MOYLE, FLANIGAN, KATZ, KOLINS, RAYMOND & SHEEHAN, P.A.

ATTORNEYS AT LAW

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West Palm Beach Office (561) 659-7500

August 31, 1999

BY HAND DELIVERY

Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 4750 Esplanade Way, Room 110 Tallahassee, FL 32399

991267-TF

AUG 31 PH 4: 24

RECORDS AND

REPORTING

Re:

Complaint of Global NAPs, Inc., Against BellSouth Telecommunications, Inc. for Enforcement of Section VI(B) of its Interconnection Agreement with BellSouth Telecommunications, Inc., and Request for Relief

Dear Ms. Bayo:

Enclosed is the original and seven (7) copies of a Complaint to be filed with the Public Service Commission on behalf of Global NAPs, Inc., along with a 3.5" diskette containing the Complaint which has been formatted in Corel Word Perfect 7.0. Also enclosed for filing is the original and seven (7) copies of a Motion for Qualified Representative to Appear on Behalf of Global NAPS, Inc.

Sincerely.

Cathy M/Sellers

CMS/jd

Enclosures

DOCUMENT NUMBER-DATE

10438 AUG 31 8

FPSC-RECORDS/REPORTING

DOCUMENT NUMBER-DATE

10439 AUG 31 8

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint of Global NAPs, Inc., Against)	
BellSouth Telecommunications, Inc., for)	0.00
Enforcement of Section VI(B) of its Interconnection)	Docket No. 991267-TP
Agreement with BellSouth Telecommunications, Inc.,)	Filed August 31, 1999.
and Request for Relief.)	·
•)	

COMPLAINT OF GLOBAL NAPs, INC. FOR ENFORCEMENT OF INTERCONNECTION AGREEMENT WITH BELLSOUTH TELECOMMUNICATIONS, INC. AND REQUEST FOR RELIEF

Global NAPs, Inc., ("GNAPs") by and through its undersigned counsel and pursuant to Sections 364.01, 364.03, and 364.05, Florida Statutes, and Rule 25-22.036(5), Florida Administrative Code, hereby files this Complaint against BellSouth Telecommunications, Inc. ("BellSouth") for the breach of the Interconnection Agreement Between DeltaCom, Inc. and BellSouth Telecommunications, Inc. ("Interconnection Agreement"), which was approved by the Commission and subsequently adopted by GNAPs. BellSouth has breached the Interconnection Agreement by failing to pay to GNAPs reciprocal compensation for the delivery of traffic that BellSouth sends to GNAPs for delivery to GNAPs customers that are Internet Service Providers ("ISPs"). GNAPs requests the Commission to: (1) determine that BellSouth has breached the Interconnection Agreement by failing to pay GNAPs reciprocal compensation for traffic originated with BellSouth end user customers and sent to GNAPs for delivery to ISPs that are GNAPs customers; (2) enforce the Interconnection Agreement by ordering BellSouth to pay GNAPs the reciprocal compensation owed by BellSouth to GNAPs under the Interconnection Agreement, plus interest on the reciprocal compensation owed by BellSouth to GNAPs, for the entire period the

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DOCUMENT NUMBER-DATE

reciprocal compensation due is outstanding; (3) make a specific finding that BellSouth's unilateral action in withholding the reciprocal compensation is anticompetitive and an unlawful abuse of BellSouth's monopoly power; (4) order BellSouth to pay GNAPs' attorney's fees and costs, plus interest, incurred in this case; and (5) grant such other relief as the Commission deems appropriate.

I. JURISDICTION

1. The name and address of the Complainant is:

Global NAPs, Inc. 10 Merrymount Road Quincy, Massachusetts 02169 (617) 507-5100

2. All notices, orders, pleadings, discovery, and correspondence regarding this Complaint should be provided to the following on behalf of GNAPs:

Jon C. Moyle, Jr.
Cathy M. Sellers
Moyle Flanigan Katz Kolins Raymond & Sheehan, P.A.
118 North Gadsden Street
Tallahassee, FL 32301
(850) 681-3828
(850) 681-8788 (telecopier)

3. The name and principal place of business of the Respondent to this Complaint is:

BellSouth Telecommunications, Inc. 150 West Flagler Street Suite 1910 Miami, FL 33130

4. Both GNAPs and BellSouth are authorized to provide local telephone exchange services in state of Florida.

- 5. On January 18, 1999, GNAPs adopted the Interconnection Agreement, which previously was approved by the Commission pursuant to Order No. PSC-97-1265-FOF-TP. Adoption Agreement Between BellSouth and Global NAPs, January 18, 1999 ("Adoption Agreement," attached as Exhibit A).
- 6. As discussed herein, BellSouth has failed to comply with specific provisions of the Interconnection Agreement concerning the payment of reciprocal compensation to GNAPs.
- 7. The Commission has jurisdiction to enforce the terms of the Interconnection Agreement, pursuant to Section 252 of the Telecommunications Act of 1934, as amended by the Telecommunications Act of 1996, 47 U.S.C. ss. 151 et seq. ("Telecommunications Act"), Sections 364.01, 364.03, and 364.05, Florida Statutes, Rule 25-22.036(5), Florida Administrative Code, and Order No. PSC-97-1265-FOF-TP. Section XXV of the Interconnection Agreement also provides for Commission resolution of any disputes that arise concerning the interpretation and enforcement of the Interconnection Agreement.

II. STATEMENT OF FACTS GIVING RISE TO THIS COMPLAINT

- 8. GNAPs is an alternative local exchange telecommunications company ("ALEC") under Florida law. GNAPs provides its customers with intrastate telecommunications services within the state of Florida. GNAPs has, at all times material to this Complaint, had a number of customers who are ISPs. End users typically connect to an ISP through a toll free seven-digit telephone call using local exchange service.
- 9. BellSouth is a monopoly provider of local exchange telecommunications services within the state of Florida. For purposes of Sections 251 and 252 of the Telecommunications Act,

BellSouth is, and has at all material times been, an Incumbent Local Exchange Carrier ("ILEC") as defined by Section 251 of the Telecommunications Act, within the state of Florida.

- 10. On January 18, 1999, GNAPs adopted the Interconnection Agreement, which was based on the Interconnection Agreement between BellSouth and American Communication Services of Jacksonville, Inc. d/b/a e.spire Communications, Inc. and ACSI Local Switched Services, Inc. The Interconnection Agreement covers the states of Florida, Alabama, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.
- 11. The terms of the Interconnection Agreement provide for reciprocal compensation for the delivery of local traffic, including calls to ISPs within the LATA.
- 12. Notwithstanding these terms, BellSouth has failed to pay GNAPs for delivering calls that BellSouth end users make to ISPs served by GNAPs, in material and willful breach of the terms of the Interconnection Agreement, and in violation of Section 251(b)(5) of the Telecommunications Act, which requires all local exchange companies to provide reciprocal compensation.
- 13. BellSouth's action in refusing to pay reciprocal compensation for delivering local traffic to ISPs is inconsistent with numerous regulatory decisions directly addressing this issue, and also is anticompetitive, in violation of the Telecommunications Act.
 - III. THE EXPRESS TERMS OF THE INTERCONNECTION AGREEMENT SUPPORT THE CONCLUSION THAT CALLS TO ISPS ARE "LOCAL TRAFFIC" SUBJECT TO RECIPROCAL COMPENSATION UNDER SECTION VI(B) OF THE INTERCONNECTION AGREEMENT.
 - 14. The Interconnection Agreement defines "Local Traffic" as "any telephone call that

originates in one exchange or LATA [Local Access and Transport Area] and terminates in either the same exchange or LATA, or a corresponding Extended Service Area ("EAS") exchange." Interconnection Agreement, Attachment B, Definitions, Para. 49, page 8 (attached as Exhibit B) (emphasis added). Traffic from BellSouth's end user customers to GNAPs' end user customers that are ISPs within the same LATA falls within the definition of "Local Traffic."

- 15. It is clear that as Local Traffic, calls to ISPs are subject to reciprocal compensation under the Interconnection Agreement. Section VI(B), as amended, of the Interconnection Agreement, provides in pertinent part: "[E]ach party agrees to terminate local traffic originated and routed to it by the other party. Each party will pay the other for terminating its local traffic on the other's network the local interconnection rate of \$.009 per minute of use in all states." Fourth Amendment to Interconnection Agreement, March 12, 1997, page 2, paragraph 3 (attached as Exhibit C) (emphasis added).
- 16. Nothing in the Interconnection Agreement or in applicable law or regulations creates a distinction pertaining to calls placed to customers that happen to be ISPs. All calls delivered within the same LATA, regardless of the identity of the end user, are "Local Traffic" under the Interconnection Agreement, and reciprocal compensation is due for such calls. This includes telephone exchange service calls placed by BellSouth's customers to GNAPs' ISP customers.
 - IV. FLORIDA, THE FCC, AND OTHER STATE REGULATORY AUTHORITIES HAVE DETERMINED THAT THIS TYPE OF TRAFFIC IS LOCAL TRAFFIC, AND BELLSOUTH'S POSITION VIOLATES THE LAW.
 - 17. The Commission, other states, and the Federal Communications Commission

("FCC") consistently have determined that the type of traffic at issue in this case is properly treated as local for purposes of interconnection agreements, and, therefore, subject to reciprocal compensation.

A. Florida PSC Decisions

- 18. This Commission recently has issued three orders addressing the issue of whether telephone calls that are delivered to ISPs within the same LATA as the call originates are "local traffic" for purposes of reciprocal compensation.
- Communication Services of Jacksonville, Inc., d/b/a e.spire Communications, Inc. and ACSI Local Switched Services, Inc. d/b/a e.spire Communications Against BellSouth Inc., Order No. PSC-99-0658-FOF-TP, the Commission interpreted the e.spire agreement, on which the Interconnection Agreement that is at issue in this Complaint, is based. The e.spire agreement contained virtually identical relevant provisions concerning the definition of "Local Traffic." The Commission determined that the provisions of the e.spire agreement, and, specifically, the parties' failure to expressly exclude ISP-bound traffic from the definition of "Local Traffic" evinced the parties' intent at the time they entered the agreement that ISP traffic be included within the ambit of "Local Traffic" for purposes of the agreement's reciprocal compensation requirement. The Commission's Order in the e.spire case controls the interpretation of the instant Interconnection Agreement with respect to the type of traffic considered local for purposes of requiring payment of reciprocal compensation.
- 20. Similarly, in In re: Complaint of WorldCom Technologies, Inc. Against BellSouth Telecommunications, Inc. for Breach of Terms of Florida Partial Interconnection Agreement, et

- al., Order No. PSC-98-1216-FOF-TP, the Commission interpreted similar "Local Traffic" and reciprocal compensation provisions which, like here, did not except or exclude ISP traffic to require the payment of reciprocal compensation for ISP-bound calls within the same LATA.
- 21. In Order No. 21815, issued September 5, 1989 in Docket No. 8880423-TP, the Commission completed an investigation into access to the local network for providing information services by concluding that, among other things, end user access to an ISP is local service. This conclusion was based on testimony by BellSouth witnesses that calls to a value-added network which use the local exchange lines for access are considered local even though communications take place with data bases or terminals in other states, and that "such calls should continue to be viewed as local exchange traffic." Order No. 21815, at 24. The Order also quoted the BellSouth witness who testified that "connections to the local exchange network for the purpose of providing an information service should be treated like any other local exchange service." Order No. 21815, at 25.

B. Recent FCC Order

- 22. In response to numerous requests to clarify whether LECs are entitled to reciprocal compensation for traffic they deliver to ISPs, the FCC recently issued Order No. 99-38, stating that:
 - ... ISP traffic is jurisdictionally mixed and appears to be largely interstate....This conclusion, however, does not in itself determine whether reciprocal compensation is due in any particular circumstance.... [P]arties may have agreed to reciprocal compensation for ISP-bound traffic, or a state commission, in the exercise of its authority to arbitrate interconnection disputes under section 252 of the Act, may have imposed reciprocal compensation obligations for this traffic. In the absence to date of a federal rule regarding the appropriate inter-carrier compensation for this traffic, we therefore conclude that parties should be bound by their existing interconnection agreements, as interpreted by state commissions.

Order No. 99-38, at 2.

As noted above, the Commission has ruled on similar provisions in the e.spire interconnection agreement and in other interconnection agreements — in all cases determining that the agreements contemplate that ISP-bound calls within the same LATA are "local traffic" subject to reciprocal compensation. The FCC's recent order does not disturb, but instead ratifies, Florida's interpretation of these interconnection agreement provisions.

C. Other State Decisions

- 23. This Interconnection Agreement has been interpreted by the Alabama Public Service Commission as requiring payment of reciprocal compensation on ISP-bound traffic. In re: Emergency Petitions of IGC Telecom Group, Inc., and ITC DeltaCom Communications, Inc. for a Declaratory Ruling, Alabama PSC, Docket No. 26619 (March 4, 1999). In its ruling ordering BellSouth to pay reciprocal compensation to ITC DeltaCom and others, the Alabama Public Service Commission found the Interconnection Agreement's failure to exclude or exempt ISP-bound traffic from the definition of "Local Traffic" determinative of the parties' intent that ISP-bound traffic within the same LATA or EAS be treated the same as any other local traffic for purposes of requiring payment of reciprocal compensation. In re: Emergency Petitions of IGC Telecom Group, Inc., and ITC DeltaCom Communications, Inc. for a Declaratory Ruling, Alabama PSC, Docket No. 26619 (Order, March 4, 1999) at 34.
- 24. Likewise, the Virginia State Corporation Commission has determined that calls to ISPs are local and that the presence of an ALEC does not change the nature of the call. Petition of Cox Virginia Telecom, Inc. for Enforcement of Interconnection Agreement with Bell Virginia-Atlantic, Inc. and Arbitration Award for Reciprocal Compensation for Termination of Local Calls

to Internet Service Providers, Case No. PUC970069 (Va. State Corp. Comm'n Oct. 27, 1997). Other states rendering similar regulatory decisions include New York¹, Connecticut², Arizona³, Colorado⁴, Minnesota⁵, Oregon⁶, and Washington⁷, all of which have declined to treat traffic to ISPs differently than other local traffic.

25. The consistency of these holdings supports the conclusion that the term "Local Traffic" as used in the Interconnection Agreement and similar interconnection agreements

¹ Proceeding on Motion of the Commission to Investigate Reciprocal Compensation Related to Internet Traffic, Case No. 97-C-1275 (NYPSC, July 17, 1997).

² Petition of the Southern New England Telephone Company for a Declaratory Ruling Concerning Internet Services Provider Traffic, Docket No. 97=-5=22, Decision (Conn. DPUC Sept. 17, 1997).

³ Petition of MFS Communications Company, Inc., for Arbitration or Interconnection Rates, Terms, and Conditions with USWEST Communications, Inc., Opinion and Order, Decision No. 59872, Docket No. U-2752-96-362 et al. (Arizona Corp. Comm Oct. 29 1996) at 7.

⁴ Petition of MFS Communications Company, Inc., for Arbitration Pursuant to 47 U.S.C. s. 252(b) of Interconnection Rates, Terms, and Conditions with US WEST Communications, Inc., Decision Regarding Petition for Arbitration, Docket No. 96A-287T, at 30 (Col. PUC Nov. 5, 1996).

⁵ Consolidated Petitions of AT&T Communications of the Midwest, Inc., MCIMetro Access Transmission Services, Inc., and MFS Communications Company for Arbitration with US WEST Communications, Inc., Pursuant to Section 252(b) of the Federal Telecommunications Act of 1996, Order Resolving Arbitration Issues, Docket Nos. P-442,421/M-96-855, P-5321, 421/M-96909, P-3167, 421/M-96-729 (Minn. PUC Dec. 2, 1996) at 75-76.

⁶ Petition of MFS Communications Company, Inc., for Arbitration of Interconnection Rates, Terms, and Conditions Pursuant to Section 47 U.S.C. 252(b) of the Telecommunications Act of 1996, Commission Decision, Order No. 96-324 (Ore. PUC Dec. 9, 1996) at 13.

⁷ In the Matter of Petition for Arbitration of an Interconnection Agreement Between MFS Communications Company, Inc. and US WEST Communications, Inc., Pursuant to 47 U.S.C. s. 252, Arbitrator's Report and Decision, Docket No. UT-960323 (Wash. Utils. and Transp. Comm. Nov. 8, 1996) at 26.

throughout the country, and as understood by the industry and the governmental entities regulating the industry at the time the Interconnection Agreement was entered into, includes calls from end users to ISPs in the same LATA in which the call originated.

V. BELLSOUTH'S POSITION IS ANTICOMPETITIVE.

- 26. BellSouth's position is anticompetitive. Any carrier handling ISP-bound calls incurs costs in delivering such calls, which are the same as those incurred in terminating any calls to any other end user. Since BellSouth controls most of the originating traffic within its territory, its behavior forces GNAPs to deliver ISP-bound calls without compensation. The logical and inevitable result of BellSouth's behavior is that no ALEC would seek to furnish service to an ISP, since providing that service would result in uncompensated costs. This would leave BellSouth with a de facto monopoly over ISP end users, contrary to the intent of Section 271 and other provisions of the Telecommunications Act intended to foster competition among telecommunications service providers.
- 27. Furthermore, BellSouth is now offering its own internet access service to consumers through BellSouth.Net. By gaining monopoly power over local exchange service to ISPs and increasing their costs for network access, BellSouth will be in a position to drive competing ISPs out of business, leaving BellSouth with a de facto monopoly over internet access.

VI. UNDER THE INTERCONNECTION AGREEMENT, GLOBAL NAPS IS ENTITLED TO REASONABLE ATTORNEY'S FEES AND COSTS INCURRED IN THIS PROCEEDING.

- 28. Section XXV of the Interconnection Agreement, entitled "Arbitration," provides in pertinent part:
 - Any controversy or claim arising out of, or relating to, this Contract A. or the breach thereof shall be settled by arbitration, in accordance with the rules then obtaining, of the American Arbitration Association, and judgment upon the award rendered may be entered in any court having jurisdiction of the controversy of claim. As an express condition precedent to any legal or equitable action or proceeding in the event of disputes or controversies as to the amount of loss or damage arising out of this Contract, such disputes or controversies shall first be submitted to the arbitration of two persons, one chosen by each Party, who shall jointly select a third person. Provided, however, that nothing contained herein shall preclude either Party from filing any complaint or other request for action or relief with the FCC or the appropriate state commission, including any appeals thereof. The Party which does not prevail shall pay all reasonable costs of the arbitration or other formal complaint proceeding, including reasonable attorney's fees and other legal expenses of the prevailing Party.

Interconnection Agreement, Section XXV.A., at 59 (emphasis added).

29. Pursuant to this provision, GNAPs is entitled to payment by BellSouth of its attorney's fees and costs incurred in this proceeding if GNAPs prevails.

VII. REQUEST FOR RELIEF

WHEREFORE, GNAPs requests the Commission to: (1) determine that BellSouth has breached the Interconnection Agreement by failing to pay GNAPs reciprocal compensation for the delivery of ISP-bound traffic originated with BellSouth's end user customers and sent to GNAPs for delivery to ISPs that are GNAPs customers; (2) enforce the Interconnection Agreement by

ordering BellSouth to pay GNAPs the reciprocal compensation owed by BellSouth to GNAPs under the Interconnection Agreement (see Exhibit D, attached, which states the reciprocal compensation owed to GNAPs through August 3, 1999), plus interest on the reciprocal compensation owed by BellSouth to GNAPs, for the entire period the balance owed is outstanding; (3) make a specific finding that BellSouth's unilateral action in withholding the reciprocal compensation is anticompetitive and an unlawful abuse of BellSouth's monopoly power; (4) order BellSouth to pay GNAPs' attorney's fees and costs, plus interest, incurred in this case; and (5) grant such other relief as the Commission deems appropriate.

Respectfully submitted,

Jon C. Moyle, Jr.
Fla. Bar No. 727016
Cathy M. Sellers
Fla. Bar No. 0784958
Moyle Flanigan Katz Kolins
Raymond & Sheehan, P.A.
118 North Gadsden Street
Tallahassee, FL 32301
(850) 681-3828

William J. Rooney, General Counsel John O. Postl, Assistant General Counsel GloBTI NAPs, Inc. 10 Merrymount Road Quincy, MA 02169 (617) 507-5111

Christopher W. Savage Coles, Raywid, & Braverman, L.L.P. 1919 Pennsylvania Avenue, N.W. Washington, D.C. 20006 (202) 828-9811

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing COMPLAINT OF GLOBAL NAPS, INC. FOR ENFORCEMENT OF INTERCONNECTION AGREEMENT WITH BELLSOUTH TELECOMMUNICATIONS, INC. AND REQUEST FOR RELIEF was furnished by U.S. Mail, Certified Return Receipt Requested, this 31st day of August, 1999, to Nancy White, Esquire, General Counsel, BellSouth Telecommunications, Inc., 150 South Monroe Street, Suite 400, Tallahassee, FL 32301.

SaltSouth Interpensection Services 34P70 BellSouth Center 676 West Peschitree Street, N.E. Atlante, Georgia 30375

January 19, 1999

Mr. William J. Rooney, Jr. General Counsel Global Naps South, Inc. 10 Merrymount Road Quincy, MA 02169

Dear Mr. Rooney:

Enclosed herein for your files is a fully executed copy of the Adoption Agreement entered into between BellSouth Telecommunications, Inc. and Global Naps South, Inc. in which Global Naps is adopting the Deltacom, Inc. Interconnection Agreement dated July 1, 1997.

BellSouth will file this agreement with the appropriate regulatory agencies.

If you have any questions, please call me at (404) 927-7513.

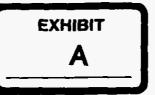
Sincerely,

Susan M. Arrington

Manager - Interconnection Services

CC:

Jerry Hendrix Mary Jo Peed



AGREEMENT

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

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

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

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

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

- 1. Global Naps and BellSouth shall adopt in its entirety the DeltaCom, Inc. Interconnection Agreement dated July 1, 1997 and any and all amendments to said agreement executed and approved by the appropriate state regulatory commission as of the date of the execution of this Agreement. The DeltaCom, Inc. Interconnection Agreement and all amendments are attached hereto as Exhibit 1 and Incorporated herein by this reference.
- 2. The term of this Agreement shall be from the effective date as set forth above and shall expire on July 1, 1999, unless an alternate expiration date is mutually agreed to by the Parties or ordered by a Commission, the FCC or a court of competent jurisdiction.
- 3. Global Naps shall accept and incorporate any amendments to the DeltaCom, Inc. Interconnection Agreement executed as a result of any final judicial, regulatory, or legislative action.

10/09/98

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

BellSouth Telecommunications, Inc.

CLEC Account Team 9th Floor 600 North 19th Street Birmingham, Alabama 35203

and

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

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

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

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

BellSouth Telecommunications, Inc.	Global Naps South, Inc.
and Held	Sunt OS
Signature	Signature
Jerry D. Hendrys	
Name '	Name
1/18/99	
Date	Data

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

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

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

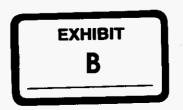
If either party provides intermediary tandem switching and transport services for the other party's connection of its end user to a local end user of: (1) a CLEC other than DeltaCom; (2) an ILEC other than BellSouth; or (3) another telecommunications company such as a wireless telecommunications service provider, the party performing the intermediary function will bill a 50.0015 per minute charge. However, BellSouth agrees that DeltaCom may cross-connect directly to such third Parties at the POI. In such an event, tariffed cross-connection non recurring charges will apply, and no transiting charge will apply

- 5. Except for Number Services Intercept Access Service provided by BellSouth in the state of Georgia, the Parties agree to amend Attachment C-11 of the Interconnection Agreement to delete the rate of 50.30 per intercept query and replace said rate with a rate of \$0.25 per intercept query.
- 6. The Parties agree to amend the Interconnection Agreement to include Attachment I attached to this Amendment and incorporated herein by this reference.
- 7. Amendment 1 to the Interconnection Agreement relating to resale, executed on March 12, 1997, is deleted in its entirety and replaced with Attachment 2, attached hereto and incorporated herein by this reference.
- 8. The Parties agree that all of the other provisions of the Interconnection Agreement shall remain in full force and effect.
- 9 The Parties further agree that either or both of the Parties is authorized to submit this Amendment to the appropriate state public service commission or other regulatory body



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

- a. "ISDN link/loop/circuit" is an ISDN link which provides a 2-wire ISDN digital circuit connection that will support digital transmission of two 64 Kbps clear channels and one 16 Kbps data channel (2B+D), suitable for provision of BRI-ISDN service. ISDN links shall be provisioned by least cost planning methodologies sufficient to insure industry standard interface, performance, price, reliability and operational characteristics are functionally transparent and are equal to or better than dedicated copper pairs. All things being equal, "Broadband ISDN" is preferred to CO-based ISDN circuits. Unless specifically identified and priced as "fractional" these circuits are assumed to be fully available.
- b. "4-Wire DS-1 Digital Grade Links" will support full duplex transmission of isochronous serial data at 1.544 Mbps, and provide the equivalent of 24 voice grade channels. Unless specifically identified and priced as "fractional" these circuits are assumed to be fully available.
- 47. "Local Exchange Carrier" or "LEC" means any carrier that provides local common carrier telecommunications services to business and/or residential subscribers within a given LATA and interconnects to other carriers for the provision of alternative telecommunications products or services, including, but not limited to toll, special access, and private line services. This includes the Parties to this Agreement. The term "Incumbent-LEC" or "I-LEC" is sometimes used to refer to the dominant LEC for a particular locality (such as BellSouth). Such Incumbent-LECs include both Bell Operating Companies ("BOCs") and non-BOC LECs, which are often referred to as "Independent-LECs." By contrast, new entrants into the local exchange market are sometimes referred to as "Competitive LECs" or "CLECs," or sometimes as "Alternative LECs" or "ALECs."
- 48. "Local Exchange Routing Guide" or "LERG" means a BellCore Reference customarily used to identify NPA-NXX routing and homing information, as well as network element and equipment designations.
- 49. "Local Traffic" means any telephone call that originates in one exchange or LATA and terminates in either the same exchange or LATA, or a corresponding Extended Area Service ("EAS") exchange. The terms Exchange, and EAS exchanges are defined and specified in Section A3. of BellSouth's General Subscriber Service Tariff.





Date of Invoice	Invoice Number	Amount of Invoice	Date Payment Received	Amount of Payment	Outstanding Balance
5-3-99	55000	\$29,265	6-24-99	\$17,891	\$11,371.00
6-1-99	55001	\$265,983	7-22-99	\$32,522	\$233,461.00
7-1-99	55002	\$549,900	8-4-99	\$12,801	\$537,009.00
8-3-99	55003	\$642,937			\$642,937.00
				TOTAL DUE	\$1,424,778.00