Beverly Y. Menard Regulatory & Governmental Affairs Assistant Vice President - Florida/Georgia JULII S

GTE Service Corporation One Tampa City Center Post Office Box 110, FLTC0616 Tampa, Florida 33601-0110 813-483-2526 813-223-4888 (Facsimile)

July 14, 1999

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

990918-TP

Re: Docket No. Adoption of Covad/GTE Interconnection Agreement by DSLnet Communications

Dear Ms. Bayo:

Please find enclosed for filing an original and five copies under Section 252(i) of the Telecommunications Act of 1996 of DSLnet Communications, LLC's adoption of the negotiated Interconnection Agreement between GTE Florida ("GTE") and Covad Communications ("Terms") in Docket 990182. The enclosure includes an adoption letter signed by both GTE and DSLnet Communications which is self-explanatory, and which sets forth the manner in which the Terms will be applied in DSLnet Communications, LLC's case. GTE considers this agreement effective with this filing with the FPSC.

As the enclosed letter explains, GTE is not voluntarily entering the Terms with DSLnet Communications, LLC and does not waive any rights and remedies it has concerning its position as to the illegality or unreasonableness of the Terms. GTE contends that certain provisions of the Terms may be void or unenforceable as a result of the United States Eighth Circuit court of Appeals July and October, 1997 decisions, the Supreme Court of the United States' decision of January 25, 1999 and the remand of the pricing rules to the United States Eighth Circuit Court of Appeals. Any modification to the underlying Terms shall automatically apply to DSLnet Communications, LLC. GTE is preserving its legal positions in every respect as to the Terms in the hands of DSLnet Communications, LLC, well as in the hands of Covad Communications.

Sincerely,

Beverly y. Menard Beverly Y. Menard

BYM:wjh Enclosure

c: Wendy Bluemling, DSLnet Communications



Connie Nicholas Assistant Vice President Wholesale Markets-Interconnection



GTE Network Services

HQE03B28 600 Hidden Ridge P.O. Box 152092 Irving, TX 75038 972/718-4586 FAX 972/719-1523

June 14, 1999

Schula P. Hobbs Manager, Regulatory Affairs DSLnet Communications LLC 545 Long Wharf Drive, 5th Floor New Haven, CT 06511

Dear Ms. Hobbs:

GTE has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996, DSLnet Communications LLC (DSL) wishes to adopt the terms of the Interconnection Agreement between Covad Communications, d/b/a DIECA Communications, Inc., (Covad) and GTE that was approved by the Commission as an effective agreement in the State of Florida in Docket No. 990182 (Terms).¹ The Terms provide for the election by Covad of certain additional provisions from a GTE arbitrated agreement ("Arbitrated Provisions"). I understand you have a copy of the Terms.

Please be advised that GTE's position regarding the adoption of the Terms is as follows.

The provisions of the Terms that might be interpreted to require reciprocal compensation from GTE to the CLEC for the delivery of traffic to the Internet (ISP Traffic) are not available for adoption and are not a part of these 252(i) terms pursuant to FCC Rule 809 and paragraphs1317 of the FCC's interconnection First Report and Order (FCC 96-325).

FCC Rule 809 gives the ILECs the ability to except 252(i) adoptions in those instances where the cost of providing the service to the requesting carrier is higher than that incurred to serve the initial carrier or there is a technical incompatibility issue. The issue of reciprocal compensation for traffic destined for the Internet falls within FCC Rule 809. GTE never intended for Internet traffic passing through a CLEC to be included within the definition of local traffic and the corresponding obligation of

^{1 *} These "agreements" are not agreements in the generally accepted understanding of that term. GTE was required to accept these agreements, which were required to reflect the then-effective FCC rules.

ATTACHMENT TO TRANSMITTAL LETTER

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Page 1

The Agreement entered into by and between Hyperion Telecommunications of Florida, Inc. and BellSouth Telecommunications, Inc., dated June 2, 1999, for the state of Florida consists of the following:

ITEM	NO.
	PAGES
Adoption Papers	6
Title Page	1
General Terms and Conditions	37
Attachment 1	10
Attachment 2	15
Attachment 3	107
Attachment 4	13
Attachment 5	9
Attachment 6	41
Attachment 7	10
Attachment 8	100
Attachment 9	4
Attachment 10	1
Amendment dated 5/28/98	5
Amendment dated 6/19/97	6
Amendment dated 6/19/97	1
TOTAL	366

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FPSC-RECORDS/REPORTING

Schula Hobbs June 14, 1999 Page 2

reciprocal compensation. Despite the foregoing, some forums have interpreted the issue to require reciprocal compensation to be paid. This produces the situation where the cost of providing the service is not cost based under Rule 809 or paragraph 1318 of the First report and Order. As a result, that portion of the Terms that would provide reciprocal compensation or payment as local traffic for ISP Traffic is not available under this 252(i) adoption. In its place are provisions that exclude ISP Traffic from reciprocal compensation. Specifically, the definition of "Local Traffic" includes this provision: "Local Traffic excludes information service provider ("ISP") traffic (i.e., Internet, 900 - 976, etc)"

DSL's adoption of the Covad Terms shall become effective upon filing of this letter with the Florida Public Service Commission and remain in effect no longer than the date the Covad Terms are terminated. The Covad agreement is currently scheduled to expire on June 1, 2001

As these Terms are being adopted by you pursuant to your statutory rights under section 252(i), GTE does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by GTE of the Terms does not in any way constitute a waiver by GTE of its position as to the illegality or unreasonableness of certain Arbitrated Provisions or a portion thereof, nor does it constitute a waiver by GTE of all rights and remedies it may have to seek review of the Arbitrated Provisions, or to petition the Commission, other administrative body, or court for reconsideration or reversal of any determination made by the Commission with respect to the Arbitrated Provisions, or to seek review in any way of any provisions included in these Terms as a result of DSL's 252(i) election.

Nothing herein shall be construed as or is intended to be a concession or admission by either GTE or DSL that any Arbitrated Provisions comply with the rights and duties imposed by the Telecommunications Act of 1996, the decision of the FCC and the Commissions, the decisions of the courts, or other law, and both GTE and DSL expressly reserve their full right to assert and pursue claims arising from or related to the Arbitrated Provisions. GTE contends that certain provisions of the Terms may be void or unenforceable as a result of the United States Eighth Circuit Court of Appeals July and October, 1997 decisions, the Supreme Court of the United States Eighth Circuit Court of Appeals Circuit Court of Appeals.

Should DSL attempt to apply such conflicting provisions, GTE reserves its rights to seek appropriate legal and/or equitable relief. Should any provision of the Terms be modified, such modification would likewise automatically apply to this 252(i) adoption.

' Schula Hobbs June 14, 1999 Page 3

Please indicate by your countersignature on this letter your understanding of and commitment to the following three points:

- (A) DSL adopts the Terms of the Covad agreement for interconnection with GTE and in applying the Terms, agrees that DSL be substituted in place of Covad] in the Terms wherever appropriate.
- (B) DSL requests that notice to DSL as may be required under the Terms shall be provided as follows:
 - To: DSLnet Communications LLC Attention: Wendy Bluemling Director, Regulatory Affairs 545 Long Wharf Drive, 5th Floor New Haven, CT 06511 Telephone number: 203/782-7440 FAX number: 203/624-3612
- (C) DSL represents and warrants that it is a certified provider of local dialtone service in the State of Florida and that its adoption of the Terms will cover services in the State of Florida only.

Sincerely,

GTE Florida Incorporated

Hichola

Connie Nicholas Assistant Vice President Wholesale Markets-Interconnection

Reviewed and countersigned as to points A, B, and C:

DSLnet Communications LLC

<u>net Communications LLC</u>

c: A. Lowery – NC999142 – Durham, NC D. Robinson - HQE03B73 - Irving, TX