
12 with stored information. Enhanced services are not
13 regulated under Title II of the Act (emphasis added).¹⁰
14

15 In order for ISPs to be liable for interstate carrier's carrier charges, the
16 FCC would first have to assert jurisdiction over ISPs, and, in effect,
17 designate these entities to be the equivalent of interexchange carriers.

18 Because the FCC has not done so, ISPs can only be treated strictly as end

⁹47 CFR 69.106 (a) "Except as provided in § 69.118, charges that are expressed in dollars and cents per access minute of use shall be assessed upon all interexchange carriers that use local exchange switching facilities for the provision of interstate or foreign services." (Emphasis added). The FCC Access Charge Reform Order (above) made certain changes to this section of the rules but did not change their exclusive application to interexchange carriers. Entities other than common carriers can acquire switched access services from ILECs, but they must take several affirmative steps in order to do so, including obtaining a Carrier Identification Code (CIC) and ordering the service under the ILECs Access Service Request procedure, a process separate from ordering local exchange services.

¹⁰The remainder of section 64.7 concerns requirements for regulated common carriers to provide enhanced services outside of Title II regulation. Certain protocol conversions necessary for the operation of telecommunications carrier networks are not enhanced services. Neither of these circumstances has any bearing on the current complaint proceeding.

1 users.¹¹ As end users, these entities are, at the present time,
2 indistinguishable from other residence or business users in Florida. A call
3 from an BellSouth customer to a business customer of TCG's entitles TCG
4 to the reciprocal compensation payment.

5 **Q. Is there any basis that would preclude the Florida Commission from**
6 **treating calls to ISPs as calls to any other Florida business?**

7 A. No. Because the FCC has not defined ISPs as interexchange carriers and
8 has treated these entities strictly as end users, this Commission maintains
9 its jurisdiction to ensure that they are treated as end users for purposes of
10 the TCG-BellSouth Interconnection Agreement. I understand state
11 regulatory jurisdiction over telecommunications to be "residual."¹² If the
12 FCC has not asserted jurisdiction nor preempted state oversight, this
13 Commission can act as long as there is no state restriction on its powers to
14 do so. The Commission should ensure competitive neutrality by treating
15 all local calls in the same manner.

16 In addition, BellSouth's current position would have the effect of
17 creating a class of inter-carrier traffic that would not be compensable as
18 either local calls or exchange access service. State regulators also have
19 jurisdiction concerning the recovery of costs of such calls in order to
20 prevent such costs from being unrecoverable by carriers, a situation which
21 might create a taking of a local carrier's property without compensation.

22 **Q. How does an ISP's offering of an enhanced service affect this dispute?**

¹¹Of course, an ISP may purchase interexchange services from a provider that is itself subject to carrier's carrier charges.

¹²*Iowa Utilities Board v. FCC*, 120 F.3d 753 (8th Cir.1997).

1 A. By definition, enhanced services involve electronic transactions that are not
2 found in telecommunications transmission services. ISPs connect the trunks
3 acquired from a local service provider (including BellSouth) to computer
4 data routers or servers. The router hardware and software convert the
5 traffic to data packets using the Transmission Control Protocol/Internet
6 Protocol (TCP/IP), the underlying data format for the Internet. The ISP
7 subscribers' traffic is never again recognizable as an ordinary analog or
8 digital circuit switched message. In other words, the traffic remains under
9 the TCP/IP packet system from the point where it is converted by the
10 routers. Traditional voice traffic, or, for that matter, "data" traffic between
11 two computers with modems does not involve this type of permanent
12 conversion of transmission signals into packets.

13 **Q. You noted that the FCC has recently tried to be more precise by**
14 **avoiding references to an ISP "exemption." Has the FCC characterized**
15 **the information service (*i.e.*, the TCP/IP protocol conversion) as being**
16 **distinct from a local call?**

17 A. Yes. In its Order adopting the new universal service provisions of the
18 Telecommunications Act, the FCC stated:

19 We agree with the Joint Board's determination that Internet
20 access consists of more than one component. (Footnote:
21 [Joint Board] Recommended Decision, 12 FCC Rcd at 323.
22 Internet access consists of both a network transmission
23 component and an information service component.)
24 Specifically, we recognize that Internet access includes a
25 network transmission component, which is the connection
26 over a LEC network from a subscriber to an Internet Service

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Provider, in addition to the underlying information service.¹³

This interpretation reflects the fact that a true information service permanently changes the character of the incoming local call to TCP/IP or other protocol and provides additional, different or restructured information and involves subscriber interaction with stored information.

Q. Has the FCC endorsed the characterization that the information service is separate from the local call?

A. Yes, it has. Several of the Regional Bell Operating Companies ("RBOCs") argued to the FCC that certain services it offered did not require the fully separated subsidiary specified in Section 272 of the Telecommunications Act for interLATA services, embracing the notion that the information service was separate from the call made to access the service. For example, Ameritech argued:

If the mere possibility of access from a distant LATA transforms a[n]... information service into an interLATA information service, virtually all information services would become interLATA.

* * * *

'InterLATA Information Service' is a term of art. It applies to the situation where the BOC provides transport across LATA boundaries bundled with its information service. If an entity other than the BOC provides end users with the interLATA transport, there is no interLATA information service. Rather..there are two services being provided to the end user -- interLATA service and information service.¹⁴

¹³Federal-State Joint Board on Universal Service, Report and Order, CC Docket No. 96-45, (FCC 97-157), May 8, 1997 at para. 83.

¹⁴Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934, as amended, CC Docket No. 96-149 (First Report and Order and Further Notice of Proposed Rulemaking, issued December 24, 1996), Ameritech Reply Comments dated August 30, 1996 at page

1 BellSouth apparently concurred with the "dual transaction" characterization
2 of the telecommunications transmission (*i.e.*, local service) and information
3 service component that the RBOCs advocated and the FCC adopted,
4 arguing that "...for an information service to be considered an interLATA
5 information service, the BOC must provide as a necessary component
6 thereof telecommunications between a point located in one LATA and a
7 point outside that LATA."¹⁵

8 Competitive neutrality commands the same result irrespective of
9 what type of entity provides the information service: a BOC, another LEC
10 or an unaffiliated ISP, or what entity provides the ISP's transport service.
11 TCG's service to ISPs are the same as the "BOC" service to ISPs referenced
12 above. TCG's local service offerings to ISPs are in no way "bundled" with
13 any interLATA or interstate transport service, and TCG's ISP customers
14 take interLATA transport from a variety of long distance carriers that are
15 not affiliated either with the ISP or with TCG.

16 **Q. Has BellSouth's past behavior and positions contradicted its current**
17 **assertion?**

18 **A. Yes.** The way in which BellSouth now wishes to interpret its
19 interconnection agreements, local calls to ISPs would be, in effect, zero-
20 rated feature group switched access calls. It would have been simple for
21 BellSouth to have placed references in its interstate and intrastate tariffs
22 noting this treatment. It has never done so. If the calls to ISPs were
23 interstate access traffic, BellSouth was required by FCC rules in effect since

34.

¹⁵First Report and Order, *Id.*, para. 110.

1 1984 to (a) count these minutes for purposes of determining its local
2 switching element per minute revenue requirement under Section 69.106 of
3 the rules; (b) deduct these minutes for purposes of computing the required
4 message unit credit for interexchange carriers under the same rule; and (c)
5 account for these minutes in its jurisdictional separations studies. It never
6 did these things. To the extent these requirements have been modified by
7 price cap regulation, BellSouth's previous access charge calculations would
8 still be incorrect.

9 **Q. Is it possible for BellSouth (or TCG) to begin counting ISP calls**
10 **separately from other local calls?**

11 **A. No, it is unlikely that such data collection would be feasible absent a major**
12 **change in the status of ISPs. As I stated, treating calls to ISPs as interstate**
13 **access service would involve a major revision in the current application of**
14 **access charges and the current status of ISPs. It would also create an**
15 **enormous logistical problem for any local carrier, because there is no direct**
16 **way to identify ISP calls accurately, i.e., without possibly under-counting**
17 **or over-counting the traffic. For example, one local carrier may not be able**
18 **to review the individual billing records of a competing carrier's customers**
19 **without first seeking each individual customer's express consent. The**
20 **Telecommunications Act of 1996 significantly increased restrictions of the**
21 **use of Customer Proprietary Network Information or CPNI, and may well**
22 **limit this use of data for customers of a competing carrier.¹⁶ Thus, the**
23 **Commission should properly conclude that BellSouth's past practices,**

¹⁶The new requirements are contained in Section 222 of the Communications Act, as amended.

1 tariffs and operating procedures all contradict its current assertion that calls
2 to ISPs are "interstate access service."

3 **Q. Should the Commission be concerned with the "self-help" manner in**
4 **which BellSouth withheld payments from TCG for traffic terminated**
5 **to ISPs and its impact on TCG?**

6 A. Yes. As I have demonstrated, BellSouth's position concerning reciprocal
7 compensation for local calls to ISPs is entirely unfounded. Equally
8 disturbing, however, is the manner in which BellSouth made its decision to
9 stop including local calls to TCG's ISP customers in the calculation of the
10 total number of minutes terminated on TCG's network. Rather than
11 seeking regulatory guidance (from either this Commission or the FCC)
12 prior to withholding payments, BellSouth implemented its erroneous
13 interpretation of the Interconnection Agreement unilaterally. Even if
14 BellSouth had a colorable basis to believe that calls to ISPs were not subject
15 to any intrastate or interstate compensation for TCG — which it did not
16 have — sound business practices on BellSouth's part should have been to
17 seek regulatory guidance. It did not do so. Instead, it implemented a tactic
18 that has impaired TCG's cash flow until the matter is resolved. With its
19 cash flow limited by BellSouth's unilateral action, TCG is less able than it
20 otherwise would be to expand its network, market its services and offer
21 more effective competition to BellSouth.

22 **Q. Are there issues besides reciprocal compensation for local calls to ISPs**
23 **that BellSouth may attempt to game in this way in the future?**

24 A. Unfortunately, yes. BellSouth's tactics at issue here could be repeated in
25 other areas so as to damage the financial viability of local competition by

1 TCG and other ALECs. ALECs began offering competitive switched
2 services in the 1994-95 time frame because technological developments had
3 reduced the economic entry barriers that had previously precluded such
4 competition. The costs of entry were (and are still) significant. However,
5 these entry costs were moderated by new regulatory policy, such as
6 requiring ILECs to offer certain network elements on an unbundled basis.
7 In addition, ALECs themselves had to work to ensure that the entry costs
8 did not render their businesses financially untenable. They did this by
9 being committed to highly focused customer marketing strategies, and
10 maintaining maximum flexibility to adapt to changing market conditions.

11 In this instance, ALECs' competitive responses involved increased
12 marketing to ISPs. ILECs also developed new Internet access services
13 themselves and began to market to independent ISPs. But the ALECs had
14 begun to address this segment earlier and with greater vigor than the
15 ILECs. Now, BellSouth, having been bested in the market segment for
16 serving ISPs has responded by making ill-founded arguments that seek the
17 ability to deny ALECs compensation for the local traffic they have won.

18 As competition grows, the smaller, leaner ALECs may well win
19 other market segments from ILECs. If each time this occurs the ILEC,
20 with its greater resources overall, is able to fabricate a dispute with ALECs
21 out of whole cloth and thus invoke costly regulatory processes, local
22 competition could be stymied for many years.

23 **Q. Is there anything the Florida Commission can do to discourage future**
24 **behavior of this sort by any local carrier within its jurisdiction?**

1 A. Yes. The Commission can grant TCG's requests that all funds withheld by
2 BellSouth for termination of traffic be immediately remitted to TCG, and
3 that it receive interest payments on the withheld payments. Interest
4 payments represent only compensation for the time value of the monies
5 seized by BellSouth; this value may well be far less than the economic
6 opportunity costs that TCG has experienced because of BellSouth's action.
7 At the least, interest payments by BellSouth are a proper remedy for the
8 Commission to apply in order to try and minimize future predatory
9 behavior by BellSouth.

10 **Q. Do you have any additional testimony at this time?**

11 A. No.

12

13 ISP.tes

AGREEMENT

THIS AGREEMENT is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and Teleport Communications Group, Inc., a Delaware corporation, on behalf of itself and its wholly owned subsidiaries, (collectively referred to as "TCG"), and shall be deemed effective as of July 15, 1996. This agreement may refer to either BellSouth or TCG or both as a "party" or "parties."

WITNESSETH

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

WHEREAS, TCG is a local exchange telecommunications company authorized, has applications pending, or may make application to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, the parties wish to interconnect their facilities, purchase unbundled elements, and exchange traffic for the purposes of fulfilling their obligations pursuant to sections 251, 252 and 271 of the Telecommunications Act of 1996;

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

I. Definitions

A. Affiliate is defined as a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or equivalent thereof) of more than 10 percent.

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

C. Intermediary function is defined as the delivery of local traffic from a local exchange carrier other than BellSouth or TCG or from another telecommunications company such as a wireless telecommunications provider through the network of BellSouth or TCG to an end user of BellSouth or TCG.

D. Local Traffic is defined as any telephone call that originates and terminates in the same LATA and is billed by the originating party as a local call, including any call terminating in an exchange outside of BellSouth's service area with respect to which BellSouth has a local interconnection arrangement with an independent LEC, with which TCG is not directly interconnected.

E. Local Interconnection is defined as 1) the delivery of local traffic to be terminated on each party's local network so that end users of either party have the ability to reach end users of the other party without the use of any access code or substantial delay in the processing of the call; 2) the LEC unbundled network features, functions, and capabilities set forth in this Agreement; and 3) Interim Number Portability sometimes referred to as temporary telephone number portability to be implemented pursuant to the terms of this Agreement.

F. Percent of Interstate Usage (PIU) is defined as a factor to be applied to terminating access services minutes of use to obtain those minutes that should be rated as interstate access services minutes of use. The numerator includes all interstate "nonintermediary" minutes of use, including interstate minutes of use that are forwarded due to Interim Number Portability less any interstate minutes of use for Terminating Party Pays services, such as 800 Services. The denominator includes all "nonintermediary", local, interstate, intrastate, toll and access minutes of use adjusted for Interim Number Portability less all minutes attributable to terminating party pays services.

G. Percent of Local Usage (PLU) is defined as a factor to be applied to intrastate terminating minutes of use. The numerator shall include all "nonintermediary" local minutes of use adjusted for those minutes of use that only appear local due to Interim Number Portability. The denominator is the total intrastate minutes of use including local, intrastate toll, and access, adjusted for Interim Number Portability less intrastate terminating party pays minutes of use.

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

I. Multiple Exchange Carrier Access Billing ("MECAB") means the document prepared by the Billing Committee of the Ordering and Billing Forum ("OBF").

which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions ("ATIS") and by Bellcore as Special Report SR-BDS-000983, containing the recommended guidelines for the billing of Exchange Service access provided by two or more LECs and/or CLECs or by one LEC in two or more states within a single LATA.

J. Multiple Exchange Carriers Ordering and Design Guidelines for Access Services--Industry Support Interface ("MECOD") means a document developed by the Ordering/Provisioning Committee under the auspices of the OBF, which functions under the auspices of the Carrier Liaison Committee of the ATIS. The ECOD document, published by BellCore as Special Report SR-STS-002643, establishes methods for processing orders for access service provided by two or more local carriers (including a LEC and a CLEC).

II. Purpose

The parties intend that the rates, terms and conditions contained within this Agreement, including all Attachments, comply and conform with each party's obligations under sections 251, 252 and 271 of the Act. The access and interconnection obligations contained herein, when implemented, are intended to enable TCG to provide competing telephone exchange service to residential and business subscribers within the nine state region of BellSouth. To the extent the items in 47 U.S.C. § 271(c)(2)(B) are contained within this Agreement, the parties intend and expect that with the successful implementation of this Agreement, BellSouth will satisfy the requirements of 47 U.S.C. § 271(c)(2)(B).

III. Term of the Agreement

A. The term of this Agreement shall be three years, beginning July 15, 1996.

B. The parties agree that by no later than December 1, 1998, they shall commence negotiations with regard to the terms, conditions and prices of local interconnection to be effective beginning July 1, 1999.

C. If, within 135 days of commencing the negotiation referred to in Section III (B) above, the parties are unable to satisfactorily negotiate new local interconnection terms, conditions and prices, either party may petition the Commission to establish appropriate local interconnection arrangements pursuant to 47 U.S.C. 252. The parties agree that, in such event, they shall encourage the Commission to issue its order regarding the appropriate local interconnection arrangements no later than March 2, 1999. The parties further agree that in the event the Commission does not issue its order prior to July 1, 1999 or if the parties continue beyond July 1, 1999 to negotiate the local interconnection arrangements without Commission intervention, the terms, conditions and prices ultimately ordered by the Commission, or negotiated by the

parties, will be effective retroactive to July 1, 1999. Until the revised local interconnection arrangements become effective, the parties shall continue to exchange traffic pursuant to the terms and conditions of this Agreement.

IV. Local Interconnection (47 U.S.C. §251(c)(2), §252(d)(1),(2), §271(c)(2)(B)(i))

A. The parties intend that the interconnection of their equipment, facilities and networks pursuant to this section will comply with the requirements of sections 251, 252 and 271 of the Act upon successful implementation of this Article.

B. The delivery of local traffic between the parties shall be reciprocal and compensation will be mutual according to the provisions of this Agreement.

C. Each party will pay the other for terminating its local traffic on the other's network the local interconnection rates as set forth in Attachment B-1, incorporated herein by this reference. Each state to which this Agreement applies will be billed separately. The charges for local interconnection are to be billed monthly and payable quarterly after appropriate adjustments pursuant to this Agreement are made. To the extent TCG will connect to BellSouth's access tandem and BellSouth's end offices the rate for TCG's local interconnection will be a combination of tandem and end office rates. BellSouth agrees that the local interconnection rate it shall pay to TCG shall be computed using a similar percentage of tandem and end office rates. The rate will be determined as an average of end office routed minutes and tandem routed minutes.

D. The first six month period of traffic exchange under this Agreement in each state is a testing period in which the parties agree to exchange data and render billing. However, no compensation during this period will be paid. If, during the second six month period, the monthly net amount to be billed prior to the cap being applied pursuant to subsection (E) of this section is less than \$40,000.00 for each state, the parties agree that no payment is due. This cap shall be reduced for each of the subsequent six month periods as follows: 2nd period -\$40,000.00; 3rd period-\$30,000.00; and 4th period--\$20,000.00. The cap shall be \$0.00 for any period after the expiration of the 4th six month period.

E. The parties agree that neither party shall be required to compensate the other for more than 105% of the total billed local interconnection minutes of use of the party with the lower total billed local interconnection minutes of use in the same month on a statewide basis. This cap shall apply to the total billed local interconnection minutes of use calculated for each party and any affiliate of the party providing local exchange telecommunications services under the party's certificate of necessity issued by the Commission. Each party will report to the other a Percentage Local Usage ("PLU") and the application of the PLU will determine the amount of local minutes to be billed to the other party. Until such time as actual usage data is available or at the expiration of the first year after the initiation of traffic exchange pursuant to this

Agreement, the parties agree to utilize a mutually acceptable surrogate for the PLU factor. The calculations, including examples of the calculation of the cap between the parties will be pursuant to the procedures set out in Attachment A, incorporated herein by this reference. For purposes of developing the PLU, each party shall consider every local call and every long distance call. Effective on the first of January, April, July and October of each year, the parties shall update their prospective PLU.

F. The parties agree that there are four appropriate methods of interconnecting facilities: (1) virtual collocation where physical collocation is not practical for technical reasons or because of space limitations; (2) physical collocation; and (3) interconnection via purchase of facilities from either party by the other party; and (4) upon mutual agreement as to technical feasibility, the parties may also interconnect on a mid-span basis. Rates and charges for collocation are set forth in Attachment C-13, incorporated herein by this reference. Facilities may be purchased at rates, terms and conditions set forth in BellSouth's intrastate Switched Access (Section E6) or Special Access (Section E7) services tariff or as contained in Attachment B-1 for local interconnection, incorporated herein by this reference.

G. The parties agree to accept and provide any of the preceding methods of interconnection. TCG shall establish a point of interconnection at each and every BellSouth access tandem within the local calling area TCG desires to serve for interconnection to those end offices that subtend the access tandem. Alternatively, TCG may elect to interconnect directly at the end offices for interconnection to end users served by that TCG end office. BellSouth will connect at each TCG end office or tandem inside that local calling area. Such interconnecting facilities shall conform, at a minimum, to the telecommunications industry standard of DS-1 pursuant to BellCore Standard No. TR-NWT-00499. Signal Transfer Point, Signaling System 7 ("SS7") connectivity is required at each interconnection point. BellSouth will provide out-of-band signaling using Common Channel Signaling Access Capability where technically and economically feasible, in accordance with the technical specifications set forth in the BellSouth Guidelines to Technical Publication, TR-TSV-000905. The parties agree that their facilities shall provide the necessary on-hook, off-hook answer and disconnect supervision and shall hand off calling party number ID when technically feasible. The parties further agree that in the event a party interconnects via the purchase of facilities and/or services from the other party, the appropriate intrastate access tariff, as amended from time to time will apply.

H. The parties agree to establish trunk groups from the interconnecting facilities of subsection (F) of this section such that each party provides a reciprocal of each trunk group established by the other party. Notwithstanding the foregoing, each party may construct its network, including the interconnecting facilities, to achieve optimum cost effectiveness and network efficiency.

I. TCG agrees to use NXX codes in a manner that will allow BellSouth to distinguish Local Traffic (measured and flat rate) from intraLATA toll traffic. If either

party provides a service to its end user customers where said customers were provided a unique local calling area, the parties agree to provide such service using a unique NXX code, to provide 60 days advance written notice to the other party of the offering of such a service, and if both of the preceding conditions are met, to treat the interconnection of such traffic as local.

J. If either party provides intermediary tandem switching and transport services for the other party's connection of its end user to a local end user of: (1) a local exchange telecommunications company other than BellSouth ("ICO") or TCG; or (2) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a \$.002 per minute charge over and above the local interconnection rates set out in this section. The parties agree that any billing to the ICO or other telecommunications company under this section shall be pursuant to subsection (L), infra of this section.

K. Except where the conditions of paragraph (M), infra, are met, when the parties jointly provide an exchange access connection for an interexchange carrier ("IXC"), each party will provide their own exchange access to the IXC on a multi-bill, multi-tariff meet-point basis pursuant to subsection (L), infra. Each party will bill its own exchange access rates to the IXC.

L. The parties agree that the Company functioning as the end office also functions as the Initial Billing Company ("IBC"). The Party providing the intermediary function bills as the Subsequent Billing Company ("SBC"). The IBC will issue summary records to the SBC, in accordance with OBF Guidelines. The Parties will conduct this business in accordance with the MECABs and MECOD guidelines defined in Section 1 of this Agreement. The Parties agree to work cooperatively to support the work of the Ordering and Billing Forum ("OBF") and to implement OBF changes to MECABs and MECOD in accordance with the OBF Guidelines. BellSouth shall provide the billing name, billing address and CIC of the IXCs on magnetic tape or via electronic file transfer using the EMR format in order to comply with the MPB Notification process as outlined in the MECAB document. The Parties agree to permit the other to concur in its tariffs and to promptly execute any documentation necessary for such concurrence.

M. When one party to this Agreement (LEC A) delivers to the other party (LEC B) exchange access traffic from LEC A's access tandem using facilities that are collocated at LEC B's end office, the Feature Group Interconnection Compensation (FGIC) plan described in Attachment B-1A, incorporated herein by this reference, shall apply. FGIC shall apply to both originating and terminating exchange access traffic so long as the conditions of this subsection are met. When FGIC is applied, LEC A may, at its option, render a single bill to the IXC.

N. When either party delivers calls with unique dialing codes (i.e. time, weather, N11, 900 and 976 calls), the calls shall be delivered in accordance with the

servicing arrangements defined in the LERG. To the extent unique billing arrangements with information service providers are required, BellSouth agrees to provide assistance to TCG in making such arrangements.

O. The ordering and provision of all services purchased from BellSouth by TCG shall be as set forth in the OLEC-to-BellSouth Ordering Guidelines (Facilities Based) as those guidelines are amended by BellSouth from time to time during the term of this Agreement. To the extent TCG provides such guidelines to BellSouth, the ordering and provision of all services purchased from TCG by BellSouth shall be pursuant to those guidelines, as amended by TCG from time to time during the term of this Agreement.

V. IntraLATA and InterLATA Toll Traffic Interconnection

A. The delivery of intrastate toll traffic by a party to the other party shall be reciprocal and compensation will be mutual. For terminating its toll traffic on the other party's network, each party will pay to the other party BellSouth's intrastate terminating switched access rate, inclusive of the Interconnection Charge and the Carrier Common Line rate elements of the switched access rate. The parties agree that the terminating switched access rates may change during the term of this Agreement and that the appropriate rate shall be the rate in effect when the traffic is terminated.

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

C. The parties agree that to the extent either party provides intraLATA toll service to its customers, it may be necessary for it to interconnect to additional access tandems that serve the end office of the customer outside the local calling area.

D. Each party agrees to compensate the other, pursuant to the other party's originating switched access charges, including the database query charge, for the origination of 800 traffic terminated.

E. Each party will provide to the other the appropriate records necessary for billing intraLATA 800 customers. The records provided will be in a standard EMR format for a fee of \$0.013 per record.

F. If, during the term of this Agreement, either party provides interLATA 800 services, the party will compensate the other for the origination of such traffic pursuant to the appropriate tariff. The party shall provide the appropriate records for billing pursuant to subsection E, above.

G. Should TCG require 800 Access Ten Digit Screening Service from BellSouth, it shall have signaling transfer points connecting directly to BellSouth's local or regional signaling transfer point for service control point database query information. TCG shall utilize SS7 Signaling links, ports and usage as set forth in Attachment C-7, incorporated herein by this reference. TCG will not utilize switched access FGD service. 800 Access Ten Digit Screening Service is an originating service that is provided via 800 Switched Access Service trunk groups from BellSouth's SSP equipped end office or access tandem providing an IXC identification function and delivery of call to the IXC based on the dialed ten digit number. The rates and charges for said service shall be as set forth in BellSouth's Intrastate Access Services Tariff as said tariff is amended from time to time during the term of this Agreement.

VI. Interim Number Portability (47 U.S.C. §251(b)(2) and §271(c)(2)(B)(xi))

A. The parties intend that the number portability provided pursuant to this section to will comply with the requirements of sections 251, 252, and 271 of the Act upon successful implementation of this Article.

B. Interim Number Portability (INP) is an interim service arrangement provided by each party to the other whereby an end user, who switches subscription of his local exchange service from BellSouth to TCG, or vice versa, is permitted to retain use of his existing assigned telephone number, provided that the end user remains at the same location for his local exchange service or changes locations and service providers but stays within the same serving wire center of his existing number. INP services are available in two arrangements, INP-Remote and INP-DID. Notwithstanding the foregoing, INP is not available when the end user's existing account has been denied or disconnected for nonpayment and an outstanding balance remains unpaid.

C. INP services and facilities will only be provided, where technically feasible, subject to the availability of facilities and may only be furnished from properly equipped central offices. SS7 Signaling is required for the provision of INP services. INP-DID is available from either party on either a per DS0, DS1 or DS3 basis. Where INP-DID is provided on a DS1 or a DS3 basis, applicable channelization rates as specified in Attachment C-16, incorporated herein by this reference. INP is available only for basic

local exchange service. Section E6.8.1.H of the BellSouth Intrastate Switched Access tariff, as said tariff is amended from time to time during the term of this Agreement.

D. INP is available only where TCG or BellSouth is currently providing, or will begin providing concurrent with provision of INP, basic local exchange service to the affected end user. INP for a particular TCG assigned telephone number is available only from the BellSouth central office originally providing local exchange service to the end user. INP for a particular assigned telephone number will be disconnected when any end user, Commission, BellSouth, or TCG initiated activity (e.g. a change in exchange boundaries) would normally result in a telephone number change had the end user retained his initial local exchange service.

E. INP-Remote is a telecommunications service whereby a call dialed to an INP-Remote equipped telephone number, is automatically forwarded to an assigned seven or ten digit telephone number within the local calling area as defined in Section A3 of the BellSouth General Subscriber Service Tariff. The forwarded-to number is specified by TCG or BellSouth, as appropriate. Where technologically feasible, the forwarding party will provide identification of the originating telephone number, via SS7 signaling, to the receiving party. Neither party guarantees, however, identification of the originating telephone number to the INP-Remote end user and acknowledges that the Repeat Dialing feature of the CLASS features and functions may not be operational with INP-Remote service. INP-Remote provides a single call path for the forwarding of no more than one simultaneous call to the receiving party's specified forwarded-to number. Additional call paths for the forwarding of multiple simultaneous calls are available on a per path basis and are in addition to the rate for INP-Remote service.

F. INP-DID service provides trunk side access to end office switches for direct inward dialing to the other company's premises equipment from the telecommunications network to lines associated with the other company's switching equipment and must be provided on all trunks in a group arranged for inward service. A INP-DID trunk termination, provided with SS7 Signaling only, charge applies for each trunk voice grade equivalent. In addition, direct facilities are required from the end office where a ported number resides to the end office serving the ported end user customer. The rates for a switched local channel and switched dedicated transport apply as contained in Section E6 of BellSouth's intrastate Access Services tariff, as said Tariff is amended from time to time during the term of this Agreement. Transport mileage will be calculated as the airline distance between the end office where the number is ported and the POI using the V&H coordinate method. INP-DID must be established with a minimum configuration of 2 channels and one unassigned telephone number per switch, per arrangement for control purposes. Transport facilities arranged for INP-DID may not be mixed with any other type of trunk group, with no outgoing calls placed over said facilities. INP-DID will be provided only where such facilities are available and where the switching equipment of the ordering party is properly equipped. Where INP-DID service is required from more than one wire center or from separate trunk groups within the same wire center, such service provided from each wire center

or each trunk group within the same wire center shall be considered a separate service. Only customer dialed sent paid calls will be completed to the first number of a INP-DID number group, however there are no restrictions on calls completed to other numbers of a INP-DID number group. Interface group arrangements provided for terminating the switched transport at the party's terminal location are as set forth in E6.1.3.A. of BellSouth's intrastate Access Services tariff, as amended from time to time during the term of this Agreement.

G. INP services will be provided at the charges contained in Attachment B-3 for INP-RCF and Attachment B-4 for INP-DID. Both Attachments are incorporated herein by this reference.

H. The calling party is responsible for payment of the applicable charges for sent-paid calls to the INP number. For collect, third-party, or other operator-assisted non-sent paid calls to the ported telephone number, BellSouth or TCG is responsible for the payment of charges under the same terms and conditions for which the end user would have been liable for those charges. Either party may request that the other block collect and third party non-sent paid calls to the INP assigned telephone number. If the party does not request blocking, the other party will provide itemized local usage data for the billing of non-sent paid calls on the monthly bill of usage charges, provided at the individual end user account level. The detail will include itemization of all billable usage. As an alternative to the itemized monthly bill, each party shall have the option of receiving this usage data on a daily basis via a data file transfer arrangement. This arrangement will utilize the existing industry uniform standard, known as EMR standards, for exchange of billing data. Files of usage data will be created daily for the optional service. Usage originated and recorded in the sending BellSouth RAO will be provided in unrated format. TCG usage originated elsewhere and delivered via CMDS to the sending BellSouth RAO will be provided in rated format.

I. Each party is responsible for obtaining authorization from the end user for the handling of the disconnection of the end user's service, the provision of new local service and the provision of INP services. Each party is responsible for coordinating the provision of service with the other to assure that its switch is capable of accepting INP ported traffic. Each party is responsible for providing equipment and facilities that are compatible with the other's service parameters, interfaces, equipment and facilities and is required to provide sufficient terminating facilities and services at the terminating end of an INP call to adequately handle all traffic to that location and is solely responsible to ensure that its facilities, equipment and services do not interfere with or impair any facility, equipment, or service of the other party or any of its end users. In the event that either party determines in its sole judgment that the other party will likely impair or is impairing, or interfering with any equipment, facility or service or any of its end users, that party may either refuse to provide INP service or terminate INP to the other party.

J. Each party will be the other's party's single point of contact for all repair calls regarding INP service on behalf of each party's end user. Each party reserves the right to contact the other party's customers, if deemed necessary, for INP service maintenance purposes. Notice of the customer contact shall be given to the party serving the end user as soon as practicable.

K. Neither party is responsible for adverse effects on any service, facility or equipment for the use of INP services. End-to-end transmission characteristics may vary depending on the distance and routing necessary to complete calls over INP facilities and the fact that another carrier is involved in the provisioning of service. Therefore, end-to-end transmission characteristics can not be specified by either party for such calls. Neither party is responsible to the other if any necessary change in protection criteria or in any of the facilities, operation, or procedures of either renders any facilities provided by the other party obsolete or renders necessary modification of the other party's equipment.

L. For that terminating IXC traffic ported to either party which requires use of either party's tandem switching, the billing for exchange access as delineated in Article IV(L) or (M), supra, shall apply.

M. If either party has direct connections to the IXCs for the termination of all interLATA traffic and it is only through the use of INP services that the other party's tandem is being utilized and the tandem provider receives network access service revenues from the terminating IXC, the party directly connected to the IXCs will bill the other party the exchange access charges for the terminating facilities used for that interLATA traffic. This circumstance may also arise where an intraLATA toll call from one party's customer is sent to a number that is, in turn, forwarded through the use of INP services to the other party's customer. If so, the party utilizing INP will bill the other party the exchange access charges for the terminating facilities used for that intraLATA toll traffic

N. If during the term of this Agreement, the Federal Communications Commission issues regulations pursuant to 47 U.S.C. §251 to require number portability different than that provided pursuant to this subsection, the parties agree to fully comply with those regulations.

VII. Provision of Unbundled Elements (47 U.S.C. §251(c)(3), § 252(d) and §271(x)(2)(B)(ii))

A. The parties intend that BellSouth's offer of unbundled network elements to TCG pursuant to this section will comply with the requirements of sections 251, 252 and 271 of the Act upon successful implementation of this Article.

B. BellSouth will offer an unbundled local loop to TCG at the rates as set forth in Attachment C-15, incorporated herein by this reference. Special construction charges, if applicable, will be as set forth in BellSouth's Intrastate Special Access Tariff as said tariff is amended from time to time during the term of this Agreement. BellSouth will also offer, as a new service loop concentration as set forth in Attachment C-16, incorporated herein by this reference. The parties agree that loop concentration service is not an unbundled element.

C. BellSouth will offer to TCG unbundled loop channelization system service which provides the multiplexing function to convert 96 voice grade loops to DS1 level for connection with TCG's point of interface. Rates are as set forth in Attachment C-16, incorporated herein by this reference.

D. BellSouth will offer to TCG unbundled local transport from the trunk side of its switch at the rates as set forth in Attachment B-1, incorporated herein by this reference.

E. BellSouth will offer to TCG unbundled local switching at the rates as set forth in Attachment C-17, incorporated herein by this reference, for the unbundled exchange service port.

F. BellSouth agrees to offer to TCG, upon its request for a 24 to 28 month commitment, the equivalent of a SmartPath® loop at a rate not to exceed a recurring monthly charge of \$190.00. BellSouth further agrees to offer to TCG, upon its request, the equivalent of a MegaLinkSM Plus loop, priced in accordance with section 252(d) of the Act.

G. The parties agree that BellSouth may provide, upon TCG request, any other network element on an unbundled basis at any technically feasible point on its network pursuant to the requirements of section 251 of the Act.

VIII. Access To Poles, Ducts, Conduits, and Rights of Way (47 U.S.C. § 251(b)(4) and §271(c)(2)(B)(iii))

A. BellSouth agrees to provide to TCG, pursuant to 47 U.S.C. § 224, as amended by the Act, nondiscriminatory access to any pole, duct, conduit, or right-of-way owned or controlled by BellSouth. The rates, terms and conditions are set out in Attachment C-14.

IX. Physical Collocation (47 U.S.C. §251(c)(6))

A. The parties agree that each shall provide to the other physical collocation services pursuant to Attachment C-13, incorporated herein by this reference.

X. Access to 911/E911 Emergency Network (47 U.S.C. §271(c)(2)(B)(vii)(I))

A. The parties intend for the provision of access to BellSouth's 911/E911 Emergency network by TCG pursuant to this section will comply with the requirements of sections 251, 252, and 271 of the Act upon successful implementation of this Article.

B. 911 and E911 traffic refers to emergency calls originated by dialing 9-1-1. The Parties agree to cooperate to ensure the seamless operation of emergency call networks, including 911, and E911 calls.

C. For basic 911 and E911 service, BellSouth will provide to TCG a list consisting of each municipality in each state that subscribes to either service. The list will also provide, if known, the E911 conversion date for each municipality and, for network routing purposes, a ten-digit directory number representing the appropriate emergency answering position for each municipality subscribing to 911/E911. The parties agree that the county or municipality may wish to assign a different 10 digit directory number for each local exchange company. TCG agrees to hold this information proprietary and will use the information solely for the purpose of routing 0-calls from the TCG Operator Services platform to the PSAPs.

D. TCG will arrange to accept 911 calls from its end users in municipalities that subscribe to Basic 911 service and translate the 911 call to the appropriate 10-digit directory number as stated on the list provided by BellSouth or to the 10 digit number provided by the county or municipality. TCG will route that call to BellSouth at the appropriate tandem or end office. When a municipality converts to E911 service, TCG shall discontinue the Basic 911 procedures and begin the E911 procedures, set forth in subsection (E), below.

E. For E911 service, TCG shall install a minimum of two dedicated trunks originating from TCG's serving wire center and terminating to the appropriate E911 tandem. The dedicated trunks shall be, at minimum, DS0 level trunks configured either as a 2 wire analog interface or as part of a digital (1.544 Mb/s) interface. Either configuration shall use CAMA type signaling with multifrequency (MF) pulsing that will deliver automatic number identification (ANI) with the voice portion of the call. If the user interface is digital, MF pulses, as well as other AC signals, shall be encoded per the u-255 Law convention. TCG will provide BellSouth daily updates to the E911 database. BellSouth will provide TCG, within 48 hours, confirmation of the receipt of said updates.

F. If a municipality has converted to E911 service, TCG will forward 911 calls to the appropriate E911 tandem, along with ANI, based upon the current E911 end office to tandem homing arrangement as provided by BellSouth. If the E911 tandem

trunks are not available, TCG will alternatively route the call to a designated 7-digit local number residing in the appropriate PSAP pursuant to the appropriate state statute or regulation. This call will be transported over BellSouth's interoffice network and will not carry the ANI of the calling party.

G. BellSouth and TCG agree that the practices and procedures contained in the E911 Local Exchange Carrier Guide For Facility-Based Providers, as it is amended from time to time during the term of this Agreement by BellSouth, shall determine the appropriate procedures and practices of the parties as to the provision of 911/E911 Access. BellSouth, as the operator of the Automatic Location Identification (ALI) database, and TCG will use established processes, procedures and formats described in the E911 Local Exchange Carrier Guide for Facility Based Providers to interface with TCG. BellSouth will process valid TCG customer information within 24 hours of receipt from TCG, and electronically transfer the TCG subscriber information to the 911 database.

I. BellSouth agrees to provide, on a scheduled quarterly basis, copies of the Master Street Address Guide ("MSAG") for the LATAs in which TCG operates. The MSAG will be provided via 9-track magnetic tape. TCG agrees to work with the appropriate counties authorities to resolve any addressing issues. BellSouth agrees to maintain the MSAG based upon input from and discussions with the appropriate county authorities.

J. If TCG's certificated area conforms with BellSouth's exchange boundaries, BellSouth will provide a list of 911 tandems serving the BellSouth exchanges. If TCG's certificated area does not conform with BellSouth's exchange boundaries, upon receipt of TCG's NXXs with the comparable BellSouth NXX, BellSouth will provide to TCG the information as to which access tandem the TCG NXXs are routed.

K. The applicable rate elements are as set forth in Attachment C-3, incorporated herein by this reference.

XI. Provision of Operator Services (47 U.S.C. §271(c)(2)(B)(vii)(II)&(III))

A. The parties intend for the provision of access to BellSouth's operator services by TCG pursuant to this section will comply with the requirements of sections 251, 252, and 271 of the Act upon successful implementation of this Article.

B. The parties agree to mutually provide busy line verification and emergency interrupt services pursuant to each party's rates, terms and conditions as may be amended from time to time during the term of this Agreement.

C. BellSouth will offer to TCG Operator Call Processing Access Service; and Directory Assistance Access Services (Number Services). Rates, terms and conditions

are set forth in Attachment C-8 for Operator Call Processing Access Service and Attachment C-9 for Directory Assistance Access Services. Both Attachments are incorporated herein by this reference.

D. BellSouth will offer to TCG CMDS Hosting and the Non Sent Paid Report System pursuant to the terms and conditions set forth in Attachment C-11, incorporated herein by this reference.

E. Each party is responsible for providing an appropriate intercept announcement service for any telephone numbers subscribed to INP services that are not presently being used to provide local exchange service or that are terminating to an end user. Where either party chooses to disconnect or terminate any INP service, that party is responsible for designating an appropriate standard type of announcement to be provided.

XII. Directory Listings (47 U.S.C. §271(c)(2)(B)(viii))

A. Subject to execution of an agreement between TCG and BellSouth's affiliate, BellSouth Advertising and Publishing Company ("BAPCO") substantially in the form set forth in Attachment C-XX, (1) listings shall be included in appropriate White Pages or alphabetical directories; (2) TCG's business subscribers' listings shall also be included in appropriate Yellow Pages, or classified directories; and (3) copies of such directories shall be delivered to TCG's subscribers. The parties intend for the provision of white pages directory listings to TCG pursuant to this section to comply with the requirements of sections 251, 252, and 271 of the Act.

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

C. BellSouth will not charge TCG to maintain the Directory Assistance database. The parties agree to cooperate with each other in formulating appropriate procedures regarding lead time, timeliness, format and content of listing information.

XIII. Access to Telephone Numbers (47 U.S.C. §271(c)(2)(B)(ix))

A. The parties intend for the provision of access to telephone numbers for TCG pursuant to this section will comply with the requirements of sections 251, 252, and 271 of the Act upon successful implementation of this Article.

B. BellSouth, during any period under this Agreement in which it serves as a North American Numbering Plan administrator for its territory, shall ensure that TCG has nondiscriminatory access to telephone numbers for assignment to its telephone exchange service customers. It is mutually agreed that BellSouth shall provide numbering resources pursuant to the BellCore Guidelines Regarding Number Assignment and compliance with those guidelines shall constitute nondiscriminatory access to numbers. TCG agrees that it will complete the NXX code application in accordance with Industry Carriers Compatibility Forum, Central Office Code Assignment Guidelines, ICCF 93-0729-010. This service will be as set forth in Attachment C-2, incorporated herein by this reference.

C. If during the term of this Agreement BellSouth is no longer the North American Numbering Plan administrator, the parties agree to comply with the guidelines, plan or rules adopted pursuant to 47 U.S.C. § 251(e).

XIV. Access to Signaling and Signaling Databases (47 U.S.C. §271(c)(2)(B)(x))

A. The parties intend for the provision of access to signaling and signaling databases for TCG pursuant to this section ~~to~~ ^{will} comply with the requirements of sections 251, 252, and 271 of the Act. ACB
GWS

B. BellSouth will offer to TCG use of its signaling network and signaling databases on an unbundled basis at published tariffed rates. Signaling functionality will be available with both A-link and B-link connectivity.

C. BellSouth offers to input the NXXs assigned to TCG into the Local Exchange Routing Guide ("LERG").

D. BellSouth will enter TCG line information into its Line Information Database ("LIDB") pursuant to the terms and conditions contained in Attachment C-5, incorporated herein by this reference. Entry of line information into LIDB will enable TCG's end users to participate or not participate in alternate billing arrangements such as collect or third number billed calls.

E. If TCG utilizes BellSouth's 800 database for query purposes only, the rates and charges shall be as set forth in Attachment C-4, incorporated herein by this reference.

XV. BellSouth's Offer of Services Available for Resale (47 U.S.C. § 251(c)(4), §251(d)(3) & §271(c)(2)(B)(xiv))

A. The parties intend for the provisions contained in this section regarding BellSouth's telecommunications services available for resale will comply with the

requirements of sections 251, 252, and 271 of the Act upon successful implementation of this Article.

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

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

D. The provision of services by BellSouth to TCG does not constitute a joint undertaking for the furnishing of any service.

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

F. TCG will be BellSouth's single point of contact for all services purchased pursuant to this Agreement including all ordering activities and repair calls. For all repair requests, TCG accepts responsibility for adhering to BellSouth's prescreening guidelines prior to referring the trouble to BellSouth. BellSouth may bill TCG for handling troubles that are found not to be in the BellSouth network. The parties agree that BellSouth may contact TCG's customers, if in its sole discretion it deems necessary for maintenance purposes. Notice of the customer contact shall be given to the party as soon as practicable. BellSouth shall have no other contact with the end user except to the extent provided for herein.

G. BellSouth will continue to bill the end user for any services that the end user specifies it wishes to receive directly from BellSouth. BellSouth maintains the right to serve directly any end user within the service area of TCG and TCG agrees not to interfere with the right of any end user to obtain service directly from BellSouth. BellSouth will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with end users of TCG.

H. In most circumstances, the current telephone number of an end user may be retained by the end user unless the end user has past due charges associated with the BellSouth account for which payment arrangements have not been made. BellSouth will not, however, make the end user's previous telephone number available to TCG until the end user's outstanding balance has been paid. Denied service means that the service of an end user provided by a local exchange telecommunications company, including BellSouth has been temporally suspended for nonpayment and subject to complete disconnection.

I. The characteristics and methods of operation of any circuits, facilities or equipment provided by any person or entity other than BellSouth shall not:

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

TCG assumes the responsibility of notifying BellSouth regarding less than standard operations with respect to services provided by TCG.

J. TCG agrees that its resale of BellSouth services shall be as follows:

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

as of February 8, 1999 or on the date BellSouth is authorized to offer interLATA services in that state, whichever is earlier.

3. Hotel and Hospital PBX service are the only telecommunications services available for resale to Hotel/Motel and Hospital end users, respectively. Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to COCOTS customers. Shared Tenant Service customers can only be sold those telecommunications services available in BellSouth's A23 or A27 Shared Tenant Service Tariff, as appropriate.
4. TCG is prohibited from furnishing both flat and measured rate service on the same business premises to the same subscribers (end users) as stated in A2.3.2.A. of BellSouth's Tariff.
5. Resold services can only be used in the same manner as specified in BellSouth's Tariff. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual end user of BellSouth in the appropriate section of BellSouth's Tariffs. Specific tariff features, e.g. a usage allowance per month, shall not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer except as specified in Section A23. of BellSouth's Tariff referring to Shared Tenant Service.

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

L. Services resold under BellSouth's Tariffs and facilities and equipment provided by BellSouth shall be maintained by BellSouth. TCG or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by BellSouth, other than by connection or disconnection to any interface means used, except with the written consent of BellSouth.

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

N. Until such time as BellSouth receives permission from the FCC to bill the End User Common Line (EUCL) charge to TCG, BellSouth will, on an interim basis, bill

TCG the charges shown below which are identical to the EUCL rates billed by BST to its end users.

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

O. The procedures for discontinuing end user service purchased by TCG for resale to an end user are as follows:

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

P. The procedures for discontinuing service to TCG are as follows:

1. **BellSouth reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any other violation or noncompliance by TCG of the rules and regulations of BellSouth's Tariffs.**
2. **If payment of account is not received by the bill day in the month after the original bill day, BellSouth may provide written notice to TCG, that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. If BellSouth does not refuse additional applications for service on the date specified in the notice, and TCG's noncompliance continues, nothing contained herein shall preclude BellSouth's right to refuse additional applications for service without further notice.**
3. **If payment of the account is not received, or arrangements made, by the bill day in the second consecutive month, the account will be considered in default and will be subject to denial or disconnection, or both.**
4. **If TCG fails to comply with the provisions of this Agreement, including any payments to be made by it on the dates and times herein specified, BellSouth may, on thirty days written notice to the person designated by TCG to receive notices of noncompliance, discontinue the provision of existing services to TCG at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If BellSouth does not discontinue the provision of the services involved on the date specified in the thirty days notice, and TCG's noncompliance continues, nothing contained herein shall preclude BellSouth's right to discontinue the provision of the services to TCG without further notice.**
5. **If payment is not received or arrangements made for payment by the date given in the written notification, TCG's services will be discontinued. Upon discontinuance of service on a TCG's account, service to TCG's end users will be denied. BellSouth will also reestablish service at the request of the end user or TCG upon payment of the appropriate connection fee and subject to BellSouth's normal application procedures.**
6. **If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.**

Q. BellSouth may require TCG to make a deposit when purchasing services for resale purposes to be held by BellSouth as a guarantee of the payment of rates and charges. Any such deposit may be held during the continuance of the service and may not exceed two month's estimated billing. The fact that a deposit has been made in no way relieves TCG from the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of BellSouth providing for the discontinuance of service for non-payment of any sums due BellSouth. In the event that TCG defaults on its account, service to TCG will be terminated and any deposits held will be applied to its account. In the case of a cash deposit, interest at the rate of six percent per annum shall be paid to TCG during the continuance of the deposit. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to TCG by the accrual date.

XVI. Ordering of Services From BellSouth For Resale Purposes

A. The ordering and provision of services purchased from BellSouth for resale purposes by TCG shall be as set forth in the OLEC-to-BellSouth Ordering Guidelines (Reseller) as those guidelines are amended by BellSouth from time to time during the term of this Agreement.

B. When the initial service is ordered by TCG, BellSouth will establish an accounts receivable master account for TCG.

C. BellSouth shall bill TCG on a current basis all applicable charges and credits.

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

E. BellSouth will render bills each month on established bill days for each of TCG's accounts.

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

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

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

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

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

J. If any portion of the payment is received by BellSouth after the payment due date as set forth preceding, or if any portion of the payment is received by BellSouth in funds that are not immediately available to BellSouth, then a late payment penalty shall be due to BellSouth. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be the lesser of:

1. The highest interest rate (in decimal value) which may be levied by law for commercial transaction, compounded daily for the number of days from the payment due date to and including the date that TCG actually makes the payment to BellSouth, or
2. 0.000590 per day, compounded daily for the number of days from the payment due date to and including the date that TCG actually makes the payment to BellSouth.

K. Any Carrier Common Line charges (CCL) associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, BellSouth.

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

M. TCG is responsible for payment of all appropriate charges for completed calls, services, and equipment. If objection in writing is not received by BellSouth within twenty-nine days after the bill is rendered, the account shall be deemed correct and binding upon TCG.

XVII. Network Design and Management (47 U.S.C. § 251(c)(5))

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

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

C. The parties will work cooperatively to apply sound network management principles by invoking appropriate network management controls, e.g., call gapping, to alleviate or prevent network congestion.

D. BellSouth does not intend to charge rearrangement, reconfiguration, disconnection, or other non-recurring fees that may be associated with the initial reconfiguration of TCG's interconnection arrangement. However, TCG's interconnection reconfigurations will have to be considered individually as to the application of a charge. Notwithstanding the foregoing, BellSouth does intend to charge TCG non-recurring fees for any additions to, or added capacity to, any facility or trunk purchased by TCG.

E. The parties agree to provide LEC-to-LEC 64k clear channel (where technically feasible) and Common Channel Signaling (CCS) to one another, where available, in conjunction with all traffic in order to enable full interoperability of ISDN and CLASS features and functions. All CCS signaling parameters will be provided, including automatic number identification (ANI), originating line information (OLI) calling party category, charge number, etc. All privacy indicators will be honored, and the parties

agree to cooperate on the exchange of Transactional Capabilities Application Part (TCAP) messages to facilitate full interoperability of CCS-based features between the respective networks.

F. For network expansion, the parties agree to review engineering requirements on a quarterly basis and establish forecasts for trunk utilization as required by Section IV of this Agreement. New trunk groups will be implemented as dictated by engineering requirements for both parties.

G. The parties agree to provide each other with the proper call information, i.e. originated call party number and destination call party number, CIC, and OZZ, including all proper translations for routing between networks and any information necessary for billing where BellSouth provides recording capabilities. The exchange of information is required to enable each party to bill properly.

XVIII. Disconnection of Existing End User Service

A. Either party will accept requests from the other party to disconnect the service of an existing end user. Either party will accept a request directly from an end user for conversion of the end user's service from itself to the other party or will accept a request from another local exchange carrier or the other party for conversion of the Interim Number Portability service associated with an end user's service to another local exchange carrier or Reseller. The party taking the request will notify the other party that such a request has been processed. Neither party will require end user confirmation prior to disconnecting the end user's service. Both parties agree to provide proof of authorization upon request.

B. If either party determines that an unauthorized change in local service provider has occurred, the party will reestablish service with the appropriate local service provider as requested by the end user and will assess an Unauthorized Change Charge of \$19.41 per line or trunk for Residence or Business. The appropriate nonrecurring charges to reestablish the customer's service with the appropriate local service provider will also be assessed because of the unauthorized change. These charges may be adjusted if satisfactory proof of authorization is provided

C. BellSouth may designate BellSouth as the preferred provider of local exchange service for its own pay telephones.

XIX. Implementation of Agreement

The parties agree that within 30 days of the execution of this Agreement they will adopt a schedule for the implementation of this Agreement. The schedule shall state with specificity, ordering, testing, and full operational time frames. The implementation

shall be attached to this Agreement as an addendum and specifically incorporated herein by this reference.

XX. Auditing Procedures

A. Upon thirty (30) days written notice, each party must provide the other the ability and opportunity to conduct an annual audit to ensure the proper billing of traffic between the parties. The parties agree to retain records of call detail for a minimum of nine months from which the PLU can be ascertained. The audit shall be accomplished during normal business hours at an office designated by the party being audited. Audit request shall not be submitted more frequently than one (1) time per calendar year. Audits shall be performed by a mutually acceptable independent auditor paid for by the party requesting the audit. The PLU shall be adjusted based upon the audit results and shall apply to the usage for the quarter the audit was completed, the usage for the quarter prior to the completion of the audit, and to the usage for the two quarters following the completion of the audit. If, as a result of an audit, either party is found to have overstated the PLU by twenty percentage points (20%) or more, that party shall reimburse the auditing party for the cost of the audit.

B. For combined interstate and intrastate traffic terminated over the same facilities, each party shall provide a projected Percentage Interstate Usage ("PIU") as defined herein to the other party. All jurisdictional report requirements, rules and regulations for Interexchange Carriers specified in E2.3.14 of BellSouth's Intrastate Access Services Tariff will apply. After interstate and intrastate traffic percentages have been determined by use of PIU procedures, the PLU factor will be used for application and billing of local interconnection and intrastate toll access charges.

C. Each party reserves the right to periodically audit services purchased for the purposes of resale to confirm that such services are being utilized in conformity with this Agreement. The parties agree to make any and all records available to the auditing party or its auditors on a timely basis. The auditing party shall bear the cost of said audit that shall not occur more than once in a calendar year. If the audit determines that the services are being utilized in violation of this Agreement, the audited party shall be notified and billing for the service will be immediately changed to conform with this Agreement. Service charges, back billing and interest may be applied.

XXI. Enforcement Provisions

The parties agree that within 120 days of the approval of this Agreement by any of the appropriate state commissions they will develop mutually agreeable specific quality measurements concerning ordering, installation and repair items included in this Agreement, including but not limited to interconnection facilities, 911/E911 access, provision of requested unbundled elements and access to databases. The parties will also develop mutually agreeable incentives for maintaining compliance with the quality measurements. If the parties cannot reach agreement on the requirements of this

section, either party may seek mediation or relief from the appropriate state commission.

XXII. Liability and Indemnification

A. With respect to any claim or suit by TCG, an TCG customer or by any other person or entity, for damages associated with any of the services provided by BellSouth pursuant to this Agreement, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, the parties agree that BellSouth is a telephone company for purposes of the indemnification and limitation of liability provision of 365.171(14), Florida Statutes or any other similar statute in any other state in BellSouth's region, and therefore entitled to the protection granted by said statutes. If BellSouth is determined not to be a telephone company for purposes of section 365.171(14) or any other similar statute, by an appropriate judicial body, or with respect to any claim or suit by either party, either party's customer or by any other person or entity, other than if the party acted with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property, or for failing to maintain proper standards of maintenance and operation and to exercise reasonable supervision, for damages associated with any of the services provided by that party pursuant to this Agreement, including but not limited to the installation, provision, preemption, termination, maintenance, repair, or restoration of service, the parties agree that the liability shall not exceed an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected and ^{each party} shall indemnify the other for any assessed liability over and above such proportionate charge for the service. *ALB*
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B. Neither party shall be liable to the other for any act or omission of any other telecommunications company providing a portion of a services provided under this Agreement.

C. Neither party shall be liable for damages to the other's terminal location, POI or other party's customers' premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, except to the extent caused by such party's gross negligence or willful misconduct.

D. Notwithstanding subsection A, each party shall indemnify, defend and hold harmless the other party, its affiliates and parent company, against any claim, loss or damage arising from its actions, duties, or obligations arising out of this Agreement and pertaining to: 1) Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the content of the communications over the party's network; 2) Claims for patent infringement arising from the party's acts combining, using or reliance on the other party's services, action, duties, or obligations arising out of this Agreement; 3) any claim, loss, or damage claimed by the other party's customer, arising from the

party's use or reliance on the other party's services, action, duties, or obligations arising out of this Agreement.

E. BellSouth assumes no liability for the accuracy of the data provided to it by TCG and TCG agrees to indemnify and hold harmless BellSouth for any claim, action, cause of action, damage, injury whatsoever, that may result from the accuracy of data from TCG to BellSouth in conjunction with the provision of any service provided pursuant to this Agreement.

F. No license under patents (other than the limited license to use) is granted by BellSouth or shall be implied or arise by estoppel, with respect to any service offered pursuant to this Agreement. BellSouth will defend TCG against claims of patent infringement arising solely from the use by TCG of services offered pursuant to this Agreement and will indemnify TCG for any damages awarded based solely on such claims.

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

H. Neither party shall be liable to the other for any special or consequential damages.

XXIII. More Favorable Provisions

A. If as a result of any proceeding before any Court, Commission, or FCC, voluntary agreement or arbitration proceeding pursuant to the Act, or pursuant to any applicable state law, BellSouth becomes obligated to provide interconnection, number portability, unbundled access to network elements or any other services related to interconnection, whether or not presently covered by this Agreement, to another telecommunications carrier operating within a State within the Territory at rates or on terms and conditions more favorable to the carrier than the applicable provisions of this Agreement, TCG, subject to a written amendment to this Agreement, shall be entitled to substitute such more favorable rates, terms or conditions for the relevant provisions of this Agreement which shall apply to the same states as such other carrier and such substituted rates, terms or conditions shall be deemed to have been effective under this Agreement as of the effective date thereof to such other carrier.

B. If the more favorable provision is a result of the action of an appropriate regulatory agency or judicial body whether commenced before or after the effective date of this Agreement, after the waiver or exhaustion of all administrative and judicial remedies, the parties agree to incorporate such order in this Agreement as of its effective date. In the event BellSouth files and receives approval for a tariff offering to provide any substantive service of this Agreement in a way different than that provided

for herein, the parties agree that TCG shall be eligible for subscription to said service at the rates, terms and conditions contained in tariffs as of the effective date of the tariff.

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

XXIV. Treatment of Proprietary and Confidential Information

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

B. Notwithstanding the foregoing, both parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a nonparty to this Agreement; 2) lawfully obtained from any source other than the owner of the Information; or 3) previously known to the receiving party without an obligation to keep it confidential.

XXV. Resolution of Disputes

Except as otherwise stated in this Agreement, the parties agree that if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, the parties will petition the Commission for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by the Commission concerning this Agreement.

XXVI. Limitation of Use

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

XXVII. Waivers

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

XXVIII. Governing Law

This Agreement shall be governed by the laws of the states in the BellSouth region, as applicable to performance hereof in each such state, and federal law, as applicable, including the Act.

XXIX. Arm's Length Negotiations

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

XXX. Notices

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

BellSouth Telecommunications, Inc.
R. DENDER
3535 COLONNADE PIKE
B'HAM, ALA

TCG
Two Teleport Drive Suite 300
Staten Island NY 10314
ATTN: General Counsel

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

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

XXXI. Amendment of Agreement

TCG and BellSouth may mutually agree to amend this Agreement in writing. Since it is possible that amendments to this Agreement may be needed to fully satisfy the purposes and objective of this Agreement, the parties agree to work cooperatively, promptly, and in good faith to negotiate and implement any such amendments to this Agreement.

XXXII. Entire Agreement

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

BellSouth Telecommunications, Inc.

Signature

SRDIR - BellSouth Tel.
Title

2/12/96
Date

TCG

Signature

RVP - Southern Region
Title

2/15/96
Date

ATTACHMENT A
EXAMPLE OF "5% CAP"

Case 1:

BellSouth terminates 10,000 min. to ALEC X ALEC X bills BellSouth for 10,000 min.

ALEC X terminates 15,000 min. to BellSouth BellSouth bills ALEC X for 10,500 min.
(10,000 + 5%)

Case 2:

BellSouth terminates 15,000 min. to ALEC X ALEC X bills BellSouth for 10,500 min.
(10,000 + 5%)

ALEC X terminates 10,000 min. to BellSouth BellSouth bills ALEC X for 10,000 min.

Case 3:

BellSouth terminates zero min. to ALEC X ALEC X bills BellSouth zero

ALEC X terminates 10,000 min. to BellSouth BellSouth bills ALEC X zero

Case 4:

BellSouth terminates 10,000 min. to ALEC X ALEC X bills BellSouth zero

ALEC X terminates zero min. to BellSouth BellSouth bills ALEC X zero

Case 5:

BellSouth terminates 10,000 min. to ALEC X ALEC X bills BellSouth for 10,000 min.

ALEC X terminates 10,200 min. to BellSouth BellSouth bills ALEC X for 10,200 min.
(difference is less than cap)

Case 6:

BellSouth terminates 10,200 min. to ALEC
X

ALEC X bills BellSouth for 10,200 min.
(difference is less than cap)

ALEC X terminates 10,000 min. to
BellSouth

BellSouth bills ALEC X for 10,000 min.

Case 7:

BellSouth and ALEC X both terminate
10,000 min.
to each other

ALEC X and BellSouth both bill each other
10,000 min.

Attachment B-1
 Local Interconnection Service

Service: Local Interconnection*

Description: Provides for the use of BellSouth Switching and transport facilities and common subscriber plant for connecting calls between an ALEC's Point of Interface (POI) and a BellSouth end user.

It can also be used to connect calls between an ALEC and an Interexchange Carrier (IC), and Independent Exchange Telephone Company (ICOL) or a Mobile Service Service Provider (MSP), or between two ALECs.

It is furnished on a per-trunk basis. Trunks are differentiated by traffic type and directionality. There are two major traffic types: (1) Local and (2) Intermediary. Local represents traffic from the ALEC's POI to a BellSouth tandem or end office and intermediary represents traffic originated or terminated by an ALEC which is interconnected with an IC, ICOL, MSP or another ALEC.

Rates and charges will be applied as indicated below.

RATE ELEMENTS	Alabama					Florida						
	Per MOU	Applied Per	Monthly Recur.	Applied: Per	Non- Recur.	Applied Per	Per MOU	Applied Per	Monthly Recur.	Applied: Per	Non- Recur.	Applied Per
DS1 Local Channel	-	-	\$133.81 LC	\$446.87 LC - First	\$446.83 LC - Add'l	-	-	\$133.81 LC	\$446.87 LC - First	\$446.83 LC - Add'l	-	-
DS1 Dedicated Transport	-	-	\$23.50 per mile	\$90.00 fac term.	\$100.48 fac term.	-	-	\$16.75 per mile	\$58.75 fac term.	\$100.48 fac term.	-	-
DS1 Common Transport	\$0.00004 per mile	-	-	-	-	\$0.00004 per mile	-	-	-	-	-	-
Local Switching LS2 (FGD)	\$0.00036 fac term.	-	-	-	-	\$0.00036 fac term.	-	-	-	-	-	-
Tandem Switching	\$0.00755 access mou.	-	-	-	-	\$0.00755 access mou.	-	-	-	-	-	-
Information Surcharge	\$0.00074 access mou.	-	-	-	-	\$0.00050 access mou.	-	-	-	-	-	-
Tandem Intermediary Charge**	\$0.03218 100 mou.	-	-	-	-	\$0.0002 access mou.	-	-	-	-	-	-
Composite Rate-DS1 Dedicated	\$0.00978	-	-	-	-	\$0.01028	-	-	-	-	-	-
Composite Rate-DS1 Tandem Sw	\$0.00991	-	-	-	-	\$0.01054	-	-	-	-	-	-

RATE ELEMENTS	Georgia					Kentucky						
	Per MOU	Applied Per	Monthly Recur.	Applied: Per	Non- Recur.	Applied Per	Per MOU	Applied Per	Monthly Recur.	Applied: Per	Non- Recur.	Applied Per
DS1 Local Channel	-	-	\$133.81 LC	\$446.87 LC - First	\$446.83 LC - Add'l	-	-	\$133.81 LC	\$446.87 LC - First	\$446.83 LC - Add'l	-	-
DS1 Dedicated Transport	-	-	\$23.50 per mile	\$90.00 fac term.	\$100.48 fac term.	-	-	\$23.50 per mile	\$90.00 fac term.	\$100.48 fac term.	-	-
DS1 Common Transport	\$0.00004 per mile	-	-	-	-	\$0.00004 per mile	-	-	-	-	-	-
Local Switching LS2 (FGD)	\$0.00036 fac term.	-	-	-	-	\$0.00036 fac term.	-	-	-	-	-	-
Tandem Switching	\$0.00755 access mou.	-	-	-	-	\$0.00755 access mou.	-	-	-	-	-	-
Information Surcharge	\$0.00074 access mou.	-	-	-	-	\$0.03218 Trans/100 mou.	-	-	-	-	-	-
Tandem Intermediary Charge**	\$0.002 access mou.	-	-	-	-	\$0.002 access mou.	-	-	-	-	-	-
Composite Rate-DS1 Dedicated	\$0.00978	-	-	-	-	\$0.00978	-	-	-	-	-	-
Composite Rate-DS1 Tandem Sw	\$0.00991	-	-	-	-	\$0.00991	-	-	-	-	-	-

*Rates are displayed at the DS1-1 544 Mbps level. For rates and charges applicable to other arrangement levels, refer to Section E8 of BellSouth Telecommunications and Intra-state Access Tariff.

**The Tandem Intermediary Charge applies only to Intermediary Traffic.

DS1 Local Channel: Denotes a DS1 dedicated transport facility between the ALEC's serving wire center and the ALEC's POI, also called an Entrance Facility. This element will apply when associated with services ordered by an ALEC which utilizes a BellSouth facilities. This element is not required when an ALEC is collocated.

DS1 Dedicated Transport: Provides transmission and facility termination. The facility termination applies for each DS1 Interoffice Channel terminated. Can be used from the ALEC's serving wire center to the end user's end office or from the ALEC's serving center to the tandem.

Common Transport: Composed of Common Transport facilities as determined by BellSouth and permits the transmission of calls terminated by BellSouth.

Access Tandem Switching: Provides function of switching traffic from or to the Access Tandem from or to the end office switch(es). The Access Tandem Switching charge is assessed on all terminating minutes of use switched at the access tandem.

Compensation Credit (CAP): BellSouth and the ALECs will not be required to compensate each other for more than 100% of the total billed local interconnection minutes of use of the party with the lower total billed local interconnection minutes of use in the same month.

Attachment B-1
Local Interconnection Service

Service: Local Interconnection* (Cont'd)

State(s):	Louisiana						Mississippi					
RATE ELEMENTS	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per
DS1 Local Channel	-	-	\$133.81 LC	-	\$486.87 LC - First \$486.83 LC - Add'l	-	-	-	\$133.81 LC	-	\$486.87 LC - First \$486.83 LC - Add'l	-
DS1 Dedicated Transport	-	-	\$16.75 per mile \$59.75 fac term.	-	-	-	-	-	\$23.50 per mile \$90.00 fac term.	-	-	\$100.49 fac term.
DS1 Common Transport	\$0.00004 per mile \$0.00036 fac term.	-	-	-	-	-	\$0.00004 per mile \$0.00036 fac term.	-	-	-	-	-
Local Switching LS2 (FGO)	\$0.00488 access mou.	-	-	-	-	-	\$0.00787 access mou.	-	-	-	-	-
Tandem Switching	\$0.00060 access mou.	-	-	-	-	-	\$0.00074 access mou.	-	-	-	-	-
Information Surcharge	-	-	-	-	-	-	-	-	-	-	-	-
Tandem Intermediary Charge**	\$0.002 access mou.	-	-	-	-	-	\$0.002 access mou.	-	-	-	-	-
Composite Rate-DS1 Dedicated	\$0.01021						\$0.00978					
Composite Rate-DS1 Tandem Sw	\$0.01049						\$0.00991					

State(s):	N Carolina						S Carolina					
RATE ELEMENTS	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per
DS1 Local Channel	-	-	\$133.81 LC	-	\$486.87 LC - First \$486.83 LC - Add'l	-	-	-	\$133.81 LC	-	\$486.87 LC - First \$486.83 LC - Add'l	-
DS1 Dedicated Transport	-	-	\$23.50 per mile \$90.00 fac term.	-	-	-	-	-	\$23.50 per mile \$90.00 fac term.	-	-	\$100.49 fac term.
DS1 Common Transport	\$0.00004 per mile \$0.00036 fac term.	-	-	-	-	-	\$0.00004 per mile \$0.00036 fac term.	-	-	-	-	-
Local Switching LS2 (FGO)	\$0.01140 access mou.	-	-	-	-	-	\$0.01086 access mou.	-	-	-	-	-
Tandem Switching	\$0.00074 access mou.	-	-	-	-	-	\$0.00074 access mou.	-	-	-	-	-
Information Surcharge	-	-	-	-	-	-	\$0.00741 100 min.	-	-	-	-	-
Tandem Intermediary Charge**	\$0.002 access mou.	-	-	-	-	-	\$0.002 access mou.	-	-	-	-	-
Composite Rate-DS1 Dedicated	\$0.01331						\$0.01323					
Composite Rate-DS1 Tandem Sw	\$0.01344						\$0.01336					

State(s):	Tennessee					
RATE ELEMENTS	Per mou	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per
DS1 Local Channel	-	-	\$133.81 LC	-	\$486.87 LC - First \$486.83 LC - Add'l	-
DS1 Dedicated Transport	-	-	\$23.50 per mile \$90.00 fac term.	-	\$100.49 fac term.	-
DS1 Common Transport	\$0.00004 per mile \$0.00036 fac term.	-	-	-	-	-
Local Switching LS2 (FGO)	\$0.01750 access mou.	-	-	-	-	-
Tandem Switching	\$0.00074 access mou.	-	-	-	-	-
Information Surcharge	-	-	-	-	-	-
Tandem Intermediary Charge**	\$0.002 access mou.	-	-	-	-	-
Composite Rate-DS1 Dedicated	\$0.01941					
Composite Rate-DS1 Tandem Sw	\$0.01954					

* Rates are displayed at the DS1-1.544 Mbps level. For rates and charges applicable to other arrangement levels, refer to Section E6 of BellSouth Telecommunications.
 ** Intra-state Access Tariff
 *** The Tandem Intermediary Charge applies only to intermediary traffic.
 DS1 Local Channel: denotes a DS1 dedicated transport facility between the ALEC's serving wire center and the ALEC's POI, also called an Entrance Facility. This element will apply when associated with services ordered by an ALEC which utilizes a BellSouth facilities. This element is not required when an ALEC is collocated.
 DS1 Dedicated Transport: provides transmission and facility termination. The facility termination applies for each DS1 interface channel terminated. Can be used from the ALEC's serving wire center to the end users and offices or from the ALEC's serving wire center to the tandem.
 Common Transport: Composed of Common Transport facilities as determined by BellSouth and permits the transmission of calls terminated by BellSouth.
 Access Tandem Switching: provides function of switching traffic from or to the Access Tandem from or to the end office switch(es). The Access Tandem Switching charge is assessed on all terminating minutes of use switched at the access tandem.
 Compensation Credit (CAP): BellSouth and the ALECs will not be required to compensate each other for more than 100% of the total billed local interconnection minutes of use of the party with the lower total billed local interconnection minutes of use in the same month.

Attachment B-1A

Feature Group Interconnection Compensation (FGIC)

Compensation for FGIC traffic will be based on percentages of the sum of all switched access elements as reflected in BellSouth's intrastate access tariff.

In the event that a state commission or the FCC modifies the current switched access rate structures, or redirects the allocation of cost recovery between rate elements under the current structure, the Parties will renegotiate the percentage of the revenues to be received by the end office party so that the tandem party receives the same net per minute compensation as it did prior to the rate structure modification.

For intrastate FGIC Traffic the percentage of switched access service revenue is:

STATE	LEC B End Office Company	LEC A Tandem Office Company
Alabama	88%	12%
Florida	77%	23%
Georgia	67%	33%
Kentucky	73%	27%
Louisiana	80%	20%
Mississippi	72%	28%
North Carolina	77%	23%
South Carolina	75%	25%
Tennessee	80%	20%

For interstate FGIC traffic the percentage for LEC B is 70% and for LEC A, 30%

Attachment B-2

Local Interconnection Service

Service: Toll Switched Access

Description: Provides the Switched Local Channel, Switched Transport, Access Tandem Switching, local end office switching and end user termination functions necessary to complete the transmission of ALEC intrastate and interstate calls from outside the BellSouth's basic local calling area.

Provided in the terminating direction only. Provides trunk side access to a BellSouth tandem/end office for the ALEC's use in terminating long distance communications from the ALEC to BellSouth end users.

Provided at BellSouth tandem/end office as trunk side terminating switching through the use of tandem/end office trunk equipment. The switch trunk equipment may be provided with wink start-pulsing signals and answer and disconnect supervisory signaling, or without signaling when out of band signaling is provided.

Provided with multifrequency address or out of band signaling. Ten digits of the called party number, as appropriate, will be provided by the ALEC's equipment to a BellSouth tandem/end office.

State(s): All

Rates, Terms and Conditions:

In all states, rates, terms and conditions will be applied as set forth in Section E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariffs and in Section 6 of the BellSouth Telecommunication's, Inc. Interstate Access Tariff, F.C.C. No. 1.

Attachment B-3

Local Interconnection Service

Service: Service Provider Number Portability-Remote

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

SPNP-Remote is a telecommunications service whereby a call dialed to an SPNP-Remote equipped telephone number, assigned by BellSouth, is automatically forwarded to an ALEC assigned seven or ten digit telephone number within BellSouth's basic local calling area as defined in Section A3 of BellSouth's General Subscriber Service Tariff. The forwarded-to number is specified by the ALEC.

SPNP-Remote provides a single call path for the forwarding of no more than one simultaneous call to the ALEC specified forwarded-to number. Additional call paths for the forwarding of multiple simultaneous calls are available on a per path basis, and are in addition to the rate for SPNP-Remote service.

State(s): ALL

	<u>Monthly Rate</u>	<u>Nonrecurring Charge</u>
Per Number Ported		
- Residence / 6 paths	\$1 15	-
- Business / 10 paths	\$2 25	-
Each Additional Path	\$0 50	-
Per Order, per end user location	-	None

Attachment B-4

Local Interconnection Service

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

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

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

SPNP-DID will be available on either a DSO, DS1 or DS3 basis.

SPNP-DID Trunk Termination will only be provided with SS7 Signaling at rates set forth in E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Tariffs.

Direct facilities are required from the BellSouth end office where a ported number resides to the ALEC end office serving the ALEC end user.

RATE ELEMENTS	Alabama				Florida			
	Monthly Recurring	Applied Per	Non-Recurring	Applied Per	Monthly Recurring	Applied Per	Non-Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	-	-	\$25.00	end user location	-	-	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$180.00	trunk-int. \$80.00 trunk-sub.	\$15.00	trunk	\$170.00	trunk-int. \$85.00 trunk-sub.
DS1 Local Channel**	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l
DS1 Dedicated Transport**	\$23.50	per mile	-	-	\$16.75	per mile	-	-
	\$90.00	fac. term	\$100.49	fac. term	\$59.75	fac. term	\$100.49	fac. term

RATE ELEMENTS	Georgia				Kentucky			
	Monthly Recurring	Applied Per	Non-Recurring	Applied Per	Monthly Recurring	Applied Per	Non-Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	-	-	\$25.00	end user location	-	-	\$25.00	end user location
SPNP-DID Trunk Termination	\$14.00	trunk	\$165.00	trunk-int. \$83.00 trunk-sub.	\$13.00	trunk	\$150.00	trunk-int. \$80.00 trunk-sub.
DS1 Local Channel**	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l
DS1 Dedicated Transport**	\$23.50	per mile	-	-	\$23.50	per mile	-	-
	\$90.00	fac. term	\$100.49	fac. term	\$90.00	fac. term	\$100.49	fac. term

* Rates are displayed at the DS1-1 544 Mbps level. For rates and charges applicable to other arrangement levels, refer to Section E6 of BellSouth's Intrastate Access Tariffs.

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

Attachment B-4
Local Interconnection Service

Service: Service Provider Number Portability-Direct Inward Dialed (DID)* (Cont'd)

RATE ELEMENTS	Louisiana				Mississippi			
	Monthly Recurring	Applied Per	Non-Recurring	Applied Per	Monthly Recurring	Applied Per	Non-Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	-	-	\$25.00	end user location	-	-	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$170.00	trunk-int. \$86.00 trunk-sub.	\$13.00	trunk	\$150.00	trunk-int. \$80.00 trunk-sub.
DS1 Local Channel**	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l
DS1 Dedicated Transport**	\$16.75	per mile	-	-	\$23.50	per mile	-	-
	\$90.00	fac term	\$100.49	fac term.	\$90.00	fac term	\$100.49	fac term

RATE ELEMENTS	N.Carolina				S.Carolina			
	Monthly Recurring	Applied Per	Non-Recurring	Applied Per	Monthly Recurring	Applied Per	Non-Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	-	-	\$25.00	end user location	-	-	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$160.00	trunk-int. \$83.00 trunk-sub.	\$13.00	trunk	\$164.00	trunk-int. \$81.00 trunk-sub.
DS1 Local Channel**	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l
DS1 Dedicated Transport**	\$23.50	per mile	-	-	\$23.50	per mile	-	-
	\$90.00	fac term	\$100.49	fac term.	\$90.00	fac term	\$100.49	fac term

RATE ELEMENTS	Tennessee			
	Monthly Recurring	Applied Per	Non-Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each
Per Order	-	-	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$154.00	trunk-int. \$83.00 trunk-sub.
DS1 Local Channel**	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l
DS1 Dedicated Transport**	\$23.50	per mile	-	-
	\$90.00	fac term	\$100.49	fac term.

*Rates are displayed at the DS1-1.544 Mbps. level. For rates and charges applicable to other arrangement levels, refer to Section E8 of BellSouth Telecommunication's Inc.'s Intrastate Access Tariff

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

Attachment C-1

Unbundled Products and Services and New Services

Service: Subscriber Listing Information

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

State(s): All

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

Draft 5/3/96

EXHIBIT _____

ALPHABETICAL DIRECTORY SIDE AGREEMENT

- CARRIER agrees to provide to BellSouth Advertising & Publishing Corporation ("BAPCO"), through BST, at CARRIER's expense and at no charge, listing information concerning its subscribers (designating any who do not desire published listings), consisting of: customer, name, address, telephone number and all other information reasonably requested by BAPCO for BAPCO's use in publishing directories of whatever type and format and for other derivative purposes. Such information shall be provided on a schedule and in a format reasonably acceptable to BAPCO. CARRIER shall advise BAPCO promptly regarding any directory-related inquiries, requests or complaints which it shall receive from CARRIER's subscribers and shall provide reasonable cooperation to BAPCO in response to or resolution of the same. CARRIER shall respond promptly regarding corrections or queries raised by BAPCO and to process listing changes requested by subscribers.
- ii. BAPCO shall include one standard listing for each CARRIER subscriber per hunting group in BAPCO's appropriate local alphabetical directory as published periodically by BAPCO unless nonlisted or nonpublished status is designated by subscribers. BAPCO shall also include one standard listing for each CARRIER business subscriber per hunting group in an appropriate heading as selected by the subscriber in BAPCO's appropriate local classified directory as published periodically by BAPCO unless nonlisted or nonpublish status is designated by subscriber. Such listings shall be interfiled with the listings of other local exchange telephone company subscribers and otherwise published in the manner of such other listings according to BAPCO's generally applicable publishing policies and standards. BAPCO shall deliver such local alphabetical and classified directory to CARRIER's subscribers according to BAPCO's generally applicable policies and standards.
 - iii. BAPCO shall maintain full authority over its publishing schedules, policies, standards, and practices and over the scope and publishing schedules of its directories.
 - iv. Each party agrees to defend, indemnify and hold harmless the other from all damages, claims, suits, losses or expenses, including without limitation costs and attorneys fees, to the extent of such party's relative fault, arising out of or resulting from any error, omission or act of such party hereunder. CARRIER agrees to limit its liability and that of BAPCO by contract with CARRIER's subscribers or by tariff to no more than the cost of service for any errors or

omissions in any listings published hereunder for CARRIER subscribers. Each party shall notify in writing the other promptly of any claimed error or omission affecting this paragraph and of any claim or suit arising hereunder or relating to this Agreement and shall provide reasonable and timely cooperation in its resolution of the same. Without waiver of any rights hereunder, the indemnified party may at its expense undertake its own defense in any such claim or suit.

- V BAPCO's liability to CARRIER for any errors or omissions in directories or for any default otherwise arising hereunder shall be limited to One Dollar (\$1) for any error or omission in any subscriber listing in any directory published by BAPCO.
- VI This Side Agreement shall be subject to the term and cancellation provisions of the agreement to which it is appended ("the Agreement"), except that BAPCO shall have the right to terminate this Side Agreement upon sixty days prior written notice given at any time following the initial term of the Agreement.
- VII A separate Agreement may be entered into between BAPCO and CARRIER concerning Yellow Pages, or classified directories, directory delivery, CallGuide pages, and other directory related issues.

BAPCO:
BY _____
NAME _____
TITLE _____
DATE _____

CARRIER:
BY: _____
NAME: _____
TITLE: _____
DATE: _____

DRAFT 5/20/96

AGREEMENT

In consideration of the mutual promises contained herein, BellSouth Advertising & Promoting Corporation, a Georgia corporation ("BAPCO") and _____ corporation ("CARRIER") agree as follows:

1. **RECITALS.** BAPCO is the publisher of alphabetical and classified directories for certain communities in the southeastern region of the U.S (the "Directories"). CARRIER provides, or intends to provide, local exchange telephone service in communities in which BAPCO publishes Directories. BAPCO and CARRIER hereby establish the terms by which BAPCO will include listings of CARRIER subscribers in such Directories and by which BAPCO will provide such Directories to CARRIER subscribers.

2. **CARRIER OBLIGATIONS.** CARRIER agrees as follows:

a) CARRIER shall provide to BAPCO, or its designee, at CARRIER's expense and at no charge, listing information concerning its subscribers (designating any who do not desire published listings), consisting of customer name, address, telephone number and all other information reasonably requested by BAPCO as set forth on Exhibit A for BAPCO's use in publishing Directories of whatever type and format and for other derivative purposes. Such subscriber listing information shall be provided in the format and on the schedule set forth in said Exhibit, or as otherwise mutually agreed between the parties from time to time.

b) CARRIER shall also provide directory delivery information to BAPCO as set forth in Exhibit A for all subscribers.

c) CARRIER shall advise BAPCO promptly of any directory-related inquiries, requests or complaints which it may receive from CARRIER subscribers and shall provide reasonable cooperation to BAPCO in response to or resolution of the same.

(d) CARRIER shall respond promptly regarding corrections or queries raised by BAPCO to process listing changes requested by subscribers.

3. **BAPCO OBLIGATIONS.** BAPCO agrees as follows:

(a) BAPCO shall include one standard listing for each CARRIER subscriber per hunting group in BAPCO's appropriate local alphabetical Directory as published periodically by BAPCO unless nonlisted or nonpublished status is designated by subscribers. Such listings shall be interfiled with the listings of other local exchange telephone company subscribers and otherwise published in the manner of such other listings according to BAPCO's generally applicable publishing policies and standards.

(b) BAPCO shall publish additional listings, foreign listings and other alphabetical Directory listings of CARRIER subscribers upon their request consistent with BAPCO's generally applicable policies in BAPCO's alphabetical Directories at BAPCO's prevailing rates, terms and conditions.

(c) BAPCO will distribute its regularly published alphabetical and classified Directories to local CARRIER subscribers in accordance with BAPCO's prevailing practices, including delivery following Directory publication and upon establishment of new CARRIER service, if a current Directory for that geographic area has not previously been provided. Such deliveries may include separate advertising materials accompanying the Directories.

(d) BAPCO will include CARRIER information in the customer guide pages of its alphabetical Directories for communities where CARRIER provides local exchange telephone service at the time of publication in accordance with BAPCO's prevailing standards for the same. CARRIER will provide information requested by BAPCO for such purpose on a timely basis.

(e) BAPCO shall make available at no charge to CARRIER or its subscribers one listing for CARRIER business customers per hunting group in one appropriate heading in BAPCO's appropriate local classified directory as published periodically by BAPCO. Such listings shall be published according to BAPCO's generally applicable publishing policies and standards.

(f) BAPCO agrees to solicit, accept and publish directory advertising from business subscribers for CARRIER in communities for which BAPCO publishes classified Directories in the same manner and upon substantially the same terms as it solicits, accepts and publishes advertising from advertisers who are not CARRIER subscribers.

4. PUBLISHING POLICIES. BAPCO shall maintain full authority over its publishing schedules, policies, standards, and practices and over the scope and publishing schedules of its Directories.

5. LIABILITY AND INDEMNITY

(a) BAPCO's liability to CARRIER for any errors or omissions in directories or for any default otherwise arising hereunder shall be limited to One Dollar (\$1) for errors or omissions in any subscriber listing in any directory published by BAPCO.

(b) Each party agrees to defend, indemnify and hold harmless the other from all damages, claims, suits, losses or expenses, including without limitation costs and attorneys fees, to the extent of such party's relative fault, arising out of or resulting from any error, omission or act of such party hereunder. CARRIER agrees to limit its liability and that of BAPCO by contract with CARRIER's subscribers or by tariff to no more than

the cost of service for any errors or omissions in any listings published hereunder for CARRIER subscribers. Each party shall notify in writing the other promptly of any claimed error or omission affecting this paragraph and of any claim or suit arising hereunder or relating to this Agreement and shall provide reasonable and timely cooperation in its resolution of the same. Without waiver of any rights hereunder, the indemnified party may at its expense undertake its own defense in any such claim or suit.

5 TERM. This Agreement shall be effective on the date of the last signature hereto for a term of two (2) years and shall relate to Directories published by BAPCO during such period. Thereafter, it shall continue in effect unless terminated by either party upon sixty days prior written notice.

7 ASSIGNMENT. This Agreement shall be binding upon any successors or assigns of the parties during its Term.

3 RELATIONSHIP OF THE PARTIES. This Agreement does not create any joint venture, partnership or employment relationship between the parties or their employees, and the relationship between the parties shall be that of an independent contractor. There shall be no intended third party beneficiaries to this Agreement.

9 NONDISCLOSURE.

(a) During the term of this Agreement it may be necessary for the parties to provide each other with certain information ("Information") considered to be private or proprietary. The recipient shall protect such Information from distribution, disclosure or dissemination to anyone except its employees or contractors with a need to know such information in conjunction herewith, except as otherwise authorized in writing. All such information shall be in writing or other tangible form and clearly marked with a confidential or proprietary legend. Information conveyed orally shall be designated as proprietary or confidential at the time of such oral conveyance and shall be reduced to writing within forty-five (45) days.

(b) The parties will not have an obligation to protect any portion of information which: (1) is made publicly available lawfully by a nonparty to this Agreement; (2) is lawfully obtained from any source other than the providing party; (3) is previously known without an obligation to keep it confidential; (4) is released by the providing party in writing; or (5) commencing two (2) years after the termination date of this Agreement if such information is not a trade secret under applicable law.

(c) Each party will make copies of the information only as necessary for its use under the terms hereof, and each such copy will be marked with the same proprietary notices as appear on the originals. Each party agrees to use the information solely in support of this Agreement and for no other purpose.

10 FORCE MAJEURE. Neither party shall be responsible to the other for any delay or failure to perform hereunder to the extent caused by fire, flood, explosion, war, strike,

not embargo, governmental requirements, civic or military authority, act of God, or other similar cause beyond its reasonable control. Each party shall use best efforts to notify the other promptly of any such delay or failure and shall provide reasonable cooperation to ameliorate the effects thereof.

11. PUBLICITY Neither party shall disclose the terms of this Agreement nor use the trade names or trademarks of the other without the prior express written consent of the other.

12. REPRESENTATIVES AND NOTICES.

(a) Each party shall name one or more representatives for contacts between the parties which shall be authorized to act on its behalf. Such representatives may be changed from time to time upon written notice to the other party.

(b) Notices required by law or under this Agreement shall be given in writing by hand delivery, certified or registered mail, or by facsimile followed by certified or registered mail, addressed to the named representatives of the parties with copies to:

If to BAPCO:

Director-LEC/BST Interface
BellSouth Advertising & Publishing Corporation
Room 270
59 Executive Park South
Atlanta, GA 30329

With Copy to:

Associate General Counsel
BellSouth Advertising & Publishing Corporation
Room 430
59 Executive Park South
Atlanta, GA 30329

If to CARRIER:

13. MISCELLANEOUS. This Agreement represents the entire Agreement between the parties with respect to the subject matter hereof and supersedes any previous oral or

written communications, representations, understandings, or agreements with respect thereto. It may be executed in counterparts, each of which shall be deemed an original. All prior and contemporaneous written or oral agreements, representations, warranties, statements, negotiations, and/or understandings by and between the parties, whether express or implied, are superseded, and there are no representations or warranties, either oral or written, express or implied, not herein contained. This Agreement shall be governed by the laws of the state of Georgia.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives in one or more counterparts, each of which shall constitute an original, on the dates set forth below

BELLSOUTH ADVERTISING &
PUBLISHING CORPORATION

CARRIER:

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A

- CARRIER Listing Information. Formal Schedule for Provision
- CARRIER Delivery Information. Formal Schedule for Provision

Attachment C-2

Unbundled Products and Services and New Services

Service: Access to Numbers

Description: For that period of time in which BellSouth serves as North American Numbering Plan administrator for the states in the BellSouth region, BellSouth will assist ALECs applying for NXX codes for their use in providing local exchange services.

State(s): All

Rates: No Charge

Attachment C-3

Unbundled Products and Services and New Services

Service: Access to 911 Service

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

Additionally, ALEC-1 must provide a minimum of two dedicated trunk groups originating from ALEC-1's serving wire center and terminating to the appropriate 911 tandem. These facilities, consisting of a Switched Local Channel from ALEC-1's point of interface to its serving wire center and Switched Dedicated Transport to the 911 tandem, may be purchased from BellSouth at the Switched Dedicated Transport rates set forth in Section E6 of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariffs.

State(s): All

Rates: Will be billed to appropriate municipality.

Attachment C-4

Unbundled Products and Services and New Services

Service: 800 Database

Description: Provides for utilization of the BellSouth 800 Service Control Points for obtaining 800 Service routing information.

800 Database service is provided using a common nationwide 800 Database. The BellSouth network components utilized in the provision of this service are the Service Switching Point (SSP), the Common Channel Signaling Seven Network, the Signal Transfer Point (STP), and the Service Control Point (SCP). Additionally, the Service Management System functions nationally as the central point for the administration of all 800 numbers and downloads 800 number information to BellSouth's SCPs.

ALEC's with STPs will be able to connect directly to BellSouth local or regional STP for obtaining 800 database routing information from BellSouth's SCP and will not be required to order FGD or TSBSA Technical Option 3 Service. For this connection the ALECs may utilize Signaling System Seven Terminations Interconnected in Birmingham, AL and Atlanta, GA with BellSouth's local or regional STP.

State(s): All

Rates, Terms and Conditions:

In all states, the 800 Database rates, terms and conditions will be applied as set forth in Sections E2, E5, E6 and E13 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariffs.

Attachment C-5

Unbundled Products and Services and New Services

Service: Line Information Database (LIDB)- Storage Agreement

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

Each time an ALECs data is used BellSouth will compensate that ALEC at a rate of 40% of BellSouth's LIDB Validation rate per query as displayed in Attachment C-6 following.

State(s): All

Rates: No Charge

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

This agreement, effective as of _____, 1996, is entered into by and between BellSouth Telecommunications, Inc. ("BST"), a Georgia corporation, and _____ ("Local Exchange Company").

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

I. SCOPE

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

LIDB is accessed for:

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

II. DEFINITIONS

- 2.01. **Billing number** - a number used by BST for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.
- 2.02. **Line number** - a ten digit number assigned by BST that identifies a telephone line associated with a resold local exchange service, or with a SPNP arrangement.
- 2.03. **Special billing number** - a ten digit number that identifies a billing account established by BST in connection with a resold local exchange service or with a SPNP arrangement.
- 2.04. **Calling Card number** - a billing number plus PIN number assigned by BST.
- 2.05. **PIN number** - a four digit security code assigned by BST which is added to a billing number to compose a fourteen digit calling card number.
- 2.06. **Toll billing exception indicator** - associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by the Local Exchange Company.
- 2.07. **Billed Number Screening** - refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.
- 2.08. **Calling Card Validation** - refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.
- 2.09. **Billing number information** - information about billing number or Calling Card number as assigned by BST and toll billing exception indicator provided to BST by the Local Exchange Company.

III. RESPONSIBILITIES OF PARTIES

- 3.01. BST will include billing number information associated with resold exchange lines or SPNP arrangements in its LIDB. The Local Exchange Company will request any toll billing exceptions via the Local Service Request (LSR) form used to order resold exchange lines, or the SPNP service request form used to order SPNP arrangements.
- 3.02. Under normal operating conditions, BST shall include the billing number information in its LIDB upon completion of the service order establishing either the resold local exchange service or the SPNP arrangement, provided that BST shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances or conditions beyond BST's reasonable control. BST will store in its LIDB an unlimited volume of the working telephone numbers associated with either the resold local exchange lines or the SPNP arrangements. For resold local exchange lines or for SPNP arrangements, BST will issue line-based calling cards only in the name of Local Exchange Company. BST will not issue line-based calling cards in the name of Local Exchange Company's individual end users. In the event that Local Exchange Company wants to include calling card numbers assigned by the Local Exchange Company in the BST LIDB, a separate agreement is required.
- 3.03. BST will provide responses to on-line, call-by-call queries to the stored information for the specific purposes listed in the next paragraph.
- 3.04. BST is authorized to use the billing number information to perform the following functions for authorized users on an on-line basis:

(a) Validate a 14 digit Calling Card number where the first 10 digits are a line number or special billing number assigned by BST, and where the last four digits (PIN) are a security code assigned by BST.

b) Determine whether the Local Exchange Company has identified the billing number as one which should not be billed for collect or third number calls, or both.

3.05. BST will provide seven days per week, 24-hours per day, fraud control and detection services. These services include, but are not limited to, such features as sorting Calling Card Fraud detection according to domestic or international calls in order to assist the pinpointing of possible theft or fraudulent use of Calling Card numbers; monitoring bill-to-third number and collect calls made to numbers in BST's LIDB, provided such information is included in the LIDB query, and establishing Account Specific Thresholds, at BST's sole discretion, when necessary. Local Exchange Company understands and agrees BST will administer all data stored in the LIDB, including the data provided by Local Exchange Company pursuant to this Agreement, in the same manner as BST's data for BST's end user customers. BST shall not be responsible to Local Exchange Company for any lost revenue which may result from BST's administration of the LIDB pursuant to its established practices and procedures as they exist and as they may be changed by BST in its sole discretion from time to time.

3.06. Local Exchange Company understands that BST currently has in effect numerous billing and collection agreements with various interexchange carriers and billing clearing houses. Local Exchange Company further understands that these billing and collection customers of BST query BST's LIDB to determine whether to accept various billing options from end users.

Additionally, Local Exchange Company understands that presently BST has no method to

differentiate between BST's own billing and line data in the LIDB and such data which it includes in the LIDB on Local Exchange Company's behalf pursuant to this Agreement. Therefore, until such time as BST can and does implement in its LIDB and its supporting systems the means to differentiate Local Exchange Company's data from BST's data and the parties to this Agreement execute appropriate amendments hereto, the following terms and conditions shall apply:

- (a) The Local Exchange Company agrees that it will accept responsibility for telecommunications services billed by BST for its billing and collection customers for Local Exchange Customer's end user accounts which are resident in LIDB pursuant to this Agreement. Local Exchange Company authorizes BST to place such charges on Local Exchange Company's bill from BST and agrees that it shall pay all such charges. Charges for which Local Exchange Company hereby takes responsibility include, but are not limited to, collect and third number calls.
- (b) Charges for such services shall appear on a separate BST bill page identified with the name of the entity for which BST is billing the charge.
- (c) Local Exchange Company shall have the responsibility to render a billing statement to its end users for these charges, but Local Exchange Company's obligation to pay BST for the charges billed shall be independent of whether Local Exchange Company is able or not to collect from Local Exchange Company's end users.
- (d) BST shall not become involved in any disputes between Local Exchange Company and the entities for which BST performs billing and collection. BellSouth will not issue adjustments for charges billed on behalf of an entity to Local Exchange Company. It shall

be the responsibility of the Local Exchange Company and the other entity to negotiate and arrange for any appropriate adjustments.

IV. COMPLIANCE

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

V. TERMS

This Agreement will be effective as of _____, 1996, and will continue in effect for one year, and thereafter may be continued until terminated by either party upon thirty (30) days written notice to the other party.

VI. FEES FOR SERVICE AND TAXES

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

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

VII. INDEMNIFICATION

To the extent not prohibited by law, each party will indemnify the other and hold the other harmless against any loss, cost, claim, injury, or liability relating to or arising out of

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

VIII. LIMITATION OF LIABILITY

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

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

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

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

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

BELLSOUTH TELECOMMUNICATIONS, INC.

By: _____
Title: _____
Date: _____
Address: _____

THE LOCAL EXCHANGE COMPANY

By: _____
Title: _____
Date: _____
Address: _____

Attachment C-6

Unbundled Products and Services and New Services

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

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

State(s): All

Rate Elements	Description	Monthly	Non-Recurring
LIDB Common Transport	Provides for transport of the customer's query from the LIDB Location (RSTP) to the data base (SCP). This charge will apply each time the customer requests and receives validation of a BellSouth calling card or requests and receives the status of a billed number associated with a LEC line stored in the BellSouth LIDB.	\$0.00030	-
LIDB Validation	Provides for query of data resident in BellSouth's LIDB. This rate will apply each time a customer requests and receives validation of LEC calling card or requests and receives the status of a billed number associated with a LEC line stored in BellSouth's LIDB. As set forth in Attachment C-5 (LIDB Storage Agreement), preceding, each time an ALEC data is used, BellSouth will compensate that ALEC at a rate of 40% of BellSouth's LIDB Validation rate per query.	\$0.03800	-
Originating Point Code Establishment or Change	Provides for the establishment or change of a customer requested Originating Point Code. This charge will apply each time the customer establishes or changes a point code destination identifying one of his locations or a location of one of his end users.	-	\$91.00
CCS7 Signaling Connections	Rates, terms and conditions for CCS7 Signaling Connections are as set forth in Section E6.8 of BellSouth Telecommunication's Inc.'s Intrastate Access Services Tariff.		

Attachment C-7

Unbundled Products and Services and New Services

Service: Signaling

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

State(s): All

Rate Elements	Monthly Rate	Recurring Rate	Non-Recurring	Applied Per
CCS7 Signaling Connection - Provides a two-way digital 56 Kbps dedicated facility connecting a customer's signaling point of interface in a LATA to a BellSouth STP. Each customer's connection requires either a pair or a quad of signaling connections.	\$155.00	-	\$510.00	56 Kbps facility
CCS7 Signaling Termination - Provides a customer dedicated point of interface at the BellSouth STP for each of the customer's SS7 connections.	\$355.00	-	-	STP Port
CCS7 Signaling Usage* - Refers to the messages traversing the BellSouth signaling network for call set-up and non call set-up purposes.	-	\$0.000023 \$0.000050	-	Call Set Up Msg. TCAP Msg.
CCS7 Signaling Usage Surrogate*	\$395.00	-	-	56 Kbps facility

*Where signaling usage measurement and billing capability exists, CCS7 Signaling Usage will be billed on a per message basis
Where measurement capability does not exist, CCS7 Signaling Usage Surrogate will be billed on a per 56 Kbps facility basis

Attachment C-8

Unbundled Products and Services and New Services

Service: Operator Call Processing Access Service

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

Rate Elements	State(s)	Monthly Recurring	Applied Per
Operator Provided Call Handling	All	\$1.17	Per Work Minute
Call Completion Access Termination Charge This charge will be applicable per call attempt and is in addition to the Operator Provided Call Handling charge listed above	Alabama Florida Georgia Kentucky Louisiana Mississippi N. Carolina S. Carolina Tennessee	\$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.08 \$0.08 \$0.12	Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt Per Call Attempt
Fully Automated Call Handling	All	\$0.15	Per Attempt
Operator Services Transport Operator Services transport rates, terms and conditions are as set forth in E6 of BellSouth Telecommunications, Inc.'s Intrastate Access Service Tariff			

Attachment C-9

Unbundled Products and Services and New Services

Service: Directory Assistance Access Service (Number Services)

Description: See below

Rate Elements	Description	State(s)	Monthly Rate
Directory Assistance Call Completion Access Service	Optional service provided to an Access subscriber of BellSouth's DA Access Service. Given a listed telephone number at the request of an Access subscriber's end user, BellSouth will provide or attempt to provide from the DA Operator System, call completion to the number requested. All local and intrastate call completion attempts are routed over an intercity trunk facility directly to the terminating end office that serves the designated number. An Automatic Message Account (AMA) record that includes conversation time, originating, terminating, and billing number details is made for each call completion attempt. This record is in addition to the record made for the DA transaction.	Ala	\$0.25 (per call attempt)
Call Completion Access Termination Charge	This charge will be applicable per call attempt and is in addition to the DACC Access Service charge listed above.	Alabama Florida Georgia Kentucky Louisiana Mississippi N Carolina S Carolina Tennessee	\$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.12
Number Services Intercept Access Service	Number Services Intercept Access refers calls from disconnected numbers to the proper number or numbers. A separate dedicated intercept trunk facility to the Number Services switch for intercept calls is required. Standard trunk signaling is used to send the intercepted number to the Number Services switch and a database hook-up is performed to retrieve the referral number. The referral number is provided to the calling party by a mechanized audio announcement. The subscribing Access customer must provide the updates to the intercept database to support the service.	All	\$0.30 (per intercept query)
Directory Assistance Service Call	Rates, terms and conditions will be applied as set forth in E9 1.7 for Georgia and as set forth in E9 5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunications Inc.'s Intrastate Access Service Tariff		
Directory Transport	Rates, terms and conditions will be applied as set forth in E9 1.7 for Georgia and as set forth in E9 5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunications Inc.'s Intrastate Access Service Tariff		
Directory Assistance Interconnection	Rates, terms and conditions will be applied as set forth in E9 1.7 for Georgia and as set forth in E9 5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunications Inc.'s Intrastate Access Service Tariff		
Directory Assistance Database Service	Rates, terms and conditions will be applied as set forth in A38 1 of BellSouth Telecommunications Inc.'s General Subscriber Service Tariff		
Direct Access to DA Service	Rates, terms and conditions will be applied as set forth in Section 9.3 of BellSouth Telecommunications Inc.'s Intrastate Access Service Tariff F.C.C. No. 1		

Attachment C-10

Unbundled Products and Services and New Services

Service: Busy Line Verification and Emergency Interrupt

Description: BellSouth will provide Inward Operator Service for Busy Line Verification and Verification and Emergency Interrupt.

State(s): All

Rates, Terms and Conditions: In all states, rates, terms and conditions will be applied as set forth in Section E18 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariff.

Attachment C-11

Unbundled Products and Services and New Services

Service: Centralized Message Distribution System - Hosting (CMDS-Hosting)

Description: CMDS-Hosting is the Bellcore administered national system used to exchange Exchange Message Record (EMR) formatted message data among host companies.

All intraLATA and local messages originated and billed in the BellSouth Region involving BellSouth CMDS hosted companies will be processed through the Non-Send Paid Report System described in Attachment C-12 following.

State(s): All

Rate Elements	Description	Monthly
Message Distribution	Message Distribution is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate. This charge is applied on a per message basis.	\$0.004
Data Transmission	This charge is applied on a per message basis.	\$0.001

Attachment C-12

Unbundled Products and Services and New Services

Service: Non-Sent Paid Report System (NSPRS)

Description: NSPRS includes: 1) a mechanized report system that provides to the BellSouth CMDS hosted companies within the BellSouth Region information regarding Non-Sent Paid message and revenue occurring on calls originated and billed within the BellSouth region; 2) distribution of Bellcore produced Credit Card and Third Number System (CATS) reports and administration of associated elements; 3) distribution of Bellcore produced non-conterminous CATS reports and administration of associated settlements.

State(s): All

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

Attachment D

Contract Provisions for RAO Hosting and NSPRS

SECTION 1 SCOPE OF AGREEMENT

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

SECTION 2. DEFINITIONS

- 2.01 A. Centralized Message Distribution System is the BellCore administered national system, based in Kansas City, Missouri, used to exchange Exchange Message Record (EMR) formatted data among host companies.
- B. Compensation is the amount of money due from BellSouth to the ALEC or from the ALEC to BellSouth for services and/or facilities provided under this Agreement.
- C. Exchange Message Record is the nationally administered standard format for the exchange of data among Exchange Carriers within the telecommunications industry.
- D. Intercompany Settlements (ICS) is the revenue associated with charges billed by a company other than the company in whose service area such charges were incurred. ICS on a national level includes third number and credit card calls. ICS within the BellSouth region includes third number, credit card and collect calls.
- E. Message Distribution is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate.
- F. Non-Sent Paid Report System (NSPRS) is the system that calculates ICS amounts due from one company to another in the state of Florida.

- G. ~~Robotic Accounting Office (RAO) Status Company~~ is a local exchange company/alternate local exchange company that has been assigned a unique RAO code. Message data exchanged among RAO status companies is grouped (i.e. packed) according to From/To/Bill RAO combinations.

SECTION 3. RESPONSIBILITIES OF THE PARTIES

- 3.01 RAO Hosting and NSPRS services provided to the ALEC by BellSouth will be in accordance with the methods and practices regularly adopted and applied by BellSouth to its own operations during the term of this Agreement, including such revisions as may be made from time to time by BellSouth.
- 3.02 The ALEC shall furnish all relevant information required by BellSouth for the provision of RAO Hosting and NSPRS.

SECTION 4. COMPENSATION ARRANGEMENTS

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

SECTION 5. ASSOCIATED EXHIBITS

- 5.01 Listed below are the exhibits associated with this Agreement.

Exhibit A Message Distribution Service (RAO Hosting)

Exhibit B Intercompany Settlements (NSPRS)

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

SECTION 8. TERM OF AGREEMENT

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

Executed this _____ day of _____, 1998.

WITNESS:

THE ALEC

(title)

WITNESS:

BELLSOUTH TELECOMMUNICATIONS, INC

(title)

Exhibit A

SECTION 1. SCOPE OF EXHIBIT

1.01 This exhibit specifies the terms and conditions, including compensation, under which BellSouth shall provide message distribution service to the ALEC. As described herein, message distribution service includes the following:

- 1) Message Forwarding to Intraregion LEC/ALEC - function of receiving an ALEC message and forwarding the message to another LEC/ALEC in the BellSouth region.
- 2) Message Forwarding to CMDS - function of receiving an ALEC message and forwarding that message on to CMDS.
- 3) Message Forwarding from CMDS - function of receiving a message from CMDS and forwarding that message to the ALEC.

SECTION 2. RESPONSIBILITIES OF THE PARTIES

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

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

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

SECTION 3. COMPENSATION

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

Rate Per Message	\$0.004
------------------	---------

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

Rate Per Message	\$0.001
------------------	---------

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

Exhibit B

SECTION 1. SCOPE OF EXHIBIT

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

SECTION 2. RESPONSIBILITIES OF THE PARTIES

- 2.01 BellSouth will remit to the ALEC the revenue, less a billing charge, for IntraLATA ICS messages, Local ICS messages, and charges for other services when related messages and/or services are provided by the ALEC and billed to:
- 1) a BellSouth customer,
 - 2) another company within the BellSouth region (excluding Florida) associated with the exchange of message data with BellSouth (excluding CIRD and 891 messages),
 - 3) another company within the contiguous United States that utilizes CMDS directly or indirectly and settles with BellSouth directly or indirectly through the Credit Card and Third Number Settlement System (CATS) administered by BellCore,
 - 4) another company utilizing the non-contiguous RAO codes associated with AT&T's Transport and Tracking Intercompany System settlements with BellSouth.
- 2.02 These other services include, but are not limited to:
- 1) Maritime Mobile Radiotelephone Services radio link charges as set forth in the FCC's Maritime Mobile Radiotelephone Services tariff.
 - 2) Aviation Radiotelephone Service radio link charges as set forth in the FCC's Aviation Radiotelephone Service tariff.
 - 3) Public Land Mobile Radiotelephone Transient-Unit Non-Toll Service charges as approved by the authorized state regulatory commission (or municipal regulatory authority).

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

SECTION 3. COMPENSATION

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

	<u>Rate Per message</u>
1) Calls originated and billed in Florida or originated and billed in North Carolina	\$0.0668
Calls originated in any of the states within BellSouth region and billed in that same state	\$0.05
2) Calls originated in a state within BellSouth's region and billed in another state or originated in another state and billed in a state within BellSouth's region	\$0.05
3) Calls originated in a state within BellSouth's region and billed outside the conterminous United States	\$0.16

Unbundled Products and Services and New Services

Service: Virtual Collocation

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

State(s): All

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

Service: Physical Collocation

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

State(s): All

Rates, Terms and Conditions: Rates as attached

BellSouth Telecommunications
Reference Handbook
for
Co-location

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Preface

This handbook describes BellSouth's Co-location offerings and contains general guidelines for ordering, provisioning and maintenance of these offerings. By design, this document does not contain detailed descriptions of network interface qualities, network capabilities, local interconnection or product service offerings. This document does not represent a binding agreement in whole or in part between BellSouth and subscribers of BellSouth's Co-location services.

Based on the nature of your business, you will find a list of contacts included for your convenience in discussing the above items.

Introduction

BellSouth offers Virtual Expanded Interconnection from the FCC #1 tariff and from the Florida State Access E tariff. In addition, BellSouth will negotiate Physical Co-location on a first come, first serve basis, dependent on space availability

Service Description

Virtual Expanded Interconnection Service (VEIS)

VEIS provides for the placement of co-locator-owned facilities and equipment into BellSouth Central Offices and the interconnection of this equipment to BellSouth Switched and Special Access. With VEIS, the co-locator provides fiber optic cable up to a designated interconnection point outside the Central Office, such as a manhole. The co-locator will provide the entrance fiber between the interconnection point and the co-location arrangement. BellSouth will lease the entrance fiber as well as the equipment placed by the co-locator for the nominal fee of one dollar. The co-locator is responsible for monitoring their equipment. BellSouth will perform all maintenance and repair on co-locator equipment once notified by the co-locator that such work is necessary. For additional information regarding BellSouth's Virtual Expanded Interconnection Service, please reference section 20 of BellSouth's FCC #1 tariff or section 20 of BellSouth's Florida Dedicated Access Tariff.

Physical Co-location

By definition, Physical Co-location goes beyond the arrangement described above by allowing leased Central Office space for either (a) Expanded Interconnection, (EIS), for private entrance facilities and equipment owned by third parties interconnected to BellSouth's tariffed services, or (b) Service Interconnection, (SI), for equipment owned by third parties interconnected to BellSouth tariff services without private entrance facilities.

Unlike VEIS, the equipment placed as part of a Physical Co-location arrangement will be placed in separated floor space with common fire wall protection and will be fully owned, maintained, and repaired by the co-locator or their approved agent. The equipment complement may include transmission equipment, switching equipment, routers, PC's and modem pools. As with VEIS, all equipment placed as part of a co-location arrangement must meet NEBS standards. A steel gauge cage may be purchased from BellSouth to house the equipment arrangement at the request of the co-locator

Physical co-location offers a menu-style ordering provision so you may select only the items required for your individual arrangement(s). Some components are required for all arrangements and will be marked by an (R) next to the item in the section following.

Components

Application fee (R)

The application fee is required for all co-locators to cover the engineering and administrative expense associated with your application inquiry. This fee is a one time charge per request, per C O for each new VEIS / EIS / IS service request. No application fee is required for amendments or supplements to service requests in progress. A subsequent request by the same customer in the same C.O. would be treated as "new" if the initial VEIS / EIS / IS request had completed and was in service. The Application fee is payable in full before any engineering functions will be performed.

Floor Space (R)

This component covers the footprint in square footage for the equipment rack(s) in your arrangement when no cage is present, or will include the enclosure square footage when a cage is utilized. The charge also includes lighting, heat, air conditioning, ventilation and other allocated expenses associated with the central office building. This element does not include the amperage required to power the co-located equipment.

Power (R)

The amps required to power the co-located equipment will be charged per ampere based on equipment manufacturers specifications.

Cross-connect (R)

This element provides the one-for-one interconnection to BellSouth's tariffed Switched and Special Access service offerings (i.e. DS0, DS1 or DS3 services) or Unbundled service elements (voice grade 2-wire or 4-wire unbundled loop, port). It is a flat rate, non-distance sensitive charge and will be applied on a per circuit order basis.

Cable Installation

The cable installation charge applies only to co-locators who wish to provide private entrance facilities to their co-located equipment. This is a one time (non-recurring) charge per cable, per installation to punch through to the manhole, pull fiber cable length from the serving manhole to the Central Office cable vault, perform splicing to co-locator provided fire retardant riser, and pull cable length through cable support structure to the co-location arrangement location.

Cable Support Structure

The component covers the use and maintenance of the Central Office duct, riser and overhead racking structure when the co-locator has elected to provide private entrance to their equipment. This is a nominal monthly recurring charge.

Components (cont.)

Space Preparation fee

This one time fee per arrangement, per location covers preliminary survey, design, engineering and preparation for space for physical co-location arrangements. This charge may vary dependent on the location and the type of arrangement requested. The Space preparation charge is payable in full before construction or installation begins.

Space construction fee

This element applies to physical co-location arrangements only and will vary based on the type of arrangement requested. The fee covers the materials and installation of optional steel gauge caging, floor treatment, space security installation and other incremental materials cost charged on a per square foot basis.

POT bay

BellSouth requires the use of a Point of Termination Bay (POT bay) for demarcation with physical co-location. The co-locator may elect to provide their own POT bay, or may purchase the functionality from BellSouth on a per cross-connect basis for an additional incremental charge.

Security Escort (R)

A security escort will be required for all equipment inspections under VEIS and for maintenance, repair or provisioning visits by a co-locator or their agent under physical co-location for some central offices based on office configuration. The charge is based on half hour increments.

General Terms and Conditions

Application for service

The application for co-location is a two-phased process consisting of the Application Inquiry and the Firm Order. Both phases use BellSouth's form BSTEI. Consequently, prior to negotiations for equipment placement, the BSTEI inquiry document must be submitted for review and planning by the Central Office equipment engineers, space planners and facility planners. Based on the feedback from these sources, BellSouth will respond to the application in writing.

Following the co-locator's review of BellSouth's response, a Firm Order must be submitted for each location for which the co-locator wishes to proceed. Provided no specification changes are required by co-locator, the Firm Order may be submitted on the same BSTEI used during the Inquiry phase. A detailed equipment drawing must accompany your Firm Order Request.

Assignment of space

BellSouth will assign space for co-location based on space availability and on a first come, first serve basis. For physical co-location, a customer may opt for a cage enclosure which will be offered in 100 square foot increments based on space availability within the area designated for physical co-location.

A co-locator requesting more than one 100 square foot cage module will be offered contiguous space where available. Where contiguous space is unavailable, the co-locator may elect the construction of two separate enclosures and may interconnect its arrangements one to another. BellSouth will not allow the interconnection of one co-locator's equipment to another co-locator's equipment except where required by regulatory policy.

If BellSouth determines there is insufficient space within a central office to accommodate physical co-location, BellSouth will provide Virtual Expanded Interconnection in accordance with existing regulatory requirements.

Insurance

BellSouth will require \$25 million in comprehensive general liability insurance and workers compensation coverage/employers liability coverage with limits not less than \$100,000 each accident, \$100,000 each employee by disease, \$500,000 policy limit by disease. BellSouth will review requests for self insurance on a case by case basis. BellSouth may not consent to an interconnector's assumption of the entire \$25 million of liability in lieu of general coverage.

Insurance coverage must be in effect on or before the date of occupancy (equipment delivery) and must remain in effect until departure of all co-locator personnel and property from the central office.

General Terms and Conditions (cont.)

Pricing structure

BellSouth will establish a pricing plan which meets the specifications of the 1996 Legislative Act. The plan will offer zone based pricing for recurring charges (i.e. floor space, power, etc) and location based pricing for most non recurring charges (i.e. space preparation, space construction)

Equipment installation

The co-locator must select an equipment installation vendor who has achieved BellSouth Certified Vendor status to perform all engineering and installation work associated with the equipment co-location arrangement. This ensures BellSouth's standards for safety and quality will be met. A list of certified vendors is contained in the Appendix of this document.

The Certified Vendor is responsible for installing the co-location equipment and components, performing operational tests after the equipment installation is completed, and notifying the local BellSouth Equipment Engineer and the Co-locator upon successful completion of the installation and acceptance testing. Arrangements must be made such that the Co-locator is billed directly by the Certified Vendor for activities associated with the arrangement installation.

A co-locator is responsible for the placement and monitoring of their own remote environmental and equipment alarms. BellSouth will place environmental alarms in co-location areas for its own use and protection. Upon request, BellSouth will provide remote monitoring circuits at the tariff rate for the service requested.

BellSouth will not allow the interconnection of one co-locator's equipment arrangement to another co-locator's equipment arrangement except where required by regulatory policy

Inspections

BellSouth will conduct an inspection of the co-locator's equipment and facilities between the time of the initial turn-over of the space and the activation of cross-connect elements. Subsequent inspections may occur with equipment additions or on a predetermined interval basis. For such inspections, BellSouth will provide a minimum of 48 hours advance notification.

The right for BellSouth to conduct inspections without prior notification is essential to BellSouth's ability to enforce the terms and conditions of the tariff or agreement, insure the compliance with local regulations and insure the compliance with environmental and safety standards. Co-locator personnel have the right to be present for inspections.

A co-locator may inspect their virtual co-location arrangement upon completion of the arrangement installation free of charge. Any additional inspections must be coordinated with BellSouth and will require a security escort fee.

General Terms and Conditions (cont.)

Ordering Interconnected service

A co-locator may interconnect to special and switched access services from BellSouth's FCC #1 at the DS3, DS1 and equivalent DS0 level. Interconnection is also available to Unbundled loops and ports from the State Access E tariff / State Dedicated Services E tariff. Please ask your BellSouth contact for state specific information.

Services to be interconnected to a co-location arrangement must be submitted on Access Service Request (ASR) forms using industry standards and code sets for accurate and complete requests. For information regarding the ASR ordering process and field definitions, please reference the Access Ordering Guide, BellCore's Special Reports SR STS-471001 and 471004.

Assignment of facilities

When a customer orders a service which interfaces at an end customer location at the same level as the cross-connect purchased, BellSouth will assign facilities within its network and provide the interconnection information on the Design Layout Record (DLR). When a customer orders cross-connects at a higher interface level than the service purchased for the end customer, the ordering customer must provide BellSouth with the circuit facility assignment.

Access to BellSouth Central Offices

Only BellSouth employees, BellSouth certified vendors, Co-locator employees and their authorized agents are permitted in BellSouth Central office buildings. All co-locators are required to provide their employees and authorized agents a picture identification which must be visible at all times while inside a BellSouth facility. Manned offices will afford 24 x 7 access without prior arrangements. Unmanned offices may require prior arrangement for the dispatch of a BellSouth employee or security escort for entrance.

Conversion of Virtual to Physical Co-location

Co-locators who have existing VEIS arrangements may convert these arrangements to physical co-location provided the terms and conditions for physical co-location are met. The co-locator will be responsible for the payment of BellSouth fees associated with physical co-location as well as vendor costs for relocation of equipment.

Negotiation Contacts

For ALEC initial contact:

<u>Contact Name</u>		<u>Telephone</u>
Bob Scheye	(overall fact finding)	404 420-8327
Jerry Latham		205 977-2213

For all IXC, CAP, and subsequent ALEC contacts:

<u>Contact Name</u>	<u>Telephone</u>	<u>Pager Number</u>	<u>Fax Number</u>
Rich Dender	205 977-5966	1-800-729-1371	205 977-0037
Bill French	205 977-0535	1-800-729-1372	"
Rick Ratliff	205 977-7489	1-800-729-1383	"
Pinky Reichert	205 977-1755	1-800-729-1384	"
Nancy Nelson *	205 977-1136	1-800-729-1380	205 977-0037

*Co-location Coordination Center Manager

For: * BBS End User Customers * Enhanced Service Providers
* Third Party Agents * Other Solutions Providers

<u>Contact Name</u>	<u>Telephone</u>	<u>Fax Number</u>
Tony Saberre	205 985-6195	205 985-1900

**BellSouth Physical Collocation
BellSouth Certified Vendor List
For Engineering and Installation of Co-location Arrangements**

<u>Company Name</u>	<u>Contact Name</u>		<u>Telephone</u>
ADC Communications	Ken Reeves		800 223-9773
	Doug Guidry		318 684-2860
Alcatel	Ed Boatwright	FL	404 270-8335
	Alex Baber	FL	800 869-4869
E F & I Services Co	Reed Tillis		904 355-7930
Lucent Technologies, Inc	Jerry Jones	KY	502 429-1346
	Mike Harrington	MS	601 544-7530
	George Ferguson	MS	601 949-8275
	James McGarity	GA	404 573-4120
	Janet Hallford	GA	404 573-6945
	Charlotte office	NC	704 596-0092
	Charlotte office	NC	704 598-0750
	Other areas	NC	910 299-0326
	Adrian Dye	SC	803 926-5213
	Alabama office	AL	205 265-1291
Mintel	Richard Becht		800 875-6468 404 923-0304
North Supply / DA TEL FiberNet, Inc.	Terry Fowler		800 755-0565
	Doug Sykes		205 942-4411
Quality Telecommunications, Inc.	Jerry Miller		770 953-1410
Rapid Response Communications	Ted Pellaux		615 546-2886
Six "R" Communications, Inc. (<u>NC and SC only</u>)	Ken Koontz		704 535-7607
	Dick Phillips		704 289-5522
Tele-Tech Company	Karl Bush	KY	606 275-7505
	Bob Burch		606 275-7502
W E Tech, Inc	Wes Evans		305 587-6996

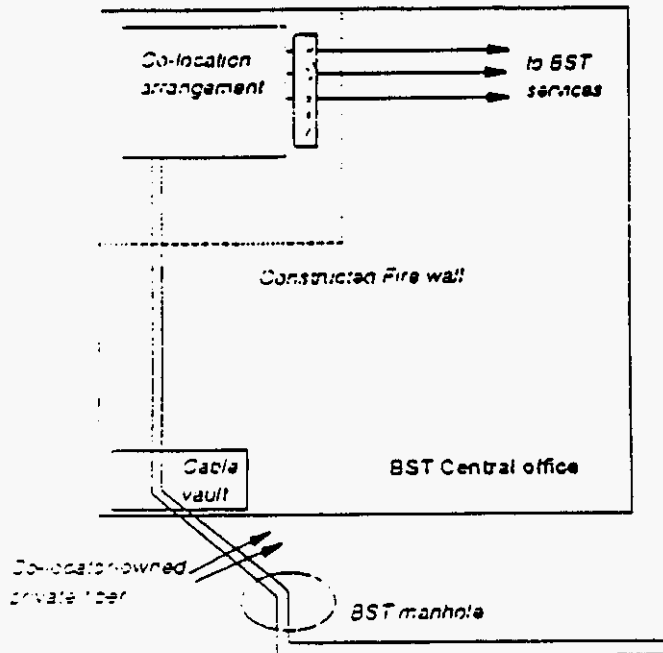
Central Office Exemptions
 (through September 1994)*

<u>State</u>	<u>City</u>	<u>Central Office</u>	<u>CLLI</u>
Alabama	Birmingham	Five Points South Main and Toll Riverchase	BRHMALFS BRHMALMT BRHMALRC
	Huntsville	Redstone Arsenal	HNVLALMA
Florida	Chipley	Jackson	CHPLFLJA
	Gainesville	Main	GSVLFLMA
	Jacksonville	Mandarin Avenues	MNDRFLAV
		San Jose	JCVLFLSJ
		South Point (JT Butler)	JCVLFLJT
	Jupiter	Main	JPTRFLMA
	Lake Mary	Main (Heathrow)	LKMRFLMA
	Lynn Haven	Ohio Avenue	LYHNFLOH
	North Dade	Golden Glades	NDADFLGG
	Pensacola	Ferry Pass	PNSCFLFP
West Palm Beach	Gardens Royal Palm	WPBHFLGR WPBHFLRP	
Georgia	Austell	Main	ASTLGAMA
	Tucker	Main	TUKRGAMA
Kentucky	Louisville	Armory Place	LSVLKYAP
		Bardstown Toad	LSVLKYBR
		Westport Road	LSVLKYWE
Paducah	Main	PDCHKYMA	
North Carolina	Charlotte	Reid Road Research Drive (Univ)	CHRLNCRE CHRLNCUN
	Greensboro	Airport	GNBONCAP
	Pembroke	Central	PMBRNCCE
South Carolina	Columbia	Senate Street	CLMASCSN
	Greenville	Woodruff Road	GNVLSCWR
Tennessee	Memphis	Main Midtown Southside	MMPHTNMA MMPHTNMT MMPHTNST

* BellSouth ceased qualifying C O ' s September 1994 due to elimination of physical offering

Physical Co-location: Expanded Interconnection

With Expanded Interconnection, the co-locator is "expanding" their private network to interconnect with BellSouth's network. Therefore, private fiber is placed to the central office and pulled through to the co-location arrangement. The co-locator places their equipment in leased floor space and purchases cross-connects to BellSouth's transport services.

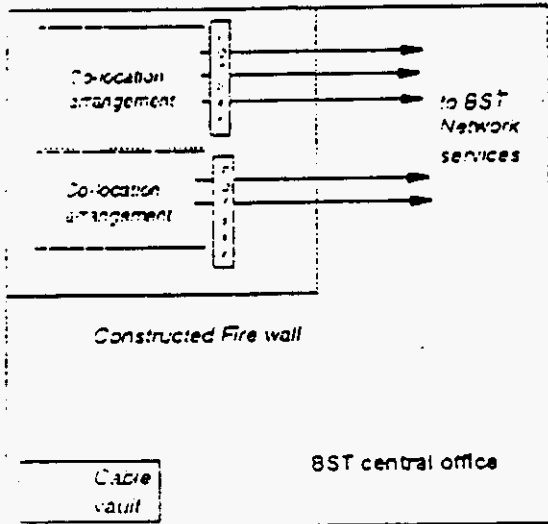


<u>Elements</u>	<u>Type of charge</u>
Application fee	NRC
Space preparation fee	NRC
Space construction fee *	NRC
Cable installation fee	NRC
Cable support structure	RC
Floor space / per square foot includes environmentals	RC
Floor space - power / per ampere	RC
Cross-connects	RC
Security escort / per 1/2 hour	(as required)

* Applies for optional cage construction only

Physical co-location: Service interconnection arrangement

With a Service Interconnection arrangement, the co-locator places their equipment in leased floor space and purchases cross-connects to BellSouth's Transport services. For this arrangement, BellSouth will request a minimum 24 month contract for both the floor space and transport services, as well as a minimum number of interconnected DS1 or DS3 services.



<u>Elements</u>	<u>Type of charge</u>
Application fee	NRC
Space preparation fee	NRC
Space construction fee *	NRC
Floor space / per square foot includes environmental	RC
Floor space - power / per ampere	RC
Cross-connects	RC
Security escort / per 1/2 hour	(as required)

* Required only for optional cage construction

Rates for Physical Interconnection

Rate Element	Application/Description	Type of Charge	Rate
Application Fee	Applies per arrangement per location	Nonrecurring	\$2848.30
Space Preparation Fee	Applies for survey and design of space, covers shared building modification costs	Nonrecurring	See Attached Schedule I
Space Construction Fee	Covers materials and construction of optional cage in 100 square foot increments	Nonrecurring	\$29,744.00 ¹ See Attached Schedule I for Additional Information
Cable Installation Fee	Applies per entrance cable	Nonrecurring	\$2750.00 per cable
Floor Space	Per square foot, for Zone A and Zone B offices respectively	Monthly Recurring	\$7.50/\$6.75 ²
Power	Per ampere based on manufacturer's specifications	Monthly Recurring	\$5.14 per ampere
Cable Support Structure	Applies per entrance cable	Monthly Recurring	\$13.35 per cable
POT Bay	Optional Point of Termination bay; rate is per DS1/DS3 cross connect, respectively	Monthly Recurring	\$120/\$500 ³
Cross-Connects	Per DS1 and DS3	Monthly Recurring ⁴	DS1 \$ 9.00 DS3 \$72.00 See Attached Schedule II for nonrecurring DS1 option
Security Escort	First and additional half hour increments, per rate in basic time (B), Overtime (O), and Premium time (P)	As Required	\$41.00/\$25.00 B \$48.00/\$30.00 O \$55.00/\$35.00 P

¹ Applies only to collocators who wish to purchase a steel-gauge cage enclosure.
² See attached list for Zone A offices as of May 1996. This list will be amended monthly and such amendments are incorporated herein by reference.
³ Applies when collocator does not supply their own POT bay.
⁴ See Virtual Collocation tariff for nonrecurring charges associated with these elements

Schedule I

Space Preparation Fees

<u>Cost Range</u>	<u>Assumed Modifications</u>
\$1800.00-\$2500.00	Secured floor space exists in C.O. Fee covers architectural and engineering (A&E) drawings/certification, card reader installation, minor duct work and power plant extension 30'-40', card reader
\$3900.00-\$6300.00	A&E, 60'-80' firewall construction, cool water fan unit install, HVAC duct and power plant extension, card reader access
\$6300.-\$8500.00	A&E, 100' firewall construction, cool water fan unit, HVAC duct and power extension, card reader
ICB	HVAC or power plant upgrade

Fee ranges determined by comparative analysis with historical data. Actual prices may vary depending on vendor selection and materials cost at the time of installation.

Space Construction Fees

Steel gauge caging is an optional selection for collocation and is offered in 100 square foot increments. A space construction charge will apply for collocators who request caged enclosures. This charge covers the following items:

- Architectural engineering drawings for cage construction and placement
- 10' high chain link fencing with 3.5' x 7' gate
- Switched fluorescent light
- One 120v duplex outlet, circuit and breaker
- Environmental alarm
- Separate C.O. ground
- HVAC duct extension
- Cable support extension
- Floor finish
- Architect inspection fees
- BellSouth PPSM coordination

Fee Payment Options

BellSouth will offer two options for paying the Space Preparation and Space construction fees. The fees may be paid separately as described herein, or may be paid as a composite charge per square foot at a rate of \$330.00 per square foot for the first 100 square feet and \$242.00 per each additional square foot based on a 100 square foot minimum. Offices requiring major upgrade or replacement of either HVAC or power plant in order to support collocation installations in that office will be excluded from this per square foot fee offering. Major upgrade is defined as work requiring an expenditure greater than \$40,000.00 for either HVAC or power in a given office.

Schedule II

Optional Non-Recurring Charge for DS-I Cross-Connect Including Pot Bay

The following one time rates apply only to DS I cross connects purchased in quantities of 25 or more on the same order.

	<u>Each DS1</u>
• If purchased between July 1, 1996 and June 30, 1997	\$325.00
• If purchased between July 1, 1997 and June 30, 1998	\$250.00
• If purchased between July 1, 1998 and June 30, 1999	\$175.00
• DS I cross connects purchased prior to July 1, 1996 can be converted to a one time charge for the life of the contract	\$225.00

These rates apply during the period of this Agreement from July 1, 1996 through June 30, 1999. Rates beyond June 30, 1999 for installed cross connects and new installations will be renegotiated. However, DS I cross connects purchased under this Agreement can be converted to a monthly recurring charge during the period beyond this Agreement. The monthly recurring charges will not exceed a charge equal to the DS I local channel rate in effect at the time of conversion times 7.5%. The parties agree that 7.5% represents the approximate percentage of a \$9.00 monthly cross connect charge divided by a DS I local channel rate of \$120.00.

BellSouth Zone A Offices - as of May 1996			EX=Exempt from Physical	
STATE	CITY	OFFICE	CLLI	STATUS
AL	Birmingham	Main & Toll	BRHMALMA	EX
	Montgomery	Main & Toll	MTGMALMT	
	Mobile	Azalea	MOBLALAZ	
FL	Boca Raton	Boca Teeca	BCRTFLBT	
	Fort Lauderdale	Main Relief	FTLDFLMR	
		Cypress	FTLDFLCY	
		Plantation	FTLDFLPL	
	Jacksonville Beach	Main	JCBHFLMA	
	Jacksonville	Arlington	JCVLFLAR	
		Beachwood	JCVLFLBW	
		Clay Street	JCVLFLCL	
		Southpoint	JCVLFLJT	EX
		Normandy	JCVLFLNO	
		Riverside	JCVLFLRV	
		San Jose	JCVLFLSJ	EX
		San Marco	JCVLFLSM	
	Westconnett	JCVLFLWC		
	Mandann Avenues	MNDRFLAV	EX	
	Mandann Loretto	MNDRFLLO		
Lake Mary	Lake Mary	LKMRFLMA	EX	
Miami	Grande	MIAMFLGR		
	Palmetto	MIAMFLPL		
	Alhambra	MIAMFLAE		
	Bayshore	MIAMFLBA		
	Metro	MIAMFLME		
Melbourne	Main	MLBRFLMA		
Orlando	Magnolia	ORLDFLMA		
	Azalea Park	ORLDFLAP		
	Sand Lake	ORLDFLSL		
	Pinecastle	ORLDFLPC		
	Pinehills	ORLDFLPH		
West Palm Beach	Annex (Main Annex)	WPBHFLAN		

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

	Denta	CHRLNCDE
	Erwin	CHRLNCER
	Lake Point	CHRLNCLP
	Reid	CHRLNCRE EX
	Sharon Amity	CHRLNCSH
	University	CHRLNCLN EX
Greensboro	Eugene St	GNBONCEU
Raleigh	Morgan	RLGHNCMO
	New Hope	RLGHNCHO
Salisbury	Main	SLBRNCMA
Winston Salem	Fifth Street	WNSLNCFI
Ashville	O'Henry	AHVLNCOH
SC	Charleston	CHTNSCDT
	Columbia	CLMASCSN EX
	At Andrews	CLMASCSA
Greenville	D&T	GNVLSCDT
	Woodruff Road	GNVLSCWR EX
Spartenburg	Main	SPBGSCMA
TN	Knoxvill	KNVLTNMA
	Memphis	MMPHTNBA
	Chuckasaw	MMPHTNCT
	Eastland	MMPHTNEL
	Germentown	MMPHTNGT
	Main	MMPHTNMA EX
	Oakville	MMPHTNOA
	Southland	MMPHTNSL
Nashville	Main & Toll	NSVLTNMT
	Airport	NSVLTNAP
	Brentwood	NSVLTNBW
	Creeve Hall	NSVLTNCH
	Donelson	NSVLTNDO
	Inglewood	NSVLTNTN
	Sharondale	NSVLTNST
	University	NSVLTNUN

Attachment C-14

Unbundled Products and Services and New Services

Service: Poles, Ducts, Conduits and Rights of Way

State(s): All

Rates, terms and conditions: This service will be provided via a Standard License Agreement.

POLE ATTACHMENT LICENSE AGREEMENT

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THIS AGREEMENT, made this 15 day of July, 1996 by and between BellSouth Telecommunications, Inc., a corporation organized and existing under the laws of the State of Georgia, having its principal office at 675 West Peachtree Street, Atlanta, Georgia (hereinafter referred to as the "Licensor") and TCG, a ^{Del} ~~New York~~ ^{Del} ~~Del~~ general partnership, having its principal office at Two Telpont Drive Staten Island NY (hereinafter called the "Licensee").

WITNESSETH

WHEREAS, Licensee is a Telecommunications Carrier as defined in Article 1 herein, desiring to furnish communications services in the _____ metropolitan area.

WHEREAS, Licensor is a Utility as defined in Article 1 herein.

WHEREAS, Licensee desires to attach fiber optic cable on poles of Licensor, which poles are owned by Licensor within the area described above; and

WHEREAS, Licensor is willing to permit, to the extent it may lawfully do so, the placement of pole attachments on Licensor's facilities where available and where such use will not interfere with Licensor's service requirements subject to the terms of this Agreement;

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties do hereby mutually covenant and agree as follows:

**ARTICLE I
DEFINITIONS**

A. Anchor Rod

A metal rod connected to an anchor and to which a guy strand is attached. Also known as a "guy rod".

B. Pole Attachment

Any attachment by a cable television system or provider of telecommunications service to a pole, duct, conduit, or right-of-way owned or controlled by a utility.

C. **Guy Strand**

A metal cable of high tensile strength which is attached to a pole and anchor rod (or another pole) for the purpose of reducing pole stress.

D. **Make-Ready Work**

The work required (rearrangement and/or transfer of existing facilities on a pole, replacement of pole or any other changes) to accommodate the Licensee's attachments on Licensor's pole.

E. **Field Survey Work or Survey Work**

A survey of the poles on which Licensee wishes to attach in order to determine what work, if any, is required to make the pole ready to accommodate the required attachment, and to provide the basis for estimating the cost of this work.

F. **Other Licensee**

Any entity, other than Licensee herein or a joint user, to whom Licensor has or hereafter shall extend the privilege of attaching communications facilities to Licensor's poles.

G. **Joint User**

A party with whom Licensor has entered into, or may hereafter enter into, a written agreement covering the rights and obligations of the parties thereto with respect to the use of poles owned by each party.

H. **Suspension Strand**

A metal cable of high tensile strength attached to a pole and used to support communications facilities. Also known as "Messenger Cable".

I. **Identification Tags**

Identifications tags are used to identify Licensee's plant.

J. **Usable Space**

The space above the minimum grade level which can be used for the attachment of wires, cables and associated equipment.

K. Effective Date

The effective date of regulations governing charges for Pole Attachments used by Telecommunications Carriers shall be 5 years after the date of the enactment of the Telecommunications Act of 1996.

L. Pole Attachment Rate

Includes a reasonable and just rate as defined herein and the costs of nonusable space apportioned so that the apportionment equals two-thirds of the costs of providing nonusable space that would be allocated to an attaching party under an equal apportionment of such costs among all attaching entities. A Utility shall apportion the cost of providing Usable Space among all entities according to the percentage of usable space required for each entity.

**Article II
SCOPE OF AGREEMENT**

- A. Subject to the provisions of this Agreement, Licensor agrees to issue to Licensee for any lawful communications purpose revocable non-exclusive licenses authorizing the attachment of Licensees's attachments to Licensor's poles, specifically as detailed on APPENDIX , hereto attached and made a part hereof.
- B. No use, however extended, of Licensor's poles or payment of any fees or charges required under this Agreement shall create or vest in Licensee any ownership or property rights in such poles. Licensee's rights herein shall be and remain a license.
- C. Nothing contained in this Agreement shall be construed to compel Licensor to construct, retain, extend, place or maintain any pole, or other facilities not needed for Licensor's own service requirements. However, Licensor shall provide Licensee nondiscriminatory access to any pole, duct, conduit or right-of-way owned or controlled by Licensor unless there is insufficient capacity or for reasons of safety, reliability, or generally applicable engineering purposes.
- D. Nothing contained in this Agreement shall be construed as a limitation, restriction, or prohibition against Licensor with respect to any agreement(s) and arrangement(s) which Licensor has heretofore entered into, regarding the poles covered by this Agreement. The rights of Licensee shall at all times be subject to any such existing agreement(s) or arrangement(s), between Licensor and any other licensee(s) or joint user(s) of Licensor's poles.

Article III FEES AND CHARGES

- A. Licensee agrees to pay to Licensor the Just and Reasonable Rates as defined herein, and as specified in and in accordance with the terms and conditions of Regulations to be prescribed by the Commission. The Regulations shall be attached hereto and incorporated herein upon the Effective Date as defined herein.
- B. Payment of all charges under this Agreement shall be due thirty (30) days after receipt of the bill (payment due date). Nonpayment of any amount due under this Agreement shall constitute a default of this Agreement thirty days after the payment due date. Licensee will pay a late payment charge of one and one-half percent (1 1/2%) assessed monthly on any unpaid balance.
- C. Until the Effective Date of the Regulations required under the Act, the Pole Attachment rate charged to Licensee by Licensor for use of the poles, conduit or right-of-way shall be the same rate charged for any pole attachments used by a Cable Television System to provide cable service (the "CATV" Rate) and as set forth in APPENDIX attached hereto and incorporated herein. Any increase in the rate for pole attachments that results from the adoption of the Regulations shall be phased in equal annual increments over a period of 5 years beginning on the Effective Date of the Regulations.
- D. If Licensor engages in the provision of Telecommunication Services or Cable Services, Licensor shall impute to its cost of providing such services (and charge any affiliate, subsidiary or associate company engaged in the provision of such services) an equal amount to the pole attachment rate for which such company would be liable under Section 224 of the Act.

Article IV ADVANCE PAYMENT

- A. Licensee shall make an advance payment to Licensor for:
 - (1) The reasonable costs incurred by Licensor for the required Field Survey in an amount agreed upon by Licensor and Licensee sufficient to cover the estimated cost to be incurred by Licensor to complete such survey.
 - (2) The reasonable costs of any Make Ready Work required in an amount agreed upon by Licensor and Licensee sufficient to cover the estimated cost to be incurred by Licensor to complete the required Make Ready Work.

- B. The amount of the advance payment required shall be due within thirty (30) days after receipt of an invoice from Licensor.

**Article V
SPECIFICATIONS**

- A. Licensee's attachments shall be placed and maintained in accordance with the requirements and specifications of applicable BellSouth practices, the latest editions of the Manual of Construction Procedures (Blue Book), Electric Company Standards, the National Electrical Code (NEC), the National Electrical Safety Code (NESC) and rules and regulations of the Occupational Safety and Health Act (OSHA) or any governing authority having jurisdiction over the subject matter. Where a difference in specifications may exist, the more stringent shall apply.
- B. If any part of Licensee's attachments is not so placed and maintained on any pole, Licensor may upon fifteen (15) days written notice to Licensee and in addition to any other remedies Licensor may have hereunder, remove Licensee's attachments from such pole or perform such other work and take such other action in connection with said attachments that Licensor deems necessary or advisable to provide for the safety of Licensor's employees or performance of Licensor's service obligations at the cost and expense of Licensee.
- C. Licensee shall place Identification cable tags on cables located on poles and Identification Apparatus tags on any associated items of Licensee's plant, *e.g.*, guys, anchors or terminals.

**Article VI
LEGAL REQUIREMENTS**

- A. Licensee shall be responsible for obtaining from the appropriate public and/or private authority any required authorization to construct, operate and/or maintain its Telecommunications System on public and private property at the location of Licensor's poles which Licensee uses. In the case of private property, Licensee shall present satisfactory evidence of such authority at the time application for a license is made pursuant to Article VII herein.
- B. The parties hereto shall at all times comply with the provisions of this Agreement and with the Act and any laws, Regulations, or ordinances which affect the rights granted hereunder.

**Article VII
ISSUANCE OF LICENSES**

- A. Before Licensee shall attach to any pole, Licensee shall make application for and receive a license therefor in the form of APPENDIX Forms A-1 and A-2. Such license shall not be unreasonably withheld or delayed.
- B. Licensor shall provide Licensee a nondiscriminatory license to any pole, duct, conduit or right-of-way owned or controlled by Licensor unless there is insufficient capacity or for reasons of safety, reliability, or generally applicable engineering purposes.

**Article VIII
POLE MAKE-READY WORK**

- A. A Field Survey will be required for each pole for which attachment is requested to determine the adequacy of the pole to accommodate Licensee's attachments. The Field Survey will be performed jointly by representatives of Licensor, joint user (if applicable) and Licensee.
- B. In performing all Make-Ready Work to accommodate Licensee's attachments, Licensor will endeavor to include such work in its normal work load schedule.
- C. If Licensor intends to modify or alter any pole, duct, conduit or right-of-way in which Licensee has an attachment, Licensor shall provide Licensee written notification of such action in order that Licensee shall have a reasonable opportunity to add to or modify its existing attachment. If Licensee desires to add to or modify its existing attachment after receiving such notification, Licensee shall bear a proportionate share of the costs incurred by Licensor in making such pole, duct, conduit or right-of-way accessible.
- D. Licensee shall not be required to bear any of the costs of rearranging or replacing its attachment if such rearrangement or replacement is required as a result of an additional attachment or the modification of an existing attachment sought by any other entity (including Licensor).

**Article IX
CONDUIT SYSTEM**

- A. When an application for Conduit Occupancy is submitted by the Licensee, a Prelicense Survey by the Licensor will be required to determine the availability of the Conduit System to accommodate Licensee's communications facilities. Licensor will advise the Licensee in writing of the estimated charges that will

apply for such Prelicense Survey and receive written authorization and advance payment from the Licensee before undertaking such a survey. A representative of the Licensee may accompany the Licensor's representative on the field inspection portion of such Prelicense Survey. Licensee shall have ninety (90) days from receipt of notice of the estimated charges to make the required payment and indicate its written authorization for completion of the required Prelicense Survey. Failure to respond in the specified period will result in cancellation of the application.

- B. License applications received by Licensor from two or more Licensees for occupancy of the same Conduit System will be processed by Licensor in accordance with procedures detailed in APPENDIX .
- C. The Licensor retains the right, in its sole judgment, to determine the availability of space in a Conduit System. In the event the Licensor determines that rearrangement of the existing facilities in the Conduit System is required before the Licensee's Communications Facilities can be accommodated, Licensor will advise the Licensee in writing of the estimated Make-Ready charges that will apply for such rearrangement work. Licensee shall have ninety (90) days from the receipt of such written notification to make the required payment and provide its written authorization for completion of the required Make-Ready Work. Failure to respond within the specified period will result in cancellation of the application.
- D. In performing all Make-Ready Work to accommodate Licensee's communications facilities, Licensor will endeavor to include such work in its normal work load schedule.

Article X CONSTRUCTION, MAINTENANCE AND REMOVAL OF POLE ATTACHMENT

- A. Licensee shall, at its own expense, construct and maintain its attachments on Licensor's poles in a safe condition and in a manner reasonably acceptable to Licensor, so as not to conflict with the use of the Licensor's poles by Licensor or by other authorized users of Licensor's poles, nor electrically interfere with Licensor's facilities attached thereto.
- B. Licensor shall specify the point of attachment on each of Licensor's poles to be occupied by Licensee's attachments. Where multiple licensees' attachments are involved, Licensor will attempt to the extent practical, to designate the same relative position on each pole for Licensee's attachments.

- C. Licensee shall obtain specific written authorization from Licensor, which shall not be unreasonably withheld or delayed, before relocating, materially altering or replacing its attachments or overlashing its own cable on Licensor's poles.
- D. Licensee shall give reasonable notice to the affected public authority or private landowner as appropriate before commencing the construction or installation of its attachments or making any material alterations thereto.
- E. Licensee, at its expense, will remove its attachments from any of Licensor's poles within thirty (30) days after termination of the license covering such attachments. If Licensee fails to remove its attachments within such thirty (30) day period, Licensor shall have the right to remove such attachments at Licensee's expense and without any liability on the part of the Licensor for damage or injury to Licensee's attachments unless caused by the negligence or intentional misconduct of Licensor.

Article XI CONDUIT OCCUPANCY

- A. Licensee must obtain prior written authorization from Licensor, which shall not be unreasonably withheld or delayed, before installing, removing or performing maintenance of its communications facilities in any of Licensor's conduit systems. Licensor reserves the right to specify what, if any, work shall be performed by Licensor. Any work performed by Licensor shall be at the expense of Licensee and shall be accomplished within a time period agreed upon by the parties.
- B. In the event of an emergency, Licensee shall observe the procedure outlined at APPENDIX governing entry into Licensor's manhole(s).
- C. Licensor shall designate the particular duct(s) to be occupied by Licensee, the location and manner in which Licensee's communications facilities will enter and exit the conduit system and the location and manner of installation for any associated equipment which Licensor permits in the conduit system. Licensor reserves the right to exclude or limit the type, number and physical size of Licensee's communications facilities which may be placed in Licensor's conduit system; provided, however, that Licensor shall provide Licensee with a written explanation of any such exclusion or limitation so imposed.
- D. Licensor's manhole(s) shall be opened only as permitted by Licensor's authorized employees or agents. Licensee shall be responsible for obtaining any necessary authorization from appropriate authorities to open manhole(s) and conduct work operations therein. Licensee's employees, agents or contractors will be permitted to enter or work in Licensor's manhole(s) only when an authorized employee or agent of Licensor is present or the Licensor's authorized

employee or agent has determined the Licensee's work will not affect Licensor's equipment. Licensor's authorized employee or agent shall have the authority to suspend Licensee's work operations in and around manhole(s) if in the sole discretion of said employee or agent, any hazardous conditions arise, any unsafe practices are being followed, or the work may adversely affect Licensor's equipment. Licensee shall pay Licensor reasonable charges, as agreed by the parties, to compensate Licensor for the expense of providing an employee or agent to observe the performance of work for Licensee in and around manhole(s). The presence of Licensor's authorized employee or agent shall not relieve Licensee of its responsibility to conduct all work operations in and around Licensor's manhole(s) in a safe and workmanlike manner, in accordance with the terms of this Agreement.

- E. Licensee, at its expense, will remove its communications facilities from a conduit system within sixty (60) days after:
- 1) termination of the license covering such conduit occupancy; or
 - 2) the date Licensee replaces its existing facilities in one duct with substitute facilities in another duct.

If Licensee fails to remove its facilities within the specified period, Licensor shall have the right to remove such facilities at Licensee's expense and without any liability on the part of the Licensor for damage or injury to such facilities unless caused by the negligence or intentional misconduct of Licensor.

- F. Licensee shall remain liable for and pay to the Licensor all fees and charges pursuant to provisions of this Agreement until all of Licensee's facilities are physically removed from Licensor's conduit system.

Article XII TERMINATION OF LICENSE

Licensee may at any time remove its attachments from a pole after first giving Licensor written notice of its intent to effect such removal and any fees shall be prorated to date of removal. Following such removal, no attachment shall again be made to such pole until Licensee shall have first complied with all of the provisions of this Agreement as though no such attachment had previously been made.

Article XIII INSPECTION OF POLE ATTACHMENTS

- A. Licensor reserves the right to make reasonable periodic inspections of any part of Licensee's attachments, including guying, attached to Licensor's poles at Licensee's cost and with prior notice to Licensee as described herein.
- B. Licensor will give Licensee advance written notice of such inspections, except in those instances where safety considerations justify the need for such an inspection without the delay of waiting until a written notice has been forwarded to Licensee. In such case Licensor shall provide reasonable non-written notice to licensee.
- C. The making of periodic inspections or the failure to do so shall not operate to relieve Licensee of any responsibility, obligation or liability assumed under this Agreement.

Article XIV UNAUTHORIZED ATTACHMENTS

- A. If any of Licensee's attachments shall be found attached to pole(s) or occupying conduit systems for which no license is outstanding, Licensor, without prejudice to its other rights or remedies under this Agreement, including termination of licenses, may impose a charge and require Licensee to submit in writing, within 15 days after receipt of written notification from Licensor of the unauthorized attachment or conduit occupancy, a pole attachment or conduit occupancy license application. If such application is not received by the Licensor within the specified time period, Licensee may be required at Licensor's option to remove its unauthorized attachment or occupancy within thirty (30) days of the final date for submitting the required application, or Licensor may at Licensor's option remove Licensee's facilities without liability, and the expense of such removal shall be borne by Licensee.
- B. For the purpose of determining the applicable charge, any unauthorized pole attachment or conduit system occupancy shall be treated as having existed for a period of 2 years prior to its discovery or from the time of the last inspection date or for the period beginning with the effective date of this License Agreement, whichever period shall be the shorter.
- C. Notwithstanding anything to the contrary in this Agreement, Licensee acknowledges that the placement of unauthorized pole attachments or the unauthorized occupancy of conduit systems will cause Licensor to incur expenses or damages that may be difficult or impossible to quantify. In addition to any other rights or remedies available to Licensor pursuant to this Article XIV, Licensee shall pay to Licensor as liquidated damages and not as a penalty a one-time charge of \$50.00 per unauthorized pole attachment and, in the case of unauthorized conduit occupancy, a one-time charge of \$500.00 per duct run.

measured manhole to manhole. The parties hereby agree that said liquidated damages are a reasonable pre-estimate of Licensor's probable loss.

- D. Fees and charges for pole attachments and conduit system occupancies, as specified herein and in APPENDIX as modified from time to time, shall be due and payable immediately whether or not Licensee is permitted to continue the pole attachment or conduit occupancy.
- E. No act or failure to act by Licensor with regard to said unlicensed use shall be deemed as a ratification of the unlicensed use; and if any license should be subsequently issued, said license shall not operate retroactively or constitute a waiver by Licensor of any of its rights or privileges under this Agreement or otherwise; provided, however, that Licensee shall be subject to all liabilities, obligations and responsibilities of this Agreement in regard to said unauthorized use from its inception.

Article XV LIABILITY AND DAMAGES

- A. Licensor reserves to itself; its successors and assigns the right to locate and maintain its poles and to operate its facilities in conjunction therewith in such a manner as will best enable it to fulfill its own service requirements subject to its obligations under this Agreement. Licensor shall not be liable to Licensee for any interruption of Licensee's service or for interference with the operation of Licensee's communications services arising in any manner out of the use of Licensor's poles except from Licensor's negligence or willful misconduct.
- B. Licensee shall exercise caution to avoid damaging the facilities of Licensor and of others attached to Licensor's poles, and Licensee assumes all responsibility for any and all loss from such damage caused by the negligent acts or willful misconduct of Licensee's employees, agents or contractors. Licensee shall make an immediate report to Licensor and any other user of the occurrence of any such damage and agrees to reimburse the respective parties for all costs incurred in making repairs.
- C. Each party (the "Indemnitor") shall defend, indemnify and save harmless the other (the "Indemnitee") against and from any and all liabilities, claims, suits, fines, penalties, damages, losses, fees, costs and expenses arising from or in connection with this Agreement (including reasonable attorney's fees) including, but not limited to those which may be imposed upon, incurred by or asserted against the Indemnitee by reason of (a) any work or thing done upon the poles licensed hereunder or any part thereof performed by the Indemnitor or any of its agents, contractors, servants, or employees; (b) any use, occupation, condition, operations of said poles or any part thereof by the Indemnitor or any of its agents, contractors, servants, or employees; (c) any act or omission on the part

of the Indemnitor or any of its agents, contractors, servants, or employees, for which the Indemnitee may be found liable: (d) any accident, injury (including death) or damage to any person or property occurring upon said poles or any part thereof arising out of any use thereof by the Indemnitor or any of its agents, contractors, servants, or employees; or (e) any failure on the part of the Indemnitor to perform or comply with any of the covenants, agreements, terms or conditions contained in this Agreement unless caused by the negligence or intentional misconduct of Indemnitee.

- D. Neither party shall be liable for indirect, consequential, special or punitive damages of any kind.
- E. The provisions of this Article shall survive the expiration or earlier termination of this Agreement or any license issued thereunder.

Article XVI INSURANCE

- A. Licensee shall carry insurance to protect the parties hereto from and against any and all claims, demands, actions, judgments, costs, expenses and liabilities of every kind and nature which may arise or result, directly or indirectly from or by reason of such loss, injury or damage as covered in Article XV preceding.
- B. The amounts of such insurance, shall be as follows:
 - 1. against liability due to damage to property shall not be less than \$1,000,000 as to any one occurrence and \$1,000,000 aggregate, and
 - 2. against liability due to injury to or death of person shall not be less than \$3,000,000 as to any one person and \$3,000,000 as to any one occurrence.
- C. Licensee shall also carry such insurance as will protect it from all claims under any Workers' Compensation Law in effect that may be applicable to it.
- D. All insurance must be effective before Licensor will authorize Licensee to make attachments to any pole and shall remain in force until such attachments have been removed from all such poles.
- F. Licensee shall submit to Licensor certificates of insurance including renewal thereof, by each company insuring Licensee to the effect that it has insured Licensee for all liabilities of Licensee covered by this Agreement; that such certificates name the Licensor as an additional insured under the public liability policy; that it will not cancel or change any such policy of insurance issued to

Licensee except after the giving of not less than sixty (60) days written notice to Licensor.

**Article XVII
AUTHORIZATION NOT EXCLUSIVE**

Nothing herein contained shall be construed as a grant of an exclusive authorization, right or privilege to Licensee. Licensor shall have the right to grant, renew and extend rights and privileges to others not parties to this Agreement, by contract or otherwise, to use any pole covered by this Agreement provided there is no interference with the rights granted to Licensee hereunder.

**Article XVIII
ASSIGNMENT OF RIGHTS**

- A. Licensee shall not assign or transfer this Agreement or any authorization granted hereunder, and this Agreement shall not inure to the benefit of Licensee's successors, without the prior written consent of Licensor, which shall not be unreasonably withheld or delayed.
- B. In the event such consent or consents are granted by Licensor, then this Agreement shall extend to and bind the successors and assigns of the parties hereto.

**Article XIX
FAILURE TO ENFORCE**

Failure of a party to enforce or insist upon compliance with any of the terms or conditions of this Agreement or to give notice or declare this Agreement or any authorization granted hereunder terminated shall not constitute a general waiver or relinquishment of any term or condition of this Agreement, but the same shall be and remain at all times in full force and effect.

**Article XX
TERMINATION OF AGREEMENT**

- A. If Licensee shall fail to comply with any of the terms or conditions of this Agreement or default in any of its obligations under this Agreement, or if Licensee's facilities are maintained or used in violation of any law and Licensee shall fail within thirty (30) days after written notice from Licensor to correct such default or noncompliance, Licensor may terminate the authorizations covering the poles as to which such default or noncompliance shall have occurred.
- B. In the event of termination of this Agreement, Licensee shall remove its attachments from Licensor's poles within six (6) months from date of termination;

provided, however, that Licensee shall be liable for and pay all fees to Licensor pursuant to the terms of this Agreement until Licensee's attachments are removed from Licensor's poles.

- C. If Licensee does not remove its attachments from Licensor's poles within the applicable time period specified in this Agreement, Licensor shall have the right to remove them at the expense of Licensee and without any liability on the part of Licensor to Licensee therefor, except for the negligence or willful misconduct of Licensor, and Licensee shall be liable for and pay all fees to Licensor pursuant to the terms of this Agreement until such attachments are removed.

Article XXI TERM OF AGREEMENT

- A. This Agreement shall remain in effect for a term of 3 year(s) from the date hereof. Licensee shall have the option to renew this Agreement for an additional 1 year period upon providing Licensor thirty (30) days written notice prior to the termination date.
- B. Termination of this Agreement shall not affect Licensee's liabilities and obligations incurred hereunder prior to the effective date of such termination. Termination of any license issued pursuant to this Agreement shall not affect any remaining licenses issued hereunder.

Article XXII CHOICE OF LAW

The terms and conditions of this Agreement shall be construed in accordance with the laws of the State of Florida, excluding its conflict of laws provisions.

Article XXIII ENTIRE AGREEMENT

This Agreement constitutes the complete and exclusive statement of the agreement between the parties, superseding all proposals, representations, and/or prior agreements, oral or written, between the parties relating to the subject matter of the Agreement. This Agreement may not be modified or amended other than by a written instrument executed by both parties.

Article XXIV NOTICES

All written notices required under this Agreement shall be given by posting the same in first class mail as follows:

To Licensee: TCG _____

Attn: _____

with a copy to: Teleport Communications Group Inc.
One Teleport Drive
Staten Island, New York 10311
Attn: General Counsel

To Licensor:
(Payments Only) _____

Attn: _____

To Licensor:
(AllOthers) _____

Attn: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

LICENSEE

By:



Title:

RVP- Southern Region

LICENSOR

By:



Title:

SRDR

Attachment C-15

Unbundled Products and Services and New Services

Service: Unbundled Exchange Access Loop

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

Information relative to multiplexing of the Unbundled Exchange Access Loop is described in Attachment C-16 following.

Rate Elements	Alabama			Florida			Georgia		
	Monthly	Nonrecurring Charges First	Add'l	Monthly	Nonrecurring Charges First	Add'l	Monthly	Nonrecurring Charges First	Add'l
Unbundled Exchange Access Loop	\$25.00	\$140.00	\$45.00	\$17.00	\$140.00	\$45.00	\$25.00	\$140.00	\$45.00
Unbundled Exchange Access iOC									
- Fixed	\$30.00	\$97.00	N/A	\$28.50	\$87.00	N/A	\$32.00	\$105.00	N/A
- 1 - 3 Miles	\$2.05	N/A	N/A	\$1.85	N/A	N/A	\$2.05	N/A	N/A
- 3 - 25 Miles	\$2.00	N/A	N/A	\$1.60	N/A	N/A	\$2.00	N/A	N/A
- Over 25 Miles	\$1.95	N/A	N/A	\$1.55	N/A	N/A	\$1.95	N/A	N/A

Rate Elements	Kentucky			Louisiana			Mississippi		
	Monthly	Nonrecurring Charges First	Add'l	Monthly	Nonrecurring Charges First	Add'l	Monthly	Nonrecurring Charges First	Add'l
Unbundled Exchange Access Loop	\$25.00	\$140.00	\$45.00	\$18.50	\$140.00	\$45.00	\$25.00	\$140.00	\$45.00
Unbundled Exchange Access iOC									
- Fixed	\$30.00	\$93.00	N/A	\$30.00	\$100.00	N/A	\$30.00	\$96.00	N/A
- 1 - 3 Miles	\$2.05	N/A	N/A	\$2.05	N/A	N/A	\$2.05	N/A	N/A
- 3 - 25 Miles	\$2.00	N/A	N/A	\$2.00	N/A	N/A	\$2.00	N/A	N/A
- Over 25 Miles	\$1.95	N/A	N/A	\$1.95	N/A	N/A	\$1.95	N/A	N/A

Rate Elements	N. Carolina			S. Carolina			Tennessee		
	Monthly	Nonrecurring Charges First	Add'l	Monthly	Nonrecurring Charges First	Add'l	Monthly	Nonrecurring Charges First	Add'l
Unbundled Exchange Access Loop	\$30.00	\$140.00	\$45.00	\$25.00	\$140.00	\$45.00	\$25.00	\$140.00	\$45.00
Unbundled Exchange Access iOC									
- Fixed	\$11.85	\$71.87	N/A	\$50.00	\$97.00	N/A	\$30.00	\$96.00	N/A
- 1 - 3 Miles	\$2.15	N/A	N/A	\$2.05	N/A	N/A	\$2.05	N/A	N/A
- 3 - 25 Miles	\$2.15	N/A	N/A	\$2.00	N/A	N/A	\$2.00	N/A	N/A
- Over 25 Miles	\$2.15	N/A	N/A	\$1.95	N/A	N/A	\$1.95	N/A	N/A

Attachment C-16

Unbundled Products and Services and New Services

Service: Channelization System for Unbundled Exchange Access Loops

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

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

State(s)	Alabama			Florida			Georgia		
	Monthly Rate	Nonrecurring Charge First	Charge Add'l	Monthly Rate	Nonrecurring Charge First	Charge Add'l	Monthly Rate	Nonrecurring Charge First	Charge Add'l
Unbundled Loop Channelization System (DS1 to VG). Per System	\$575.00	\$525.00	N/A	\$555.00	\$490.00	N/A	\$555.00	\$490.00	N/A
Central Office Channel Interface (circuit specific plug-in equipment). 1 per circuit	\$1.70	\$8.00	\$8.00	\$1.70	\$7.00	\$7.00	\$1.70	\$7.00	\$7.00

State(s)	Kentucky			Louisiana			Mississippi		
	Monthly Rate	Nonrecurring Charge First	Charge Add'l	Monthly Rate	Nonrecurring Charge First	Charge Add'l	Monthly Rate	Nonrecurring Charge First	Charge Add'l
Unbundled Loop Channelization System (DS1 to VG). Per System	\$540.00	\$495.00	N/A	\$530.00	\$510.00	N/A	\$560.00	\$450.00	N/A
Central Office Channel Interface (circuit specific plug-in equipment). 1 per circuit	\$1.60	\$8.00	\$8.00	\$1.60	\$8.00	\$8.00	\$1.70	\$6.00	\$6.00

State(s)	N. Carolina			S. Carolina			Tennessee		
	Monthly Rate	Nonrecurring Charge First	Charge Add'l	Monthly Rate	Nonrecurring Charge First	Charge Add'l	Monthly Rate	Nonrecurring Charge First	Charge Add'l
Unbundled Loop Channelization System (DS1 to VG). Per System	\$545.00	\$475.00	N/A	\$520.00	\$480.00	N/A	\$530.00	\$520.00	N/A
Central Office Channel Interface (circuit specific plug-in equipment). 1 per circuit	\$1.65	\$7.00	\$7.00	\$1.60	\$6.00	\$6.00	\$1.50	\$8.00	\$8.00

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports

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

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

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

Alabama			Florida		Georgia	
Rate Elements	Rate	Per	Rate Elements	Rate	Rate Elements	Rate
Monthly			Monthly		Monthly	
Residence Port	\$2.50		Residence Port	\$2.00	Residence Port	\$2.25
Business Port	\$7.00		Business Port	\$4.50	Business Port	\$4.60
PBX Trunk Port	\$7.00		PBX Trunk Port	\$7.50	PBX Trunk Port	\$7.37
Rotary Service	\$2.00		Rotary Service	\$2.00	Rotary Service	\$2.77
Primary Rate (SON-NAS)	\$20.00					
Usage-Mileage Bands			Usage-(STS)		Usage-(STS)	
A (0 miles)	\$0.02	Int. min.	- int. min.	\$0.0275	- setup per call	\$0.02
	\$0.01	Add'l min.	- add'l min.	\$0.0125	- per minute or fraction thereof	\$0.02
B (1-10 miles)	\$0.04	Int. min.				
	\$0.02	Add'l min.				
C (11-16 miles)	\$0.06	Int. min.				
	\$0.04	Add'l min.				
D (17-22 miles & existing LCA described in A3.6 greater than 22 mi.)	\$0.10	Int. min.				
	\$0.07	Add'l min.				
E (23-30 miles)	\$0.10	Int. min.				
	\$0.10	Add'l min.				
F (31-40 miles)	\$0.10	Int. min.				
	\$0.10	Add'l min.				
G (Special Band)*	\$0.10	Int. min.				
	\$0.10	Add'l min.				

* In addition to the local calling described in A3 of BellSouth's General Subscriber Service Tariff, if any wire center in an exchange is located within 40 miles of any wire center in the originating exchange, local calling will be provided from the entire originating exchange to the entire terminating exchange. The usage charges for Band G are applicable for distances greater than 40 miles.

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports (Cont'd)

Kentucky			Louisiana		
Rate Elements	Rate	Per	Rate Elements	Rate	Per
Monthly			Monthly		
Residence Port	\$3.50		Residence Port	\$2.50	
Business Port	\$10.00		Business Port	\$7.00	
PBX Trunk Port	\$10.00		PBX Trunk Port	\$7.00	
Rotary Service	\$3.50		Rotary Service	\$3.50	
Usage-Mileage Bands			Usage-Mileage Bands		
A (0 miles)	\$0.04	Int. Min.	D (0 miles)	\$0.02	Int. Min.
	\$0.02	Add'l min.		\$0.01	Add'l min.
B (1-10 miles)	\$0.04	Int. Min.	A (1-10 miles)	\$0.04	Int. Min.
	\$0.02	Add'l min.		\$0.02	Add'l min.
C (Greater than 10 miles Limited LCA)	\$0.08	Int. Min.	B (11-16 miles)	\$0.08	Int. Min.
	\$0.04	Add'l min.		\$0.04	Add'l min.
D (1-10 miles beyond Limited LCA)	\$0.04	Int. Min.	C (17-22 miles)	\$0.10	Int. Min.
	\$0.02	Add'l min.		\$0.07	Add'l min.
E (11-16 miles beyond Limited LCA)	\$0.08	Int. Min.	D (23 - 30 miles Basic LCA and Intra Parish Expanded LCA)	\$0.14	Int. Min.
	\$0.04	Add'l min.		\$0.10	Add'l min.
F (17-22 miles beyond Limited LCA)	\$0.09	Int. Min.	E (Greater than 30 miles Basic LCA and Intra Parish Expanded LCA)	\$0.10	Int. Min.
	\$0.07	Add'l min.		\$0.14	Int. Min.
G (23-30 miles beyond Limited LCA)	\$0.09	Int. Min.	F (23 - 30 miles Inter-Parish Expanded LCA)	\$0.14	Int. Min.
	\$0.07	Add'l min.		\$0.10	Add'l min.
H (31-40 miles beyond Limited LCA)	\$0.09	Int. Min.	G (31 - 40 miles Inter-Parish Expanded LCA)	\$0.14	Int. Min.
	\$0.07	Add'l min.		\$0.14	Add'l min.
I (Greater than 40 miles beyond Limited LCA)	\$0.09	Int. Min.	G (Greater than 40 miles Inter-Parish)	\$0.14	Int. Min.
	\$0.07	Add'l min.		\$0.14	Add'l min.

Mississippi			N. Carolina		S. Carolina	
Rate Elements	Rates	Per	Rate Elements	Rates	Rate Elements	Rates
Monthly			Monthly		Monthly	
Residence Port	\$3.75		Residence Port	\$2.00	Residence Port	\$4.00
Business Port	\$7.50		Business Port	\$6.00	Business Port	\$10.50
PBX Trunk Port	\$7.50		PBX Trunk Port	\$6.00	PBX Trunk Port	\$10.50
Rotary Service	\$3.75		Rotary Service	\$1.50	Rotary Service	\$3.00
Usage - Mile Bands			Usage - (STS)		Usage - (STS)	
A (0 miles)	\$0.02	Int. min.	- Int. min.	\$0.05	- Basic Svc Area	\$0.02
	\$0.01	Add'l min.	- Add'l min.	\$0.02	- Expanded Svc Area	\$0.12
B (1-10 miles)	\$0.04	Int. min.				
C (11-16 miles existing LCA described in A3 & greater than 16 miles and calls to county seat greater than 16 miles)	\$0.08	Int. min.				
	\$0.04	Add'l min.				
D (17-30 miles)	\$0.08	Int. min.				
	\$0.07	Add'l min.				
E (31-55 miles Basic LATA)	\$0.08	Int. min.				
	\$0.07	Add'l min.				
F (31-55 miles Jackson LATA)	\$0.12	Int. min.				
	\$0.10	Add'l min.				
G (56-85 miles Basic LATA)	\$0.16	Int. min.				
	\$0.14	Add'l min.				

Tennessee		
Rate Elements	Rates	Per
Monthly		
Residence Port	\$4.00	
Business Port	\$10.00	
PBX Trunk Port	\$10.00	
Rotary Service	\$6.50	
Usage - Mile Bands		
A (0-15 miles)	\$0.02	mov
B (17-30 miles)	\$0.05	mov
C >30 miles	\$0.10	mov

Attachment C-18

.. Unbundled Products and Services and New Services

Service: Local Calling Area Boundary Guide

Description: Provided to ALECs to assist in deployment of numbers on their network to conform with BellSouth existing local calling area geographics.

State: All

Rate(s): No Charge

ATTACHMENT "D"

APPLICABLE DISCOUNTS

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

STATE	RESIDENCE	DISCOUNT	
			BUSINESS
ALABAMA	10%		10%
FLORIDA	18%		12%
GEORGIA	20.3%*		17.3%*
KENTUCKY	10%		8%
LOUISIANA	11%		10%
MISSISSIPPI	9%		8%
NORTH CAROLINA	12%		9%
SOUTH CAROLINA	10%		9%
TENNESSEE	11%		9%

*The Georgia discount is subject to change as a result of final resolution of the order of the Georgia Public Service Commission, issued June 12, 1996

Discounts will not apply to: Unbundled port service; nonrecurring charges; federal or state subscriber line charges; inside wire maintenance plans; pass-through charges (e.g. N11 end user charges); and taxes



BellSouth Telecommunications, Inc. 404 927-7150
Room 4428 Fax 404 430-8291
675 West Peachtree Street, N.E. Internet: Ernest.L.Bush
Atlanta, Georgia 30375 @bridge.bellsouth.com

Ernest L. Bush
Assistant Vice President -
Regulatory Policy & Planning

SN91061223

August 12, 1997

To: All Competitive Local Exchange Carriers
Subject: Enhanced Service Providers (ESPs) Traffic

The purpose of this letter is to call to your attention that our interconnection agreement applies only to local traffic. Although enhanced service providers (ESPs) have been exempted from paying interstate access charges, the traffic to and from ESPs remains jurisdictionally interstate. As a result, BellSouth will neither pay, nor bill, local interconnection charges for traffic terminated to an ESP. Every reasonable effort will be made to insure that ESP traffic does not appear on our bills and such traffic should not appear on your bills to us. We will work with you on a going forward basis to improve the accuracy of our reciprocal billing processes. The ESP category includes a variety of service providers such as information service providers (ISPs) and internet service providers, among others.

On December 21, 1996, the Federal Communications Commission (FCC) released a Notice of Proposed Rule Making (NPRM) on interstate access charge reform and a Notice of Inquiry (NOI) on the treatment of interstate information service providers and the Internet. Docket Nos. 96-262 and 96-263. Among other matters, the NPRM and NOI addressed the information service provider's exemption from paying access charges and the usage of the public switched network by information service providers and internet access providers.

Traffic originated by and terminated to information service providers and internet access providers enjoys a unique status, especially call termination. Information service providers and internet access providers have historically been subject to an access charge exemption by the FCC which permits the use of basic local exchange telecommunications services as a substitute for switched access service. The FCC will address this exemption in the above-captioned proceedings. Until any such reform affecting information service providers and internet access providers is accomplished, traffic originated to and terminated by information service providers and internet access providers is exempt from access charges. This fact, however, does not make this interstate traffic "local", or subject it to reciprocal compensation agreements.

Please contact your Account Manager or Marc Cathey (205-977-3311) should you wish to discuss this issue further. For a name or address change to the distribution of this letter, contact Ethelyn Pugh at 205-977-1124.

Sincerely,



CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the Direct Testimony of Paul Kouroupas on behalf of Teleport Communications Group Inc. and TCG South Florida was furnished by hand delivery (*) or Federal Express this 17th day of April, 1998 to the following:

Robert G. Beatty, Esq.(*)
Nancy B. White, Esq.
c/o Nancy H. Sims
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

Patrick K. Wiggins, Esq.(*)
Donna Canzano, Esq.
Wiggins & Villacorta, P.A.
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By: 
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