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 **BELLSOUTH**

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RECORDS AND
REPORTING

Marshall M. Criser III
Regulatory Vice President

December 16, 1999

ORIGINAL

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

Re: Approval of an Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. ("BellSouth") and Optel Telecom, 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 Optel Telecom, 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 Optel Telecom, Inc. The Commission approved the initial agreement between the companies in Order No. 98-0496 issued March 9, 1999 in Docket 981872-TP.

Pursuant to section 252(e) of the Act, the Commission is charged with approving or rejecting the negotiated agreement between BellSouth and Optel Telecom, 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

(22)

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

ATTACHMENT TO TRANSMITTAL LETTER

The Agreement entered into by and between OpTel (Florida) Telecom, Inc. and BellSouth Telecommunications, Inc., dated October 6, 1999, for the state of Florida consists of the following:

ITEM	NO. PAGES
Amendment	2
Exhibit 2 Attachment V	29
TOTAL	31

**AMENDMENT
TO THE
AGREEMENT BETWEEN
OPTEL (FLORIDA) TELECOM, INC.
AND
BELLSOUTH TELECOMMUNICATIONS, INC.
DATED DECEMBER 7, 1998**

Pursuant to this Agreement, (the "Amendment"), OpTel (Florida) Telecom, Inc., and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Agreement between the Parties dated December 7, 1998 ("Agreement").

WHEREAS, The Parties entered into an Agreement to adopt in its entirety the MCImetro Access Transmission Services, Inc. ("MCI") and BellSouth Telecommunications, Inc. ("BellSouth") Interconnection Agreement dated June 19, 1997 for the state of Florida 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.

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. Paragraph 1 of the Agreement is hereby deleted in its entirety and shall be replaced with the following:

With the exception of Attachment V, OpTel (Florida) Telecom, Inc. and BellSouth shall adopt, in its entirety the MCI and BellSouth Interconnection Agreement, dated June 19, 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 MCI interconnection agreement and all amendments are attached hereto as Exhibit 1 and incorporated herein by this reference.

2. The Parties further agree to the terms and conditions as set forth in Exhibit 2, which incorporates the rules set forth by the FCC in its Decision 99-48, Docket No. 98-147 for Physical Collocation, and which is incorporated herein by reference.

3. All of the other provisions of the Agreement, dated December 7, 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.

OpTel (Florida) Telecom, Inc.

By: 

Name: JAMES GREENE

Title: VP TELEPHONE

Date: 9/30/99

BellSouth Telecommunications, Inc.

By: 

Name: Jerry Hendrix

Title: Senior Director

Date: 10/6/99

Exhibit 2

Attachment V

Physical Collocation

BELLSOUTH PHYSICAL COLLOCATION

The rates, terms and conditions contained within this Attachment were negotiated as a whole and each rate, term and condition within the Attachment is interdependent upon the other rates, terms and conditions.

1. SCOPE OF ATTACHMENT

1.1 Scope of Attachment. The rates, terms, and conditions contained within this Attachment shall only apply when OpTel is occupying the collocation space as a sole occupant or as a Host pursuant to Section 4.

1.2 Right to occupy. Subject to Section 4 of this Attachment, BellSouth hereby grants to OpTel a right to occupy that certain area designated by BellSouth within a BellSouth central office premises, of a size which is specified by OpTel and agreed to by BellSouth (hereinafter "Collocation Space"). Notwithstanding the foregoing, BellSouth shall consider in its designation for cageless collocation any unused space within the BellSouth central office premises. The size specified by OpTel may contemplate a request for space sufficient to accommodate OpTel's growth within a two year period unless otherwise agreed to by the Parties.

1.2.1 Space Reclamation. In the event of space exhaust within a central office premises, OpTel may be required to release space to BellSouth to be allocated to other physical collocation applicants when a minimum of fifty percent of the total amount of space in OpTel's collocation arrangement is not being utilized within the first year of operation, or 100% of the total amount of space by the end of the second year of operation.

1.3 Use of Space. OpTel shall use the Collocation Space for the purposes of installing, maintaining and operating OpTel's equipment (to include testing and monitoring equipment) used or useful primarily to interconnect with BellSouth services and facilities, including access to unbundled network elements, for the provision of telecommunications services. Pursuant to Section 5 following, OpTel may at its option, place OpTel-owned fiber entrance facilities to the Collocation Space. In addition to, and not in lieu of, interconnection to BellSouth services and facilities, OpTel may connect to other interconnectors within the designated BellSouth Central Office (including to its other virtual or physical collocated arrangements) through co-carrier cross connect facilities designated by OpTel pursuant to section 5.6 following. The Collocation Space may be used for no other purposes except as specifically described herein or authorized in writing by BellSouth.

1.4 Rates and charges. OpTel agrees to pay the rates and charges identified at Exhibit A attached hereto.

2. SPACE NOTIFICATION

2.1 Availability of Space. Upon submission of an application pursuant to Section 6, BellSouth will permit OpTel to physically collocate, pursuant to the terms of this Attachment, at any BellSouth central office premises, unless BellSouth has determined that there is no space available due to space limitations or no space available due to technical infeasibility. BellSouth will respond to an application within ten (10) business days as to whether space is available or not available within a BellSouth central office premises.

2.2 Reporting. Upon request from OpTel, BellSouth will provide a written report specifying the amount of collocation space available at the central office premises requested, the number of collocators present at the central office premises, any modifications in the use of the space since the last report or the central office premises requested and the measures BellSouth is taking to make additional space available for collocation arrangements.

2.2.1 The request from OpTel must be written and must include the central office premises and Common Language Location Identification (CLLI) code of the central office premises. Such information regarding central office premises and CLLI code is located in the National Exchange Carriers Association (NECA) Tariff FCC No. 4.

2.2.2 BellSouth will respond to a request for a particular Central Office location within ten (10) business days of receipt of such request. BellSouth will make best efforts to respond in ten (10) business days to such a request when the request includes up to and including five (5) Central Office locations within the same state. The response time for requests of more than five (5) shall be negotiated between the Parties. If BellSouth cannot meet the ten business day response time, BellSouth shall notify OpTel and inform OpTel of the time frame under which it can respond.

2.3 Denial of Application. After notifying OpTel that BellSouth has no available space in the requested Central Office ("Denial of Application"), BellSouth will allow OpTel, upon request, to tour the entire Central Office within ten (10) business days of such Denial of Application. In order to schedule said tour within ten (10) business days, the request for a tour of the Central Office must be received by BellSouth within five (5) business days of the Denial of Application.

2.4 Filing of Petition for Waiver. Upon Denial of Application BellSouth will timely file a petition with the Commission pursuant to 47 U.S.C. § 251(c)(6).

2.5 Waiting List. On a first come first served basis, BellSouth will maintain a waiting list of requesting carriers who have either received a Denial of Application or, where it is publicly known that the central office premises is out of space, have submitted a Letter of Intent to collocate. BellSouth will notify the telecommunications carriers on the waiting list when space becomes available according to how much space becomes available and the position of telecommunications carrier on said waiting list. Upon request BellSouth will advise OpTel as to its position on the list.

2.6 Public Notification. BellSouth will maintain on its Interconnection Services website a notification document that will indicate all central office premises that are without available space. BellSouth shall update such document within ten (10) business days of the

Denial of Application date. BellSouth will also post a document on its Interconnection Services website that contains a general notice where space has become available in a Central Office previously on the space exhaust list. BellSouth shall allocate said available space pursuant to the waiting list referenced in Section 2.5.

2.7 State Agency Procedures. Notwithstanding the foregoing, should any state regulatory agency impose a procedure different than procedures set forth in this section, that procedure shall supersede the requirements set forth herein.

2. COLLOCATION OPTIONS

3.1 Cageless. Except where local building code does not allow cageless collocation, BellSouth shall allow OpTel to collocate OpTel's equipment and facilities without requiring the construction of a cage or similar structure and without requiring the creation of a separate entrance to the Collocation Space. BellSouth shall allow OpTel to have direct access to its equipment and facilities but may require OpTel to use a central entrance to the BellSouth Central Office. BellSouth shall make cageless collocation available in single bay increments pursuant to Section 7. Except where OpTel's equipment requires special technical considerations (e.g., special cable racking, isolated ground plane), BellSouth shall assign cageless Collocation Space in conventional equipment rack lineups where feasible. For equipment requiring special technical considerations, OpTel must provide the equipment layout, including spatial dimensions for such equipment pursuant to generic requirements contained in BellCore (Telcordia) GR-63-Core and shall be responsible for constructing all special technical requirements associated with such equipment pursuant to Section 6.5 following.

3.2 Cages and Adjacent Arrangement Enclosures. BellSouth shall authorize the enclosure of OpTel's equipment and facilities at OpTel's option or if required by local building code. OpTel must arrange with a BellSouth certified contractor to construct a collocation arrangement enclosure in accordance with BellSouth's guidelines and specifications and at its sole expense. BellSouth will provide guidelines and specifications upon request. Where local building codes require enclosure specifications more stringent than BellSouth's standard enclosure specification, OpTel and OpTel's BellSouth certified contractor must comply with local building code requirements. OpTel's BellSouth certified contractor shall be responsible for filing and receiving any and all necessary permits and/or licenses for such construction. The Certified Vendor shall bill OpTel directly for all work performed for OpTel pursuant to this Attachment and BellSouth shall have no liability for nor responsibility to pay such charges imposed by the Certified Vendor. OpTel must provide the local BellSouth building contact with two Access Keys used to enter the locked enclosure. Except in case of emergency, BellSouth will not access OpTel's locked enclosure prior to notifying OpTel.

3.2.1 BellSouth has the right to review OpTel's plans and specifications prior to allowing construction to start. BellSouth has the right to inspect the enclosure after construction to make sure it is designed and constructed according to BellSouth's guidelines and specifications and to require OpTel to remove or correct at OpTel's cost any structure that does not meet these standards.

3.3 Shared (Subleased) Caged Collocation. OpTel may allow other telecommunications carriers to share OpTel's caged collocation arrangement pursuant to terms

and conditions agreed to by OpTel ("Host") and other telecommunications carriers ("Guests") and pursuant to this section with the following exceptions: (1) where local building code does not allow Shared (Subleased) Caged Collocation and (2) where the BellSouth central office premises is located within a leased space and BellSouth is prohibited by said lease from offering such an option. The terms and conditions of the agreement between the Host and its Guests shall be written and a copy provided to the BellSouth contact specified in Section 15 within ten (10) business days of its execution and prior to any Firm Order. Further, said agreement shall incorporate by reference the rates, terms, and conditions of this Attachment between BellSouth and OpTel.

3.3.1 OpTel shall be the sole interface and responsible party to BellSouth for the purpose of submitting applications for initial and additional equipment placements of Guest; for assessment of rates and charges contained within this Attachment; and for the purposes of ensuring that the safety and security requirements of this Attachment are fully complied with by the Guest, its employees and agents. The initial Guest application shall require the assessment of an Application Fee, as set forth in Exhibit A. Notwithstanding the foregoing, Guest may arrange directly with BellSouth for the provision of the interconnecting facilities between BellSouth and Guest and for the provisions of the services and access to unbundled network elements.

3.3.2 OpTel shall indemnify and hold harmless BellSouth from any and all claims, actions, causes of action, of whatever kind or nature arising out of the presence of OpTel's Guests in the Collocation Space.

3.4 Adjacent Collocation. BellSouth will provide adjacent collocation arrangements ("Adjacent Arrangement") where space within the Central Office is legitimately exhausted, subject to technical feasibility, where the Adjacent Arrangement does not interfere with access to existing or planned structures or facilities on the Central Office property and where permitted by zoning and other applicable state and local regulations. The Adjacent Arrangement shall be constructed or procured by OpTel and in conformance with BellSouth's design and construction specifications. Further, OpTel shall construct, procure, maintain and operate said Adjacent Arrangement(s) pursuant to all of the terms and conditions set forth in this Attachment. Rates shall be negotiated at the time of the request for Adjacent Collocation.

3.4.1 Should OpTel elect such option, OpTel must arrange with a BellSouth certified contractor to construct an Adjacent Arrangement structure in accordance with BellSouth's guidelines and specifications. BellSouth will provide guidelines and specifications upon request. Where local building codes require enclosure specifications more stringent than BellSouth's standard specification, OpTel and OpTel's contractor must comply with local building code requirements. OpTel's contractor shall be responsible for filing and receiving any and all necessary zoning, permits and/or licenses for such construction. OpTel's BellSouth Certified Vendor shall bill OpTel directly for all work performed for OpTel pursuant to this Attachment and BellSouth shall have no liability for nor responsibility to pay such charges imposed by the Certified Vendor. OpTel must provide the local BellSouth building contact with two cards, keys or other access device used to enter the locked enclosure. Except in cases of emergency, BellSouth shall not access OpTel's locked enclosure prior to notifying OpTel.

3.4.2 BellSouth maintains the right to review OpTel's plans and specifications prior to construction of an Adjacent Arrangement(s). BellSouth may inspect the Adjacent

Arrangement(s) following construction and prior to commencement, as defined in Section 4.1 following, to ensure the design and construction comply with BellSouth's guidelines and specifications. BellSouth may require OpTel, at OpTel's sole cost, to correct any deviations from BellSouth's guidelines and specifications found during such inspection(s), up to and including removal of the Adjacent Arrangement, within five (5) business days of BellSouth's inspection, unless the Parties mutually agree to an alternative time frame.

3.4.3 OpTel shall provide a concrete pad, the structure housing the arrangement, HVAC, lighting, and all facilities that connect the structure (i.e. racking, conduits, etc.) to the BellSouth point of interconnection. At OpTel's option, BellSouth shall provide an AC power source and access to physical collocation services and facilities subject to the same nondiscriminatory requirements as applicable to any other physical collocation arrangement.

3.4.4 BellSouth shall allow Shared (Subleased) Caged Collocation within an Adjacent Arrangement pursuant to the terms and conditions set forth in Section 3.3 proceeding.

4. OCCUPANCY

4.1 Commencement Date. The "Commencement Date" shall be the day OpTel's equipment becomes operational as described in Article 4.2, following.

4.2 Occupancy. BellSouth will notify OpTel in writing that the Collocation Space is ready for occupancy. OpTel must place operational telecommunications equipment in the Collocation Space and connect with BellSouth's network within one hundred eighty (180) days after receipt of such notice. OpTel must notify BellSouth in writing that collocation equipment installation is complete and is operational with BellSouth's network. BellSouth may, at its option, not accept orders for interconnected service until receipt of such notice. If OpTel fails to place operational telecommunications equipment in the Collocation Space within 180 calendar days and such failure continues for a period of thirty (30) days after receipt of written notice from BellSouth, then and in that event OpTel's right to occupy the Collocation Space terminates and BellSouth shall have no further obligations to OpTel with respect to said Collocation Space. Termination of OpTel's rights to the Collocation Space pursuant to this paragraph shall not operate to release OpTel from its obligation to reimburse BellSouth for all costs reasonably incurred by BellSouth in preparing the Collocation Space, but rather such obligation shall survive this Attachment. For purposes of this paragraph, OpTel's telecommunications equipment will be deemed operational when cross-connected to BellSouth's network for the purpose of service provision.

4.3 Termination. Except where otherwise agreed to by the Parties, OpTel may terminate occupancy in a particular Collocation Space upon thirty (30) days prior written notice to BellSouth. Upon termination of such occupancy, OpTel at its expense shall remove its equipment and other property from the Collocation Space. OpTel shall have thirty (30) days from the termination date to complete such removal, including the removal of all equipment and facilities of OpTel's Guests; provided, however, that OpTel shall continue payment of monthly fees to BellSouth until such date as OpTel has fully vacated the Collocation Space. Should OpTel fail to vacate the Collocation Space within thirty (30) days from the termination date, BellSouth shall have the right to remove the equipment and other property of OpTel at OpTel's expense and with no liability for damage or injury to OpTel's property unless caused by the

gross negligence or intentional misconduct of BellSouth. Upon expiration of this Attachment, OpTel shall surrender the Collocation Space to BellSouth in the same condition as when first occupied by the OpTel except for ordinary wear and tear. OpTel shall be responsible for the cost of removing any enclosure, together with all support structures (e.g., racking, conduits), of an Adjacent Collocation arrangement at the termination of occupancy and restoring the grounds to their original condition.

5. USE OF COLLOCATION SPACE

5.1 Equipment Type. BellSouth permits the collocation of any type of equipment used or useful for interconnection to BellSouth's network or for access to unbundled network elements in the provision of telecommunications services. Such equipment used or useful for interconnection and access to unbundled network elements includes, but is not limited to transmission equipment including, but not limited to, optical terminating equipment and multiplexers, and digital subscriber line access multiplexers, routers, asynchronous transfer mode multiplexers, and remote switching modules. Nothing in this section requires BellSouth to permit collocation of equipment used solely to provide enhanced services; provided, however, that BellSouth may not place any limitations on the ability of requesting carriers to use all the features, functions, and capabilities of equipment collocated pursuant to this section.

5.1.1 Such equipment must at a minimum meet the following BellCore (Telcordia) Network Equipment Building Systems (NEBS) General Equipment Requirements: Criteria Level 1 requirements as outlined in the BellCore (Telcordia) Special Report SR-3580, Issue 1; equipment design spatial requirements per GR-63-CORE, Section 2; thermal heat dissipation per GR-063-CORE, Section 4, Criteria 77-79; acoustic noise per GR-063-CORE, Section 4, Criterion 128, and National Electric Code standards.

5.1.2 OpTel shall not use the Collocation Space for marketing purposes nor shall it place any identifying signs or markings in the area surrounding the Collocation Space or on the grounds of the central office premises.

5.1.3 OpTel shall place a plaque or other identification affixed to OpTel's equipment necessary to identify OpTel's equipment, including a list of emergency contacts with telephone numbers.

5.2 Entrance Facilities. OpTel may elect to place OpTel-owned or OpTel-leased fiber entrance facilities into the Collocation Space. BellSouth will designate the point of interconnection in close proximity to the Central Office building housing the Collocation Space, such as an entrance manhole or a cable vault which are physically accessible by both parties. OpTel will provide and place fiber cable at the point of interconnection of sufficient length to be pulled through conduit and into the splice location. OpTel will provide and install a sufficient length of fire retardant riser cable, to which the entrance cable will be spliced, which will extend from the splice location to the OpTel's equipment in the Collocation Space. In the event OpTel utilizes a non-metallic, riser-type entrance facility, a splice will not be required. OpTel must contact BellSouth for instructions prior to placing the entrance facility cable in the manhole. OpTel is responsible for maintenance of the entrance facilities. At OpTel's option BellSouth will accommodate where technically feasible a microwave entrance facility pursuant to separately negotiated terms and conditions.

5.2.1 Dual Entrance. BellSouth will provide at least two interconnection points at each central office premises where there are at least two such interconnection points available and where capacity exists. Upon receipt of a request for physical collocation under this Attachment, BellSouth shall provide OpTel with information regarding BellSouth's capacity to accommodate dual entrance facilities. If conduit in the serving manhole(s) is available and is not reserved for another purpose for utilization within 12 months of the receipt of an application for collocation, BellSouth will make the requested conduit space available for installing a second entrance facility to OpTel's arrangement. The location of the serving manhole(s) will be determined at the sole discretion of BellSouth. Where dual entrance is not available due to lack of capacity, BellSouth will so state in the Application Response.

5.2.2 Shared Use. OpTel may utilize spare capacity on an existing Interconnector entrance facility for the purpose of providing an entrance facility to another OpTel collocation arrangement within the same BellSouth Central Office. OpTel must arrange with BellSouth for BellSouth to splice the utilized entrance facility capacity to OpTel-provided riser cable.

5.3 Splicing in the Entrance Manhole. Although not generally permitted, should OpTel request a splice to occur in the entrance manhole(s), BellSouth, at its sole discretion, may grant such a request, provided that BellSouth will not unreasonably withhold approval of requests to make such a splice. When the request for a splice is granted to OpTel by BellSouth, OpTel shall ensure its employees or agents entering and/or performing work in the entrance manhole(s) are trained and comply with BellSouth procedures and OSHA requirements regarding access to manholes and that BellSouth personnel are notified and present for all entrances and work performed in the entrance manhole(s). Manhole covers shall be properly closed and secured at the conclusion of entry and/or work. Advance notification to BellSouth shall occur at a minimum of 48 hours prior to desired entry for normal work activities and at a minimum of 2 hours prior to desired entry in an out of service condition.

5.4 Demarcation Point. BellSouth will designate the point(s) of interconnection between OpTel'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. OpTel shall be responsible for providing, and OpTel's BellSouth Certified Vendor shall be responsible for installing and properly labelling/stenciling, the common block, and necessary cabling pursuant to Section 6.4. For all other terminations BellSouth shall designate a demarcation point on a per arrangement basis. OpTel or its agent must perform all required maintenance to equipment/facilities on its side of the demarcation point, pursuant to subsection 5.5, following, and may self-provision cross-connects that may be required within the collocation space to activate service requests. At OpTel's option, a Point of Termination (POT) bay or frame may be placed in the Collocation Space.

5.5 OpTel's Equipment and Facilities. OpTel, or if required by this Attachment, OpTel'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 OpTel. Such equipment and facilities may include but are not limited to cable(s); equipment; and point of termination connections.

5.6 Co-Carrier Cross-connect. In addition to, and not in lieu of, obtaining interconnection with, or access to, BellSouth telecommunications services, unbundled network elements, and facilities, OpTel may directly connect to other Interconnectors within the designated BellSouth Central Office (including to its other virtual or physical collocated arrangements) through facilities owned by OpTel or through BellSouth facilities designated by OpTel, at OpTel's option. Such connections to other carriers may be made using either optical or electrical facilities. OpTel may deploy such optical or electrical connections directly between its own facilities and the facilities of other Interconnector(s) without being routed through BellSouth equipment.

5.6.1 If OpTel requests a co-Carrier cross-connect after the initial installation, OpTel must submit an application with a Subsequent Application Fee. OpTel must use a Certified Vendor to place the co-Carrier cross connect, except in cases where the OpTel equipment and the equipment of the other Interconnector are located within contiguous collocation spaces. In cases where OpTel's equipment and the equipment of the other Interconnector are located in contiguous collocation spaces, OpTel will have the option to deploy the co-Carrier cross connects between the sets of equipment. Where cable support structure exists for such connection there will be a recurring charge per linear foot of support structure used. When cable support structures do not exist and must be constructed a non-recurring charge for the individual case will be assessed.

5.7 Easement Space. From time to time BellSouth may require access to the Collocation Space. BellSouth retains the right to access such space for the purpose of making BellSouth equipment and building modifications (e.g., running, altering or removing racking, ducts, electrical wiring, HVAC, and cables). BellSouth will give reasonable notice to OpTel when access to the Collocation Space is required. OpTel may elect to be present whenever BellSouth performs work in the Collocation Space. The Parties agree that OpTel will not bear any of the expense associated with this work.

5.8 Access. Pursuant to Section 11, OpTel shall have access to the Collocation Space twenty-four (24) hours a day, seven (7) days a week. OpTel 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. Access Keys shall not be duplicated under any circumstances. OpTel agrees to be responsible for all Access Keys and for the return of all said Access Keys in the possession of OpTel employees, contractors, Guests, or agents after termination of the employment relationship, contractual obligation with OpTel or upon the termination of this Attachment or the termination of occupancy of an individual collocation arrangement.

5.8.1 Lost or Stolen Access Keys. OpTel shall notify BellSouth in writing immediately in the case of lost or stolen Access Keys. OpTel 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), OpTel shall pay for all reasonable costs associated with the re-keying.

5.9 Interference or Impairment. Notwithstanding any other provisions of this Attachment, equipment and facilities placed in the Collocation Space shall not interfere with or impair service provided by BellSouth or by any other Interconnector located in the Central

Office; shall not endanger or damage the facilities of BellSouth or of any other Interconnector, the Collocation Space, or the Central Office; shall not compromise the privacy of any communications carried in, from, or through the Central Office; and shall not create an unreasonable risk of injury or death to any individual or to the public. If BellSouth reasonably determines that any equipment or facilities of OpTel violates the provisions of this paragraph, BellSouth shall give written notice to OpTel, which notice shall direct OpTel to cure the violation within forty-eight (48) hours of OpTel's actual receipt of written notice or, at a minimum, to commence curative measures within 24 hours and to exercise reasonable diligence to complete such measures as soon as possible thereafter. After receipt of the notice, the parties agree to consult immediately and, if necessary, to inspect the arrangement. If OpTel fails to take curative action within 48 hours or if the violation is of a character which poses an immediate and substantial threat of damage to property, injury or death to any person, or interference/impairment of the services provided by BellSouth or any other interconnector, then and only in that event BellSouth may take such action as it deems appropriate to correct the violation, including without limitation the interruption of electrical power to OpTel's equipment. BellSouth will endeavor, but is not required, to provide notice to OpTel prior to taking such action and shall have no liability to OpTel for any damages arising from such action, except to the extent that such action by BellSouth constitutes willful misconduct.

5.10 Personalty and its Removal. Subject to requirements of this Attachment, OpTel may place or install in or on the Collocation Space such facilities and equipment, including storage for and spare equipment, as it deems desirable for the conduct of business; Provided that such equipment is telecommunications equipment, does not violate floor loading requirements, imposes or could impose or contains or could contain environmental conditions or hazards. Personal property, facilities and equipment placed by OpTel in the Collocation Space shall not become a part of the Collocation Space, even if nailed, screwed or otherwise fastened to the Collocation Space, but shall retain their status as personalty and may be removed by OpTel at any time. Any damage caused to the Collocation Space by OpTel's employees, agents or representatives during the removal of such property shall be promptly repaired by OpTel at its expense.

5.11 Alterations. In no case shall OpTel or any person acting on behalf of OpTel make any rearrangement, modification, improvement, addition, repair, or other alteration to the Collocation Space or the BellSouth Central Office without the written consent of BellSouth, which consent shall not be unreasonably withheld. The cost of any such specialized alterations shall be paid by OpTel.

5.12 Janitorial Service. OpTel shall be responsible for the general upkeep and cleaning of the Caged Collocation Space and shall arrange directly with a BellSouth certified contractor for janitorial services. BellSouth shall provide a list of such contractors on a site-specific basis upon request.

6. ORDERING AND PREPARATION OF COLLOCATION SPACE

6.1 Application for Space. OpTel shall submit an application document when OpTel or OpTel's Guest(s), as defined in Section 3.3, desires to request or modify the use of the Collocation Space.

6.1.1 Initial Application. For OpTel or OpTel's Guest(s) initial equipment placement, OpTel shall submit to BellSouth a complete and accurate Application and Inquiry document (Bona Fide Application), together with payment of the Application Fee as stated in Exhibit A. The Bona Fide Application shall contain a detailed description and schematic drawing of the equipment to be placed in OpTel's Collocation Space(s) and an estimate of the amount of square footage required.

6.1.2 Subsequent Application Fee. In the event OpTel or OpTel's Guest(s) desire to modify the use of the Collocation Space, OpTel shall complete an Application document detailing all information regarding the modification to the Collocation Space together with payment of the minimum Subsequent Application Fee as stated in Exhibit A. Said minimum Subsequent Application Fee shall be considered a partial payment of the applicable Subsequent Application Fee which shall be calculated as set forth below. BellSouth shall determine what modifications, if any, to the Central Office premises are required to accommodate the change requested by OpTel in the Application. Such necessary modifications to the Central Office premises may include but are not limited to, floor loading changes, changes necessary to meet HVAC requirements, changes to power plant requirements, and equipment additions. The fee paid by OpTel for its request to modify the use of the Collocation Space shall be dependent upon the modification requested. Where the subsequent application does not require provisioning or construction work by BellSouth, no Subsequent Application Fee will be required and the pre-paid fee shall be refunded to OpTel. The fee for an application where the modification requested has limited effect (e.g., does not require capital expenditure by BellSouth) shall be the Subsequent Application Fee as set forth in Exhibit A. All other modifications shall require a Subsequent Application Fee assessed at the applicable application fee. In the event such modifications require the assessment of a full Application Fee as set forth in Exhibit A, the outstanding balance shall be due by OpTel within 30 calendar days following OpTel's receipt of a bill or invoice from BellSouth.

6.2 Application Response. In addition to the notice of space availability pursuant to Section 2.1, BellSouth will respond within ten (10) business days of receipt of an Application whether the Application is Bona Fide, and if it is not Bona Fide, the items necessary to cause the Application to become Bona Fide. When space has been determined to be available, BellSouth will provide a comprehensive written response within thirty (30) business days of receipt of a complete application. When multiple applications are submitted within a fifteen business day window, BellSouth will respond to the applications as soon as possible, but no later than the following: within thirty (30) business days for applications 1-5; within thirty-six (36) business days for applications 6-10; within forty-two (42) business days for applications 11-15. Response intervals for multiple applications submitted within the same timeframe for the same state in excess of 15 must be negotiated. All negotiations shall consider the total volume from all requests from telecommunications companies for collocation. The Application Response will detail whether the amount of space requested is available or if the amount of space requested is not available, the amount of space that is available. The response will also include the configuration of the space. When BellSouth's response includes an amount of space less than that requested by OpTel or differently configured, OpTel must amend its application to reflect the actual space available prior to submitting a Bona Fide Firm Order.

6.3 Bona Fide Firm Order. OpTel shall indicate its intent to proceed with equipment installation in a BellSouth Central Office by submitting a Bona Fide Firm Order to BellSouth. A

Bona Fide Firm Order requires OpTel to complete the Application/Inquiry process described in Subsection 6.1, preceding, and submit the Expanded Interconnection Bona Fide Firm Order document (BSTEI-1P-F) indicating acceptance of the written application response provided by BellSouth ("Bona Fide Firm Order") and all appropriate fees. The Bona Fide Firm Order must be received by BellSouth no later than thirty (30) calendar days after BellSouth's response to OpTel's Application/Inquiry. If OpTel makes changes to its application in light of BellSouth's written Application Response, BellSouth will be required to re-evaluate and respond to the change(s). In this event, BellSouth's provisioning interval will not start until the re-evaluation and response to the change(s) is complete and the Bona Fide Firm Order is received by BellSouth and all appropriate fees and duties have been executed. If BellSouth needs to reevaluate OpTel's application as a result of changes requested by OpTel to OpTel's original application, then BellSouth will charge OpTel a fee based upon the additional engineering hours required to do the reassessment. Major changes such as requesting additional space or adding additional equipment may require OpTel to resubmit the application with an application fee.

6.3.1 BellSouth will establish a firm order date, per request, based upon the date BellSouth is in receipt of a Bona Fide Firm Order. BellSouth will acknowledge the receipt of OpTel's Bona Fide Firm Order within five (5) business days of receipt indicating that the Bona Fide Firm Order has been received. A BellSouth response to a Bona Fide Firm Order will include a Firm Order Confirmation containing the firm order date.

6.3.2 BellSouth will permit one accompanied site visit to OpTel's designated collocation arrangement location after receipt of the Bona Fide Firm Order without charge to OpTel.

6.3.3 Space preparation for the Collocation Space will not begin until BellSouth receives the Bona Fide Firm Order and all applicable fees.

6.3.4 OpTel 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 OpTel desires access to the Collocation Space.

6.4 Construction and Provisioning Interval. BellSouth will negotiate construction and provisioning intervals per request on an individual case basis. Excluding the time interval required to secure the appropriate government licenses and permits, BellSouth will use best efforts to complete construction for collocation arrangements under ordinary conditions as soon as possible and within a maximum of 90 business days from receipt of a complete and accurate Bona Fide Firm Order. Ordinary conditions are defined as space available with only minor changes to support systems required, such as but not limited to, HVAC, cabling and the power plant(s). Excluding the time interval required to secure the appropriate government licenses and permits, BellSouth will use best efforts to complete construction of all other collocation space ("extraordinary conditions") within 130 business days of the receipt of a complete and accurate Bona Fide Firm Order. Extraordinary conditions are defined to include but are not limited to major BellSouth equipment rearrangement or addition; power plant addition or upgrade; major mechanical addition or upgrade; major upgrade for ADA compliance; environmental hazard or hazardous materials abatement.

6.4.1 Joint Planning Meeting. Unless otherwise agreed to by the Parties, a joint planning meeting or other method of joint planning between BellSouth and OpTel will commence

within a maximum of 15 business days from BellSouth's receipt of a Bona Fide Firm Order and the payment of agreed upon fees. At such meeting, the Parties will agree to the preliminary design of the Collocation Space and the equipment configuration requirements as reflected in the Application and affirmed in the Bona Fide Firm Order. The Collocation Space Completion time period will be provided to OpTel during the joint planning meeting or as soon as possible thereafter. BellSouth will complete all design work following the joint planning meeting.

6.4.2 Permits. Each Party or its agents will diligently pursue filing for the permits required for the scope of work to be performed by that Party or its agents within 7 business days of the completion of finalized construction designs and specifications.

6.4.3 Acceptance Walk Through. OpTel and BellSouth will complete an acceptance walk through of each Collocation Space requested from BellSouth by OpTel. BellSouth will correct any deviations to OpTel's original or jointly amended requirements within five (5) business days after the walk through, unless the Parties jointly agree upon a different time frame.

6.5 Use of Certified Vendor. OpTel shall select a vendor which has been approved as a BellSouth Certified Vendor to perform all engineering and installation work required in the Collocation Space. In some cases, OpTel must select separate BellSouth Certified Vendors for transmission equipment, switching equipment and power equipment. BellSouth shall provide OpTel with a list of Certified Vendors upon request. The Certified Vendor(s) shall be responsible for installing OpTel's equipment and components, installing co-carrier cross connects, extending power cabling to the BellSouth power distribution frame, performing operational tests after installation is complete, and notifying BellSouth's equipment engineers and OpTel upon successful completion of installation. The Certified Vendor shall bill OpTel directly for all work performed for OpTel pursuant to this Attachment and BellSouth shall have no liability for nor responsibility to pay such charges imposed by the Certified Vendor. BellSouth shall consider certifying OpTel or any vendor proposed by OpTel.

6.6 Alarm and Monitoring. BellSouth shall place environmental alarms in the Central Office for the protection of BellSouth equipment and facilities. OpTel shall be responsible for placement, monitoring and removal of environmental and equipment alarms used to service OpTel's Collocation Space. Upon request, BellSouth will provide OpTel with applicable tariffed service(s) to facilitate remote monitoring of collocated equipment by OpTel. Both parties shall use best efforts to notify the other of any verified environmental hazard known to that party. The parties agree to utilize and adhere to the Environmental Hazard Guidelines identified as Exhibit B attached hereto: -

6.7 Basic Telephone Service. Upon request of OpTel, BellSouth will provide basic telephone service to the Collocation Space under the rates, terms and conditions of the current tariff offering for the service requested.

6.8 Space Preparation. BellSouth shall pro rate the costs of any renovation or upgrade to Central Office space or support mechanisms which is required to accommodate physical collocation. OpTel's pro rated share will be calculated by multiplying such cost by a percentage equal to the amount of square footage occupied by OpTel divided by the total Central Office square footage receiving renovation or upgrade. For this section, support mechanisms provided by BellSouth may include, but not be limited to heating/ventilation/air

conditioning (HVAC) equipment, HVAC duct work, cable support structure, fire wall(s), mechanical upgrade, asbestos abatement, or ground plane addition. Such renovation or upgrade will be evaluated and the charges assessed on a per Central Office basis. BellSouth will reimburse OpTel in an amount equal to OpTel reasonable, demonstrative and mitigated expenditures incurred as a direct result of delays to the completion and turnover dates caused by BellSouth.

6.9 Virtual Collocation Transition. BellSouth offers Virtual Collocation pursuant to the rates, terms and conditions set forth in its FCC Tariff No. 1. For the interconnection to BellSouth's network and access to BellSouth unbundled network elements, OpTel may purchase 2-wire and 4-wire Cross-Connects as set forth in Exhibit A, and OpTel may place within its Virtual Collocation arrangements the telecommunications equipment set forth in Section 5.1. In the event physical collocation space was previously denied at a location due to technical reasons or space limitations, and that physical collocation space has subsequently become available, OpTel may transition its virtual collocation arrangements to physical collocation arrangements and pay the appropriate non-recurring fees for physical collocation and for the rearrangement or reconfiguration of services terminated in the virtual collocation arrangement. In the event that BellSouth knows when additional space for physical collocation may become available at the location requested by OpTel, such information will be provided to OpTel in BellSouth's written denial of physical collocation. To the extent that (i) physical collocation space becomes available to OpTel within 180 days of BellSouth's written denial of OpTel's request for physical collocation, and (ii) OpTel was not informed in the written denial that physical collocation space would become available within such 180 days, then OpTel may transition its virtual collocation arrangement to a physical collocation arrangement and will receive a credit for any nonrecurring charges previously paid for such virtual collocation credit for any OpTel must arrange with a BellSouth certified vendor for the relocation of equipment from its virtual collocation space to its physical collocation space and will bear the cost of such relocation.

6.10 Cancellation. If, at anytime, OpTel cancels its order for the Collocation Space(s), OpTel will reimburse BellSouth for any expenses incurred up to the date that written notice of the cancellation is received. In no event will the level of reimbursement under this paragraph exceed the maximum amount OpTel would have otherwise paid for work undertaken by BellSouth if no cancellation of the order had occurred.

6.11 Licenses. OpTel, at its own expense, will be solely responsible for obtaining from governmental authorities, and any other appropriate agency, entity, or person, all rights, privileges, and licenses necessary or required to operate as a provider of telecommunications services to the public or to occupy the Collocation Space.

7. RATES AND CHARGES

7.1 Non-recurring Fees. In addition to the Application Fee referenced in Section 6, preceding, OpTel shall remit payment of a Cable Installation Fee and one-half (1/2) of the estimated Space Preparation Fee, as applicable, coincident with submission of a Bona Fide Firm Order. The outstanding balance of the actual Space Preparation Fee shall be due thirty (30) calendar days following OpTel's receipt of a bill or invoice from BellSouth. Once the

installation of the initial equipment arrangement is complete, a subsequent application fee may apply (as described in Subsection 7.4, when OpTel requests a modification to the arrangement.

7.2 Documentation. BellSouth shall provide documentation to establish the actual Space Preparation Fee. The Space Preparation Fee will be pro rated as prescribed in Section 6, preceding.

7.3 Cable Installation. Cable Installation Fee(s) are assessed per entrance fiber placed.

7.4 Floor Space. The floor space charge includes reasonable charges for lighting, heat, air conditioning, ventilation and other allocated expenses associated with maintenance of the Central Office but does not include amperage necessary to power OpTel's equipment. When the Collocation Space is enclosed, OpTel shall pay floor space charges based upon the number of square feet so enclosed. When the Collocation Space is not enclosed, OpTel shall pay floor space charges based upon the following floor space calculation: [(depth of the equipment lineup in which the rack is placed) + (0.5 x maintenance aisle depth) + (0.5 x wiring aisle depth)] X (width of rack and spacers). For purposes of this calculation, the depth of the equipment lineup shall consider the footprint of equipment racks plus any equipment overhang. BellSouth will assign unenclosed Collocation Space in conventional equipment rack lineups where feasible. In the event OpTel's collocated equipment requires special cable racking, isolated grounding or other treatment which prevents placement within conventional equipment rack lineups, OpTel shall be required to request an amount of floor space sufficient to accommodate the total equipment arrangement. Floor space charges are due beginning with the date on which BellSouth releases the Collocation Space for occupancy or on the date OpTel first occupies the Collocation Space, whichever is sooner.

7.5 Power. BellSouth shall supply -48 Volt (-48V) DC power for OpTel's Collocation Space within the central office premises and shall make available AC power at OpTel's option for Adjacent Arrangement collocation.

7.5.1 Charges for -48V DC power will be assessed per ampere per month based upon the certified vendor engineered and installed power feed fused ampere capacity. Rates include redundant feeder fuse positions (A&B) and cable rack to OpTel's equipment or space enclosure. When obtaining power from a BellSouth Battery Distribution Fuse Bay, fuses and power cables (A&B) must be engineered (sized), and installed by OpTel's certified vendor. When obtaining power from a BellSouth Power Board, power cables (A&B) must be engineered (sized), and installed by OpTel's certified power vendor. OpTel's certified vendor must also provide a copy of the engineering power specification prior to the Commencement Date. In the event BellSouth shall be required to construct additional DC power plant or upgrade the existing DC power plant in a Central Office as a result of OpTel's request to collocate in that Central Office ("Power Plant Construction"), OpTel shall pay its pro-rata share of costs associated with the Power Plant Construction. The determination of whether Power Plant Construction is necessary shall be within BellSouth's sole, but reasonable, discretion. BellSouth shall comply with all BellCore (Telcordia) and ANSI Standards regarding power cabling, including BellCore (Telcordia) Network Equipment Building System (NEBS) Standard GR-63-CORE. BellSouth will notify OpTel of the need for the Power Plant Construction and will estimate the costs associated with the Power Plant Construction if BellSouth were to perform the Power Plant Construction. The costs of power plant construction shall be pro-rated and shared among all who benefit from

that construction. OpTel shall pay BellSouth one-half of its pro rata share of the estimated Power Plant Construction costs prior to commencement of the work. OpTel shall pay BellSouth the balance due (actual cost less one-half of the estimated cost) within thirty (30) days of completion of the Power Plant Construction. OpTel has the option to perform the Power Plant Construction itself; provided, however, that such work shall be performed by a BellSouth certified contractor and such contractor shall comply with BellSouth's guidelines and specifications. Where the Power Plant Construction results in construction of a new power plant room, upon termination of this Attachment OpTel shall have the right to remove its equipment from the power plant room, but shall otherwise leave the room intact. Where the Power Plant Construction results in an upgrade to BellSouth's existing power plant, upon termination of this Attachment, such upgrades shall become the property of BellSouth.

7.5.2 Charges for AC power will be assessed per breaker ampere per month based upon the certified vendor engineered and installed power feed fused ampere capacity. Rates include the provision of commercial and standby AC power. When obtaining power from a BellSouth Service Panel, fuses and power cables must be engineered (sized), and installed by OpTel's certified vendor. OpTel's certified vendor must also provide a copy of the engineering power specification prior to the Commencement Date. Charges for AC power shall be assessed pursuant to the rates specified in Exhibit A. AC power voltage and phase ratings shall be determined on a per location basis.

7.6 Security Escort. A security escort will be required whenever OpTel or its approved agent desires access to the entrance manhole or must have access to the Central Office Premises after the one accompanied site visit allowed pursuant to subsection 6.2.2 prior to completing BellSouth's Security Training requirements and/or prior to Space Acceptance. Rates for a security escort are assessed in one-half (1/2) hour increments according to the schedule appended hereto as Exhibit A.

7.7 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, OpTel shall pay the difference to BellSouth. If the Total Final Price is less than the Total Interim Price, BellSouth shall pay the difference to OpTel. 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.

7.8 Other. If no rate is identified in the contract, the rate for the specific service or function will be negotiated by the parties upon request by either party. Payment of all other charges under this Attachment shall be due thirty (30) days after receipt of the bill (payment due

date). OpTel will pay a late payment charge of one and one-half percent (1-1/2%) assessed monthly on any balance which remains unpaid after the payment due date.

8. INSURANCE

8.1 OpTel shall, at its sole cost and expense, procure, maintain, and keep in force insurance as specified in this Article VI and underwritten by insurance companies licensed to do business in the states applicable under this Attachment and having a BEST Insurance Rating of B ++ X (B ++ ten).

8.2 OpTel shall maintain the following specific coverage:

8.2.1 Commercial General Liability coverage in the amount of ten million dollars (\$10,000,000.00) or a combination of Commercial General Liability and Excess/Umbrella coverage totaling not less than ten million dollars (\$10,000,000.00). BellSouth shall be named as an ADDITIONAL INSURED on ALL applicable policies as specified herein.

8.2.2 Statutory Workers Compensation coverage and Employers Liability coverage in the amount of one hundred thousand dollars (\$100,000.00) each accident, one hundred thousand dollars (\$100,000.00) each employee by disease, and five hundred thousand dollars (\$500,000.00) policy limit by disease.

8.2.3 OpTel may elect to purchase business interruption and contingent business interruption insurance, having been advised that BellSouth assumes no liability for loss of profit or revenues should an interruption of service occur.

8.3 The limits set forth in Subsection 6.2 above may be increased by BellSouth from time to time during the term of this Attachment upon thirty (30) days notice to OpTel to at least such minimum limits as shall then be customary with respect to comparable occupancy of BellSouth structures.

8.4 All policies purchased by OpTel shall be deemed to be primary and not contributing to or in excess of any similar coverage purchased by BellSouth. All insurance must be in effect on or before the date equipment is delivered to BellSouth's Central Office and shall remain in effect for the term of this Attachment or until all OpTel's property has been removed from BellSouth's Central Office, whichever period is longer. If OpTel fails to maintain required coverage, ~~BellSouth~~ may pay the premiums thereon and seek reimbursement of same from OpTel.

8.5 OpTel shall submit certificates of insurance reflecting the coverage required pursuant to this Section a minimum of ten (10) days prior to the commencement of any work in the Collocation Space. Failure to meet this interval may result in construction and equipment installation delays. OpTel shall arrange for BellSouth to receive thirty (30) days advance notice of cancellation from OpTel's insurance company. OpTel shall forward a certificate of insurance and notice of cancellation to BellSouth at the following address:

BellSouth Telecommunications, Inc.
Attn.: Risk Management Coordinator
600 N. 19th Street, 18B3
Birmingham, Alabama 35203

8.6 OpTel must conform to recommendations made by BellSouth's fire insurance company to the extent BellSouth has agreed to, or shall hereafter agree to, such recommendations.

8.7 Failure to comply with the provisions of this Section will be deemed a material breach of this Attachment.

9. MECHANICS LIENS

9.1 If any mechanics lien or other liens shall be filed against property of either party (BellSouth or OpTel), or any improvement thereon by reason of or arising out of any labor or materials furnished or alleged to have been furnished or to be furnished to or for the other party or by reason of any changes, or additions to said property made at the request or under the direction of the other party, the other party directing or requesting those changes shall, within thirty (30) days after receipt of written notice from the party against whose property said lien has been filed, either pay such lien or cause the same to be bonded off the affected property in the manner provided by law. The party causing said lien to be placed against the property of the other shall also defend, at its sole cost and expense, on behalf of the other, any action, suit or proceeding which may be brought for the enforcement of such liens and shall pay any damage and discharge any judgment entered thereon.

10. INSPECTIONS

10.1 BellSouth shall conduct an inspection of OpTel's equipment and facilities in the Collocation Space(s) prior to the activation of facilities between OpTel's equipment and equipment of BellSouth. BellSouth may conduct an inspection if OpTel adds equipment and may otherwise conduct routine inspections at reasonable intervals mutually agreed upon by the Parties. BellSouth shall provide OpTel with a minimum of forty-eight (48) hours or two (2) business days, whichever is greater, advance notice of all such inspections. All costs of such inspection shall be borne by BellSouth.

11. SECURITY AND SAFETY REQUIREMENTS

11.1 Only BellSouth employees, BellSouth certified vendors and authorized employees, authorized Guests, pursuant to Section 3.3, preceding, or authorized agents of OpTel will be permitted in the BellSouth Central Office. OpTel 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 OpTel name. BellSouth reserves the right to remove from its premises any employee of OpTel not possessing identification issued by OpTel. OpTel shall hold BellSouth harmless for any damages resulting

from such removal of its personnel from BellSouth premises. OpTel shall be solely responsible for ensuring that any Guest of OpTel is in compliance with all subsections of this Section 11.

11.1.1 OpTel will be required, at its own expense, to conduct a statewide investigation of criminal history records for each OpTel employee being considered for work on the BellSouth Central Office, for the states/counties where the OpTel 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.

11.1.2 OpTel 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.

11.1.3 OpTel shall not assign to the BellSouth Central Office any personnel with records of felony criminal convictions. OpTel 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 OpTel personnel who have been identified to have misdemeanor criminal convictions.

11.1.4 For each OpTel employee requiring access to a BellSouth Central Office pursuant to this agreement, OpTel 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, OpTel will disclose the nature of the convictions to BellSouth at that time.

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

11.2 Notification to BellSouth. BellSouth reserves the right to interview OpTel's employees, agents, or contractors. OpTel and its contractors shall cooperate fully with BellSouth's investigation into allegations of wrongdoing or criminal conduct committed by or involving OpTel's employees, agents, or contractors. Additionally, BellSouth reserves the right to bill OpTel for all costs associated with investigations involving its employees, agents, or contractors if it can be reasonably established that OpTel's employees, agents, or contractors are responsible for the alleged act. BellSouth shall bill OpTel for BellSouth property which is stolen or damaged where an investigation determines the culpability of OpTel's employees, agents, or contractors. OpTel shall notify BellSouth in writing immediately in the event that the CLEC 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 OpTel 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. OpTel shall hold BellSouth harmless for any damages resulting from such removal of its personnel from BellSouth premises.

11.3 Use of BellSouth Supplies by OpTel Employees. Use of any BellSouth supplies by an OpTel 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 OpTel as may be all associated investigative costs. At BellSouth's request, OpTel shall promptly and permanently remove from BellSouth's Central Office any employee of OpTel found to be in violation of this rule.

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

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

12. DESTRUCTION OF COLLOCATION SPACE

12.1 In the event a Collocation Space is wholly or partially damaged by fire, windstorm, tornado, flood or by similar causes to such an extent as to be rendered wholly unsuitable for OpTel's permitted use hereunder, then either party may elect within ten (10) days after such damage, to terminate this Attachment, and if either party shall so elect, by giving the other written notice of termination, both parties shall stand released of and from further liability under the terms hereof. If the Collocation Space shall suffer only minor damage and shall not be rendered wholly unsuitable for OpTel's permitted use, or is damaged and the option to terminate is not exercised by either party, BellSouth covenants and agrees to proceed promptly without expense to OpTel, except for improvements not the property of BellSouth, to repair the damage. BellSouth shall have a reasonable time within which to rebuild or make any repairs, and such rebuilding and repairing shall be subject to delays caused by storms, shortages of labor and materials, government regulations, strikes, walkouts, and causes beyond the control of BellSouth, which causes shall not be construed as limiting factors, but as exemplary only. OpTel may, at its own expense, accelerate the rebuild of its collocated space and equipment provided however that a certified vendor is used and the necessary space preparation has been completed. Rebuild of equipment must be performed by a BellSouth Certified Vendor. If OpTel's acceleration of the project increases the cost of the project, then those additional charges will be incurred by OpTel. Where allowed and where practical, OpTel may erect a temporary facility while BellSouth rebuilds or makes repairs. In all cases where the Collocation Space shall be rebuilt or repaired, OpTel shall be entitled to an equitable abatement of rent and other charges, depending upon the unsuitability of the Collocation Space for OpTel's permitted use, until such Collocation Space is fully repaired and restored and OpTel's equipment installed therein (but in no event later than thirty (30) days after the Collocation Space is fully repaired and restored). Where OpTel has placed an Adjacent Arrangement pursuant to section 3.4, OpTel shall have the sole responsibility to repair or replace said Adjacent Arrangement provided herein. Pursuant to this section, BellSouth will restore the associated services to the Adjacent Arrangement.

13. EMINENT DOMAIN

13.1 If the whole of a Collocation Space or Adjacent Arrangement shall be taken by any public authority under the power of eminent domain, then this Attachment shall terminate as of the day possession shall be taken by such public authority and rent and other charges for the Collocation Space or Adjacent Arrangement shall be paid up to that day with proportionate refund by BellSouth of such rent and charges as may have been paid in advance for a period subsequent to the date of the taking. If any part of the Collocation Space or Adjacent Arrangement shall be taken under eminent domain, BellSouth and OpTel shall each have the right to terminate this Attachment and declare the same null and void, by written notice of such intention to the other party within ten (10) days after such taking.

14. NONEXCLUSIVITY

12.1 OpTel understands that this Attachment is not exclusive and that BellSouth may enter into similar agreements with other parties. Assignment of space pursuant to all such agreements shall be determined by space availability and made on a first come, first served basis.

**EXHIBIT A: BELLSOUTH/OpTel RATES - FLORIDA
PHYSICAL COLLOCATION**

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)
PE1BA	Application Fee	Per Request	\$15.53	\$3,248.00
PE1CA	Subsequent Application Fee (Note 1)	Per Request	NA	\$1600.00 Minimum
PE1BB	Space Preparation Fee (Note 2)			
	Mechanical / HVAC*	Per ton (one ton minimum)		\$2,400.00
	Ground Bar*	Per Connection		\$720.00
	Project Management*	Per arrangement		\$1675.00
	Cable Racking / Fiber Duct	Per arrangement, square foot		ICB
	Frame / Aisle Lighting	Per arrangement, square foot		ICB
	Framework Ground Conductors	Per arrangement		ICB
	Extraordinary Modifications	Per arrangement		ICB
	Space Enclosure (Note 3) <i>Requested Prior to 6/1/99</i>			
PE1BW	Wire Cage	Per first 100 sq. Ft.	\$41.99	NA
PE1BC	Gypsum Board Cage	Per first 100 sq. Ft.	\$84.10	NA
PE1BF	Fire Rated Cage	Per first 100 sq. Ft.	\$99.73	NA
PE1CW	Wire Cage	Per add'l 50 sq. Ft.	\$4.14	NA
PE1CC	Gypsum Board Cage	Per add'l 50 sq. Ft.	\$9.35	NA
PE1CF	Fire Rated Cage	Per add'l 50 sq. Ft.	\$11.30	NA
PE1PJ	Floor Space	Per sq. Ft.	\$4.25	NA
PE1BD	Cable Installation	Per Cable	\$2.77	\$1,056.00
PE1PM	Cable Support Structure		\$22.94	NA

**EXHIBIT A: BELLSOUTH/OpTel RATES - FLORIDA
PHYSICAL COLLOCATION (cont.)**

USOC	Rate Element Description	Unit	Recurring Rate (RC)	Non-Recurring Rate (NRC)
PE1PL	Power			
	-48V DC Power	Per amp	\$7.14	ICB
	120V AC Power single phase *	Per breaker amp	\$5.50	ICB
	240V AC Power single phase*	Per breaker amp	\$11.00	ICB
	120V AC Power three phase*	Per breaker amp	\$16.50	ICB
	277V AC Power three phase*	Per breaker amp	\$38.20	ICB
	Cross Connects (Note 4)	Per Cross Connect		
PE12C	2-wire		\$0.0524	\$11.57
PE14C	4-wire		\$0.0524	\$11.57
PE11S	DS-1/DCS		\$8.085	\$69.64
PE11X	DS-1/DSX		\$4.110	\$69.64
PE13S	DS-3/DCS		\$56.97	\$528.00
PE13X	DS-3/DSX		\$10.06	\$528.00
PE1F2	Optical Cross Connects		\$6.46	\$2,431.00
	Co-Carrier Cross-Connect (Note 5)			
PE1ES	Fiber Cable Support Structure, existing	Per linear foot	\$0.06	NA
PE1DS	Copper or Coaxial Cable Support Structure, existing	Per linear foot	\$0.03	NA
(TBD)	Cable Support Structure Construction, new	Per new construction	NA	ICB
PE1A2	Security Access System Security System* New Access Card Activation* Administrative change, existing card* Replace lost or stolen card*	Per Central Office Per request-5 cards Per Card Per Card	\$95.00 NA	\$85.12 \$35.00 \$250.00
	Space Availability Report *	Per Central Office Requested		\$550.00
	POT Bay (Note 6)		NA	NA

**EXHIBIT A: BELLSOUTH/OpTel RATES - FLORIDA
PHYSICAL COLLOCATION (cont.)**

USOC	Rate Element Description	Unit	Recurring Rate (RC)	Non-Recurring Rate (NRC)
AEH	Additional Engineering Fee (Note 7)	Per request. First half hour/Add'l half hour		First /Add'l Basic Time - \$31.00/\$22.00 Overtime - \$37.00/\$26.00
	Security Escort			
	Basic Time	Per ¼ hour	NA	\$10.89
	Overtime	Per ¼ hour	NA	\$13.64
	Premium Time	Per ¼ hour	NA	\$16.40

Note(s):

N/A refers to rate elements which do not have a negotiated rate.

- (1) **Subsequent Application Fee:** BellSouth requires the submission of an Application Fee for modifications to an existing arrangement. However, when the modifications do not require BellSouth to expend capital, BellSouth will assess the Subsequent Application Fee in lieu of the Application Fee. Proposed modifications that could result in assessment of a Subsequent Application Fee would cause BellSouth to analyze the following but are not limited to: floor loading changes, changes to HVAC requirements, power requirement changes which may result in a power plant upgrade, environmental or safety requirements, or equipment relocation. Should the Subsequent Application Fee not be included as part of this Attachment, OpTel will be assessed the full Application Fee for all subsequent activity for completed arrangements.
- (2) **Space Preparation Fee:** The Space Preparation Fee is a one-time fee, assessed per arrangement, per location. It recovers costs associated with the shared physical collocation area within a Central Office, which include survey, engineering, design and modification costs for network, building and support systems. BellSouth will pro rate the total shared space preparation costs among the collocators at each location based on the amount of square footage occupied by each collocator. This charge may vary depending on the location and type of arrangement requested.
- (3) **Space Enclosure Fee:** For cages requested prior to June 1, 1999, the Space Enclosure Construction Fee is a monthly recurring fee, assessed per enclosure, per location with a one-hundred (100) square foot minimum enclosure. It recovers costs associated with providing an optional equipment arrangement enclosure, which include architectural and engineering fees, materials, and installation costs. The cost for additional square feet is applicable only when ordered with the first 100 square feet and must be requested in fifty (50) square foot increments. OpTel may, at its option, arrange with a BellSouth certified contractor to construct the space enclosure in accordance with BellSouth's guidelines and specifications. In this event, the contractor shall directly bill OpTel for the space enclosure, and this fee shall not be applicable.
- (4) **Cross Connects:** Rates shown are the equivalent per cross connect rates based on the Florida PSC Ordered rates as follows:

Cross Connects	Per Cross Connect	RC	NRC
2-wire	Per 100 X-Connects	\$5.24	\$1,157.00
4-wire	Per 100 X-Connects	\$5.24	\$1,157.00
DS-1/DCS	Per 28 X-Connects	\$226.39	\$1,950.00
DS-1/DSX	Per 28 X-Connects	\$11.51	\$1,950.00
DS-3/DCS	Per Cross Connect	\$56.97	\$ 528.00
DS-3/DSX	Per Cross Connect	\$10.06	\$528.00
Optical Cross Connects	Per Cross Connect	\$6.46	\$2,431.00

EXHIBIT A: BELLSOUTH/OpTel RATES - FLORIDA
PHYSICAL COLLOCATION (cont.)

- (5) **Co-Carrier Cross-Connect.** As stated in Section 5 of the Collocation Attachment, OpTel may connect to other CLECs within the designated Central Office in addition to, and not in lieu of, interconnection to BellSouth services and facilities. Where BellSouth must construct a cable rack structure to house the direct connection, construction charges will be applied on an individual case basis. BellSouth shall provide an estimate of these charges in the Application Response. Where an existing cable rack structure is in place and has sufficient capacity to accommodate the direct connection requested, the recurring charges as stated in this Exhibit A shall apply.
- (6) **POT Bays:** BellSouth's Florida specific rates were established in the Florida Public Service Commission Docket No. 960833. The Commission did not set permanent rates for POT Bays, given the assumption by the parties to the Proceeding that they will always provide their own POT Bays. It will be necessary for OpTel to provide its own POT Bays per BellSouth specifications and provide the necessary information from which BellSouth can inventory.
- (7) **Additional Engineering Fee:** BellSouth's additional engineering, and other labor costs associated with handling OpTel-requested modifications to requests in progress or augmentations to existing arrangements shall be recovered as Additional Engineering charges, under provisions in BellSouth's FCC Number 1 Tariff, Sections 13.1 and 13.2. Should Additional Engineering rates not be included, OpTel agrees not to make changes to collocation arrangement after a Bona Fide Firm Order is submitted.

ENVIRONMENTAL AND SAFETY PRINCIPLES

The following principles provide basic guidance on environmental and safety issues when applying for and establishing Physical Collocation arrangements.

1. GENERAL PRINCIPLES

1.1 Compliance with Applicable Law. BellSouth and OpTel agree to comply with applicable federal, state, and local environmental and safety laws and regulations including U.S. Environmental Protection Agency (USEPA) regulations issued under the Clean Air Act (CAA), Clean Water Act (CWA), Resource Conservation and Recovery Act (RCRA), Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), Superfund Amendments and Reauthorization Act (SARA), the Toxic Substances Control Act (TSCA), and OSHA regulations issued under the Occupational Safety and Health Act of 1970, as amended and NFPA and National Electrical Codes (NEC) and the NESC ("Applicable Laws"). Each party shall notify the other if compliance inspections are conducted by regulatory agencies and/or citations are issued that relate to any aspect of this agreement.

1.2 Notice. BellSouth and OpTel shall provide notice to the other, including Material Safety Data Sheets (MSDSs), of known and recognized physical hazards or Hazardous Chemicals existing on site or brought on site. Each party is required to provide specific notice for known potential Imminent Danger conditions. OpTel should contact 1-800-743-6737 for BellSouth MSDS sheets.

1.3 Practices/Procedures. BellSouth may make available additional environmental control procedures for OpTel to follow when working at a BellSouth Premises (See Section 2, below). These practices/procedures will represent the regular work practices required to be followed by the employees and contractors of BellSouth for environmental protection. OpTel will require its contractors, agents and others accessing the BellSouth Premises to comply with these practices. Section 2 lists the Environmental categories where BellSouth practices should be followed by OpTel when operating in the BellSouth Premises.

1.4 Environmental and Safety Inspections. BellSouth reserves the right to inspect the OpTel space with proper notification. BellSouth reserves the right to stop any OpTel work operation that imposes Imminent Danger to the environment, employees or other persons in the area or Facility.

1.5 Hazardous Materials Brought On Site. Any hazardous materials brought into, used, stored or abandoned at the BellSouth Premises by OpTel are owned by OpTel. OpTel will indemnify BellSouth for claims, lawsuits or damages to persons or property caused by these materials. Without prior written BellSouth approval, no substantial new safety or environmental hazards can be created by OpTel or different hazardous materials used by OpTel at BellSouth Facility. OpTel must demonstrate adequate emergency response capabilities for its materials used or remaining at the BellSouth Facility.

1.6 **Spills and Releases.** When contamination is discovered at a BellSouth Premises, the party discovering the condition must notify BellSouth. All Spills or Releases of regulated materials will immediately be reported by OpTel to BellSouth.

1.7 **Coordinated Environmental Plans and Permits.** BellSouth and OpTel will coordinate plans, permits or information required to be submitted to government agencies, such as emergency response plans, spill prevention control and countermeasures (SPCC) plans and community reporting. If fees are associated with filing, BellSouth and OpTel will develop a cost sharing procedure. If BellSouth's permit or EPA identification number must be used, OpTel must comply with all of BellSouth's permit conditions and environmental processes, including environmental "best management practices (BMP)" (see Section 2, below) and/or selection of BellSouth disposition vendors and disposal sites.

1.8 **Environmental and Safety Indemnification.** BellSouth and OpTel shall indemnify, defend and hold harmless the other party from and against any claims (including, without limitation, third-party claims for personal injury or death or real or personal property damage), judgments, damages, (including direct and indirect damages, and punitive damages), penalties, fines, forfeitures, costs, liabilities, interest and losses arising in connection with the violation or alleged violation of any Applicable Law or contractual obligation or the presence or alleged presence of contamination arising out of the acts or omissions of the indemnifying party, its agents, contractors, or employees concerning its operations at the Facility.

2. CATEGORIES FOR CONSIDERATION OF ENVIRONMENTAL ISSUES

When performing functions that fall under the following Environmental categories on BellSouth's Premises, OpTel agrees to comply with the applicable sections of the current issue of BellSouth's Environmental and Safety Methods and Procedures (M&Ps), incorporated herein by this reference. OpTel further agrees to cooperate with BellSouth to ensure that OpTel's employees, agents, and/or subcontractors are knowledgeable of and satisfy those provisions of BellSouth's Environmental M&Ps which apply to the specific Environmental function being performed by OpTel, its employees, agents and/or subcontractors.

The most current version of reference documentation must be requested from BellSouth.

2. Categories for Consideration of Environmental Issues (cont.)

ENVIRONMENTAL CATEGORIES	ENVIRONMENTAL ISSUES	ADDRESSED BY THE FOLLOWING DOCUMENTATION
Disposal of hazardous material or other regulated material (e.g., batteries, fluorescent tubes, solvents & cleaning materials)	Pollution liability insurance EVET approval of contractor	Std T&C 450 GU-BTEN-001BT, Chapter 4 Std T&C 660-3 GU-BTEN-001BT, Chapter 10
Emergency response	Hazmat/waste release/spill firesafety emergency	GU-BTEN-001BT, Chapter Building Emergency Operations Plan (EOP) (specific to Premises)
Contract labor/outsourcing for services with environmental implications to be performed on BellSouth Premises (e.g., disposition of hazardous material/waste; maintenance of storage tanks)	Performance of services in accordance with BST's environmental M&Ps Insurance	Std T&C 450 Std T&C 450-B (Contact E/S or your DEC/LDEC for copy of appropriate E/S M&Ps.) Std T&C 660
Transportation of hazardous material	Pollution liability insurance EVET approval of contractor	Std T&C 450 GU-BTEN-001BT, Chapter 4 Std T&C 660-3 GU-BTEN-001BT, Chapter 10
Maintenance/operations work which may produce a waste Other maintenance work	Protection of BST employees and equipment	Std T&C 450 GU-BTEN-001BT, Chapter 10 29CFR 1910.147 29CFR 1910 Subpart O
Janitorial services	All waste removal and disposal must conform to all applicable federal, state and local regulations All HazMat & Waste Asbestos notification protection of BST employees and equipment	P&SM Manager - Procurement GU-BTEN-001BT, Chapter 4, GU-BTEN-001BT, Chapter 3 BSP 010-170-001BS (Hazcom)
Manhole cleaning	Pollution liability insurance Manhole entry requirements EVET approval of contractor	Std T&C 450 Std T&C 660-3 BSP 620-145-011PR Issue A, August 1996 GU-BTEN-001BT, Chapter 10 RL9706008BT
Removing or disturbing building materials that may contain asbestos	Asbestos work practices	GU-BTEN-001BT, Chapter 3

3. DEFINITIONS

Generator. Under RCRA, the person whose act produces a Hazardous Waste, as defined in 40 CFR 261, or whose act first causes a Hazardous Waste to become subject to regulation. The Generator is legally responsible for the proper management and disposal of Hazardous Wastes in accordance with regulations.

Hazardous Chemical. As defined in the U.S. Occupational Safety and Health (OSHA) hazard communication standard (29 CFR 1910.1200), any chemical which is a health hazard or physical hazard.

Hazardous Waste. As defined in section 1004 of RCRA.

Imminent Danger. Any conditions or practices at a facility which are such that a danger exists which could reasonably be expected to cause immediate death or serious harm to people or immediate significant damage to the environment or natural resources.

Spill or Release. As defined in Section 101 of CERCLA.

4. ACRONYMS

DEC/LDEC - Department Environmental Coordinator/Local Department Environmental Coordinator

GU-BTEN-001BT - BellSouth Environmental Methods and Procedures

EVET - Environmental Vendor Evaluation Team

P&SM - Property & Services Management

Std. T&C - Standard Terms & Conditions

NESC - National Electrical Safety Codes