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Marshall M. Criser III
Regulatory Vice President

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ORIGINAL

November 12, 1999

Mrs. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

991708-TP

Re: Approval of an Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. ("BellSouth") and KMC Telecom II, Inc. pursuant to Sections 251, 252 and 271 of the Telecommunications Act of 1996

Dear Mrs. Bayo:

Pursuant to section 252(e) of the Telecommunications Act of 1996, BellSouth and KMC Telecom II, Inc. are submitting to the Florida Public Service Commission an amendment to their negotiated agreement for the interconnection of their networks, the unbundling of specific network elements offered by BellSouth and the resale of BellSouth's telecommunications services to KMC Telecom II, Inc. The Commission approved the initial agreement between the companies in Order 98-0990 issued July 20, 1998 in Docket 980482-TP.

Pursuant to section 252(e) of the Act, the Commission is charged with approving or rejecting the negotiated agreement between BellSouth and KMC Telecom II, Inc. within 90 days of its submission. The Act provides that the Commission may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity. Both parties aver that neither of these reasons exist as to the agreement they have negotiated and therefore, are very hopeful that the Commission shall approve their agreement.

Very truly yours,

Marshall M. Criser III

Regulatory Vice President

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DOCUMENT NUMBER-DATE

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ATTACHMENT TO TRANSMITTAL LETTER

The Amendment entered into by and between KMC Telecom II, Inc. and BellSouth Telecommunications, Inc., dated 10/28/1999, for the states of Florida and North Carolina consists of the following:

ITEM	NO. PAGES
Amendment	4
Exhibit	1
TOTAL	5

**Amendment to Master Interconnection Agreement between
KMC Telecom II, Inc. and
BellSouth Telecommunications, Inc.**

Pursuant to this Agreement, (the "Amendment"), KMC Telecom II, Inc. (KMC II), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated February 23, 1998 ("Agreement").

WHEREAS, BellSouth and KMC II entered into an Interconnection Agreement on February 23, 1998, and;

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Sections III.C. and D. of Exhibit 6 of the Interconnection Agreement is deleted in its entirety and substituted in its place are new sections III.C. and D. respectively, as follows:

Demarcation Point. BellSouth will designate the point(s) of interconnection between KMC II's equipment and/or network and BellSouth's network. Each party will be responsible for maintenance and operation of all equipment/facilities on its side of the demarcation point. For 2-wire and 4-wire connections to BellSouth's network, the demarcation point shall be a common block on the BellSouth designated conventional distributing frame. KMC II shall be responsible for providing, and KMC II's BellSouth Certified Vendor shall be responsible for installing and properly labeling/stenciling, the common block, and necessary cabling pursuant to construction and provisioning interval requirements. For all other terminations BellSouth shall designate a demarcation point on a per arrangement basis. KMC II or its agent must perform all required maintenance to equipment/facilities on its side of the demarcation point, pursuant to the subsection following, and may self-provision cross-connects that may be required within the collocation space to activate service requests. At KMC II's option, a Point of Termination (POT) bay or frame may be placed in the Collocation Space.

KMC II's Equipment and Facilities. KMC II, or if required by this Agreement, KMC II's BellSouth certified vendor, is solely responsible for the design, engineering, installation, testing, provisioning, performance, monitoring, maintenance and repair of the equipment and facilities used by KMC II. Such equipment and facilities may include but are not limited to cable(s); equipment; and point of termination connections.

2. Sections III.E. and IX of Exhibit 6 of the Interconnection Agreement are deleted in their entirety and substituted in their place is a new section IX, including the rates in Exhibit 1, Attachment A, as follows:

Access. Pursuant to Security and Safety requirements below, KMC II shall have access to the Collocation Space twenty-four (24) hours a day, seven (7) days a week. KMC II agrees to provide the name, social security number, and date of birth of each employee, contractor, or agents provided with Access Keys or cards ("Access Keys") prior to the issuance of said Access Keys. KMC II must submit to BellSouth the completed Access Control Request Form (RF-2906-A) for all employees or agents requiring access to the BellSouth Central Office a minimum of 30 calendar days prior to the date KMC II desires access to the Collocation Space. Access Keys shall not be duplicated under any circumstances. KMC II agrees to be responsible for all Access Keys and for the return of all said Access Keys in the possession of KMC II employees, contractors, guests, or agents after termination of the employment relationship, contractual obligation with KMC II or upon the termination of this Agreement or the termination of occupancy of an individual collocation arrangement.

Lost or Stolen Access Keys. KMC II shall notify BellSouth in writing immediately in the case of lost or stolen Access Keys. KMC II will pay BellSouth \$250.00 per Access Key(s) lost or stolen. Should it become necessary for BellSouth to re-key buildings as a result of a lost Access Key(s) or for failure to return an Access Key(s), KMC II shall pay for all reasonable costs associated with the re-keying.

Security and Safety Requirements. Only BellSouth employees, BellSouth certified vendors and authorized employees, or authorized agents of KMC II will be permitted in the BellSouth Central Office. KMC II shall provide its employees and agents with picture identification, which must be worn and visible at all times while in the Collocation Space or other areas in or around the Central Office. The photo Identification card shall bear, at a minimum, the employee's name and photo, and the KMC II name. BellSouth reserves the right to remove from its premises any employee of KMC II not possessing identification issued by KMC II. KMC II shall hold BellSouth harmless for any damages resulting from such removal of its personnel from BellSouth premises.

KMC II will be required, at its own expense, to conduct a statewide investigation of criminal history records for each KMC II employee being considered for work on the BellSouth Central Office, for the states/counties where the KMC II employee has worked and lived for the past five years. Where state law does not permit statewide collection or reporting, an investigation of the applicable counties is acceptable.

KMC II will be required to administer to their personnel assigned to the BellSouth Central Office security training either provided by BellSouth, or meeting criteria defined by BellSouth.

KMC II shall not assign to the BellSouth Central Office any personnel with records of felony criminal convictions. KMC II shall not assign to the BellSouth Central Office any personnel with records of misdemeanor convictions, without advising BellSouth

of the nature and gravity of the offense(s). BellSouth reserves the right to refuse building access to any KMC II personnel who have been identified to have misdemeanor criminal convictions.

For each KMC II employee requiring access to a BellSouth Central Office pursuant to this agreement, KMC II shall furnish BellSouth, prior to an employee gaining such access, a notarized affidavit certifying that the aforementioned background check and security training were completed. The affidavit will contain a statement certifying no felony convictions were found and certifying that the security training was completed by the employee. If the employee's criminal history includes misdemeanor convictions, KMC II will disclose the nature of the convictions to BellSouth at that time.

At BellSouth's request, KMC II shall promptly remove from the BellSouth's premises any employee of KMC II BellSouth does not wish to grant access to its premises pursuant to any investigation conducted by BellSouth.

Notification to BellSouth. BST reserves the right to interview KMC II's employees, agents, or contractors. KMC II and its contractors shall cooperate fully with BellSouth's investigation into allegations of wrongdoing or criminal conduct committed by or involving KMC II's employees, agents, or contractors. Additionally, BellSouth reserves the right to bill KMC II for all costs associated with investigations involving its employees, agents, or contractors if it can be reasonably established that KMC II's employees, agents, or contractors are responsible for the alleged act. BellSouth shall bill KMC II for BellSouth property which is stolen or damaged where an investigation determines the culpability of KMC II's employees, agents, or contractors. KMC II shall notify BellSouth in writing immediately in the event that KMC II discovers one of its employees already working on the BellSouth premises is a possible security risk. BellSouth reserves the right to permanently remove from its premises any employee of KMC II identified as posing a security risk to BellSouth or any other CLEC, or having violated BellSouth policies set forth in the BellSouth CLEC Security Training. KMC II shall hold BellSouth harmless for any damages resulting from such removal of its personnel from BellSouth premises.

Use of BellSouth Supplies by KMC II Employees. Use of any BellSouth supplies by a KMC II employee, whether or not used routinely to provide telephone service (e.g. plug-in cards,) will be considered theft and will be handled accordingly. Costs associated with such unauthorized use of BellSouth property may be charged to KMC II as may be all associated investigative costs. At BellSouth's request, KMC II shall promptly and permanently remove from BellSouth's Central Office any employee of KMC II found to be in violation of this rule.

Use of Official Lines by KMC II Employees. Except for local calls necessary in the performance of their work, KMC II employees shall not use the telephones on BellSouth Central Office. Charges for unauthorized telephone calls made by a KMC II employee may be charged to KMC II as may be all associated investigative costs. At BellSouth's request, KMC II shall promptly and permanently remove from BellSouth's premises any employee of KMC II found to be in violation of this rule.

Accountability. Full compliance with the Security requirements of this section shall in no way limit the accountability of KMC II for the improper actions of its employees.

3. All of the other provisions of the Agreement, dated February 23, 1998, shall remain in full force and effect.

4. Either or both of the Parties is authorized to submit this Amendment to the respective state regulatory authorities for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives on the date indicated below.

BellSouth Telecommunications, Inc.



Signature

Jerry D. Hendrix
Name

Senior Director

Date

10/28/99

KMC Telecom II, Inc.



Signature

Michael Sternberg
Name

President & CEO

Date

10/18/99

**EXHIBIT 1
Attachment A**

Rates marked with an asterisk (*) are interim and are subject to true-up.

USOC	Rate Element Description	Unit	Recurring Rate (RC)	Non-Recurring Rate (NRC)
PE1A1	Security Access System			
	Security system*	Per Central Office	\$52.00	
	New Access Card Activation*	Per Card		\$55.00
	Administrative change, existing card*	Per Card		\$35.00
	Replace lost or stolen card*	Per Card		\$250.00

Rate "True-Up." The Parties agree that the prices reflected as interim herein shall be "trued-up" (up or down) based on final prices either determined by further agreement or by final order, including any appeals, in a proceeding involving BellSouth before the regulatory authority for the state in which the services are being performed or any other body having jurisdiction over this agreement (hereinafter "Commission"). Under the "true-up" process, the interim price for each service shall be multiplied by the volume of that service purchased to arrive at the total interim amount paid for that service ("Total Interim Price"). The final price for that service shall be multiplied by the volume purchased to arrive at the total final amount due ("Total Final Price"). The Total Interim Price shall be compared with the Total Final Price. If the Total Final Price is more than the Total Interim Price, KMC II shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to KMC II. Each party shall keep its own records upon which a "true-up" can be based and any final payment from one party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records or the Parties regarding the amount of such "true-up," the Parties agree that the Commission shall be called upon to resolve such differences.