

ORIGINAL

RECEIVED-PPSC

Legal Department

J PHILLIP CARVER
General Attorney

00 FEB 29 PM 4:25

BellSouth Telecommunications, Inc.
150 South Monroe Street
Room 400
Tallahassee, Florida 32301
(404) 335-0710

RECORDS AND
REPORTING

February 29, 2000

Mrs. Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

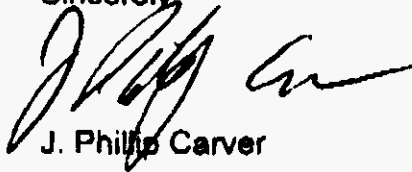
Re: Docket No. 991838-TP

Dear Ms. Bayó:

Enclosed please find the original and fifteen copies of BellSouth's Notice of Filing Original Affidavit, which we ask that you file in the above-referenced matter.

A copy of this letter is enclosed. Please mark it to indicate that the original was filed and return the copy to me. Copies have been served to the parties shown on the attached Certificate of Service.

Sincerely,


J. Phillip Carver

AFA _____
APP _____
CAF _____
CMU _____
CTR _____
EAG _____
LEG 2 _____
MAS 3 _____
OPC _____
RRR _____
SEC 1 _____
WAW _____
OTH _____

cc: All Parties of Record
Marshall M. Criser III
R. Douglas Lackey
Nancy B. White

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

02685 FEB 29 8

FPSC-RECORDS/REPORTING

**CERTIFICATE OF SERVICE
DOCKET NO. 991838-TP**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via Federal Express (+) or Hand-Delivery (*) this 29th day of February, 2000 to the following:

Donna Clemons (*)
Staff Counsel
Division of Legal Services
Florida Public Service Comm.
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Henry C. Campen (+)
John A. Doyle
Parker, Poe, Adams & Bernstein, LLP
First Union Capitol Center
150 Fayetteville Street Mall
Suite 1400
Raleigh, N.C. 27602
Tel. No. (919) 828-0564
Fax. No. (919) 834-4564

Vicki Gordon Kaufman (*)
McWhirter, Reeves, McGlothlin,
Davidson, Decker, Kaufman,
Arnold & Steen, P.A.
117 South Gadsden Street
Tallahassee, FL 32301
Tel. No. (850) 222-2525
Fax. No. (850) 222-5806

Norton Cutler (+)
V.P. Regulatory & General Counsel
BlueStar Networks, Inc.
L & C Tower, 24th Floor
401 Church Street
Nashville, Tennessee 37219
(615) 348-6860


J. Phillip Carver

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re:

Petition for Arbitration of BlueStar)
Networks, Inc. with BellSouth)
Telecommunications, Inc. Pursuant)
To the Telecommunications Act of 1996)

Docket No. 991838-TP

Filed: February 29, 2000


NOTICE OF FILING ORIGINAL AFFIDAVIT


BellSouth Telecommunications, Inc. ("BellSouth") hereby files its Notice of Filing Original Affidavit and states the following:

1. On February 25, 2000, BellSouth filed its Response to the Motion of BlueStar to Strike Portions of the Testimony of BellSouth's witness, Mr. Varner. Attached to that response was a faxed copy of an Affidavit of BellSouth employee, Susan Arrington. Attached for filing is the original of that Affidavit.

Respectfully submitted this 29th day of February, 2000.

BELLSOUTH TELECOMMUNICATIONS, INC.


NANCY B. WHITE
MICHAEL P. GOGGIN
c/o Nancy Sims
150 South Monroe Street, #400
Tallahassee, Florida 32301
(305) 347-5558


R. DOUGLAS LACKEY
J. PHILLIP CARVER
675 West Peachtree Street, #4300
Atlanta, Georgia 30375
(404)335-0710

199282

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re:

Petition for Arbitration of BlueStar)	
Networks, Inc. with BellSouth)	Docket No. 991838-TP
Telecommunications, Inc. Pursuant)	
To the Telecommunications Act of 1996)	
_____)	

STATE OF GEORGIA)
COUNTY OF FULTON)

AFFIDAVIT OF
SUSAN M. ARRINGTON

I, Susan M. Arrington, being duly sworn, do hereby depose and state as follows:

1) My name is Susan M. Arrington, and I am employed by BellSouth Telecommunications, Inc. ("BellSouth"), 675 W. Peachtree Street, Atlanta, Georgia 30375. For the past 12 years, I have held various positions with BellSouth, including State Regulatory Paralegal – BellSouth Legal Department. I assumed my current position as Manager – Contract Negotiations for Interconnection Services in August of 1996. One of my primary responsibilities includes negotiating interconnection agreements with competing local exchange carriers. In the past 3 ½ years, I have negotiated numerous interconnection agreements on behalf of BellSouth.

2) During negotiations with BlueStar Networks, Inc. ("BlueStar") and BellSouth for a new interconnection agreement, BlueStar originally requested Unbundled Copper Loops (UCL) at lengths greater than 18 kilofeet. At that time, BellSouth only offered UCLs up to 18 kilofeet. On December 7, 1999, BlueStar filed for arbitration in Florida, Georgia, Kentucky and Tennessee. In its arbitration petition, BlueStar included the issue of the longer UCLs.

3) As a result of the FCC's UNE Remand Order, BellSouth reviewed its position on offering long UCLs and developed an offering for UCLs at lengths greater than 18 kilofeet. An amendment including the terms and conditions, as well as the rates, for both short and long UCLs and rates for line conditioning was proposed to BlueStar in early January, 2000. At this time, I sent to BlueStar a draft Agreement that had been prepared for discussion purposes (a copy of that draft is attached as Exhibit 1). BlueStar did not comment in response to its receipt of the proposed amendment.

4) During the week of January 17, 2000, I received a number of telephone calls from BlueStar's account manager Scott Christian as well as Mr. Christian's supervisor, Mike Wilburn, inquiring as to whether BlueStar could order UCLs at lengths greater than 18 kilofeet. I explained to both Mr. Christian and Mr. Wilburn, that, although BellSouth had proposed an Amendment to BlueStar which would give them the ability to order the longer UCLs, BlueStar had not yet executed the Amendment and therefore, was not authorized at this time to order the longer UCLs.

5) I received an e-mail from Norton Cutler, BlueStar's General Counsel, dated January 26, 2000 advising me that a signed copy of the proposed UCL amendment was being faxed to me. (Exhibit 2) The fax consisted of four pages including the rate attachment, and contained information that apparently had been handwritten by Mr. Cutler. (Exhibit 3) In the e-mail message, Mr. Cutler stated that "it is imperative that we process this asap because BellSouth is canceling increasing numbers of orders for length." Mr. Cutler did not raise any specific issues concerning the language of the amendment. In the January 26, 2000 e-mail, Mr. Cutler also stated that he had been requesting a conformed copy of the amendment for two weeks. I had not received such requests, but responded to Mr. Cutler's statement immediately.

6) On January 27, 2000, I sent to BlueStar a revised UCL amendment for BlueStar's signature. The only revision made to the Amendment was to add BlueStar Networks, Inc.'s name and the Interconnection Agreement date. The rates, terms and conditions remained the same as in BellSouth's original proposal to BlueStar. Since BlueStar has two almost identical interconnection agreements with BellSouth, and a third agreement that applies only to the state of North Carolina, I asked Mr. Cutler if he also wanted to amend the BlueStar Interconnection Agreement for the states of Alabama, Mississippi, South Carolina and Louisiana to incorporate the UCL amendment, and, if so, that I would prepare an amendment to apply to these other states. Mr. Cutler, on behalf of BlueStar signed the amendment to the Interconnection Agreement for the states of Florida, Georgia, Kentucky and Tennessee (Exhibit 4), and then, on the same

date, signed the same Amendment to the Interconnection Agreement for the states Alabama, Louisiana, Mississippi and South Carolina.

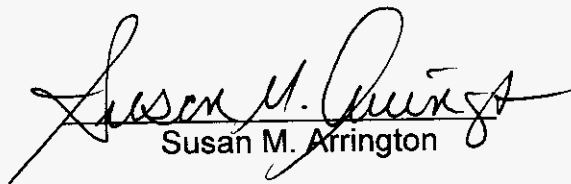
7) On February 2, 2000, Mr. Cutler was in Atlanta, Georgia to review documents that had been produced by BellSouth. During a meeting with BlueStar on the afternoon of the second, Mr. Cutler stated to me for the first time that BlueStar did not agree to the rates in the UCL amendment. Mr. Cutler essentially signed this amendment three times: One, when he signed the proposed copy of the amendment (Exhibit 3); two when he signed the conformed copy for four states (including Florida); and three, when he signed the conformed copy for the interconnection agreement for four other states. Never during this time did Mr. Cutler, or anyone from BlueStar, advise me that BlueStar did not agree to BellSouth's proposed UCL and Line Conditioning rates. In fact, BlueStar has submitted orders, and continues to submit orders, to BellSouth for long UCLs pursuant to this agreement. In order for BellSouth to process orders, there must be a complete Interconnection Agreement in place, including rates as well as terms and conditions. Without an Agreement with rates for UCLs, BlueStar would not be able to order these loops.

8) Nevertheless, during the meeting on February 2, 2000, Mr. Cutler advised me that he did not intend to agree to the rates when he signed the amendment. He also stated that he was willing to accept the rates proposed by BellSouth's witness, Al Varner in his Direct Testimony filed January 25, 2000, two days before BlueStar signed the Amendment. We discussed the UCL rates in Mr. Varner's testimony, and reviewed cost studies that were produced to

BlueStar as part of discovery. In light of Mr. Cutler's contention that this issue was not settled, I told him that I would be willing to continue to negotiate the UCL rates. Although I believed that the Amendment was binding, I agreed to continue negotiations for all issues that were not covered by a signed stipulation, including this issue.

9) I later received a letter dated February 1, 2000, from Halley Walton, a Paralegal at BlueStar, along with the original signature pages of the amendments executed by BlueStar. (Exhibit 5). This original included all four pages of the BlueStar agreement, including the page that sets out the rates for UCLs and line conditioning. A copy of the fully executed amendments was returned to BlueStar under a letter dated February 18, 2000. (Exhibit 6).

FURTHER AFFIANT SAYETH NOT.


Susan M. Arrington

Subscribed and sworn to before me this 25th day of February, 2000.



Notary Public

My Commission Expires:

Notary Public, Gwinnett County, Georgia
My Commission Expires Feb. 19, 2004

198786

**AMENDMENT
TO THE
AGREEMENT BETWEEN**

**AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED**

Pursuant to this Agreement, (the "Amendment"), CLEC-1 ("CLEC-1"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to individually as a "Party" and collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated _____ (the "Interconnection Agreement").

WHEREAS, BellSouth and CLEC-1 entered into an Interconnection Agreement on December 28, 1999 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. The Interconnection Agreement entered into between CLEC-1 and BellSouth is hereby amended to delete Section ____ of Attachment 2 in its entirety and replace it with new Section _____ of Attachment 2 which is attached hereto as Exhibit A.
2. This Amendment shall have an effective date of _____, 2000.
3. All of the other provisions of the Agreement, dated _____, shall remain in full force and effect.
4. Either or both of the Parties may submit this Amendment to the appropriate Commission 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.

CLEC-1

BellSouth Telecommunications, Inc.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A

2.3 Technical Requirements

2.3.1 BellSouth will offer loops capable of supporting telecommunications services such as: POTS, Centrex, basic rate ISDN, analog PBX, voice grade private line, 2 and 4 wire xDSL, and digital data (up to 64 kb/s). Additional services may include digital PBXs, primary rate ISDN, Nx 64 kb/s, and DS1/DS3 and SONET private lines.

2.3.1.1 Digital Subscriber Line ("xDSL") Capable Loops. XDSL capable loops describe loops that may support various technologies and services. The "x" in xDSL is a placeholder for the various types of digital subscriber line services. An xDSL loop is a plain twisted pair copper loop. BellSouth will offer xDSL capable loops according to industry standards for CSA design loops (ADSL/HDSL) and resistance design loops (UCL). To the extent that these loops exist within the BellSouth network at a particular location, they will be provisioned without intervening devices, including but not limited to load coils, repeaters (unless so requested by CLEC-1), or digital access main lines ("DAMLs"). These loops may contain bridged tap in accordance with the respective industry standards (CSA design loops may have up to 2,500 feet total (all bridged taps) and up to 2,000 feet for a single bridged tap; resistance design loops may have up to 6,000 ft). At CLEC-1's request, BellSouth will provide CLEC-1 with xDSL loops other than those listed above, so long as CLEC-1 is willing to pay the loop conditioning costs needed to remove the above listed equipment and/or bridge taps from the loops. Any copper loop longer than 18kft requested by CLEC-1 through the loop conditioning process will be ordered, billed, and inventoried as UCLs. Loop conditioning costs will be charged in addition to the loop itself on any of the loops described in this section 2.1.2.2, CLEC-1 may provide any service that it chooses so long as such service is in compliance with FCC regulations and BellSouth's TR73600.

2.3.1.2 The loop will support the transmission, signaling, performance and interface requirements of the services described in 2.1.2.1 above. The foregoing sentence notwithstanding, in instances where BellSouth provides CLEC-1 with an xDSL loop that is over 12,000 feet in length, BellSouth will not be expected to maintain and repair the loop to the standards specified in the TR73600 and other standards referenced in this Agreement; provided, however, that for all loops (xDSL or otherwise) ordered by CLEC-1, BellSouth agrees to maintain electrical continuity and to provide balance relative to tip and ring.

2.3.1.3 In instances where CLEC-1 requests BellSouth to provide CLEC-1 with an xDSL loop to a particular end-user premises and (I) there is no such facility (including

without limitation spare copper) available, and (ii) there is a loop available that would meet the definition of an xDSL loop if it were conditioned consistent with the FCC's rules promulgated pursuant to the UNE Remand Order, FCC 99-238 (adopted Sept. 15, 1999) (*i.e.*, FCC Rule 51.319(a)(3)) (hereinafter "Conditioning Rules"), BellSouth shall offer such loop to CLEC-1 and shall offer to condition such loop consistent with the Conditioning Rules. In those cases where CLEC-1 requests that BellSouth remove equipment from a loop longer than 18kft, and this equipment is required to provide normal voice services, CLEC-1 agrees to pay a re-conditioning charge in order to bring the loop back up to its original specifications.

2.3.1.3.1 The Parties agree that such conditioning charges shall be interim and subject to true-up (up or down), pending the determination by the relevant Commission of conditioning charges. The Parties further agree that, if and when a Commission (in a final order not stayed) orders or otherwise adopts conditioning charges, they shall amend this Agreement to reflect said charges. If the Parties are unable to reach agreement on such an amendment, either Party may petition the appropriate Commission for relief pursuant to the dispute resolution procedures described in the General Terms and Conditions – Part A of this Agreement.

In those cases where CLEC-1 has requested that BellSouth remove equipment from the BellSouth loop, BellSouth will not be expected to maintain and repair the loop to the standards specified for that loop type in the TR73600 and other standards referenced in this Agreement.

In addition, CLEC-1 recognizes that there may be instances where a loop modified pursuant to this subsection 2.1.2.5 may be subjected to normal network configuration changes that may cause the circuit characteristics to be changed and may create an outage of the service that CLEC-1 has placed on the loop (*e.g.*, a copper voice loop is modified by the removal of load coils so that CLEC-1 may attempt to provide xDSL service. BellSouth's records may still reflect that the loop is a voice circuit. BellSouth performs a network efficiency job and rolls the loop to a DLC. The original voice loop would not have been impacted by this move but the xDSL loop will likely not support xDSL service). If this occurs, BellSouth will work cooperatively with CLEC-1 to restore the circuit to its previous xDSL capable status as quickly as possible.

2.3.1.4 The following rates, as subject to true-up, will apply:

2-Wire Unbundled Copper Loop (18kft or less)									
	AL*	FL	GA*	KY*	LA	MS*	NC	SC*	TN**
Recurring	\$15.11	\$18.00	\$13.05	\$11.89	\$21.00	\$14.83	\$19.00	\$20.81	\$18.00
Non-Recurring									
Non-Recurring 1st	\$514.21	\$340.00	\$359.00	\$713.50	\$340.00	\$504.82	\$450.00	\$600.61	\$450.00
Non-Recurring Add'l	\$464.58	\$300.00	\$325.15	\$609.44	\$300.00	\$456.24	\$390.00	\$507.33	\$325.00
Manual Svc Ord -1st	\$47.00	\$47.00	\$18.94	\$47.00	\$18.14	\$25.52	\$47.00	\$25.52	
Manual Svc Ord -Adl	\$21.00	\$21.00	\$8.42	\$21.00	\$8.06	\$11.34	\$21.00	\$47.00	
Manual Svc Ord -Dis	\$17.77			\$17.77	\$11.41	\$16.06		\$21.00	
Order Coordination	\$16.00	\$16.00	\$34.22	NA	\$32.77	\$45.27	\$16.00	\$45.43	\$45.00
Disconnect 1st					\$72.54	\$105.86			
Disconnect Addl					\$39.42	\$57.25			

*Same as ADSL loop rate

** ADSL rates not yet set

Loop Conditioning									
Remove Equip < 18ft									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Equip > 18ft									
First Install	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
First Disconnect	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Disconnect	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Bridge Tap all									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20

The UCL Rates listed above may be used for UCLs longer than 18kft until we are able to perform a cost study on long UCLs (18kft).

The Loop Conditioning charges would apply in addition to the UCL NRCs.

All the rates listed above would be subject to true-up once final cost numbers are determined.

The Parties agree that the prices reflected herein shall be "true-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, including the FCC. Under the "true-up" process, the 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, CLEC-1 shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to CLEC-1. 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 such differences shall be resolved through arbitration.

MESSAGE

Dated: 1/26/00 at 15:50

Subject: UCL Amendment And Further Negotiations

Contents: 3

Sender: norton!cutler /Internet (norton.cutler@bluestar.net)

Item 1

FROM: norton!cutler /Internet (norton.cutler@bluestar.net)

TO: Susan M. Arrington /m3,mail3a

carty!hassett /Internet (carty.hassett@bluestar.net)

Michael D. Wilburn /m6,mail6a

Item 2

ARPA MESSAGE HEADER

Item 3

I am faxing you a signed copy of the proposed UCL amendment now, but we will need to conform it to type in Bluestar's name. It is imperative that we process this asap because BellSouth is cancelling increasing numbers of orders for length. Bluestar has been requesting a copy of the amendment with Bluestar's name for almost two weeks and patience is wearing thin. BellSouth's refusal to honor these orders without an amendment that BellSouth has refused to supply borders on bad faith.

We also need to have a meeting on the remaining issues ASAP. Bluestar has requested that the Tennessee Commission conduct the mediation that it suggested. The answer to the arbitration and the testimony filed on 1/25 in Florida prove that there is very little between our positions. Refusing to meet to narrow this gap again borders on bad faith.

Bluestar is ready to resolve all the issues let's not wait any longer to try.

Exhibit 2

**AMENDMENT
TO THE
AGREEMENT BETWEEN
Bluestar Networks
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED**

Bluestar Networks

Pursuant to this Agreement, (the "Amendment"), ~~CLEC-1~~ (~~CLEC-1~~), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to individually as a "Party" and collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated Dec 7, 1999, (the "Interconnection Agreement").

WHEREAS, BellSouth and ~~CLEC-1~~ *Blustar* entered into an Interconnection Agreement on Dec 7, 1999, 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. The Interconnection Agreement entered into between CLEC-1 and BellSouth is hereby amended to delete Section ____ of Attachment 2 in its entirety and replace it with new Section _____ of Attachment 2 which is attached hereto as Exhibit A.
2. This Amendment shall have an effective date of Jan 1, 2000.
3. All of the other provisions of the Agreement, dated Dec 7, 1999, shall remain in full force and effect.
4. Either or both of the Parties may submit this Amendment to the appropriate Commission 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.

Bluestar Networks

~~CLEC-1~~

By: *Norton Cutler*

Name: *Norton Cutler*

Title: *General Counsel*

Date: *1-26-2000*

BellSouth Telecommunications, Inc.

By: _____

Name: *Jerry Hendrix*

Title: *Senior Director*

Date: _____

EXHIBIT A

- 2.3 Technical Requirements
- 2.3.1 BST will offer loops capable of supporting telecommunications services such as: POTS, Centrex, basic rate ISDN, analog PBX, voice grade private line, 2 and 4 wire xDSL, and digital data (up to 64 kb/s). Additional services may include digital PBXs, primary rate ISDN, Nx 64 kb/s, and DS1/DS3 and SONET private lines.
- 2.3.1.1 Digital Subscriber Line ("xDSL") Capable Loops. xDSL capable loops describe loops that may support various technologies and services. The "x" in xDSL is a placeholder for the various types of digital subscriber line services. An xDSL loop is a plain twisted pair copper loop. BellSouth will offer xDSL capable loops according to industry standards for CSA design loops (ADSL/HDSL) and resistance design loops (UCL). To the extent that these loops exist within the BellSouth network at a particular location, they will be provisioned without intervening devices, including but not limited to load coils, repeaters (unless so requested by CLEC-1), or digital access main lines ("DAMLs"). These loops may contain bridged tap in accordance with the respective industry standards (CSA design loops may have up to 2,500 feet total (all bridged taps) and up to 2,000 feet for a single bridged tap; resistance design loops may have up to 6,000 ft). At CLEC-1's request, BellSouth will provide CLEC-1 with xDSL loops other than those listed above, so long as CLEC-1 is willing to pay the loop conditioning costs needed to remove the above listed equipment and/or bridge taps from the loops. Any copper loop longer than 18kft requested by CLEC-1 through the loop conditioning process will be ordered, billed, and inventoried as UCLs. Loop conditioning costs will be charged in addition to the loop itself. On any of the loops described in this section 2.3.1.1, CLEC-1 may provide any service that it chooses so long as such service is in compliance with FCC regulations and BellSouth's TR73600.
- 2.3.1.2 The loop will support the transmission, signaling, performance and interface requirements of the services described in 2.3.1 above. The foregoing sentence notwithstanding, in instances where BellSouth provides CLEC-1 with an xDSL loop that is over 12,000 feet in length, BellSouth will not be expected to maintain and repair the loop to the standards specified in the TR73600 and other standards referenced in this Agreement; provided, however, that for all loops (xDSL or otherwise) ordered by CLEC-1, BellSouth agrees to maintain electrical continuity and to provide balance relative to tip and ring.
- 2.3.1.3 In instances where CLEC-1 requests BellSouth to provide CLEC-1 with an xDSL loop to a particular end-user premises and (i) there is no such facility (including without limitation spare copper) available, and (ii) there is a loop available that

would meet the definition of an xDSL loop if it were conditioned consistent with the FCC's rules promulgated pursuant to the UNE Remand Order, FCC 99-238 (adopted Sept. 15, 1999) (*i.e.*, FCC Rule 51.319(a)(3)) (hereinafter "Conditioning Rules"), BellSouth shall offer such loop to CLEC-1 and shall offer to condition such loop consistent with the Conditioning Rules. In those cases where CLEC-1 requests that BellSouth remove equipment from a loop longer than 18kft, and this equipment is required to provide normal voice services, CLEC-1 agrees to pay a re-conditioning charge in order to bring the loop back up to its original specifications.

- 2.3.1.3.1 The Parties agree that such conditioning charges shall be interim and subject to true-up (up or down), pending the determination by the relevant Commission of conditioning charges. The Parties further agree that, if and when a Commission (in a final order not stayed) orders or otherwise adopts conditioning charges, they shall amend this Agreement to reflect said charges. If the Parties are unable to reach agreement on such an amendment, either Party may petition the appropriate Commission for relief pursuant to the dispute resolution procedures described in the General Terms and Conditions – Part A of this Agreement.

In those cases where CLEC-1 has requested that BellSouth remove equipment from the BellSouth loop, BellSouth will not be expected to maintain and repair the loop to the standards specified for that loop type in the TR73600 and other standards referenced in this Agreement.

In addition, CLEC-1 recognizes that there may be instances where a loop modified pursuant to this subsection 2.3.1.3.1 may be subjected to normal network configuration changes that may cause the circuit characteristics to be changed and may create an outage of the service that CLEC-1 has placed on the loop (e.g., a copper voice loop is modified by the removal of load coils so that CLEC-1 may attempt to provide xDSL service. BellSouth's records may still reflect that the loop is a voice circuit. BellSouth performs a network efficiency job and rolls the loop to a DLC. The original voice loop would not have been impacted by this move but the xDSL loop will likely not support xDSL service). If this occurs, BellSouth will work cooperatively with CLEC-1 to restore the circuit to its previous xDSL capable status as quickly as possible.

- 2.3.1.4 The following rates, as subject to true-up, will apply:

2-Wire Unbundled Copper Loop (18kft or less)									
	AL*	FL	GA*	KY*	LA	MS*	NC	SC*	TN**
Recurring	\$15.11	\$18.00	\$13.05	\$11.89	\$21.00	\$14.83	\$19.00	\$20.81	\$18.00
Non-Recurring		\$113.00							
Non-Recurring 1st	\$514.21	\$540.00	\$359.00	\$713.50	\$340.00	\$504.82	\$450.00	\$600.61	\$450.00
Non-Recurring Addl	\$464.58	\$300.00	\$325.15	\$609.44	\$300.00	\$456.24	\$390.00	\$507.33	\$325.00
Manual Svc Ord -1st	\$47.00	\$47.00	\$18.94	\$47.00	\$18.14	\$25.52	\$47.00	\$25.52	
Manual Svc Ord -Adl	\$21.00	\$21.00	\$8.42	\$21.00	\$8.06	\$11.34	\$21.00	\$47.00	
Manual Svc Ord -Dis	\$17.77			\$17.77	\$11.41	\$16.06		\$21.00	
Order Coordination	\$16.00	\$16.00	\$34.22	NA	\$32.77	\$45.27	\$16.00	\$45.43	\$45.00
Disconnect 1st					\$72.54	\$105.86			
Disconnect Addl					\$39.42	\$57.25			

*Same as ADSL loop rate

** ADSL rates not yet set

Loop Conditioning									
Remove Equip < 18ft									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Equip > 18ft									
First Install	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
First Disconnect	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Disconnect	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Bridge Tap all									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20

The UCL Rates listed above may be used for UCLs longer than 18kft until we are able to perform a cost study on long UCLs (18kft).

The Loop Conditioning charges would apply in addition to the UCL NRCs.

All the rates listed above would be subject to true-up once final cost numbers are determined.

The Parties agree that the prices reflected herein shall be "true-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, including the FCC. Under the "true-up" process, the 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, CLEC-1 shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to CLEC-1. 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 such differences shall be resolved through arbitration.

**AMENDMENT
TO THE
AGREEMENT BETWEEN
BLUESTAR NETWORKS, INC.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED DECEMBER 28, 1999
(Florida, Georgia, Kentucky and Tennessee)**

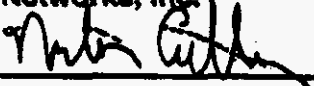
Pursuant to this Agreement, (the "Amendment"), Bluestar Networks, Inc. ("Bluestar"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to individually as a "Party" and collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated December 28, 1999 (the "Interconnection Agreement").

WHEREAS, BellSouth and Bluestar entered into an Interconnection Agreement on December 28, 1999 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. The Interconnection Agreement entered into between Bluestar and BellSouth is hereby amended to delete Sections 2.1.2, 2.1.3 – 2.1.3.7 of Attachment 2 in its entirety and replace it with new Section 2.1.2 of Attachment 2 which is attached hereto as Exhibit A.
2. This Amendment shall have an effective date of January 27, 2000.
3. All of the other provisions of the Agreement, dated December 28, 1999, shall remain in full force and effect.
4. Either or both of the Parties may submit this Amendment to the appropriate Commission 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.

Bluestar Networks, Inc.
By: 
Name: Norton Cutler
Title: General Counsel
Date: 1-27-2000

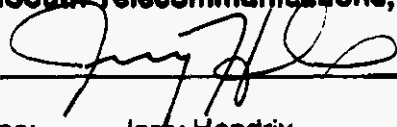
BellSouth Telecommunications, Inc.
By: 
Name: Jerry Hendrix
Title: Senior Director
Date: 1/27/00

EXHIBIT A

2.1.2 Technical Requirements

- 2.1.2.1 BellSouth will offer loops capable of supporting telecommunications services such as: POTS, Centrex, basic rate ISDN, analog PBX, voice grade private line, 2 and 4 wire xDSL, and digital data (up to 64 kb/s). Additional services may include digital PBXs, primary rate ISDN, Nx 64 kb/s, and DS1/DS3 and SONET private lines.
- 2.1.2.2 Digital Subscriber Line ("xDSL") Capable Loops. xDSL capable loops describe loops that may support various technologies and services. The "x" in xDSL is a placeholder for the various types of digital subscriber line services. An xDSL loop is a plain twisted pair copper loop. BellSouth will offer xDSL capable loops according to industry standards for CSA design loops (ADSL/HDSL) and resistance design loops (UCL). To the extent that these loops exist within the BellSouth network at a particular location, they will be provisioned without intervening devices, including but not limited to load coils, repeaters (unless so requested by Bluestar), or digital access main lines ("DAMLs"). These loops may contain bridged tap in accordance with the respective industry standards (CSA design loops may have up to 2,500 feet total (all bridged taps) and up to 2,000 feet for a single bridged tap; resistance design loops may have up to 6,000 ft). At Bluestar's request, BellSouth will provide Bluestar with xDSL loops other than those listed above, so long as Bluestar is willing to pay the loop conditioning costs needed to remove the above listed equipment and/or bridge taps from the loops. Any copper loop longer than 18kft requested by Bluestar through the loop conditioning process will be ordered, billed, and inventoried as UCLs. Loop conditioning costs will be charged in addition to the loop itself on any of the loops described in this section 2.1.2.2, Bluestar may provide any service that it chooses so long as such service is in compliance with FCC regulations and BellSouth's TR73600.
- 2.1.2.3 The loop will support the transmission, signaling, performance and interface requirements of the services described in 2.1.2.1 above. The foregoing sentence notwithstanding, in instances where BellSouth provides Bluestar with an xDSL loop that is over 12,000 feet in length, BellSouth will not be expected to maintain and repair the loop to the standards specified in the TR73600 and other standards referenced in this Agreement; provided, however, that for all loops (xDSL or otherwise) ordered by Bluestar, BellSouth agrees to maintain electrical continuity and to provide balance relative to tip and ring.
- 2.1.2.4 In instances where Bluestar requests BellSouth to provide Bluestar with an xDSL loop to a particular end-user premises and (1) there is no such facility (including

without limitation spare copper) available, and (ii) there is a loop available that would meet the definition of an xDSL loop if it were conditioned consistent with the FCC's rules promulgated pursuant to the UNE Remand Order, FCC 99-238 (adopted Sept. 15, 1999) (i.e., FCC Rule 51.319(a)(3)) (hereinafter "Conditioning Rules"), BellSouth shall offer such loop to Bluestar and shall offer to condition such loop consistent with the Conditioning Rules. In those cases where Bluestar requests that BellSouth remove equipment from a loop longer than 18kft, and this equipment is required to provide normal voice services, Bluestar agrees to pay a re-conditioning charge in order to bring the loop back up to its original specifications.

- 2.1.2.5 The Parties agree that such conditioning charges shall be interim and subject to true-up (up or down), pending the determination by the relevant Commission of conditioning charges. The Parties further agree that, if and when a Commission (in a final order not stayed) orders or otherwise adopts conditioning charges, they shall amend this Agreement to reflect said charges. If the Parties are unable to reach agreement on such an amendment, either Party may petition the appropriate Commission for relief pursuant to the dispute resolution procedures described in the General Terms and Conditions – Part A of this Agreement.
- 2.1.2.6 In those cases where Bluestar has requested that BellSouth remove equipment from the BellSouth loop, BellSouth will not be expected to maintain and repair the loop to the standards specified for that loop type in the TR73600 and other standards referenced in this Agreement.
- 2.1.2.7 In addition, Bluestar recognizes that there may be instances where a loop modified pursuant to this subsection 2.1.2.5 may be subjected to normal network configuration changes that may cause the circuit characteristics to be changed and may create an outage of the service that Bluestar has placed on the loop (e.g., a copper voice loop is modified by the removal of load coils so that Bluestar may attempt to provide xDSL service. BellSouth's records may still reflect that the loop is a voice circuit. BellSouth performs a network efficiency job and rolls the loop to a DLC. The original voice loop would not have been impacted by this move but the xDSL loop will likely not support xDSL service). If this occurs, BellSouth will work cooperatively with Bluestar to restore the circuit to its previous xDSL capable status as quickly as possible.

2.1.2.8 The following rates, as subject to true-up, will apply:

2-Wire Unbundled Copper Loop (18kft or less)
--

	AL*	FL	GA*	KY*	LA	MS*	NC	SC*	TN**
Recurring	\$15.11	\$18.00	\$13.05	\$11.89	\$21.00	\$14.83	\$19.00	\$20.81	\$18.00
Non-Recurring									
Non-Recurring 1st	\$514.21	\$340.00	\$359.00	\$713.50	\$340.00	\$504.82	\$450.00	\$600.61	\$450.00
Non-Recurring Addl	\$464.58	\$300.00	\$325.15	\$609.44	\$300.00	\$456.24	\$390.00	\$507.33	\$325.00
Manual Svc Ord -1st	\$47.00	\$47.00	\$18.94	\$47.00	\$18.14	\$25.52	\$47.00	\$25.52	
Manual Svc Ord -Adl	\$21.00	\$21.00	\$8.42	\$21.00	\$8.06	\$11.34	\$21.00	\$47.00	
Manual Svc Ord -Dis	\$17.77			\$17.77	\$11.41	\$16.06		\$21.00	
Order Coordination	\$16.00	\$16.00	\$34.22	NA	\$32.77	\$45.27	\$16.00	\$45.43	\$45.00
Disconnect 1st					\$72.54	\$105.86			
Disconnect Addl					\$39.42	\$57.25			

*Same as ADSL loop rate

** ADSL rates not yet set

Loop Conditioning									
Remove Equip < 18ft									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Equip > 18ft									
First Install	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
First Disconnect	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Disconnect	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Bridge Tap all									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20

The UCL Rates listed above may be used for UCLs longer than 18kft until we are able to perform a cost study on long UCLs (18kft)

The Loop Conditioning charges would apply in addition to the UCL NRCs.

All the rates listed above would be subject to true-up once final cost numbers are determined.

The Parties agree that the prices reflected herein shall be "true-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, including the FCC. Under the "true-up" process, the 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, Bluestar shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to Bluestar. 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 such differences shall be resolved through arbitration.



Exhibit 5

February 1, 2000

Susan Arrington
BellSouth Interconnection Services
675 West Peachtree Street, NE
Room 34591
Atlanta, GA 30375

Re: Amendment to the Agreement between BlueStar Networks and BellSouth

Dear Susan:

Enclosed please find BlueStar's original signature pages to the Amendment. Once BellSouth has executed this Agreement please send an original signature for our files.

Sincerely,


Halley Walton
Paralegal

401 Church Street, 24th Floor
Nashville, Tennessee 37219
615-255-2100 Fax: 615-255-2102
Toll Free: 877-888-8580
www.bluestar.net

**AMENDMENT
TO THE
AGREEMENT BETWEEN
BLUESTAR NETWORKS, INC.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED DECEMBER 28, 1999
(Florida, Georgia, Kentucky and Tennessee)**

Pursuant to this Agreement, (the "Amendment"), Bluestar Networks, Inc. ("Bluestar"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to individually as a "Party" and collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated December 28, 1999 (the "Interconnection Agreement").

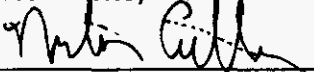
WHEREAS, BellSouth and Bluestar entered into an Interconnection Agreement on December 28, 1999 and;

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. The Interconnection Agreement entered into between Bluestar and BellSouth is hereby amended to delete Sections 2.1.2, 2.1.3 – 2.1.3.7 of Attachment 2 in its entirety and replace it with new Section 2.1.2 of Attachment 2 which is attached hereto as Exhibit A.
2. This Amendment shall have an effective date of January 27, 2000.
3. All of the other provisions of the Agreement, dated December 28, 1999, shall remain in full force and effect.
4. Either or both of the Parties may submit this Amendment to the appropriate Commission 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.

Bluestar Networks, Inc.

By: 

Name: Norton Cutler

Title: General Counsel

Date: 1-27-2000

BellSouth Telecommunications, Inc.

By: 

Name: Jerry Hendrix

Title: Senior Director

Date: 1-27-00

EXHIBIT A

2.1.2 Technical Requirements

2.1.2.1 BellSouth will offer loops capable of supporting telecommunications services such as: POTS, Centrex, basic rate ISDN, analog PBX, voice grade private line, 2 and 4 wire xDSL, and digital data (up to 64 kb/s). Additional services may include digital PBXs, primary rate ISDN, Nx 64 kb/s, and DS1/DS3 and SONET private lines.

2.1.2.2 Digital Subscriber Line ("xDSL") Capable Loops. XDSL capable loops describe loops that may support various technologies and services. The "x" in xDSL is a placeholder for the various types of digital subscriber line services. An xDSL loop is a plain twisted pair copper loop. BellSouth will offer xDSL capable loops according to industry standards for CSA design loops (ADSL/HDSL) and resistance design loops (UCL). To the extent that these loops exist within the BellSouth network at a particular location, they will be provisioned without intervening devices, including but not limited to load coils, repeaters (unless so requested by Bluestar), or digital access main lines ("DAMLs"). These loops may contain bridged tap in accordance with the respective industry standards (CSA design loops may have up to 2,500 feet total (all bridged taps) and up to 2,000 feet for a single bridged tap; resistance design loops may have up to 6,000 ft). At Bluestar's request, BellSouth will provide Bluestar with xDSL loops other than those listed above, so long as Bluestar is willing to pay the loop conditioning costs needed to remove the above listed equipment and/or bridge taps from the loops. Any copper loop longer than 18kft requested by Bluestar through the loop conditioning process will be ordered, billed, and inventoried as UCLs. Loop conditioning costs will be charged in addition to the loop itself on any of the loops described in this section 2.1.2.2, Bluestar may provide any service that it chooses so long as such service is in compliance with FCC regulations and BellSouth's TR73600.

2.1.2.3 The loop will support the transmission, signaling, performance and interface requirements of the services described in 2.1.2.1 above. The foregoing sentence notwithstanding, in instances where BellSouth provides Bluestar with an xDSL loop that is over 12,000 feet in length, BellSouth will not be expected to maintain and repair the loop to the standards specified in the TR73600 and other standards referenced in this Agreement; provided, however, that for all loops (xDSL or otherwise) ordered by Bluestar, BellSouth agrees to maintain electrical continuity and to provide balance relative to tip and ring.

2.1.2.4 In instances where Bluestar requests BellSouth to provide Bluestar with an xDSL loop to a particular end-user premises and (I) there is no such facility (including

without limitation spare copper) available, and (ii) there is a loop available that would meet the definition of an xDSL loop if it were conditioned consistent with the FCC's rules promulgated pursuant to the UNE Remand Order, FCC 99-238 (adopted Sept. 15, 1999) (*i.e.*, FCC Rule 51.319(a)(3)) (hereinafter "Conditioning Rules"), BellSouth shall offer such loop to Bluestar and shall offer to condition such loop consistent with the Conditioning Rules. In those cases where Bluestar requests that BellSouth remove equipment from a loop longer than 18kft, and this equipment is required to provide normal voice services, Bluestar agrees to pay a re-conditioning charge in order to bring the loop back up to its original specifications.

- 2.1.2.5 The Parties agree that such conditioning charges shall be interim and subject to true-up (up or down), pending the determination by the relevant Commission of conditioning charges. The Parties further agree that, if and when a Commission (in a final order not stayed) orders or otherwise adopts conditioning charges, they shall amend this Agreement to reflect said charges. If the Parties are unable to reach agreement on such an amendment, either Party may petition the appropriate Commission for relief pursuant to the dispute resolution procedures described in the General Terms and Conditions – Part A of this Agreement.
- 2.1.2.6 In those cases where Bluestar has requested that BellSouth remove equipment from the BellSouth loop, BellSouth will not be expected to maintain and repair the loop to the standards specified for that loop type in the TR73600 and other standards referenced in this Agreement.
- 2.1.2.7 In addition, Bluestar recognizes that there may be instances where a loop modified pursuant to this subsection 2.1.2.5 may be subjected to normal network configuration changes that may cause the circuit characteristics to be changed and may create an outage of the service that Bluestar has placed on the loop (e.g., a copper voice loop is modified by the removal of load coils so that Bluestar may attempt to provide xDSL service. BellSouth's records may still reflect that the loop is a voice circuit. BellSouth performs a network efficiency job and rolls the loop to a DLC. The original voice loop would not have been impacted by this move but the xDSL loop will likely not support xDSL service). If this occurs, BellSouth will work cooperatively with Bluestar to restore the circuit to its previous xDSL capable status as quickly as possible.

2.1.2.8 The following rates, as subject to true-up, will apply:

2-Wire Unbundled Copper Loop (18kft or less)

	AL*	FL	GA*	KY*	LA	MS*	NC	SC*	TN**
Recurring	\$15.11	\$18.00	\$13.05	\$11.89	\$21.00	\$14.83	\$19.00	\$20.81	\$18.00
Non-Recurring									
Non-Recurring 1st	\$514.21	\$340.00	\$359.00	\$713.50	\$340.00	\$504.82	\$450.00	\$600.61	\$450.00
Non-Recurring Addl	\$464.58	\$300.00	\$325.15	\$609.44	\$300.00	\$456.24	\$390.00	\$507.33	\$325.00
Manual Svc Ord - 1st	\$47.00	\$47.00	\$18.94	\$47.00	\$18.14	\$25.52	\$47.00	\$25.52	
Manual Svc Ord - Adl	\$21.00	\$21.00	\$8.42	\$21.00	\$8.06	\$11.34	\$21.00	\$47.00	
Manual Svc Ord - Dis	\$17.77			\$17.77	\$11.41	\$16.06		\$21.00	
Order Coordination	\$16.00	\$16.00	\$34.22	NA	\$32.77	\$45.27	\$16.00	\$45.43	\$45.00
Disconnect 1st					\$72.54	\$105.86			
Disconnect Addl					\$39.42	\$57.25			

*Same as ADSL loop rate

** ADSL rates not yet set

Loop Conditioning									
Remove Equip < 18ft									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Equip > 18ft									
First Install	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
First Disconnect	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Disconnect	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Bridge Tap all									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20

The UCL Rates listed above may be used for UCLs longer than 18kft until we are able to perform a cost study on long UCLs (18kft).

The Loop Conditioning charges would apply in addition to the UCL NRCs.

All the rates listed above would be subject to true-up once final cost numbers are determined.

The Parties agree that the prices reflected herein shall be "true-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, including the FCC. Under the "true-up" process, the 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, Bluestar shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to Bluestar. 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 such differences shall be resolved through arbitration.

**AMENDMENT
TO THE
AGREEMENT BETWEEN
BLUESTAR NETWORKS, INC.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED DECEMBER 7, 1999**

Pursuant to this Agreement, (the "Amendment"), Bluestar Networks, Inc. ("Bluestar"), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to individually as a "Party" and collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated December 7, 1999 (the "Interconnection Agreement").

WHEREAS, BellSouth and Bluestar entered into an Interconnection Agreement on December 7, 1999 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. The Interconnection Agreement entered into between Bluestar and BellSouth is hereby amended to delete Sections 2.1.2, 2.1.3 – 2.1.3.7 of Attachment 2 in its entirety and replace it with new Section 2.1.2 of Attachment 2 which is attached hereto as Exhibit A.
2. This Amendment shall have an effective date of January 27, 2000.
3. All of the other provisions of the Agreement, dated December 7, 1999, shall remain in full force and effect.
4. Either or both of the Parties may submit this Amendment to the appropriate Commission 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.

Bluestar Networks, Inc.

By: 

Name: Norton Cutler

Title: General Counsel

Date: 1-27-2000

BellSouth Telecommunications, Inc.

By: 

Name: Jerry Hendrix

Title: Senior Director

Date: 1-27-00

EXHIBIT A

2.1.2 Technical Requirements

2.1.2.1 BellSouth will offer loops capable of supporting telecommunications services such as: POTS, Centrex, basic rate ISDN, analog PBX, voice grade private line, 2 and 4 wire xDSL, and digital data (up to 64 kb/s). Additional services may include digital PBXs, primary rate ISDN, Nx 64 kb/s, and DS1/DS3 and SONET private lines.

2.1.2.2 **Digital Subscriber Line ("xDSL") Capable Loops.** XDSL capable loops describe loops that may support various technologies and services. The "x" in xDSL is a placeholder for the various types of digital subscriber line services. An xDSL loop is a plain twisted pair copper loop. BellSouth will offer xDSL capable loops according to industry standards for CSA design loops (ADSL/HDSL) and resistance design loops (UCL). To the extent that these loops exist within the BellSouth network at a particular location, they will be provisioned without intervening devices, including but not limited to load coils, repeaters (unless so requested by Bluestar), or digital access main lines ("DAMLs"). These loops may contain bridged tap in accordance with the respective industry standards (CSA design loops may have up to 2,500 feet total (all bridged taps) and up to 2,000 feet for a single bridged tap; resistance design loops may have up to 6,000 ft). At Bluestar's request, BellSouth will provide Bluestar with xDSL loops other than those listed above, so long as Bluestar is willing to pay the loop conditioning costs needed to remove the above listed equipment and/or bridge taps from the loops. Any copper loop longer than 18kft requested by Bluestar through the loop conditioning process will be ordered, billed, and inventoried as UCLs. Loop conditioning costs will be charged in addition to the loop itself on any of the loops described in this section 2.1.2.2, Bluestar may provide any service that it chooses so long as such service is in compliance with FCC regulations and BellSouth's TR73600.

2.1.2.3 The loop will support the transmission, signaling, performance and interface requirements of the services described in 2.1.2.1 above. The foregoing sentence notwithstanding, in instances where BellSouth provides Bluestar with an xDSL loop that is over 12,000 feet in length, BellSouth will not be expected to maintain and repair the loop to the standards specified in the TR73600 and other standards referenced in this Agreement; provided, however, that for all loops (xDSL or otherwise) ordered by Bluestar, BellSouth agrees to maintain electrical continuity and to provide balance relative to tip and ring.

2.1.2.4 In instances where Bluestar requests BellSouth to provide Bluestar with an xDSL loop to a particular end-user premises and (i) there is no such facility (including without limitation spare copper) available, and (ii) there is a loop available that

would meet the definition of an xDSL loop if it were conditioned consistent with the FCC's rules promulgated pursuant to the UNE Remand Order, FCC 99-238 (adopted Sept. 15, 1999) (i.e., FCC Rule 51.319(a)(3)) (hereinafter "Conditioning Rules"), BellSouth shall offer such loop to Bluestar and shall offer to condition such loop consistent with the Conditioning Rules. In those cases where Bluestar requests that BellSouth remove equipment from a loop longer than 18kft, and this equipment is required to provide normal voice services, Bluestar agrees to pay a re-conditioning charge in order to bring the loop back up to its original specifications.

2.1.2.5 The Parties agree that such conditioning charges shall be interim and subject to true-up (up or down), pending the determination by the relevant Commission of conditioning charges. The Parties further agree that, if and when a Commission (in a final order not stayed) orders or otherwise adopts conditioning charges, they shall amend this Agreement to reflect said charges. If the Parties are unable to reach agreement on such an amendment, either Party may petition the appropriate Commission for relief pursuant to the dispute resolution procedures described in the General Terms and Conditions – Part A of this Agreement.

2.1.2.6 In those cases where Bluestar has requested that BellSouth remove equipment from the BellSouth loop, BellSouth will not be expected to maintain and repair the loop to the standards specified for that loop type in the TR73600 and other standards referenced in this Agreement.

2.1.2.7 In addition, Bluestar recognizes that there may be instances where a loop modified pursuant to this subsection 2.1.2.5 may be subjected to normal network configuration changes that may cause the circuit characteristics to be changed and may create an outage of the service that Bluestar has placed on the loop (e.g., a copper voice loop is modified by the removal of load coils so that Bluestar may attempt to provide xDSL service. BellSouth's records may still reflect that the loop is a voice circuit. BellSouth performs a network efficiency job and rolls the loop to a DLC. The original voice loop would not have been impacted by this move but the xDSL loop will likely not support xDSL service). If this occurs, BellSouth will work cooperatively with Bluestar to restore the circuit to its previous xDSL capable status as quickly as possible.

2.1.2.8 The following rates, as subject to true-up, will apply:

2-Wire Unbundled Copper Loop (18kft or less)									
	AL*	FL	GA*	KY*	LA	MS*	NC	SC*	TN**

Recurring	\$15.11	\$18.00	\$13.05	\$11.89	\$21.00	\$14.83	\$19.00	\$20.81	\$18.00
Non-Recurring									
Non-Recurring 1st	\$514.21	\$340.00	\$359.00	\$713.50	\$340.00	\$504.82	\$450.00	\$600.61	\$450.00
Non-Recurring Addl	\$464.58	\$300.00	\$325.15	\$609.44	\$300.00	\$456.24	\$390.00	\$507.33	\$325.00
Manual Svc Ord -1st	\$47.00	\$47.00	\$18.94	\$47.00	\$18.14	\$25.52	\$47.00	\$25.52	
Manual Svc Ord -Adl	\$21.00	\$21.00	\$8.42	\$21.00	\$8.06	\$11.34	\$21.00	\$47.00	
Manual Svc Ord -Dis	\$17.77			\$17.77	\$11.41	\$16.06		\$21.00	
Order Coordination	\$16.00	\$16.00	\$34.22	NA	\$32.77	\$45.27	\$16.00	\$45.43	\$45.00
Disconnect 1st					\$72.54	\$105.86			
Disconnect Addl					\$39.42	\$57.25			

*Same as ADSL loop rate

** ADSL rates not yet set

Loop Conditioning									
Remove Equip < 18ft									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Equip > 18ft									
First Install	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Install	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
First Disconnect	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775	\$775
Addl Disconnect	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Remove Bridge Tap all									
First Install	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485	\$485
Addl Install	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20

The UCL Rates listed above may be used for UCLs longer than 18kft until we are able to perform a cost study on long UCLs (18kft).

The Loop Conditioning charges would apply in addition to the UCL NRCs.

All the rates listed above would be subject to true-up once final cost numbers are determined.

The Parties agree that the prices reflected herein shall be "true-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, including the FCC. Under the "true-up" process, the 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, Bluestar shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to Bluestar. 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 such differences shall be resolved through arbitration.

BellSouth Interconnection Services

675 West Peachtree Street
Room 34P70
Atlanta, Georgia 30375

Susan M. Arrington
(404) 927-7513
Fax: (404) 529-7839

February 18, 2000

Halley Walton
Paralegal
BlueStar Networks, Inc.
401 Church Street
24th Floor
Nashville, TN 37219

Dear Halley:

Enclosed herein for your files is a copy of the amendments to the Interconnection Agreements between BellSouth and BlueStar Networks, Inc. BellSouth will file these amendments with the appropriate regulatory agencies. If you have any questions, please give me a call at (404) 927-7513.

Sincerely,



Susan M. Arrington
Manager - Interconnection Services/Pricing

Enclosures