

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **DIRECT TESTIMONY OF RON MARTINEZ**

3 **ON BEHALF OF MCIMETRO**

4 **DOCKET NO.** 011177-TP

5 **SEPTEMBER 5, 2001**

6

7 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION.**

8 A. My name is Ron Martinez. My business address is WorldCom, Inc., 2520
9 Northwinds Parkway, Alpharetta, GA 30004. I am employed by WorldCom, Inc.
10 as Senior Manager – Carrier Agreements. My responsibilities in my current
11 position include negotiating and managing local interconnection agreements for
12 WorldCom’s local exchange carrier subsidiaries. These include MCI metro Access
13 Transmission Services, LLC (MCI metro), one of our subsidiaries that is
14 certificated as an alternative local exchange carrier in Florida.

15

16 **Q. PLEASE PROVIDE INFORMATION ON YOUR BACKGROUND AND**
17 **EXPERIENCE.**

18 A. Prior to assuming my current position with WorldCom in 2000, I managed the
19 business relationships between MCI Telecommunications Corporation and
20 approximately 500 independent local exchange companies in twenty-one states. I
21 have experience in network engineering, administration and planning; facilities
22 engineering, management and planning; network sales; and technical sales support.
23 Prior to joining MCI in 1988, I was the Director of Labs for Contel Executone for
24 several years. Before that, I worked for sixteen years in the Bell system in
25 numerous engineering, sales and sales support functions. I have a Master of

1 Science degree in Operations Research and a Bachelor of Science Degree in
2 Electrical Engineering from the University of New Haven.

3

4 **Q. ARE YOU FAMILIAR WITH THE CIRCUMSTANCES LEADING UP TO**
5 **MCIMETRO'S COMPLAINT IN THIS CASE?**

6 A. Yes, I am. Because I am responsible for negotiation and management of
7 interconnection agreements with Sprint, I am familiar with the provisions of the
8 agreement that Sprint terminated. I received the correspondence from Sprint
9 regarding that agreement, including the termination letter, and I replied to all that
10 correspondence.

11

12 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

13 A. The purpose of my testimony is to describe the events leading up to Sprint's
14 termination of the interconnection agreement in Florida between MCImetro and
15 Sprint and to describe the relief that MCImetro is asking the Commission to grant
16 in this case.

17

18 MCImetro and Sprint have an interconnection agreement which was signed by
19 both parties in April of 1997 and was approved by the Commission in an order
20 issued on May 20, 1997. The agreement had an initial term of 3 years, with
21 optional one-year renewals. The agreement was renewed by MCImetro in 2000
22 and 2001 pursuant to the optional renewal clause, which is in Part A, Section 3 of
23 the agreement. Copies of the agreement and the renewal letters are attached as
24 exhibits to the direct testimony of John Monroe.

1 **Q. WHAT WAS THE FIRST CONTACT FROM SPRINT REGARDING THE**
2 **CANCELLATION OR TERMINATION OF THE INTERCONNECTION**
3 **AGREEMENT?**

4 A. In December of 2000, John Clayton, Sprint's Director – Local Carrier Markets
5 called me and asked if we could cancel our interconnection agreement because
6 MCImetro was not taking advantage of all the provisions of the agreement. I told
7 him that we were working on a residential market service launch, and I did not
8 want to be without a comprehensive interconnection agreement. He told me he
9 that many other ALECs were opting in to our agreement, and that he wished to
10 renegotiate it. I told him that we did not have the resources to renegotiate the
11 whole agreement at that time, but that we would be willing to use the new
12 BellSouth/ MCImetro interconnection agreement as a starting point for
13 negotiations when that agreement was filed with the Commission.

14

15 **Q. WHEN WAS SPRINT'S FIRST FORMAL REQUEST THAT MCIMETRO**
16 **CONSIDER AMENDING OR RENEGOTIATING THE AGREEMENT?**

17 A. On May 24, 2001, Sprint sent a letter to MCImetro requesting renegotiation of the
18 agreement, citing several changes in the law since the execution of the original
19 agreement, and invoking the change of law provision of the agreement. A matrix
20 attached to that letter included a list of numerous provisions that Sprint said were
21 impacted by FCC or court decisions. The letter suggested that the most expedient
22 course of action would be to replace the agreement in its entirety with a new
23 contract based on Sprint's standard interconnection agreement. A copy of this
24 letter is attached as Exhibit ____ (RM-1).

25

1 **Q. HOW DID MCIMETRO RESPOND TO THAT REQUEST?**

2 **A.** On May 31, 2001, MCImetro responded to Sprint's letter, stating that the change
3 of law provision does not apply to the legal issues noted by Sprint. We also stated
4 that MCImetro did not want to renegotiate the entire agreement, but that
5 MCImetro would entertain any amendments of individual issues Sprint would care
6 to submit. A copy of this letter is attached as Exhibit ____ (RM-2).

7

8 **Q. WHAT HAPPENED NEXT?**

9 **A.** On June 21, 2001, Sprint sent MCImetro a letter that Sprint considered MCImetro
10 to be in breach of the agreement for "refusing to negotiate promptly and in good
11 faith to amend the Agreement...." At that time Sprint had not, and still as of the
12 date of my testimony has not, proposed any amendments to the agreement for
13 MCImetro to consider. A copy of this letter is attached as Exhibit ____ (RM-3).

14

15 **Q. HOW DID YOU RESPOND TO THIS LETTER?**

16 **A.** On June 22, 2001, MCImetro responded to Sprint, stating that MCImetro was not
17 refusing to negotiate an amendment to the agreement. We once again invited
18 Sprint to submit any specific amendments Sprint cared to propose. A copy of this
19 letter is attached as Exhibit ____ (RM-4).

20

21 **Q. WHAT WAS THE NEXT COMMUNICATION THAT YOU RECEIVED
22 FROM SPRINT?**

23 On August 21, 2001, Sprint notified MCImetro that Sprint was terminating the
24 agreement, for MCImetro's breach and bad faith. A copy of this letter is attached
25 as Exhibit ____ (RM-5).

1 **Q. HOW DID MCIMETRO RESPOND?**

2 A. On August 30, 2001, MCImetro replied to the termination letter, again denying the
3 breach, once again inviting Sprint to propose contract amendments, and notifying
4 Sprint that MCImetro intended to seek relief for Sprint's termination. A copy of
5 this letter is attached as Exhibit ____ (RM-6).

6

7 **Q. HAS SPRINT DISCONNECTED ANY SERVICE TO MCIMETRO, AS A**
8 **RESULT OF SPRINT'S TERMINATION OF THE AGREEMENT?**

9 A. Yes. Sprint has disconnected MCImetro's access to IRES (Integrated Request
10 Entry System), a system MCImetro uses to access Sprint's customer service
11 records ("CSRs"). That disconnection is evidenced by a letter from Sprint dated
12 August 29, 2001, a copy of which is attached as Exhibit ____ (RM-7). MCImetro
13 must access Sprint's CSRs to be able to order new service. That is, if a customer
14 wishes to change service from Sprint to MCImetro, MCImetro accesses the Sprint
15 CSR to obtain information necessary to submit the order to Sprint. Sprint's
16 disconnection of MCImetro's access to IRES has effectively blocked MCImetro
17 from obtaining any new customers and ordering new service.

18

19 In addition, Sprint has cancelled orders for service that Sprint had accepted, but
20 had not yet provisioned. This includes orders for which Sprint had given
21 MCImetro a firm order confirmation. Copies of two examples of Sprint order
22 rejections are attached as Composite Exhibit ____ (RM-8).

23

24 **Q. HAS MCIMETRO ATTEMPTED TO RESOLVE THIS ISSUE WITH**
25 **SPRINT THROUGH NEGOTIATIONS?**

1 A. Yes. I repeatedly have told Sprint that we are willing to consider any amendments
2 to the agreement that Sprint would like to propose. Sprint has never proposed one.
3 Instead, Sprint suggests that we scrap the existing agreement and negotiate a new
4 one. Then, Sprint complains that we refuse to negotiate an amendment.

5
6 **Q. HAVE YOU REFUSED TO NEGOTIATE AN AMENDMENT?**

7 A. No. We continue to stand ready to entertain any amendments Sprint proposes.
8 Sprint just does not propose any.

9
10 **Q. HAS MCIMETRO TAKEN ANY STEPS TO MINIMIZE DISRUPTION TO**
11 **CUSTOMERS CAUSED BY SPRINT'S DISCONNECTION OF ACCESS**
12 **TO IRES?**

13 A. Yes. Bryan Green, our Director – Carrier Management, has called William Cheek,
14 Sprint's Vice President of Sales and Account Management, and asked that access
15 to IRES be restored, and orders be processed, pending this dispute. Marcel Henry,
16 our Vice President of Eastern Telco Line Cost Management also has called Mr.
17 Cheek. On those calls, MCI metro asked Sprint to continue "business as usual"
18 given MCI metro's assurance that it will negotiate in good faith any amendments
19 Sprint offers to the interconnection agreement. Because Sprint has sole control
20 over our access to IRES and the provisioning of our orders, there is little else we
21 can do but rely on Sprint to restore our access, and not to take any action to
22 disconnect existing customer services.

23
24 **Q. WHAT WOULD YOU LIKE THE FLORIDA PUBLIC SERVICE**
25 **COMMISSION TO DO?**

1 A. MCImetro has an existing interconnection agreement with Sprint. I would like the
2 Commission to declare that the agreement remains in full force and effect
3 notwithstanding Sprint's notice of termination and to require Sprint to continue to
4 operate under the agreement.

5
6 **Q. WHAT IF THE COMMISSION ACCEPTS SPRINT'S POSITION THAT**
7 **MCIMETRO IS REQUIRED TO NEGOTIATE AMENDMENTS TO THE**
8 **AGREEMENT BASED ON THE CHANGE IN LAW PROVISION.**

9 A. As detailed in the testimony of John Monroe, MCImetro does not believe the
10 change in law provisions are triggered by any of the orders cited by Sprint. If the
11 Commission disagrees, we would ask that the Commission order Sprint to submit
12 the specific amendment language it proposes and direct the parties to negotiate
13 regarding such amendments. If the parties fail to agree, they should be directed to
14 bring their specific dispute to the Commission under the dispute resolution
15 provisions in the agreement. While these issues are being resolved through
16 negotiation or arbitration, the parties should be directed to continue to operate
17 under the existing agreement.

18
19 **Q. WHAT TEMPORARY RELIEF, IF ANY, ARE YOU ASKING THE**
20 **COMMISSION TO GRANT?**

21 A. Because of Sprint's recent actions, we are unable to submit any new orders, either
22 to serve new customers or to make changes in service to existing customers.
23 Sprint has frozen out any new competition from us in Florida. I would like the
24 Commission to require Sprint to operate under the agreement while it considers
25 this case. Without such an order, Florida's customers in Sprint's serving area no

1 longer have an option to select MCImetro as their telecommunications provider
2 and our reputation will be damaged with our existing customers.

3

4 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

5 A. Yes.

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John W. Clayton
Director
Local Carrier Markets

Local Telecommunications Division
6480 Sprint Parkway
Overland Park, KS 66251
Mailstop KSOPHM0310-3A453
Voice 913 315 7839
Fax 913 315 0628
john.clayton@mail.sprint.com

May 24, 2001

Attention: Director-Carrier Markets
Southern Financial Operations
MCI Telecommunications Corporation
2520 Northwinds Parkway, 5th Floor
Alpharetta, GA 30004

Re: Florida Interconnection Agreement Between MCImetro Access Transmission Services, Inc. and Sprint-Florida, Incorporated

Dear Madam or Sir:

Please accept this letter as Sprint's official request to renegotiate certain provisions of the Interconnection Agreement referenced above. Sprint is invoking its right to renegotiate terms and conditions under Part A, Section 2.2 and Section 6.

Part A, Section 2.2 provides that in the event the FCC or the Florida PSC promulgates rules, regulations or orders which conflict with or make unlawful any provision of the Agreement, MCI and Sprint will promptly and in good faith negotiate to amend the Agreement to substitute contract provisions which are consistent with such rules, regulations or orders. Further, Section 6 states that in the event any rules or regulations are held invalid, the Parties shall promptly renegotiate any provisions of the Agreement which, in the absence of such invalidated rule or regulation, are insufficiently clear to be effectuated.

As you know, it has been almost four years since the Florida Agreement was first executed and many of the provisions are either stale or conflict with current law. As evidence, MCI has also requested modifications to the current Agreement. I have enclosed a matrix of items that need to be renegotiated for your review (Attachment). Please note that this list is for illustration only and should not be considered an exhaustive list of negotiation items. Although not noted in the matrix, Sprint does reserve the right to immediately incorporate changes consistent with the most recent FCC order (96-98 and 99-68 released April 27, 2001) on reciprocal compensation once it goes into effect.

I have also enclosed a draft of our standard Interconnection Agreement for your review. The changes needed to bring this four year old Florida Agreement into compliance with current law are so numerous, we believe the most expedient course of action is to replace the Agreement in its entirety. This document serves as a our baseline for the replacement Agreement in Florida as well as any other states where MCI desires or needs new agreements. In addition, be aware that MCI has requested an interconnection agreement in New Jersey, the North Carolina Agreement expired on July 1, 2000 and MCI is operating without agreements in Oregon and Pennsylvania.

Our lead negotiator is John Chuang (913-315-7844 or john.v.chuang@mail.sprint.com). Please contact John Chuang or me with the name of the individual that will serve as your lead so we can move forward.

Sincerely,



John Clayton
Director – Local Markets

cc: Commercial Counsel - Law & Public Policy - MCImetro
Brian Green
Ron Martinez
Lori Warren
John Chuang
Tom Grimaldi
Kathryn Feeney
Janette Luehring

Attachment

Section	Language	Basis of renegotiations
3 rd Whereas	"purchase on an unbundled basis Network Elements . . . separately or in any combination"	The 8 th Circuit vacated 51.315(c)-(f), only required not to separate network elements (combinations that the LEC must provide are limited)

Part A – General Terms and Conditions

1.2	"Sprint shall provide the services in any combination requested by MCI." "	The 8 th Circuit vacated 51.315(c)-(f), only required not to separate network elements, combinations that the LEC must provide are limited
13.3	"Sprint... will provide... unbundled network elements including... operator service and directory assistance"	Sprint provides customized routing, OS and DA no longer required UNEs – FCC UNE remand order – 51.519(f)
25.1	Relates to branding of OS and DA	If Sprint provides customized routing, OS and DA no longer required UNEs – FCC UNE remand order – 51.519(f)

Part B – Definitions

"combinations"	Definition	The 8 th Circuit vacated 51.315(c)-(f), only required not to separate network elements, combinations that the LEC must provide are limited
"Expanded Interconnection Services"	Definition	Collocation orders (CC 98-147, March 31, 1999 and August 10, 2000) specific rulings on collocation, distinction from "Expanded Interconnection Services" separate collocation offering
"Wire Center"	References EIC service	Same as above

Attachment I – Price Schedule

3	Resale Discount	51.609 vacated by 8 th Circuit
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Attachment III – Network Elements

2.4	Sprint shall offer each Network Element individually and any Technically Feasible combination with any other Network Element . . .	The 8 th Circuit vacated 51.315(c)-(f), combinations that the LEC must provide are limited
2.5	Where Sprint provides combined Network Elements . . . Sprint shall perform, at its expense, any work necessary to interconnect such Network Elements.	The 8 th Circuit vacated 51.315(c)-(f), combinations that the LEC must provide are limited, only required to "not separate requested network elements that the incumbent currently combines."
2.7	OS and DA listed as UNEs	UNE Remand order – OS and DA no longer required UNEs provided Sprint offers customized routing
3.4	Unless otherwise requested by MCI, each Network Element and the connections between Network Elements provided by Sprint to MCI shall be made available to MCI on a priority basis, at any Technically Feasible point, that is equal to or better than the priorities that Sprint provides to itself, Sprint's own	Contrary to service quality rules 8 th Circuit vacated superior quality rules 51.305(a)(4) and 51.311(c)

Attachment

	subscribers, to a Sprint Affiliate or to any other entity.	
4.1.1	If a particular grade of service is installed but MCI uses the Loop to provide a service that exceeds the engineered capacity of a medium (i.e., interferes with other services) a mutually agreed upon process will be developed to resolve the issue.	Inconsistent with interference rules 51.233
4.4.2.3	MCI may require Sprint to provide copper twisted pair Loop Feeder which is unfettered by any intervening equipment (e.g., filters, load coils, and range extenders) ...	UNE Remand order permits recovery of costs for line conditioning - 51.319(3)(i)(ii) and (iii)
Section 5 NID		UNE Remand order
6.2	"Distribution shall be capable of transmitting signals for the following services . . . ISDN, ADSL, HDSL, and DS1-level signals."	FCC Order 01-26
6.3	"Sprint will provide Distribution to be a copper twisted pair which are unfettered by any intervening equipment (e.g., filters, load coils, range extenders)..."	Inconsistent with interference rules 51.233
Section 7. Local Switching	Does not include language to limit availability of switching in top 50 MSAs	UNE Remand conditions on availability of local switching
Section 8. Operator Systems		UNE Remand - OS no longer offered at UNE rates.
9.1	Definition of common transport	UNE Remand - definition of shared transport 51.319(d)(1)(iii)
NOTE	Need network to look at SCP, STP and databases to see if rule changes effected these sections	Also need Mark Megge to review. - John - I'm not sure if Mark ever looked at this, I don't have anything from him
15.1.2.1	Testing for combinations	The 8 th Circuit vacated 51.315(c)-(f), combinations limited
15.2.4.3	Loop combination Architecture Constraints	8 th Circuit vacated 51.315(c)-(f)
15.2.4.5.2.1	Downtime for loop combinations	related to previous sections for UNE combinations
15.2.4.7	Operator services - PM	OS no longer a UNE
15.6.1.10.4	Sprint Operator Services Trunk	OS no longer a UNE

Attachment IV

1.1	Agreement silent on internet traffic	FCC recently ruled that internet traffic is not local.
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Attachment V - Collocation

2.3	Escort required to access space	Collocation orders
2.4	Type of equipment to be collocated	FCC rule 51.323 and D.C. Circuit 3/17/00
2.5	Interconnection with other collocators	D.C. Circuit decision 3/17/00
2.23	Notify when construction 50% complete	51.321(f) allow reasonable access during construction."
Generally		Changes due to FCC Orders in Docket 98-147 dated

Attachment

		March 31, 1999 and August 10, 2000, DC Circuit case March 17, 2000
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Attachment VI – Rights of way, Conduit, Pole attachments

Section 1	Needs to be updated with current rules and regulations.	
Section 2	Needs to be updated with current rules and regulations	
Section 3	Needs to be updated with current rules and regulations	

Attachment VII – Number Portability

Section 3	"Number Portability is currently being worked on in industry forums."	LNP resolved
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Attachment VIII – General Business Requirements

1.1.3	Operation and Technological Changes – twelve months notice	
2.2.15.1, 2.2.15.3, 2.2.15.4, 2.2.15.5,	MCIm may order and Sprint shall provision unbundled Network Elements either individually or in any mutually agreed combination on a single order. Network Elements ordered as combined shall be provisioned as combined by Sprint . . .	The 8 th Circuit vacated 51.315(c)-(f), combinations that the LEC must provide are limited, only required to "not separate requested network elements that the incumbent currently combines."
4.1.5	Testing, Changes and Controls	
6.2.2, 6.2.3.	OS/DA	OS/DA no longer UNEs

In addition:

1. The agreement does not cover the FCC rules relating to advanced services (§§51.230, 231, 232, 233).
2. The superior quality rule vacated (§§51.305(4) and 311(c)).
3. The agreement does not include requirements from the UNE remand order for dark fiber, databases, subloops, packet switching (§51.319).
4. The agreement does not include the FCC requirements as to line sharing (§51.319(h)).
5. The agreement does not include additional requirements for collocation from Docket 98-147 (§51.323).



**MCI Telecommunications
Corporation**

Two Northwinds Center
2520 Northwinds Parkway
Alpharetta, GA 30004

Docket No. _____
Martinez Exhibit _____ (RM -2)
Page 1 of 3

May 31, 2001

Sprint
Local Telecommunications Division
Attn: John W. Clayton, Director
6480 Sprint Parkway
Overland Park, KS 66251
Mail Stop KSOPHMO310-3A453

Re: Your May 24, 2001 letter requesting re-negotiation of the
Florida Interconnection Agreement between MCI and Sprint

Dear John:

We are in receipt of the above-referenced letter with regard to our Florida Interconnection Agreement.

We do not agree that Part A, Section 2.2 and Section 6, when applied to the circumstances listed in the table attached to your letter, require an amendment to this Agreement. None of the items in your table are "unlawful or inconsistent with" the legal references you cite. In addition, we do not recall requesting modifications to our current Agreement.

If you have some issues of great importance to you that you would like to discuss, please bring them to our attention. We do not, however, believe it is appropriate to engage in full-blown re-negotiation of this contract at this time.

It is our understanding that we had reached an oral agreement with Sprint to use the FPSC-approved, BellSouth/MCI Florida Interconnection Agreement, currently in its final stages, as a baseline document for negotiations with Sprint region-wide, at a later date. This Agreement is in

Page 2
John Clayton

May 31, 2001

the "best and final offer" stage at the Commission and we expect to have this fully executed within 60 days. Once we have executed the Agreement with BellSouth, we will provide you with a copy for your review and comments. Please note that we are not intending, by this letter, to request, or to agree to commence, negotiation of an interconnection agreement.

Please be advised that MCI did not request an interconnection agreement with Sprint in New Jersey. We already have an interconnection agreement, as of July 28, 1997. Last year, we requested an amendment to that agreement, to provide terms regarding local number portability. We sent this amendment to Sprint for execution more than a year ago, but we have not received a reply.

We do not agree with you that our North Carolina Interconnection Agreement is expired as you were notified of our intent to renew that agreement in accordance with its terms. As mentioned in our August 9, 2000 letter to you, Sprint stated in its August 18, 1997 letter, that the Agreement was not *filed* until July 16, 1997, and was awaiting commission approval on the date of your letter. This is not consistent with your statement now that the Agreement was approved on July 1, 1997. In either case, however, the Agreement allows us to renew *after* expiration, and we exercised that right.

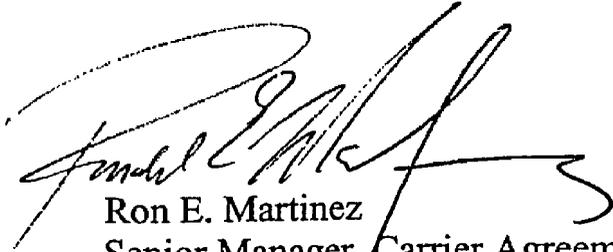
We also do not agree that we are operating without an agreement in Oregon and Pennsylvania. We have Traffic Exchange Agreements in both those states. You have elected to terminate those agreements, but both agreements have a provision contained in Section 11 which allows for the agreement to continue in full force and effect until such time as it is replaced with a superseding agreement. You even stated in your notice letters, dated January 4, 1999, that you plan to negotiate and execute a new agreement in these two states without any interruption of service.

You can contact either myself, or Lori Warren (770) 625-6834 for issues relating to negotiating/amending WorldCom agreements with Sprint.

Page 3
John Clayton

May 31, 2001

Sincerely,

A handwritten signature in black ink, appearing to read "Ron E. Martinez", with a large, sweeping flourish at the end.

Ron E. Martinez
Senior Manager, Carrier Agreements
(770) 625-6830
ron.martinez@wcom.com

CC: John Monroe
Lori Warren
Linda Prior
Donna McNulty
Ken Woods
Bryan Green



John W. Clayton
Director
Local Carrier Markets

Local Telecommunications Division
6480 Sprint Parkway
Overland Park, KS 66251
Mailstop KSOPHM0310-3A453
Voice 913 315 7839
Fax 913 315 0628
John.clayton@mail.sprint.com

June 21, 2001

Mr. Ron E. Martinez
Senior Manager, Carrier Agreements
Southern Financial Operations
MCI Telecommunications Corporation
Two Northwinds Center
2520 Northwinds Parkway
Alpharetta, GA 30004

Re: MCI Telecommunications May 31, 2001 letter regarding the Florida and North Carolina Interconnection Agreements Between MCImetro Access Transmission Services, Inc. and Sprint

Dear Ron:

We are in receipt of MCImetro's May 31, 2001 letter responding to our request to renegotiate certain provisions of our Florida Interconnection Agreement.

Sprint disagrees with MCImetro's claim that none of the items listed on our negotiation matrix are "unlawful or inconsistent with" the legal references that were cited. The negotiation matrix sets forth numerous examples where the language in our Florida Interconnection Agreement is clearly in conflict with or is inconsistent with current law. In addition, Section 6 allows renegotiation when any provision of the Agreement is "insufficiently clear to be effectuated" in the event FCC rules or regulations are held invalid

MCImetro is refusing to negotiate promptly and in good faith to amend the Agreement so that it is consistent with existing changes in rules, regulations and orders. Because of this, Sprint concludes that MCImetro is in breach of Part A, Section 2.2 of our Florida Interconnection Agreement. Accordingly, this letter serves as written notice to MCImetro of material breach under Section 20 of the Florida Interconnection Agreement.

Sprint also refutes MCImetro's contention that there was an oral agreement to use the BellSouth/MCImetro Florida Interconnection Agreement as a baseline agreement for negotiations. Rather, Sprint only agreed that it would not be prudent for either party to challenge or arbitrate orders resulting from the BellSouth/MCImetro arbitration proceedings, and it agreed to incorporate any results into a new agreement to the extent that the same issues exist between Sprint and MCImetro.

Mr. Ron Martinez
MCI Telecommunications Corporation

Page 2 of 2

We do not agree with your position with respect to the North Carolina Interconnection Agreement. Taking your scenario to the extreme, MCImetro would have the option into perpetuity to revive an expired agreement. Such an outcome clearly makes no sense. To reiterate, Sprint has stopped processing new orders for MCImetro in North Carolina, and as of June 1, 2001 all local traffic will be exchanged on a "Bill and Keep" basis.

As you acknowledge, Sprint has provided notice of termination of the Oregon and Pennsylvania Traffic Exchange Agreements. Although Section 11 does provide for the agreements to continue in full force and effect until replaced by a superceding agreement, it does so only if both parties have undertaken renegotiations and such renegotiations does not conclude prior to the expiration of the then current term. Accordingly, our position is that these agreements have expired based on MCImetro's refusal to renegotiate new agreements.

I feel that it would be in the best interest of both companies to find an amicable solution to the disagreements outlined above. Sprint fully intends to continue providing services currently being provided to MCImetro. Sprint is willing to work with MCImetro to consider interim options that will be satisfactory for both companies. To that end, I propose that we cancel the current Florida and North Carolina Agreements and enter into an interim agreement that will meet MCImetro's needs, including the ability to port numbers and providing access to UNEs. The interim agreement will be for one year, renewable by agreement of both parties. This offer is also available for any other Sprint ILEC states.

Please feel free to contact me or John Chuang at (913) 315-7844 if you have any additional questions or concerns.

Sincerely,



John Clayton
Director - Local Markets

cc: Commercial Counsel - Law & Public Policy - MCImetro
Lori Warren
John Chuang
Tom Grimaldi
Kathryn Feeney
Janette Luehring



Two Northwinds Center
2520 Northwinds Parkwa
Suite 500
Alpharetta, GA 30004

June 22, 2001

Sprint
Local Telecommunications Division
Attn: John W. Clayton, Director
6480 Sprint Parkway
Overland Park, KS 66251
Mail Stop: KSOPHMO310-3A453

Dear John:

I am writing you in reply to your June 21, 2001, letter regarding our Florida, North Carolina, Pennsylvania, and Oregon interconnection agreements.

Your statement that MCImetro is refusing to negotiate an amendment to the Florida agreement is incorrect. If you will review our letter of May 31, 2001, you will note that we asked you to bring to our attention any matters you would like to discuss. You have not proposed any new contract language to us, yet you have concluded, albeit incorrectly, that we are refusing to negotiate. I will reiterate: please bring any new language you would like to propose to our attention.

In your letter, you also discuss the status of our North Carolina agreement. The positions of the parties are well known, so I will not repeat them here. I should mention, however, that even if we were to agree with your conclusion that the agreement is expired (which we do not), there would be no basis for you to declare unilaterally that traffic exchanged in North Carolina is on a bill and keep basis.

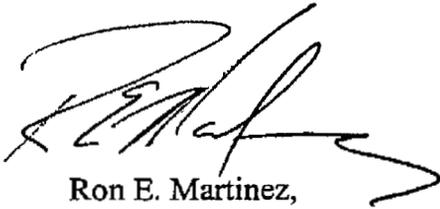
As we have told you earlier, we do not believe renegotiation of the entire Florida and North Carolina agreements is necessary at this time. Your repeated requests to do so are not consistent with your insistence that amendments to the agreements are required. While we do not agree with your position that amendments are required, we are willing to consider the amendments you have yet to propose. We still do not believe, however, that renegotiation of the entire agreements is appropriate.

Page 2
John Clayton

June 22, 2001

Finally, you somehow conclude that MCImetro has refused to negotiate new agreements in Pennsylvania and Oregon, and that the agreements in those states no longer are in effect. We have never refused to negotiate agreements in those states. To our knowledge, you have taken no steps to begin negotiations, so one might just as easily conclude that you have refused to negotiate. The termination notice you sent regarding the agreements clearly states that you intend to negotiate new ones, so the contracts continue in force until replaced.

Sincerely,



Ron E. Martinez,
Sr. Manager
WorldCom Carrier Agreements
(770) 625-6830
ron.martinez@wcom.com

cc: John Monroe
Lori Warren
Linda Prior
Donna McNulty
Ken Woods
Bryan Green



John W. Clayton
Director
Local Carrier Markets

Local Telecommunications Division
6480 Sprint Parkway
Overland Park, KS 66251
Mailstop KSOPHM0310-3A453
Voice 913 315 7839
Fax 913 315 0628
john.clayton@mail.sprint.com

August 21, 2001

Attention: Director-Carrier Markets
Southern Financial Operations
MCI Telecommunications Corporation
2520 Northwinds Parkway, 5th Floor
Alpharetta, GA 30004

**Re: Termination of Florida Interconnection Agreement between Sprint and
MCImetro Access Transmission Services, Inc. ("Agreement")**

Dear Madam or Sir:

In a letter dated June 21, 2001, Sprint notified MCImetro that it was in material breach of its Interconnection Agreement for refusing to engage Sprint in negotiations to amend certain provisions of the Agreement that are out of compliance with or inconsistent with current law. MCImetro has failed to cure the breach within the 45-day cure period provided for in the Agreement, and consequently, Sprint is exercising its option to terminate the Agreement under Section 20.1.3.

Section 20.1.3 provides:

If such material breach is for any other failure to perform in accordance with this Agreement, the breaching Party shall cure such breach to the non-breaching Party's reasonable satisfaction within forty-five (45) days, and if does not, the non-breaching Party may, at its sole option terminate this Agreement, or any parts hereof. The non-breaching Party shall be entitled to pursue all available legal and equitable remedies for such breach.

Although Sprint has identified several provisions that are inconsistent or in conflict with current law, MCImetro summarily dismissed Sprint's request for re-negotiation in a letter dated May 31, 2001. Accordingly, Sprint notified MCImetro that it considered MCImetro to be acting in bad faith, and that it was in breach of the Agreement. MCImetro has not responded to Sprint's June 21 notice, and consequently, Sprint believes that it may exercise its right to terminate the Agreement pursuant to Section 20.

Sprint notes that MCImetro has requested to opt into the Sprint - XO Communications Interconnection and Resale agreement in the state of Nevada. There is an effective Sprint - XO Communications Interconnection and Resale Agreement in Florida that is identical (with the one exception of Florida-specific pricing) that is available to MCImetro.

Docket No. _____
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Page 2 of 2

Page 2 of 2
August 21, 2001

Should MCImetro desire to opt into this agreement, either as an interim or permanent replacement, please let us know.

Please feel free to contact me if you have any questions or concerns.

Sincerely,



John Clayton
Director - Local Markets

cc: Commercial Counsel - Law & Public Policy - MCImetro
Florida Public Service Commission
William E. Cheek
Tom Grimaldi
John Chuang



**MCI Telecommunications
Corporation**

Two Northwinds Center
2520 Northwinds Parkway
Alpharetta, GA 30004

Docket No. _____
Martinez Exhibit _____ (RM -6)
Page 1

August 30, 2001

Sprint Local Telecommunications Division
Attn: John W. Clayton, Director
6480 Sprint Parkway
Overland Park, KS 66251
Mail Stop KSOPHMO310-3A453

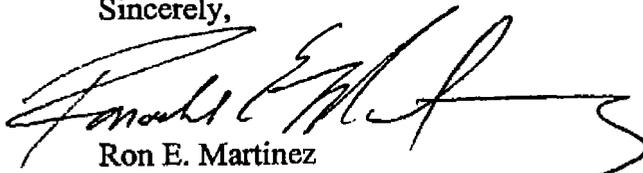
Dear Mr. Clayton:

I am writing you in reply to your letter of August 21, 2001, in which you notified us that you are terminating our interconnection agreement in Florida. Your termination is based on your opinion that MCImetro is in breach of the agreement "for refusing to engage Sprint in negotiations to amend certain provisions of the Agreement...."

If you will review our May 31, 2001, and June 22, 2001, letters, you will find that, not once but twice, MCImetro asked Sprint to provide proposed language for the amendments Sprint sought to make to the agreement. Sprint never responded to these requests. We still stand ready to review any amendments Sprint would like to propose, but until Sprint actually proposes an amendment, there is no further action for us to take. We do not agree with your assertion that we are in breach of the agreement by waiting for Sprint to propose amendments that Sprint would like to make to the agreement. Sprint has no right, therefore, to terminate the agreement, and we expect Sprint to perform the agreement fully.

We have discovered since receipt of your letter that you have disconnected our access to your systems, so we no longer are able to place orders. This is a serious breach of our interconnection agreement, which we view as intentional misconduct. We will seek appropriate relief immediately to remedy your breach.

Sincerely,



Ron E. Martinez
Sr. Manager, Carrier Agreements

cc: John Monroe
Lori Warren
Donna McNulty
Bryan Green
Brian Sulmonetti
Blanca S. Bayo, Florida Public Service Commission



Carrier Markets Service Center
Billing Department
248 West Monroe Street
Decatur, IN 46733

August 29, 2001

MCI Telecommunications Corporation
Southern Financial Operations
Attn: Director – Carrier Markets
2520 Northwinds Parkway, 5th Floor
Alpharetta, GA 30004

RE: Local Service Order Requests

Dear Sir:

Our service center has been notified that the Interconnection Agreement between Sprint and MCI Telecommunications Corporation has been terminated in the state of Florida. Be advised that without an Interconnection Agreement, Sprint CMSC will not be able to process any Local Service Requests (LSR's) for your company.

Until new contracts can be negotiated, MCI will not be able to provision service orders with our service center under OCN 7229. Access to customer service records and IRES (Integrated Request Entry System) has been terminated.

A copy of the Termination Notice has been enclosed. It explains in detail Sprint's stand on this situation. Please contact John Clayton (913 315-7839) or John Chuang (913 315-7844) regarding this situation.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Ledene".

Steve Ledene
CMSC Manager

cc: Account Management

REASON FOR REJECT

This LSR (PON 51001917A) is being rejected for one or more of the following reasons. Please correct and resubmit. No further action will be taken on this request until correct/complete information is received. Please Note: Response is required within 48 hours and requested due date may be adjusted.

NEAC REP. Name Becky Wilson i70 Tel. No. 800-578-8169

No LOA indicated

PIC/LPIC Missing or Incorrect For This Wire Center

Directory Listing Information Missing or Incomplete—See Remarks

Service Address Invalid

Incorrect or Missing: House No. Fraction Box
 Street Name Type of Thoroughfare
 Street Direction Street Suffix
 Floor Room/Unit Building
 Community City/Exchange

End User Name Does Not Match Current E. U. Name for this TN.
Please Verify and Resubmit

Another or Same End User at This Address Please Verify Name/
Address or Indicate if Second Line at Address

Other numbers on this account with no action noted, please check
and indicate action to be taken for each number. (see attached ATN's)

Duplicate PON No. Please Verify and Resend

REMARKS - reject - your company is not implemented to process orders in this state. Please contact you account manager to verify the status of your account. Thank you!

REASON FOR REJECT

This LSR (PON__51001917B_____) is being rejected for one or more of the following reasons. Please correct and resubmit. No further action will be taken on this request until correct/complete information is received. Please Note: Response is required within 48 hours and requested due date may be adjusted.

NEAC REP. Name__Becky Wilson i70__ Tel. No._800-578-8169_

_____ No LOA indicated

_____ PIC/LPIC Missing or Incorrect For This Wire Center

_____ Directory Listing Information Missing or Incomplete—See Remarks

_____ Service Address Invalid

Incorrect or Missing: _____House No. _____Fraction _____Box
_____Street Name _____Type of Thoroughfare
_____Street Direction _____Street Suffix
_____Floor _____Room/Unit _____Building
_____Community _____City/Exchange

_____ End User Name Does Not Match Current E. U. Name for this TN,
Please Verify and Resubmit

_____ Another or Same End User at This Address Please Verify Name/
Address or Indicate if Second Line at Address

_____ Other numbers on this account with no action noted, please check
and indicate action to be taken for each number. (see attached ATN's)

_____ Duplicate PON No. Please Verify and Resend

REMARKS - reject - your company is not implemented to process orders in this state. Please contact you account manager to verify the status of your account. Thank you!



John W. Clayton
Director
Local Carrier Markets

Local Telecommunications Division
6480 Sprint Parkway
Overland Park, KS 66251
Mailstop KSOPHM0310-3A453
Voice 913 315 7839
Fax 913 315 0628
john.clayton@mail.sprint.com

May 24, 2001

Attention: Director-Carrier Markets
Southern Financial Operations
MCI Telecommunications Corporation
2520 Northwinds Parkway, 5th Floor
Alpharetta, GA 30004

Re: Florida Interconnection Agreement Between MCImetro Access Transmission Services, Inc. and Sprint-Florida, Incorporated

Dear Madam or Sir:

Please accept this letter as Sprint's official request to renegotiate certain provisions of the Interconnection Agreement referenced above. Sprint is invoking its right to renegotiate terms and conditions under Part A, Section 2.2 and Section 6.

Part A, Section 2.2 provides that in the event the FCC or the Florida PSC promulgates rules, regulations or orders which conflict with or make unlawful any provision of the Agreement, MCI and Sprint will promptly and in good faith negotiate to amend the Agreement to substitute contract provisions which are consistent with such rules, regulations or orders. Further, Section 6 states that in the event any rules or regulations are held invalid, the Parties shall promptly renegotiate any provisions of the Agreement which, in the absence of such invalidated rule or regulation, are insufficiently clear to be effectuated.

As you know, it has been almost four years since the Florida Agreement was first executed and many of the provisions are either stale or conflict with current law. As evidence, MCI has also requested modifications to the current Agreement. I have enclosed a matrix of items that need to be renegotiated for your review (Attachment). Please note that this list is for illustration only and should not be considered an exhaustive list of negotiation items. Although not noted in the matrix, Sprint does reserve the right to immediately incorporate changes consistent with the most recent FCC order (96-98 and 99-68 released April 27, 2001) on reciprocal compensation once it goes into effect.

I have also enclosed a draft of our standard Interconnection Agreement for your review. The changes needed to bring this four year old Florida Agreement into compliance with current law are so numerous, we believe the most expedient course of action is to replace the Agreement in its entirety. This document serves as a our baseline for the replacement Agreement in Florida as well as any other states where MCI desires or needs new agreements. In addition, be aware that MCI has requested an interconnection agreement in New Jersey, the North Carolina Agreement expired on July 1, 2000 and MCI is operating without agreements in Oregon and Pennsylvania.

Our lead negotiator is John Chuang (913-315-7844 or john.y.chuang@mail.sprint.com). Please contact John Chuang or me with the name of the individual that will serve as your lead so we can move forward.

Sincerely,



John Clayton
Director – Local Markets

cc: Commercial Counsel - Law & Public Policy - MCImetro
Brian Green
Ron Martinez
Lori Warren
John Chuang
Tom Grimaldi
Kathryn Fecney
Janette Luchring

Attachment

Section	Language	Basis of renegotiations
3 rd Whereas	"purchase on an unbundled basis Network Elements . . .separately or in any combination"	The 8 th Circuit vacated 51.315(c)-(f), only required not to separate network elements (combinations that the LEC must provide are limited)

Part A – General Terms and Conditions

1.2	"Sprint shall provide the services in any combination requested by MCIIm."	The 8 th Circuit vacated 51.315(c)-(f), only required not to separate network elements, combinations that the LEC must provide are limited
13.3	"Sprint... will provide... unbundled network elements including...operator service and directory assistance"	Sprint provides customized routing, OS and DA no longer required UNEs – FCC UNE remand order – 51.519(f)
25.1	Relates to branding of OS and DA	If Sprint provides customized routing, OS and DA no longer required UNEs – FCC UNE remand order – 51.519(f)

Part B -- Definitions

"combinations"	Definition	The 8 th Circuit vacated 51.315(c)-(f), only required not to separate network elements, combinations that the LEC must provide are limited
"Expanded Interconnection Services"	Definition	Collocation orders (CC 98-147, March 31, 1999 and August 10, 2000) specific rulings on collocation, distinction from "Expanded Interconnection Services" separate collocation offering
"Wire Center"	References EIC service	Same as above

Attachment I – Price Schedule

3	Resale Discount	51.609 vacated by 8 th Circuit
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Attachment III – Network Elements

2.4	Sprint shall offer each Network Element individually and any Technically Feasible combination with any other Network Element	The 8 th Circuit vacated 51.315(c)-(f), combinations that the LEC must provide are limited
2.5	Where Sprint provides combined Network Elements . . . Sprint shall perform, at its expense, any work necessary to interconnect such Network Elements.	The 8 th Circuit vacated 51.315(c)-(f), combinations that the LEC must provide are limited, only required to "not separate requested network elements that the incumbent currently combines."
2.7	OS and DA listed as UNEs	UNE Remand order – OS and DA no longer required UNEs provided Sprint offers customized routing
3.4	Unless otherwise requested by MCIIm, each Network Element and the connections between Network Elements provided by Sprint to MCIIm shall be made available to MCIIm on a priority basis, at any Technically Feasible point, that is equal to or better than the priorities that Sprint provides to itself, Sprint's own	Contrary to service quality rules 8 th Circuit vacated superior quality rules 51.305(a)(4) and 51.311(c)

Attachment

	subscribers, to a Sprint Affiliate or to any other entity.	
4.1.1	If a particular grade of service is installed but MCI uses the Loop to provide a service that exceeds the engineered capacity of a medium (i.e., interferes with other services) a mutually agreed upon process will be developed to resolve the issue.	Inconsistent with interference rules 51.233
4.4.2.3	MCI may require Sprint to provide copper twisted pair Loop Feeder which is unfettered by any intervening equipment (e.g., filters, load coils, and range extenders) ...	UNE Remand order permits recovery of costs for line conditioning - 51.319(3)(i)(ii) and (iii)
Section 5 NID		UNE Remand order
6.2	"Distribution shall be capable of transmitting signals for the following services . . . ISDN, ADSL, HDSL, and DS1-level signals."	FCC Order 01-26
6.3	"Sprint will provide Distribution to be a copper twisted pair which are unfettered by any intervening equipment (e.g., filters, load coils, range extenders)..."	Inconsistent with interference rules 51.233
Section 7. Local Switching	Does not include language to limit availability of switching in top 50 MSAs	JNE Remand conditions on availability of local switching
Section 8. Operator Systems		JNE Remand - OS no longer offered at UNE rates.
9.1	Definition of common transport	JNE Remand - definition of shared transport 1.319(d)(1)(iii)
NOTE	Need network to look at SCP, STP and databases to see if rule changes effected these sections	also need Mark Megee to review. - John - I'm not sure if Mark ever looked at this, I don't have anything from him
15.1.2.1	Testing for combinations	The 8 th Circuit vacated 51.315(c)-(f), combinations omitted
15.2.4.3	Loop combination Architecture Constraints	1 st Circuit vacated 51.315(c)-(f)
15.2.4.5.2.1	Downtime for loop combinations	related to previous sections for UNE combinations
15.2.4.7	Operator services - PM	OS no longer a UNE
15.6.1.10.4	Sprint Operator Services Trunk	OS no longer a UNE

Attachment IV

1.1	Agreement silent on internet traffic	FCC recently ruled that internet traffic is not local.
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Attachment V - Collocation

2.3	Escort required to access space	Collocation orders
2.4	Type of equipment to be collocated	FCC rule 51.323 and D.C. Circuit 3/17/00
2.5	Interconnection with other collocators	D.C. Circuit decision 3/17/00
2.23	Notify when construction 50% complete	51.321(f) allow reasonable access during construction."
Generally		Changes due to FCC Orders in Docket 98-147 dated

Attachment

		March 31, 1999 and August 10, 2000, DC Circuit case March 17, 2000
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Attachment VI – Rights of way, Conduit, Pole attachments

Section 1	Needs to be updated with current rules and regulations.	
Section 2	Needs to be updated with current rules and regulations	
Section 3	Needs to be updated with current rules and regulations	

Attachment VII – Number Portability

Section 3	"Number Portability is currently being worked on in industry forums."	LNP resolved
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Attachment VIII – General Business Requirements

1.1.3	Operation and Technological Changes – twelve months notice	
2.2.15.1, 2.2.15.3, 2.2.15.4, 2.2.15.5,	MCI/m may order and Sprint shall provision unbundled Network Elements either individually or in any mutually agreed combination on a single order. Network Elements ordered as combined shall be provisioned as combined by Sprint . . .	The 8 th Circuit vacated 51.315(c)-(f), combinations that the LEC must provide are limited, only required to "not separate requested network elements that the incumbent currently combines."
4.1.5	Testing, Changes and Controls	
6.2.2, 6.2.3.	OS/DA	OS/DA no longer UNEs

In addition:

1. The agreement does not cover the FCC rules relating to advanced services (§§51.230, 231, 232, 233).
2. The superior quality rule vacated (§§51.305(4) and 311(c)).
3. The agreement does not include requirements from the UNE remand order for dark fiber, databases, subloops, packet switching (§51.319).
4. The agreement does not include the FCC requirements as to line sharing (§51.319(h)).
5. The agreement does not include additional requirements for collocation from Docket 98-147 (§51.323).



**MCI Telecommunications
Corporation**

Two Northwinds Center
2520 Northwinds Parkway
Alpharetta, GA 30004

Docket No. _____
Martinez Exhibit _____ (RM -2)
Page 1 of 3

May 31, 2001

Sprint
Local Telecommunications Division
Attn: John W. Clayton, Director
6480 Sprint Parkway
Overland Park, KS 66251
Mail Stop KSOPHMO310-3A453

Re: Your May 24, 2001 letter requesting re-negotiation of the
Florida Interconnection Agreement between MCI and Sprint

Dear John:

We are in receipt of the above-referenced letter with regard to our Florida Interconnection Agreement.

We do not agree that Part A, Section 2.2 and Section 6, when applied to the circumstances listed in the table attached to your letter, require an amendment to this Agreement. None of the items in your table are "unlawful or inconsistent with" the legal references you cite. In addition, we do not recall requesting modifications to our current Agreement.

If you have some issues of great importance to you that you would like to discuss, please bring them to our attention. We do not, however, believe it is appropriate to engage in full-blown re-negotiation of this contract at this time.

It is our understanding that we had reached an oral agreement with Sprint to use the FPSC-approved, BellSouth/MCI Florida Interconnection Agreement, currently in its final stages, as a baseline document for negotiations with Sprint region-wide, at a later date. This Agreement is in

Page 2
John Clayton

May 31, 2001

the "best and final offer" stage at the Commission and we expect to have this fully executed within 60 days. Once we have executed the Agreement with BellSouth, we will provide you with a copy for your review and comments. Please note that we are not intending, by this letter, to request, or to agree to commence, negotiation of an interconnection agreement.

Please be advised that MCI did not request an interconnection agreement with Sprint in New Jersey. We already have an interconnection agreement, as of July 28, 1997. Last year, we requested an amendment to that agreement, to provide terms regarding local number portability. We sent this amendment to Sprint for execution more than a year ago, but we have not received a reply.

We do not agree with you that our North Carolina Interconnection Agreement is expired as you were notified of our intent to renew that agreement in accordance with its terms. As mentioned in our August 9, 2000 letter to you, Sprint stated in its August 18, 1997 letter, that the Agreement was not *filed* until July 16, 1997, and was awaiting commission approval on the date of your letter. This is not consistent with your statement now that the Agreement was approved on July 1, 1997. In either case, however, the Agreement allows us to renew *after* expiration, and we exercised that right.

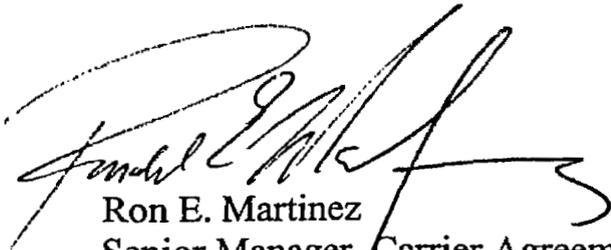
We also do not agree that we are operating without an agreement in Oregon and Pennsylvania. We have Traffic Exchange Agreements in both those states. You have elected to terminate those agreements, but both agreements have a provision contained in Section 11 which allows for the agreement to continue in full force and effect until such time as it is replaced with a superseding agreement. You even stated in your notice letters, dated January 4, 1999, that you plan to negotiate and execute a new agreement in these two states without any interruption of service.

You can contact either myself, or Lori Warren (770) 625-6834 for issues relating to negotiating/amending WorldCom agreements with Sprint.

Page 3
John Clayton

May 31, 2001

Sincerely,

A handwritten signature in black ink, appearing to read "Ron E. Martinez", with a large, sweeping flourish at the end.

Ron E. Martinez
Senior Manager, Carrier Agreements
(770) 625-6830
ron.martinez@wcom.com

CC: John Monroe
Lori Warren
Linda Prior
Donna McNulty
Ken Woods
Bryan Green



John W. Clayton
Director
Local Carrier Markets

Local Telecommunications Division
6480 Sprint Parkway
Overland Park, KS 66251
Mailstop KSOPHM0310-3A453
Voice 913 315 7839
Fax 913 315 0628
john.clayton@mail.sprint.com

June 21, 2001

Mr. Ron E. Martinez
Senior Manager, Carrier Agreements
Southern Financial Operations
MCI Telecommunications Corporation
Two Northwinds Center
2520 Northwinds Parkway
Alpharetta, GA 30004

Re: MCI Telecommunications May 31, 2001 letter regarding the Florida and North Carolina Interconnection Agreements Between MCImetro Access Transmission Services, Inc. and Sprint

Dear Ron:

We are in receipt of MCImetro's May 31, 2001 letter responding to our request to renegotiate certain provisions of our Florida Interconnection Agreement.

Sprint disagrees with MCImetro's claim that none of the items listed on our negotiation matrix are "unlawful or inconsistent with" the legal references that were cited. The negotiation matrix sets forth numerous examples where the language in our Florida Interconnection Agreement is clearly in conflict with or is inconsistent with current law. In addition, Section 6 allows renegotiation when any provision of the Agreement is "insufficiently clear to be effectuated" in the event FCC rules or regulations are held invalid

MCImetro is refusing to negotiate promptly and in good faith to amend the Agreement so that it is consistent with existing changes in rules, regulations and orders. Because of this, Sprint concludes that MCImetro is in breach of Part A, Section 2.2 of our Florida Interconnection Agreement. Accordingly, this letter serves as written notice to MCImetro of material breach under Section 20 of the Florida Interconnection Agreement.

Sprint also refutes MCImetro's contention that there was an oral agreement to use the BellSouth/MCImetro Florida Interconnection Agreement as a baseline agreement for negotiations. Rather, Sprint only agreed that it would not be prudent for either party to challenge or arbitrate orders resulting from the BellSouth/MCImetro arbitration proceedings, and it agreed to incorporate any results into a new agreement to the extent that the same issues exist between Sprint and MCImetro.

Mr. Ron Martinez
MCI Telecommunications Corporation

Page 2 of 2

We do not agree with your position with respect to the North Carolina Interconnection Agreement. Taking your scenario to the extreme, MCImetro would have the option into perpetuity to revive an expired agreement. Such an outcome clearly makes no sense. To reiterate, Sprint has stopped processing new orders for MCImetro in North Carolina, and as of June 1, 2001 all local traffic will be exchanged on a "Bill and Keep" basis.

As you acknowledge, Sprint has provided notice of termination of the Oregon and Pennsylvania Traffic Exchange Agreements. Although Section 11 does provide for the agreements to continue in full force and effect until replaced by a superceding agreement, it does so only if both parties have undertaken renegotiations and such renegotiations does not conclude prior to the expiration of the then current term. Accordingly, our position is that these agreements have expired based on MCImetro's refusal to renegotiate new agreements.

I feel that it would be in the best interest of both companies to find an amicable solution to the disagreements outlined above. Sprint fully intends to continue providing services currently being provided to MCImetro. Sprint is willing to work with MCImetro to consider interim options that will be satisfactory for both companies. To that end, I propose that we cancel the current Florida and North Carolina Agreements and enter into an interim agreement that will meet MCImetro's needs, including the ability to port numbers and providing access to UNEs. The interim agreement will be for one year, renewable by agreement of both parties. This offer is also available for any other Sprint ILEC states.

Please feel free to contact me or John Chuang at (913) 315-7844 if you have any additional questions or concerns.

Sincerely,



John Clayton
Director - Local Markets

cc: Commercial Counsel - Law & Public Policy - MCImetro
Lori Warren
John Chuang
Tom Grimaldi
Kathryn Feeney
Janette Luehring



Two Northwinds Center
2520 Northwinds Parkwa
Suite 500
Alpharetta, GA 30004

June 22, 2001

Sprint
Local Telecommunications Division
Attn: John W. Clayton, Director
6480 Sprint Parkway
Overland Park, KS 66251
Mail Stop: KSOPHMO310-3A453

Dear John:

I am writing you in reply to your June 21, 2001, letter regarding our Florida, North Carolina, Pennsylvania, and Oregon interconnection agreements.

Your statement that MCImetro is refusing to negotiate an amendment to the Florida agreement is incorrect. If you will review our letter of May 31, 2001, you will note that we asked you to bring to our attention any matters you would like to discuss. You have not proposed any new contract language to us, yet you have concluded, albeit incorrectly, that we are refusing to negotiate. I will reiterate: please bring any new language you would like to propose to our attention.

In your letter, you also discuss the status of our North Carolina agreement. The positions of the parties are well known, so I will not repeat them here. I should mention, however, that even if we were to agree with your conclusion that the agreement is expired (which we do not), there would be no basis for you to declare unilaterally that traffic exchanged in North Carolina is on a bill and keep basis.

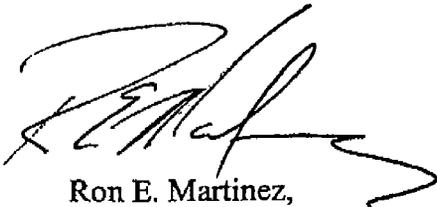
As we have told you earlier, we do not believe renegotiation of the entire Florida and North Carolina agreements is necessary at this time. Your repeated requests to do so are not consistent with your insistence that amendments to the agreements are required. While we do not agree with your position that amendments are required, we are willing to consider the amendments you have yet to propose. We still do not believe, however, that renegotiation of the entire agreements is appropriate.

Page 2
John Clayton

June 22, 2001

Finally, you somehow conclude that MCImetro has refused to negotiate new agreements in Pennsylvania and Oregon, and that the agreements in those states no longer are in effect. We have never refused to negotiate agreements in those states. To our knowledge, you have taken no steps to begin negotiations, so one might just as easily conclude that you have refused to negotiate. The termination notice you sent regarding the agreements clearly states that you intend to negotiate new ones, so the contracts continue in force until replaced.

Sincerely,



Ron E. Martinez,
Sr. Manager
WorldCom Carrier Agreements
(770) 625-6830
ron.martinez@wcom.com

cc: John Monroe
Lori Warren
Linda Prior
Donna McNulty
Ken Woods
Bryan Green



John W. Clayton
Director
Local Carrier Markets

Local Telecommunications Division
6480 Sprint Parkway
Overland Park, KS 66251
Mailstop KSOPHM0310-3A453
Voice 913 315 7839
Fax 913 315 0628
john.clayton@mail.sprint.com

August 21, 2001

Attention: Director-Carrier Markets
Southern Financial Operations
MCI Telecommunications Corporation
2520 Northwinds Parkway, 5th Floor
Alpharetta, GA 30004

**Re: Termination of Florida Interconnection Agreement between Sprint and
MCImetro Access Transmission Services, Inc. ("Agreement")**

Dear Madam or Sir:

In a letter dated June 21, 2001, Sprint notified MCImetro that it was in material breach of its Interconnection Agreement for refusing to engage Sprint in negotiations to amend certain provisions of the Agreement that are out of compliance with or inconsistent with current law. MCImetro has failed to cure the breach within the 45-day cure period provided for in the Agreement, and consequently, Sprint is exercising its option to terminate the Agreement under Section 20.1.3.

Section 20.1.3 provides:

If such material breach is for any other failure to perform in accordance with this Agreement, the breaching Party shall cure such breach to the non-breaching Party's reasonable satisfaction within forty-five (45) days, and if does not, the non-breaching Party may, at its sole option terminate this Agreement, or any parts hereof. The non-breaching Party shall be entitled to pursue all available legal and equitable remedies for such breach.

Although Sprint has identified several provisions that are inconsistent or in conflict with current law, MCImetro summarily dismissed Sprint's request for re-negotiation in a letter dated May 31, 2001. Accordingly, Sprint notified MCImetro that it considered MCImetro to be acting in bad faith, and that it was in breach of the Agreement. MCImetro has not responded to Sprint's June 21 notice, and consequently, Sprint believes that it may exercise its right to terminate the Agreement pursuant to Section 20.

Sprint notes that MCImetro has requested to opt into the Sprint - XO Communications Interconnection and Resale agreement in the state of Nevada. There is an effective Sprint - XO Communications Interconnection and Resale Agreement in Florida that is identical (with the one exception of Florida-specific pricing) that is available to MCImetro.

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Martinez Exhibit _____ (RM -5)
Page 2 of 2

Page 2 of 2
August 21, 2001

Should MCImetro desire to opt into this agreement, either as an interim or permanent replacement, please let us know.

Please feel free to contact me if you have any questions or concerns.

Sincerely,



John Clayton
Director - Local Markets

cc: Commercial Counsel - Law & Public Policy - MCImetro
Florida Public Service Commission
William E. Cheek
Tom Grimaldi
John Chuang



MCI Telecommunications
Corporation

Two Northwinds Center
2520 Northwinds Parkway
Alpharetta, GA 30004

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Martinez Exhibit _____ (RM -6)
Page 1

August 30, 2001

Sprint Local Telecommunications Division
Attn: John W. Clayton, Director
6480 Sprint Parkway
Overland Park, KS 66251
Mail Stop KSOPHMO310-3A453

Dear Mr. Clayton:

I am writing you in reply to your letter of August 21, 2001, in which you notified us that you are terminating our interconnection agreement in Florida. Your termination is based on your opinion that MCImetro is in breach of the agreement "for refusing to engage Sprint in negotiations to amend certain provisions of the Agreement...."

If you will review our May 31, 2001, and June 22, 2001, letters, you will find that, not once but twice, MCImetro asked Sprint to provide proposed language for the amendments Sprint sought to make to the agreement. Sprint never responded to these requests. We still stand ready to review any amendments Sprint would like to propose, but until Sprint actually proposes an amendment, there is no further action for us to take. We do not agree with your assertion that we are in breach of the agreement by waiting for Sprint to propose amendments that Sprint would like to make to the agreement. Sprint has no right, therefore, to terminate the agreement, and we expect Sprint to perform the agreement fully.

We have discovered since receipt of your letter that you have disconnected our access to your systems, so we no longer are able to place orders. This is a serious breach of our interconnection agreement, which we view as intentional misconduct. We will seek appropriate relief immediately to remedy your breach.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron E. Martinez". The signature is fluid and cursive, with a long horizontal stroke at the end.

Ron E. Martinez
Sr. Manager, Carrier Agreements

cc: John Monroe
Lori Warren
Donna McNulty
Bryan Green
Brian Sulmonetti
Blanca S. Bayo, Florida Public Service Commission



Carrier Markets Service Center
Billing Department
248 West Monroe Street
Decatur, IN 46733

August 29, 2001

MCI Telecommunications Corporation
Southern Financial Operations
Attn: Director – Carrier Markets
2520 Northwinds Parkway, 5th Floor
Alpharetta, GA 30004

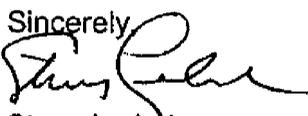
RE: Local Service Order Requests

Dear Sir:

Our service center has been notified that the Interconnection Agreement between Sprint and MCI Telecommunications Corporation has been terminated in the state of Florida. Be advised that without an Interconnection Agreement, Sprint CMSC will not be able to process any Local Service Requests (LSR's) for your company.

Until new contracts can be negotiated, MCI will not be able to provision service orders with our service center under OCN 7229. Access to customer service records and IRES (Integrated Request Entry System) has been terminated.

A copy of the Termination Notice has been enclosed. It explains in detail Sprint's stand on this situation. Please contact John Clayton (913 315-7839) or John Chuang (913 315-7844) regarding this situation.

Sincerely

Steve Ledene
CMSC Manager

cc: Account Management

01/08/30 14:10:28 S - NEAC From: (219) 728-2131 To: 1 (301) 360-3205

Docket No. _____
Martinez Exhibit _____ (RM -8)
Page 1 of 2

REASON FOR REJECT

This LSR (PON 51001917A) is being rejected for one or more of the following reasons. Please correct and resubmit. No further action will be taken on this request until correct/complete information is received. Please Note: Response is required within 48 hours and requested due date may be adjusted.

NEAC REP. Name Becky Wilson i70 Tel. No. 800-578-8169

No LOA indicated

PIC/LPIC Missing or Incorrect For This Wire Center

Directory Listing Information Missing or Incomplete— See Remarks

Service Address Invalid

Incorrect or Missing: House No. Fraction Box
 Street Name Type of Thoroughfare
 Street Direction Street Suffix
 Floor Room/Unit Building
 Community City/Exchange

End User Name Does Not Match Current E. U. Name for this TN,
Please Verify and Resubmit

Another or Same End User at This Address Please Verify Name/
Address or Indicate if Second Line at Address

Other numbers on this account with no action noted, please check
and indicate action to be taken for each number. (see attached ATN's)

Duplicate PON No. Please Verify and Resend

REMARKS - reject - your company is not implemented to process orders in this state. Please contact you account manager to verify the status of your account. Thank you!

REASON FOR REJECT

This LSR (PON__51001917B_____) is being rejected for one or more of the following reasons. Please correct and resubmit. No further action will be taken on this request until correct/complete information is received. Please Note: Response is required within 48 hours and requested due date may be adjusted.

NEAC REP. Name__Becky Wilson i70__ Tel. No._800-578-8169_

_____ No LOA indicated

_____ PIC/LPIC Missing or Incorrect For This Wire Center

_____ Directory Listing Information Missing or Incomplete—See Remarks

_____ Service Address Invalid

Incorrect or Missing: _____House No. _____Fraction _____Box
_____Street Name _____Type of Thoroughfare
_____Street Direction _____Street Suffix
_____Floor _____Room/Unit _____Building
_____Community _____City/Exchange

_____ End User Name Does Not Match Current E. U. Name for this TN,
Please Verify and Resubmit

_____ Another or Same End User at This Address Please Verify Name/
Address or Indicate if Second Line at Address

_____ Other numbers on this account with no action noted, please check
and indicate action to be taken for each number. (see attached ATN's)

_____ Duplicate PON No. Please Verify and Resend

REMARKS - reject - your company is not implemented to process orders in this state. Please contact you account manager to verify the status of your account. Thank you!