

BellSouth Telecommunications, Inc.

601 W. Chestnut Street
Room 407
Louisville, KY 40203

Dorothy.Chambers@BellSouth.com

Dorothy J. Chambers

General Counsel/Kentucky

502 582 8219
Fax 502 582 1573

March 13, 2006

RECEIVED

MAR 14 2006

PUBLIC SERVICE
COMMISSION

Ms. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602

Re: Petition to Establish Generic Docket to Consider Amendments to
Interconnection Agreements Resulting from Changes of Law
KPSC 2004-00427

Joint Petition for Arbitration of NewSouth Communications Corp., NuVox
Communications, Inc., KMC Telecom V, Inc., KMC Telecom III LLC, and
Xspedius Communications, LLC on Behalf of Its Operating Subsidiaries
Xspedius Management Co. Switched Services, LLC, Xspedius Management Co.
of Lexington, LLC, and Xspedius Management Co. of Louisville, LLC of An
Interconnection Agreement With BellSouth Telecommunications, Inc. Pursuant to
Section 252(b) of the Communications Act of 1934, As Amended
KPSC 2004-00044

Dear Ms. O'Donnell:


By letter dated March 1, 2006, BellSouth provided the Commission the South Carolina Public Service Commission's ("SCPSC") Directive issued on February 28, 2006, in the Change of Law proceeding in that state. On March 10, 2006, the SCPSC issued its written Order in the case adopting BellSouth's reasoning and position on all 271-related issues, including commingling. *See* Order at pp. 3-20.

One paper copy of the SCPSC Order is provided for filing in case 2004-00044, and a copy of this transmittal letter is served on all parties of record in case 2004-00044. Parties can access the Order and Appendices to the Order at <http://dms.psc.state.sc.us/attachments/Orders/E54C9AD9-DC97-8E58-72F670A07AC0C576.pdf> and <http://dms.psc.state.sc.us/attachments/Orders/E54E18CB-AD6F-6114-84068C09C9E99AED.pdf>, respectively.

Ms. Beth O'Donnell
March 13, 2006
Page 2

One paper copy of this filing is providing for filing in case 2004-00427. The attached certification for case 2004-00427 certifies that this filing was filed electronically today and served by email on parties of record. Parties of record can access the information at the Commission's Electronic Filing Center located at <http://psc.ky.gov/efs/efsmain.aspx>.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Dorothy J. Chambers". The signature is written in black ink and is positioned above the printed name.

Dorothy J. Chambers

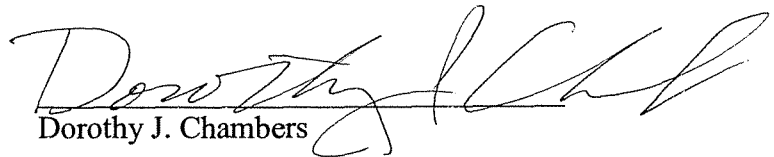
Enclosure

cc: Parties of Record

625757

CERTIFICATION FOR 2004-00427

I hereby certify that the electronic version of this filing made with the Commission this 13th day of March 2006 is a true and accurate copy of the documents filed herewith in paper form on March 13, 2006, and the electronic version of the filing has been transmitted to the Commission. An electronic copy of the Read1st document has been served electronically on parties.


Dorothy J. Chambers

ELECTRONIC SERVICE LIST - KPSC 2004-00427

Frankfort Electric & Water Plant Board

Ed Hancock
Box 308
Frankfort, KY 40602
ehancock@fewpb.com

Sprint Communications Company, L.P.

Edward Phillips
14111 Capital Boulevard
Mailstop NCWKFR0313
Wake Forest, NC 27587-5900
Edward.phillips@mail.sprint.com

John N. Hughes, Esq.
Attorney at Law
124 West Todd St.
Frankfort, KY 40602
jnhughes@fewpb.net

**Counsel for Frankfort Electric
And Water Plant Board & Sprint**

Douglas F. Brent, Esq.
Stoll, Keenon & Park, LLP
2650 Aegon Center
400 West Market Street
Louisville, KY 40202-3377
brent@skp.com

**Counsel for Time Warner, Covad
MCI, Access Integrated, Network
Telephone, Dialog Telephone,
USLEC of TN, Big River Telephone
Company, LLC, Cinergy Communications
Company, & CompSouth**

**MCI Metro Access Transmission Services
LLC**

Donna McNulty
donna.mculty@mci.com

Time Warner Telecom of Ohio, LP

Pamela Sherwood
P. O. Drawer 200
Winter Park, FL 32790-0200
pamela.sherwood@twtelecom.com

US LEC of Tennessee Inc.

Terry Romine
Morrocroft III
6801 Morrison Blvd.
Charlotte, NC 28211
tromine@uslec.com

Dialog Telecommunications, Inc.

James Bellina
745 Tyvola Road, Suite 100
Charlotte, NC 28217
jim@calldialog.com

Network Telephone Corporation

Margaret Ring
margaret.ring@networktelephone.net
Access Integrated Networks
Sharyl Fowler
sharyl.fowler@accesscom.com

Dieca Communications, Inc.

d/b/a Covad Communications Company
Charles Watkins
g Watkins@covad.com

C. Kent Hatfield, Esq.
Stoll, Keenon & Park, LLP
2650 Aegon Center
400 West Market Street
Louisville, KY 40202-3377
hatfield@skp.com

**Counsel for AT&T Communications of the
South Central States, LLC and TCG Ohio,
Cinergy Communications Company, and
CompSouth**

**AT&T Communications of the
South Central States LLC and TCG Ohio**

David Eppsteiner
1230 Peachtree Street
4th Floor, Room 4W26
Atlanta, GA 30309
eppsteiner@att.com

Cinergy Communications Company

Robert A. Bye, Vice Pres. & Gen. Counsel
8829 Bond Street
Overland Park, KS 66214
bye@cinergycom.com
John Chuang, Corporate Counsel
8829 Bond Street
Overland Park, KS 66214
chuang@cinergycom.com

Verizon Select Services Inc.

Anthony P. Gillman
General Counsel
FLTC0007, 201 N. Franklin Street
P.O. Box 110
Tampa, FL 33601-0110
Anthony.Gillman@verizon.com

Telcove of Kentucky, Inc.

Edward T. Depp
121 Champion Way
Canonsburg, PA 15317
Tip.depp@telcove.com

FDN Communications

Matthew Feil
General Counsel
2301 Lucien Way, Suite 200
Maitland, FL 32751
mfeil@mail.fdn.com

Lightyear Network Solutions, LLC

Linda Hunt
Manager of Regulatory Affairs
1902 Eastpoint Parkway
Louisville, KY 40223
linda.hunt@lightyear.net

NewSouth Communications Corp/NuVox Communications, Inc.

Mary Campbell
2 North Main Street
Greenville, SC 29601
mcampbell@nuvox.com

John Fury
16090 Swingley Ridge Road, Suite 500
Chesterfield, MO 63017
jfury@nuvox.com

Ed Cadieux
16090 Swingley Ridge Road, Suite 500
Chesterfield, MO 63017
ecadieux@novox.com

Susan J. Berlin
2 North Main Street
Greenville, SC 29601
sberlin@nuvox.com

Xspedius Communications, LLC on behalf of itself and its operating subsidiaries, Xspedius Management Co. Switched Services, LLC, Xspedius Management Co. of Lexington, LLC, and Xspedius Management Co. of Louisville, LLC

James Falvey
14405 Laurel Place, Suite 200
Laurel, MD 20707-6102
Jim.falvey@xspedius.com

KMC Telecom V, Inc. and KMC Telecom III LLC

Marva Brown-Johnson
1755 North Brown Road
Lawrenceville, GA 30043
mabrow@kmctelecom.com

Chad Pifer
1755 North Brown Road
Lawrenceville, GA 30043
rpifer@kmctelecom.com

John J. Heitmann
Kelley Drye & Warren
1200 19th Street, N.W., Suite 500
Washington, DC 20036
jheitmann@kelleydrye.com

Garret R. Hargrave
Kelley Drye & Warren
1200 19th Street, N.W., Suite 500
Washington, DC 20036
ghargrave@kelleydrye.com

Scott A. Kassman
Kelley Drye & Warren
1200 19th Street, N.W., Suite 500
Washington, DC 20036
skassman@kelleydrye.com

John E. Selent
Dinsmore & Shohl, LLP
1400 PNC Plaza
500 W. Jefferson Street
Louisville, KY 40202
John.selent@dinslaw.com

Holly C. Wallace
Dinsmore & Shohl, LLP
1400 PNC Plaza
500 W. Jefferson Street
Louisville, KY 40202
Holly.Wallace@dinslaw.com

Counsel for Nuvox/NewSouth, Xspedius and KMC

Inter Mountain Cable d/b/a MTS Communications ("MTS")

James Campbell
P. O .Box 159
5 Laynesville Road
Harold, KY 41635
jcamp@mis.net
John C. Schmoldt
P. O .Box 159
5 Laynesville Road
Harold, KY 41635
schmoldt@mis.net

U-Dial of Kentucky, Inc.

Ellis Falkoff
800 E. Reelfoot Avenue, Suite 200
Union City, TN 38261
Efalkoff@usit.net

DukeNet

arcocker@duke-energy.com
pharris@duke-energy.com
atorning@duke-energy.com
Henry C. Campen, Jr., Esq.
Parker Poe
Wachovia Capitol Center
150 Fayetteville Street Mall Suite 1400
P.O. Box 389
Raleigh, NC 27602-0389
henrycampen@parkerpoe.com
Counsel for DukeNet

SouthEast Telephone, Inc.

Liz Thacker
SouthEast Telephone, Inc.
106 Power Drive
Pikeville, KY 41502-1001
Liz.thacker@setel.com

Jonathon N. Amlung
1000 Republic Building
429 W. Muhammad Ali Blvd.
Louisville, KY 40202-2347
Jonathon@amlung.com
Counsel for SouthEast Telephone

e-Tel

Renee Hayden
601 Broadway, Suite B
Paducah, KY 42001
renee@e-tel-llc.com

Big River Telephone Company, LLC
kyreq@bigrivertelephone.com

Attorney General

Dennis Howard
Assistant Attorney General
1024 Capital Center Drive, Suite 200
Frankfort, KY 40601-8204
dennis.howard@ag.ky.gov

Aero Communications, LLC

Kristopher E. Twomey
LOKT Consulting
1519 E. 14th Street, Suite A
San Leandro, CA 94577
kris@lokt.net

Todd Heinrich
1301 Broadway, Suite 100
Paducah, KY 42001
todd@hcis.net

Ganoco, Inc. dba American Dial Tone

Larry Wright
2323 Curlew Road, Suite 7C
Dunedin, FL 34698
lwright@americandialtone.com

AmeriMex Communications Corp.

Glenn S. Richards
Shaw Pittman LLP
2300 N Street, NW
Washington, DC 20037
glenn.richards@shawpittman.com
**Counsel for AmeriMex
Communications Corp.**

PowerNet Global Communications

Eric J. Branfman
Robin F. Cohn
Swidler Berlin LLP
The Washington Harbor
3000 K Street, N.W., Suite 300
Washington, DC 20007-5116
ejbranfman@swidlaw.com
rfcohn@swidlaw.com
Counsel for PNG

Navigator Telecommunications, LLC

Michael McAlister
8525 Riverwood Park Drive
P. O. Box 13860
North Little Rock, AR 72113-0860
mike@navtel.com

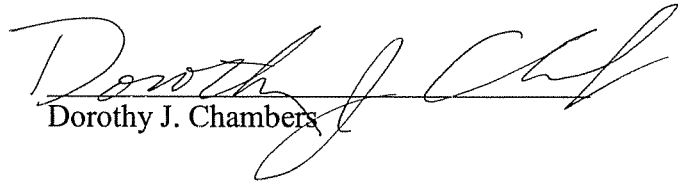
CompSouth

Bill Magness
Casey, Gentz, & Magness, LLP
98 San Jacinto Blvd., Ste. 1400
Austin, TX 78701
bmagness@phonelaw.com

Deborah Eversole
Stoll, Keenon & Park, LLP
2650 Aegon Center
400 West Market Street
Louisville, KY 40202-3377
deborah.eversole@skp.com
Counsel for CompSouth

KPSC 2004-00044
CERTIFICATE OF SERVICE

It is hereby certified that a true and correct copy of the foregoing was served on the individuals on the attached service list by mailing a copy thereof, this 13th day of March 2006.


Dorothy J. Chambers

SERVICE LIST – PSC 2004-00044

Jake E. Jennings
NewSouth
Two North Main Street
Greenville, SC 29601

Mary Campbell
NuVox Communications, Inc.
301 North Main Street, Suite 5000
Greenville, SC 29601

Riley Murphy, Esq.
NuVox Communications, Inc.
301 North Main Street, Suite 5000
Greenville, SC 29601

Marva Brown Johnson
KMC Telecom
1755 North Brown Road
Lawrenceville, GA 30043

James C. Falvey
Xspedius
14405 Laurel Pl., Ste. 200
Laurel, MD 20707-6102

John J. Heitmann
Enrico C. Soriano
Heather T. Hendrickson
Kelley Drye & Warren LLP
1200 19th Street, N.W., Suite 500
Washington, DC 20036

John E. Selent
Dinsmore & Shohl LLP
1400 PNC Plaza
500 W. Jefferson Street
Louisville, KY 40202

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2004-316-C - ORDER NO. 2006-136
MARCH 10, 2006

IN RE: Petition of BellSouth Telecommunications,) ORDER ADDRESSING
Inc. to Establish Generic Docket to Consider) CHANGES OF LAW
Amendments to Interconnection Agreements)
Resulting from Changes of Law.)

INTRODUCTION

The Public Service Commission of South Carolina (“Commission”) convened this docket in response to a Petition, filed by BellSouth Telecommunications, Inc. (“BellSouth”), requesting a generic docket to address change of law issues arising from various decisions of the Federal Communications Commission (“FCC”).¹ The Commission held a hearing in this docket on October 18, 2005, and the parties subsequently filed post-hearing briefs and/or proposed orders. Having carefully reviewed the record in this matter and the applicable law, the Commission enters this order ruling on the issues that are before the Commission in this proceeding.

¹ See *Order Granting Joint Motion and Adopting Procedural Schedule*, Order No. 2005-343 in Docket No. 2004-316-C at 1 (June 20, 2005).

PROCEDURAL BACKGROUND

On August 21, 2003, the Federal Communications Commission (“FCC”) released its *Triennial Review Order*, or *TRO*,² in which it modified incumbent local exchange carriers’ (“ILECs”) unbundling obligations under Section 251 of the federal Telecommunications Act of 1996 (“the Act”).³ Subsequent orders further clarified the scope of ILECs’ Section 251 unbundling obligations. These orders culminated in the permanent unbundling rules the FCC released with its *Triennial Review Remand Order*, or *TRRO*, on February 4, 2005.⁴ The FCC’s new rules removed, in many instances, significant unbundling obligations formerly placed on ILECs, and set forth transition periods for carriers to move the embedded base of these former unbundled network elements (“UNEs”) to alternative serving arrangements. The *TRRO* explicitly requires change of law processes and certain transition periods to be completed by March 10, 2006.⁵

² *In the Matter of Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; and Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket Nos. 01-338, 96-98 and 98-147, *Report and Order and Order on Remand and Further Notice of Proposed Rulemaking*, 18 FCC Rcd 16978 (2003), corrected by *Errata*, 18 FCC Rcd 19020 (2003), vacated and remanded in part, *aff’d in part*, *United States Telecom Ass’n v. FCC*, 359 F.3d 554 (D.C. Cir. 2004) (“*USTA IP*”), *cert. denied*, 125 S. Ct. 313 (2004) (referred to, interchangeably, as the “*Triennial Review Order*” or the “*TRO*”).

³ The *Telecommunications Act of 1996* amended the *Communications Act of 1934*, 47 U.S.C. § 151 et seq. References to “*the Act*” refer collectively to these Acts.

⁴ *In the Matter of Unbundled Access to Network Elements; Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*, WC Docket No. 04-313 and CC Docket No. 01-338, *Order on Remand*, FCC 04-290 (released February 4, 2005) (referred to, interchangeably, as the “*Triennial Review Remand Order*” or the “*TRRO*”).

⁵ See *TRRO*, ¶¶ 143, 144, 196, 197, and 227.

At the time of the hearing in this matter, BellSouth had entered into over 150 commercial agreements through which BellSouth satisfies its Section 271 switching obligation.⁶ Some of CompSouth's member companies had apparently entered into commercial agreements with BellSouth.⁷ In addition, at the time of the hearing, over 99 competitive local exchange carriers ("CLECs") in South Carolina had amended or entered into new Section 252 interconnection agreements that reflected the new unbundling rules regarding elements that remain subject to State commission oversight.⁸

While some CLECs operating in South Carolina have successfully negotiated the changes necessitated by the *TRO* and the *TRRO*, there were other CLECs at the time of the hearing with whom discussions continued and still other CLECs that had not negotiated with BellSouth to modify interconnection agreements to reflect current regulatory policy.⁹

DISCUSSION OF ISSUES

I. 271-Related Issues (Issues 8, 14, 17, 18, 22)

The most contentious, and arguably the most important, issues in this generic docket involve the interplay between Section 271 of the Act and de-listed UNEs.¹⁰ BellSouth argues that once an element has been de-listed, the FCC has exclusive jurisdiction over BellSouth's provisioning of that element. The CLECs, on the other

⁶ Tr. at 113.

⁷ Tr. at 539-540.

⁸ Tr. at 113.

⁹ Tr. at 6, 123-124.

¹⁰ As used in this Order, "de-listed UNEs" refers to elements that, as a result of various FCC decisions, BellSouth is no longer required to offer on an unbundled basis under Section 251 of the federal Act.

hand, argue that even after an element has been de-listed, Section 271 of the Act requires BellSouth to continue providing that element by way of an interconnection agreement that is subject to the negotiation, arbitration, and approval process set forth in Section 252 of the Act. In deciding the 271-related issues, the Commission has carefully considered the relevant federal statutes, FCC Orders, court decisions, and other State commission decisions.¹¹

- A. **Issue 8(a):** *Does the Commission have the Authority to require BellSouth to include in its interconnection agreements entered into pursuant to Section 252, network elements under either state law, or pursuant to Section 271 or any other federal law other than Section 251?*

Section 271 of the Act addresses BellSouth's authority to provide interLATA services. This section provides, in relevant part, that BellSouth "meets the requirements of this subparagraph if it has entered into one or more binding agreements that have been approved under Section 252 [of the Act]"¹² The CLECs rely heavily on this language to support their argument that the negotiation, arbitration, and approval process set forth in Section 252 of the Act applies to de-listed UNEs.¹³ To resolve the 271-related issues, therefore, the Commission must determine what Section 252 of the Act does and does not require in an interconnection agreement.

¹¹ In addition to federal law, South Carolina law also imposes certain unbundling obligations upon BellSouth. The relevant statute, however, expressly states that such obligations "shall be consistent with applicable federal law" S.C. Code Ann. §58-9-280(C). Deciding these issues in compliance with federal law, therefore, is both consistent with and required by applicable state law.

¹² 47 U.S.C. §271(c)(1)(A).

¹³ Tr. at 454.

The Commission first notes that Section 252 makes no reference whatsoever to Section 271 of the Act.¹⁴ Instead, Section 252 of the Act applies when BellSouth “receiv[es] a request for interconnection, services, or network elements pursuant to Section 251 [of the Act]”¹⁵ A State commission is required to approve an interconnection agreement that is reached as a result of negotiations unless the agreement either (1) discriminates against a carrier that is not a party to it; or (2) is not consistent with the public interest, convenience, and necessity.¹⁶ On the other hand, if the Commission is required to arbitrate an interconnection agreement, the Commission must approve the agreement unless it either (1) does not meet the requirements of Section 251 of the Act; or (2) does not meet the standards set forth in Section 252(d) of the Act.¹⁷ Section 252(d), in turn, sets forth pricing standards that apply to: rates for interconnection or network elements required by subsections (c)(2) and (c)(3) of Section 251;¹⁸ BellSouth’s compliance with the reciprocal compensation requirements of Section 251(b)(5);¹⁹ and rates for services that are resold pursuant to Section 251(c)(4).²⁰

¹⁴ The CLECs argue that the fact that Section 252 makes no reference to Section 271 is “immaterial.” See *CompSouth’s Response to BellSouth’s Motion for Summary Judgment or Declaratory Ruling and CompSouth’s Cross-Motion for Summary Judgment and Declaratory* at p. 8. The Commission, however, is not willing to summarily disregard this significant omission.

¹⁵ 47 U.S.C. §252(a)(1).

¹⁶ *Id.*, §252(e)(2)(A).

¹⁷ *Id.*, §252(e)(2)(B).

¹⁸ *Id.*, §252(d)(1).

¹⁹ *Id.*, §252(d)(2)(A).

²⁰ *Id.*, §252(d)(3).

Section 252 also allows a State commission to review any statement of the terms and conditions BellSouth generally offers to CLECs (“SGAT”)²¹ that BellSouth may file with a State commission, in order to determine whether the SGAT complies with Section 251.²² Finally, Section 252 provides that if a State commission fails to carry out its duties under Section 252 and the FCC steps in to fulfill those duties, an aggrieved party may bring an action in the appropriate federal court to determine whether the interconnection agreement or SGAT approved by the FCC “meets the requirements of Section 251 and this section.”²³ Clearly, Congress limited the Section 252 rate-setting, negotiation, arbitration, and approval process to Section 251 obligations.²⁴

In sharp contrast to Section 252, which authorizes State commissions to make certain decisions regarding Section 251 elements, Section 271 vests authority to address network elements that are provided pursuant to that section exclusively with the FCC. A

²¹ These statements often are called SGATs, which stands for “statement of generally available terms.”

²² *Id.*, §252(f)(1),(2).

²³ *Id.*, §252(e)(6).

²⁴ This conclusion is consistent with the FCC’s statement that “[w]here there is no impairment under Section 251 and a network element is no longer subject to unbundling, we look to Section 271 and elsewhere in the Act to determine the proper standard for evaluating the terms, conditions, and pricing under which a BOC must provide the checklist network elements.” *TRO* at ¶ 656; *See also Id.* at ¶657 (stating that this Section “is quite specific in that it only applies for the purposes of implementation of Section 251(c)(3)” and “does not, by its terms” grant the states any authority as to “network elements that are required under Section 271”). It also is consistent with federal court rulings. *See Coserv Limited Liability Corp. v. Southwestern Bell Telephone Co.*, 350 F.3d 482, 488 (5th Cir. 2003) (“An ILEC is clearly free to refuse to negotiate any issues other than those it has a duty to negotiate under the Act when a CLEC requests negotiation pursuant to §§ 251 and 252.”); *MCI Telecom. Corp. v. BellSouth Telecommunications, Inc.*, 298 F.3d 1269, 1274 (11th Cir. 2002) (holding that a requirement that an ILEC like BellSouth negotiate items that are outside of Section 251 is “contrary to the scheme and the text of that statute, which lists only a limited number of issues on which incumbents are mandated to negotiate.”).

Bell operating company (“BOC”) like BellSouth, for instance, may apply to the FCC for authorization to provide long distance services, and the FCC has exclusive authority for “approving or denying” that authority.²⁵ Similarly, once a BOC like BellSouth obtains Section 271 authority (as BellSouth has done in South Carolina), continuing enforcement of Section 271 obligations rests solely with the FCC under Section 271(d)(6)(A) of the Act. The plain language that Congress used in the Act, therefore, demonstrates that elements that BellSouth is required to offer pursuant to Section 251 of the Act are subject to the Section 252 process. In contrast, elements that BellSouth is not required to offer pursuant to Section 251, but that it is required to offer pursuant to Section 271, are subject to the exclusive jurisdiction of the FCC.

This conclusion is buttressed by the plain language of various FCC Orders. When the FCC first addressed the interplay between Section 251(c) and the competitive checklist network elements of Section 271 in its *UNE Remand Order*, the FCC made it clear that “the prices, terms, and conditions set forth under Sections 251 and 252 do not presumptively apply to the network elements on the competitive checklist of Section 271.”²⁶ Instead, the FCC stated that

[i]f a checklist network element is unbundled, the applicable prices, terms and conditions are determined in accordance with Sections 251 and 252. If a checklist network element does not satisfy the unbundling standards in

²⁵ 47 U.S.C. § 271(d)(1),(3).

²⁶ *Third Report and Order and Fourth Further Notice of Proposed Rulemaking, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, 15 FCC Rcd 3696, ¶ 469 (1999) (“*UNE Remand Order*”), *petitions for review granted, United States Telecom Ass’n v. FCC*, 290 F.3d 415 (D.C. Cir. 2002), *cert. denied*, 123 S. Ct. 1571 (2003).

Section 251(d)(2), the applicable prices, terms and conditions for that element are determined in accordance with Sections 201(b) and 202(a).²⁷

Subsequently, in its *TRO*, the FCC made it clear that the prices, terms, and conditions of Section 271 checklist item elements, and a BOC's compliance with them, are within the FCC's exclusive purview in the context of a BOC's application for Section 271 authority or in an enforcement proceeding brought pursuant to Section 271(d)(6). In that Order, the FCC stated that "[i]n the event a BOC has already received Section 271 authorization, Section 271(d)(6) grants the [FCC] enforcement authority to ensure that the BOC continues to comply with the market opening requirements of Section 271"²⁸ In the FCC's words, it is the FCC that has "exclusive authority" over the entire "Section 271 process."²⁹ Clearly, the FCC refused to graft the requirements of Sections 251 and 252 onto Section 271 in its *TRO*. The D.C. Circuit Court of Appeals upheld this decision, characterizing the CLECs' suggested cross-application of Section 251 to Section 271 as "erroneous."³⁰ Moreover, in the D.C. Circuit's words, Congress "has clearly charged the

²⁷ *UNE Remand Order* at ¶470.

²⁸ *TRO* at ¶ 665. *See also TRO* at ¶ 663. ("The Supreme Court has held that the last sentence of Section 201(b), which authorized the [FCC] 'to prescribe such rules and regulations as may be necessary in the public interest to carry out the provisions of this Act,' empowers the [FCC] to adopt rules that implement the new provisions of the Communications Act that were added by the Telecommunications Act of 1996. Section 271 is such a provision.") (citations omitted).

²⁹ Memorandum Opinion and Order, *Application for Review and Petition for Reconsideration or Clarification of Declaratory Ruling Regarding US West Petitions to Consolidate LATAs in Minnesota and Arizona*, 14 FCC Rcd 14392, 14401-02, ¶ 18 (1999).

³⁰ *United States Telecom. Ass'n v. FCC*, 359 F.3d 554, 590 (D.C. Cir 2004).

FCC, and not the State commissions,” with assessing BellSouth’s compliance with Section 271.³¹

The FCC also has held that the rates for Section 271 elements are subject to the standard set forth in Sections 201 and 202 of the Act, and these sections are applied and enforced by the FCC.³² Section 201, for instance, speaks in terms of “just and reasonable” rates, and those are determinations that “Congress has placed squarely in the hands of the [FCC].”³³ As the D.C. Circuit has noted, Sections 201 and 202 “authorize the [FCC] to establish just and reasonable rates, provided that they are not unduly discriminatory.”³⁴

In light of this authority, at least three federal courts have found that it is not appropriate to address Section 271 issues in the context of the Section 252 arbitration

³¹ See *SBC Communications Inc. v. FCC*, 138 F.3d 410, 416-17 (D.C. Cir. 1998).

³² See *TRO* at ¶664 (“Whether a particular checklist element’s rate satisfies the just and reasonable pricing standard of Section 201 and 202 is a fact-specific inquiry that the [FCC] will undertake ...”); also *TRO* at ¶ 665 (“In the event a BOC has already received Section 271 authorization, Section 271(d)(6) grants the [FCC] enforcement authority to ensure that the BOC continues to comply with the market opening requirements of Section 271.”).

³³ *In Re: Long Distance Telecommunications Litigation*, 831 F.2d 627, 631 (6th Cir. 1987) (quoting *Consolidated Rail Corp. v. National Association of Recycling Industries, Inc.*, 449 U.S. 609, 612 (1981)); see also *Total Telecommunications Services Inc. v. American Telephone & Telegraph Co.*, 919 F. Supp. 472, 478 (D. D.C. 1996) (FCC has primary jurisdiction over claims that telecommunications tariffs or practices are not just or reasonable), *aff’d.*, 99 F.3d 448 (D.C. Cir. 1996).

³⁴ *Competitive Telecommunications Association v. FCC*, 87 F.3d 522, (D.C. Cir. 1996). The idea of FCC regulation of local telephone service under Sections 201 and 202 is neither problematic nor novel, given that the Supreme Court has determined that Congress “unquestionably” took “regulation of local telecommunications competition away from the States” on all “matters addressed by the 1996 Act” and required that State commission regulation be guided by FCC regulations. *AT&T Corp. v. Iowa Utilities Board*, 525 U.S. 366, 378 n. 6 (1999); *Indiana Bell Telephone Company, Inc. v. Indiana Utility Regulatory Commission*, 359 F.3d 493 (7th Cir. 2004).

process. On appeal from a decision from the Mississippi Public Service Commission on the “new adds” issue, for instance, the United States District Court in Mississippi explained:

Even if § 271 imposed an obligation to provide unbundled switching independent of § 251 with which BellSouth had failed to comply, § 271 explicitly places enforcement authority with the FCC, which may (i) issue an order to such company to correct the deficiency; (ii) impose a penalty on such company ... or (iii) suspend or revoke such company’s approval to provide long distance service if it finds that the company has ceased to meet any of the conditions required for approval to provide long distance service. Thus, it is the prerogative of the FCC, and not this court, to address any alleged failure by BellSouth to satisfy any statutorily imposed conditions to its continued provision of long distance service.³⁵

Similarly, the United States District Court in Kentucky confirmed that:

While the defendants also argue that the Act places independent obligations for ILECs to provide unbundling services pursuant to § 271, this Court is not the proper forum to address this issue in the first instance. The enforcement authority for § 271 unbundling duties lies with the FCC and must be challenged there first.³⁶

Finally, a federal district court in Montana has held that Section 252 did not authorize a State commission even to approve a negotiated agreement for line sharing between Qwest and Covad. The federal court reasoned that Section 252 did not apply to this

³⁵ *BellSouth Telecommunications, Inc. v. Mississippi Public Serv. Com’n. et al.*, 368 F.Supp. 2d 557, 566 (S.D. Miss. 2005) (“*Mississippi Order*”).

³⁶ *BellSouth Telecommunications, Inc. v. Cinergy Communications Co., et al.*, Civil Action No. 3:05-CV-16-JMH, *Memorandum Opinion and Order*, (E.D. Ky. Apr. 22, 2005) (“*Kentucky Order*”), p. 12 of slip opinion. The foregoing decisions are consistent with *Indiana Bell v. Indiana Utility Regulatory Com’n et al.*, 359 F.3d 493, 497 (7th Cir. 2004) (“*Indiana Bell*”), in which the Seventh Circuit described a State commission’s role under Section 271 as “limited” to “issuing a recommendation.” Consequently, when the Indiana Commission attempted to “parlay its limited role in issuing a recommendation under Section 271” into an opportunity to issue an order, ostensibly under state law, dictating conditions on the provision of local service, the Seventh Circuit preempted that attempt.

“commercial agreement” because line sharing “is not an element or service that must be provided under Section 251.”³⁷ If Section 252 does not allow a State commission to even approve a negotiated agreement that does not involve Section 251 items, it certainly does not allow a State commission to arbitrate terms that are not mandated by Section 251.

The Commission also notes that several State commissions have concluded, in some form or fashion, that the FCC, rather than State commissions, is charged with Section 271 oversight.³⁸ These decisions are consistent not only with applicable federal

³⁷ *Qwest Corp. v. Schneider, et al.*, 2005 U.S. Dist. LEXIS 17110, CV-04-053-H-CSO, at 14 (D. Mont. June 9, 2005).

³⁸ *In re: Petition for Arbitration of Covad with Qwest*, Docket No. UT-043045, Order No. 06 (Feb. 9, 2005), 2005 Wash. UTC LEXIS 54; *In re: Petition for Arbitration of Covad with Qwest*, Utah Public Service Commission Docket No. 04-2277-02 (Feb. 8, 2005), 2005 Utah PUC LEXIS 16; *In re: Petition for Arbitration of Covad with Qwest*, Iowa Utilities Board, Docket No. ARB-05-1 (May 24, 2005), 2005 Iowa PUC LEXIS 186; Order No. 29825; 2005 Ida. PUC LEXIS 139; *In re: Petition for Arbitration of Covad with Qwest*, South Dakota Public Service Commission Docket No. TC05-056 (July 26, 2005), 2005 S.D. PUC LEXIS 13; *In re: Petition for Arbitration of Covad with Qwest*, Oregon Public Utility Commission, Order No. 05-980, ARB 584 (Sept. 6, 2005), 2005 Ore. PUC LEXIS 445; *Pennsylvania Public Utility Commission v. Verizon Pennsylvania Inc., et al.*; R-00049524; R-00049525; R-00050319; R-00050319C0001; Docket No. P-00042092, 2005 Pa. PUC LEXIS 9 (June 10, 2005); *In re: Petition of Verizon New England, Inc. d/b/a Verizon Massachusetts for Arbitration of Interconnection Agreements with Competitive Local Exchange Carriers and Commercial Mobile Radio Service Providers in Massachusetts Pursuant to Section 252 of the Communications Act of 1934, as amended, and the Triennial Review Order*, D.T.E. 04-33, Arbitration Order (July 14, 2005); Docket Nos. 05-BTKT-365-ARB et al., 2005 Kan. PUC LEXIS 867 on July 18, 2005; Arbitration Order, *Arbitration of Non-Costing Issues for Successor Interconnection Agreements to the Texas 271 Agreement*, Texas P.U.C. Docket No. 28821 (June 17, 2004) (“Texas Order”); July 28, 2005 order in Docket No. 3662, *In re: Verizon-Rhode Island’s Filing of February 18, 2005 to Amend Tariff No. 18; Memorandum Opinion and Order*, October 31, 2005, *In re: Petition of Southwestern Bell Telephone L.P. d/b/a SBC Arkansas for Compulsory Arbitration of Unresolved Issues for Successor Interconnection Agreement to the Arkansas 271 Agreement*, Docket No. 05-081-U; *Order Dissolving Temporary Standstill And Granting In Part And Denying In Part Petitions For Emergency Relief*, Alabama Public Service Commission Docket No. 29393 (May 25, 2005) (“May 25, 2005 Order”), at p. 18; *Order Concerning New Adds*,

law, but also with sound public policy. The FCC and the courts undeniably have found that overbroad unbundling obligations have hindered the innovation and investment that results from sustainable facilities-based competition.³⁹ As this Commission has held, “[t]he FCC has determined that the UNE Platform harms competition and thus is contrary to the public interest.”⁴⁰ It would be exceedingly odd for all of the FCC’s decisions, deliberations, and conclusions about the adverse impact of the de-listed UNEs on competition under Section 251 of the Act to be rendered moot by allowing CLECs to obtain the exact same arrangements pursuant to Section 271 of the very same act.

For all of the reasons set forth above, the Commission concludes that the answer to this question presented by Issue 8(a) is “no.” The Commission further finds that the contract language proposed by BellSouth is consistent with this conclusion, and the contract language proposed by the CLECs is not. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth’s proposed language addressing this issue as set forth in Appendix A including without limitation Section 1.1, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

Even though we have concluded that jurisdiction over Section 271 disputes lies with the FCC, we do, however, believe that this Commission and the Office of

North Carolina Utilities Commission, Docket No. P-55, Sub 1550, April 25, 2005, at p. 13; *See also Ordinary Tariff Filing of Verizon New York Inc. to Comply with the FCC’s TRO on Remand*, New York Public Service Commission Case No. 05-C-0203 (March 16, 2005).

³⁹ *See, e.g., TRRO ¶¶ 2, 8 (citing to United States Telecom Ass’n v. FCC, 290 F.2d 415, 418-21 (D.C. Circ. 2002) (“USTA I”).*

⁴⁰ *Order Addressing Petition for Emergency Relief*, Order No. 2005-247 in Docket No. 2004-316-C at 5 (Aug. 1, 2005)

Regulatory Staff (ORS) should continue to be informed of disputes regarding 271 elements, including pricing. This would allow the public interest of South Carolina to be represented in the event such disputes are presented to the FCC. Any CLEC with a dispute regarding BellSouth's provisioning of Section 271 elements in South Carolina may inform the Commission and ORS of the dispute by filing a notice with the Commission and ORS that describes the dispute with particularity. BellSouth shall have a reasonable opportunity to respond to such notice. Upon considering the notice and any response, ORS will discuss the matter with the parties and report its findings and recommendations to the Commission. This process will allow the Commission and ORS to remain informed of BellSouth's provisioning of Section 271 elements in South Carolina and to consider all available options to address any concerns that may arise from such provisioning.

- B. Issue 8(b): Section 271 and State Law: *If the answer to part (a) is affirmative in any respect, does the Commission have the Authority to establish rates for such elements?***

Given that the Commission has answered part (a) in the negative, this issue is moot.

- C. Issue 8(c): Section 271 *If the answer to 8(a) or (b) is affirmative in any respect, (i) what language, if any, should be included in the ICA with regard to the rates for such elements; and (ii) what language, if any, should be included in the ICA with regard to the terms and conditions for such elements?***

Given that the Commission has answered 8(a) in the negative, and held 8(b) to be moot, this issue is also moot.

D. Issue 14: Commingling: *What is the scope of commingling allowed under the FCC's rules and orders and what language should be included in Interconnection Agreements to implement commingling (including rates)?*

The FCC defines “commingling” as “the connecting, attaching, or otherwise linking of an unbundled network element, or a combination of unbundled network elements, to one or more facilities or services that a requesting telecommunications carrier has obtained at wholesale from an incumbent LEC, or the combining of an unbundled network element, or a combination of unbundled network elements with one or more such facilities or services.”⁴¹ The CLECs argue that this rule allows them to purchase a UNE under Section 251 (a loop, for instance), “commingle” it with an element they purchase under Section 271 (switching, for instance), and pay a rate that is established under the Section 252 process for that “commingled” offering. In the context of a loop and a port, this would allow CLECs to continue purchasing the loop-port combination that formerly was called the UNE-P pursuant to interconnection agreements that are subject to the Section 252 process, even though the FCC has found that the UNE-P harms competition and that CLECs are not impaired in their ability to obtain switching ports from other sources. For the reasons set forth below, the Commission finds that the CLECs’ arguments are without merit.

First, as explained above, the Commission finds that the FCC has exclusive jurisdiction over elements that BellSouth is required to provide under Section 271. Even if that were not the case, however, a careful review of controlling authority demonstrates that BellSouth has no obligation to commingle Section 251 items with Section 271 items.

⁴¹ 47 C.F.R. § 51.5

Although the FCC enacted its federal commingling rule in connection with the *TRO*, the term “commingling” was first used in the FCC’s *Supplemental Order on Clarification* (“*SOC*”).⁴² There, the FCC discussed commingling as combining loops or loop-transport combinations with tariffed special access services.

We further reject the suggestion that we eliminate the prohibition on “commingling” (*i.e.* combining loops or loop-transport combinations with tariffed special access services) in the local usage options discussed above.⁴³

By using the phrase “*i.e.*”, which commonly means, “that is,” the FCC in the *SOC* understood commingling as referring to a service combination that expressly included tariffed access services.

The FCC’s discussion of commingling in the *TRO* was ultimately consistent with its discussion in the *SOC* as explained more fully below. In the *TRO*, the FCC explained that commingling meant

the connecting, attaching, or otherwise linking of a UNE, or a UNE combination, to one or more facilities or services that a requesting carrier has obtained at wholesale from an incumbent LEC pursuant to any method other than unbundling under Section 251(c)(3) of the Act, or the combining of a UNE or UNE combination with one or more such wholesale services.⁴⁴

⁴² *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, 15 FCC Rcd 9587, ¶28 (2000), *aff’d sub nom. Comptel v. FCC*, 309 F.3d 8 (D.C. Cir. 2002).

⁴³ *SOC* at ¶ 28

⁴⁴ *TRO*, ¶ 579.

Thus, contrary to the CLECs' argument that there is a distinction between an ILEC's commingling obligation and the combination obligation,⁴⁵ the FCC used the terms interchangeably.

The FCC very clearly "decline[d] to require BOCs, pursuant to Section 271, to combine network elements that no longer are required to be unbundled under Section 251."⁴⁶ This aspect of the FCC's ruling was upheld on appeal, and the appellate court explained that the FCC had "decided that, in contrast to ILEC obligations under § 251, the independent § 271 unbundling obligations didn't include a duty to combine network elements."⁴⁷

This conclusion is clear from the history of the language that appears in the *TRO*. As originally issued, the FCC's *TRO* stated:

⁴⁵ See Tr. at 458-460. CLEC witness Gillan's testimony on this point is puzzling. He describes the FCC's use of the terms combining and commingling as a matter of "semantic construction," claims BellSouth is "not technically required to 'combine' § 271 elements," then claims BellSouth has an obligation to "connect § 271 elements." Tr. at 458-459. In the context of this issue, the Commission can discern no distinction between "connect" (which Mr. Gillan prefers) and "combine." The definition of commingling at 47 C.F.R. §51.5 includes "the combining of an unbundled network element ... with one or more such facilities or services." Since Mr. Gillan testifies that BellSouth is not required to "combine" § 271 elements, and the definition of commingling includes the obligation of combining a UNE with other facilities or services, Mr. Gillan appears to effectively concede that BellSouth has no obligation to commingle § 271 network elements with UNEs.

⁴⁶ See *TRO* at ¶ 655, n. 1989. The *TRO*, as originally issued, had this language at note 1990. After the *TRO Errata* the footnotes were renumbered, and the language appears at note 1989.

⁴⁷ *USTA II*, 359 F.3d at 589. Significantly, the Section 271 checklist obligates BellSouth to provide local loop transmission "*unbundled from local switching and other services*", local transport "*unbundled from switching or other services*", and switching "*unbundled from transport, local loop transmission or other services.*" See 47 U.S.C. §271(c)(2)(B)(iv)-(vi).

As a final matter, we require that incumbent LECs permit commingling of UNEs and UNE combinations with other wholesale facilities and services, including any network elements *unbundled pursuant to Section 271* and any services offered for resale pursuant to Section 251(c)(4) of the Act.⁴⁸

Had this language remained intact, the CLECs' argument might have merit. The FCC, however, subsequently issued an *Errata* deleting the phrase "unbundled pursuant to Section 271" from this sentence.⁴⁹ Thus, the language of the *TRO*, as corrected by the *Errata*, requires

incumbent LECs [to] permit commingling of UNEs and UNE combinations with other wholesale facilities and services, including any network elements and any services offered for resale pursuant to Section 251(c)(4) of the Act.

Clearly, ILECs like BellSouth are not required to commingle UNEs with elements that are unbundled pursuant to Section 271.

The Commission notes that at the same time the FCC deleted the phrase "unbundled pursuant to Section 271" from its discussion of commingling in paragraph 584 of the *TRO*, it also deleted the sentence, "We also decline to apply our commingling rule, as set forth in Part VII.A., above, to services that must be offered pursuant to these checklist items" from its discussion in the Section 271 portion of the *TRO*.⁵⁰ The CLECs argue that, when read together, the two deletions were intended to correct any potential conflict. The Commission does not agree. Had the FCC desired to impose some type of commingling or combining obligation on BellSouth, it would have only needed to delete the language at footnote 1990, yet retain its original language in paragraph 584, which, as

⁴⁸ *TRO* at ¶ 584 (emphasis supplied).

⁴⁹ *TRO Errata*, 18 FCC Rcd 19020 ¶27 (2003).

⁵⁰ See *TRO*, n. 1989 (prior to the *TRO Errata*, this was footnote 1990).

originally issued, appeared to impose an obligation to commingle UNEs with Section 271 network elements. That, however, is not what the FCC did.

Ultimately, by making its deletions, the federal commingling rule issued by the *TRO* became entirely consistent with the discussion of commingling in the *SOC*, because the words wholesale services are repeatedly referred to as tariffed access services. Although the CLECs argue that wholesale services must include Section 271 obligations, the FCC clearly intended to limit the types of wholesale services that are subject to commingling. In describing wholesale services in the *TRO*, the FCC referred only to tariffed access services, just as it had in the *SOC*, explaining, in relevant part, as follows.

First,

We therefore modify our rules to affirmatively permit requesting carriers to commingle UNEs and combinations of UNEs with services (*e.g.*, switched and special access services offered pursuant to tariff).

Next,

Competitive LECs may connect, combine, or otherwise attach UNEs and combinations of UNEs to wholesale services (*e.g.*, switched and special access services offered pursuant to tariff).

Third,

We do not require incumbent LECs to implement any changes to their billing or other systems necessary to bill a single circuit at multiple rates (*e.g.*, a ... circuit at rates based on special access services and UNEs).

Then,

We require incumbent LECs to effectuate commingling by modifying their interstate access service tariffs to expressly permit connections with UNEs and UNE combinations.

Finally,

Commingling allows a competitive LEC to connect or attach a UNE or UNE combination with an interstate access service, such as high-capacity multiplexing or transport services.⁵¹

The foregoing passages, along with the deletion of Section 271 in the description of commingling in the *Errata*, show clearly that the FCC never intended to require ILECs to commingle Section 271 elements with Section 251 UNEs. Moreover, language within the *TRRO*, read in conjunction with the *TRO*, is consistent with this conclusion. In addressing conversion rights in the *TRO*, the FCC referred to “wholesale services,” concluding, “carriers may both convert UNEs and UNE combinations to wholesale services and convert wholesale services to UNEs and UNE combinations”⁵² Then, when describing this conversion holding in the *TRRO*, the FCC explicitly limited its discussion to the conversion of tariffed services to UNEs: “We determined in the [*TRO*] that competitive LECs may convert tariffed incumbent LEC services to UNEs and UNE combinations”⁵³ Clearly, the FCC narrowly interprets “wholesale services” as limited to tariffed services, and it does not expect or require BellSouth to combine or commingle Section 271 network elements with Section 251 network elements. This conclusion is consistent with decisions of the Mississippi federal district court,⁵⁴ the Kansas

⁵¹ *TRO* at ¶¶ 579 – 581, 583.

⁵² *TRO* at ¶ 586.

⁵³ *TRRO* at ¶ 229.

⁵⁴ *BellSouth v. Mississippi Public Serv. Comm’n*, 368 F.Supp. 2d at 565 (stating that the court would agree with the New York Commission’s findings that the “FCC’s decision ‘to not require BOCs to combine Section 271 elements no longer required to be unbundled under Section 251, [made] it [] clear that there is no federal right to 271-based UNE-P arrangements.’”) (quoting).

Commission,⁵⁵ the New York Commission,⁵⁶ the North Carolina Commission,⁵⁷ and the Florida Commission.⁵⁸

The Commission, therefore, finds that BellSouth is not obligated to commingle UNEs that are required by Section 251 with items it is required to offer pursuant to Section 271. The Commission finds that the CLECs' proposed contractual language is inconsistent with this finding and that BellSouth's proposed contractual language is consistent with this finding. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Section 1.11, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

⁵⁵ See *Kansas Order* at ¶¶ 13-14 (ruling: (1) Southwestern Bell Texas ("SWBT") was "not under the obligation to include 271 commingling provisions in successor agreements"; (2) "271 commingling terms and conditions had no home in [interconnection] agreements"; and (3) if it ordered SWBT to provide commingling and SWBT refused the commission "would have no enforcement authority against SWBT because that authority resides with the FCC.").

⁵⁶ *Order Implementing TRRO Changes*, Case No. 05-C-0203, N.Y. P.S.C. (Mar. 16, 2005)

⁵⁷ See NCUC Docket No. P-772, Sub 8, *Recommended Arbitration Order* at 24. ("The Commission believes that ... the FCC did not intend for ILECs to commingle Section 271 elements with Section 251 elements. After careful consideration, the Commission finds that there is no requirement to commingle UNEs or combinations with services, network elements or other offerings made available only under Section 271 of the Act.")

⁵⁸ FPSC Order No. PSC-05-0975-FOF-TP at 19 (October 11, 2005) ("The FCC's errata to the TRO struck the portion of paragraph 584 referring to '... any network elements unbundled pursuant to Section 271 ...' The removal of this language illustrates that the FCC did not intend commingling to apply to Section 271 elements that are no longer also required to be unbundled under Section 251(c)(3) of the Act. Therefore, we find that BellSouth's commingling obligation does not extend to elements obtained pursuant to Section 271.").

E. Issue 17: Line Sharing: *Is BellSouth obligated pursuant to the Telecommunications Act of 1996 and FCC Orders to provide line sharing to new CLEC customers after October 1, 2004?*

“Line sharing” occurs when a CLEC provides DSL service over the same line that BellSouth uses to provide voice service to a particular end user, with BellSouth using the low frequency portion of the loop and the CLEC using the high frequency portion of the same loop.⁵⁹ The CLECs argue that line sharing is a Section 271 obligation, and BellSouth disagrees. Significantly, at the time of the hearing in this matter, there were no line sharing arrangements between BellSouth and any CLEC in South Carolina,⁶⁰ and none of the CLECs’ witnesses filed testimony that explains their position on this issue. While CompSouth’s witness filed contract language addressing the issue, he acknowledges he did not sponsor any testimony to support his proposed contract language.⁶¹

As explained below, the FCC has made it quite clear that BellSouth has no obligation to provide new line sharing arrangements after October 1, 2004.⁶² BellSouth asks the Commission to implement this aspect of the *TRO* and require CLECs to eliminate line sharing from their interconnection agreements in South Carolina, explaining that to the extent a CLEC has a regionwide agreement and has line sharing arrangements in place, it would need to include language that implements the *TRO*’s binding transition mechanism for access to the high frequency portion of the loop

⁵⁹ See *TRO* at ¶255.

⁶⁰ Tr. at 183.

⁶¹ See Gillan Deposition at 77.

⁶² Tr. at 183 (*citing TRO* at ¶¶ 199, 260-262, 264-265).

("HFPL").⁶³ The Commission finds that BellSouth's request is both reasonable and appropriate.

The CLECs' argument that line sharing is a Section 271 obligation fails for several reasons. First, the plain language of Section 271 does not require line sharing. Checklist item 4 requires BOCs to offer "local loop transmission, unbundled from local switching and other services."⁶⁴ Clearly, when line sharing occurs, transmission, local switching, and other services are being provided.⁶⁵ Consequently, requiring line sharing as a Section 271 element would conflict with the statutory language.

Moreover, the FCC has authoritatively defined the "local loop" as a specific "transmission facility" between a LEC central office and the demarcation point on a customer premises.⁶⁶ BellSouth thus meets its checklist item 4 obligations by offering access to unbundled loops and the "transmission" capability on those facilities.⁶⁷ The Commission rejects the CLECs' argument that because the HFPL is "a complete transmission path," it somehow constitutes "a form of 'loop transmission facility'" under

⁶³ Tr. at 183-184.

⁶⁴ 47 U.S.C. § 271(c)(2)(B)(iv).

⁶⁵ See, e.g., *TRO* at ¶255 (explaining that the end user in a line sharing arrangement is receiving both voice and DSL service over the same facility).

⁶⁶ 47 C.F.R. § 51.319(a).

⁶⁷ The Joint CLECs cite to FCC 271 orders for the proposition that line sharing is a Section 271 obligation. See *In the Matter of Application by Bell Atlantic New York for Authorization under Section 271 of the Communications Act To Provide In-Region, InterLATA Service in the State of New York*, CC Docket No. 99-295, 15 FCC Rcd 3953 (Dec. 22, 1999); *In the Matter of Application by SBC Communications, Inc., et al.; Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Texas*, CC Docket No. 00-65, 15 FCC Rec'd 18354 (June 30, 2000). However, neither Bell Atlantic (now Verizon) in New York nor SBC in Texas were required to offer line sharing to obtain Section 271 approval. If line sharing actually had been required in order to receive long distance authority under checklist item 4, then the FCC could not have granted Verizon and SBC Section 271 authority.

checklist item 4. This argument ignores the portion of the definition of HFPL that defines HFPL as a “complete transmission path on the frequency range above the one used to carry analog circuit switched voice transmissions”⁶⁸ In other words, the HFPL is only part of the facility – not the entire “transmission path” required by checklist item 4.⁶⁹

The CLECs further argue that despite the clear language of the FCC in its *TRO*, they can obtain the HFPL indefinitely, and at rates other than the ones the FCC specifically established in its transition plan, simply by requesting access to those facilities under Section 271 instead of Section 251. This position is inconsistent with both the statutory scheme and the FCC’s binding decisions. First, if for no other reason, the CLECs’ argument must fail for the same reason that it fails in response to Issue 8(a).

Second, the CLECs’ argument would render irrelevant the FCC’s carefully-calibrated transition plan to wean CLECs away from the use of line-sharing and to transition them to other means of accessing BellSouth’s facilities (such as access to whole loops and line splitting) that do not have the same anti-competitive effects that the FCC concluded are created by line sharing. As the FCC explained, “access to the whole loop and to line splitting but not requiring the HFPL to be separately unbundled creates better competitive incentives.”⁷⁰ Indeed, the FCC expressly found continued unlimited

⁶⁸ *TRO*, ¶ 268.

⁶⁹ A simple but appropriate analogy makes the point – it is as if one ordered a birthday cake from a bakery but received only the icing. Certainly the buyer would not consider the icing alone a “form” of birthday cake. On the contrary, the requirement was a whole cake, not just a portion of it, just as checklist item 4 requires the entire transmission facility, not just the high frequency portion of the transmission facility.

⁷⁰ *TRO* at ¶ 260.

access to line sharing to be anticompetitive and contrary to the core goals of the 1996 Act, because it would

likely discourage innovative arrangements between voice and data competitive LECs and greater product differentiation between the incumbent LECs' and the competitive LECs' offerings. We find that such results would run counter to the statute's express goal of encouraging competition and innovation in all telecommunications markets.⁷¹

The Commission does not believe that the FCC would have carefully eliminated these anti-competitive consequences under Section 251, only to allow them to continue unchecked under Section 271. On the contrary, subsequent FCC orders confirm that it continues to believe that it has required CLECs, in lieu of line sharing, to obtain a whole loop or engage in line splitting. Thus, in its very recent *BellSouth Declaratory Ruling Order*,⁷² the FCC again stressed that, under its rules, "a competitive LEC officially leases the entire loop."⁷³ Moreover, far from suggesting an open-ended Section 271 obligation to allow line sharing, this very recent FCC decision reiterates that line sharing was required "only under an express three-year phase out plan."⁷⁴ The FCC's statement cannot be squared with the notion that line sharing is also required indefinitely under Section 271. Finally, even if Section 271 somehow did require line sharing, the Commission agrees with and adopts the analysis set forth in BellSouth's brief, which

⁷¹ *Id.* ¶ 261.

⁷² See *Memorandum Opinion and Order and Notice of Inquiry*, 20 FCC Rcd 6830 WC Docket No. 03-251 (Mar. 25, 2005) ("BellSouth Declaratory Order").

⁷³ (¶ 35).

⁷⁴ *Id.* ¶ 5 n. 10.

demonstrates that the FCC's recent forbearance decision⁷⁵ would have removed any such obligation.

For these reasons, the Commission finds that Section 271 does not require BellSouth to provide line sharing. This decision is consistent with decisions of the Tennessee,⁷⁶ Massachusetts,⁷⁷ Michigan,⁷⁸ Rhode Island,⁷⁹ and Illinois Commissions.⁸⁰ The Commission further finds that the CLECs' proposed contractual language is inconsistent with this decision and that BellSouth's proposed contractual language is consistent with it. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix B to this Order, including without limitation Section 3.1.2, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

⁷⁵ *Memorandum Opinion and Order*, 19 FCC Rcd 21496 WC Docket Nos. 01-338, 03-235, 03-260, and 04-48 released October 27, 2004 ("*Broadband 271 Forbearance Order*").

⁷⁶ Docket No. 04-00186, Order dated July 20, 2005.

⁷⁷ *Massachusetts Arbitration Order*, p. 185.

⁷⁸ *In re: Application of ACD Telecom, Inc. against SBC Michigan for its Unilateral Revocation of Line Sharing Service in Violation of the Parties' Interconnection Agreement and Tariff Obligations and For Emergency Relief*, 2005 Mich. PSC LEXIS 109, Order Dismissing Complaint * 12-13 (Mar. 29, 2005).

⁷⁹ *Report and Order*, 2004 R.I. PUC LEXIS 31, *In re: Verizon-Rhode Island's Filing of October 2, 2003 to Amend Tariff No. 18*, Rhode Island Public Utilities Commission, Docket No. 35556 (October 12, 2004).

⁸⁰ *In re: XO Illinois*, 2004 WL 3050537 (Ill. C.C. Oct. 28, 2004).

- F. **Issue 18: Line Sharing – Transition:** *If the answer to Issue 17 is negative, what is the appropriate language for transitioning off a CLEC's existing line sharing arrangements?*

Having answered Issue 17 in the negative, the Commission finds that the FCC clearly articulated the transitional plan for line sharing at paragraph 265 of the *TRO*:

The three-year transition period for new line sharing arrangements will work as follows. During the first year, which begins on the effective date of this Order, competitive LECs may continue to obtain new line sharing customers through the use of the HFPL at 25 percent of the state-approved recurring rates or the agreed-upon recurring rates in existing interconnection agreements for stand-alone copper loops for that particular location. During the second year, the recurring charge for such access for those customers will increase to 50 percent of the state-approved recurring rate or the agreed-upon recurring rate in existing interconnection agreements for a stand-alone copper loop for that particular location. Finally, in the last year of the transition period, the competitive LECs' recurring charge for access to the HFPL for those customers obtained during the first year after release of this Order will increase to 75 percent of the state-approved recurring rate or the agreed-upon recurring rate for a stand-alone loop for that location. After the transition period, any new customer must be served through a line splitting arrangement, through use of the stand-alone copper loop, or through an arrangement that a competitive LEC has negotiated with the incumbent LEC to replace line sharing. We strongly encourage the parties to commence negotiations as soon as possible so that a long-term arrangement is reached and reliance on the shorter-term default mechanism that we describe above is unnecessary.

BellSouth has no obligation to add new line sharing arrangements after October 2004. Accordingly, it is appropriate to properly transition existing line sharing arrangements to other arrangements.

Accordingly, the Commission finds that South Carolina CLECs with regionwide interconnection agreements and that have line sharing customers must amend their interconnection agreements to incorporate both the line sharing transition plan contained in the federal rules and language that requires CLECs to pay the stand-alone loop rate for

arrangements added after October 1, 2004. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language and rates addressing this issue as set forth in Appendix B and C to the Order shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

G. Issue 22: Call Related Databases: *What is the appropriate ICA language, if any, to address access to call related databases?*

Pursuant to the *TRO*, BellSouth is not obligated to unbundle call-related databases for CLECs who deploy their own switches.⁸¹ The FCC's rules require BellSouth to provide access to signaling, call-related databases, and shared transport facilities on an unbundled basis only to the extent that local circuit switching is unbundled.⁸² This decision applies on a nationwide basis, both to enterprise and mass-market switching.⁸³ Consequently, interconnection agreements should not contain any language regarding the provision of unbundled access to call-related databases other than 911 and E911.

The D.C. Circuit affirmed the FCC's decision on call-related databases. On appeal, the CLECs argued that the only reason that alternatives existed to ILEC databases was because the FCC had previously ordered access to such databases.⁸⁴ The Court rejected this argument and held that "[a]s it stands, CLECs evidently have adequate access to call-related databases. If subsequent developments alter this situation, affected

⁸¹ *TRO* at ¶ 551 ("[w]e find that competitive carriers that deploy their own switches are not impaired in any market without access to incumbent LEC call-related databases, with the exception of the 911 and E911 databases as discussed below").

⁸² 47 C.F.R. 51.319(d)(4)(i).

⁸³ *TRO* at ¶ 552.

⁸⁴ *USTA II* at 587.

parties may petition the [FCC] to amend its rule.”⁸⁵ Because CLECs no longer have access to unbundled switching, CLECs have no unbundled access to call-related databases. BellSouth’s legal obligation is expressly limited to providing databases only in connection with switching provided under the FCC’s transition plan.

The CLECs argue that BellSouth must include language concerning Section 271 access to call-related databases in its interconnection agreements.⁸⁶ As noted above, however, the FCC has exclusive Section 271 authority. Moreover, it is unreasonable to assume that the FCC and D.C. Circuit eliminated unbundling requirements for databases only to have such obligations resurrected through Section 271.

CompSouth’s proposed language, therefore, must be rejected. BellSouth’s proposed contract language concerning call-related databases appropriately ties BellSouth’s obligation to provide unbundled access to call related databases to BellSouth’s limited obligation to provide switching or UNE-P.⁸⁷ The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth’s proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Section 7, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

II. Transition Issues (2, 3, 4, 5, 9, 10, 11, 32)

The overriding disputes between BellSouth and the CLECs concerning the FCC’s transition plan include establishing contract language for an orderly transition and

⁸⁵ *Id.* at 587-88.

⁸⁶ Revised Exhibit JPG-1 at 50.

⁸⁷ *See* PAT-1 Section 7.1; Tr. at 332-334.

determining whether CLECs can pay UNE rates after they have migrated from Section 251 UNEs to other serving arrangements.⁸⁸ In addition, the CLECs seek contract language that would allow them to transition from Section 251 UNEs to Section 271 checklist items.

- A. **Issue 2: *TRRO Transition Plan*** *What is the appropriate language to implement the FCC's transition plan for (1) switching, (2) high capacity loops and (3) dedicated transport as detailed in the FCC's TRRO, issued February 4, 2005?*

Based on the FCC's rulings, the Commission finds that CLECs should not be allowed to wait until the eleventh hour to work cooperatively with BellSouth to establish an orderly transition. The FCC has stated that the transition timeframes it established provide: (1) adequate time to perform "the tasks necessary to an orderly transition";⁸⁹ and (2) "the time necessary to migrate to alternative fiber arrangements."⁹⁰ In past Orders, this Commission has held that the FCC "signaled an expectation that the parties will move expeditiously away from the specified UNE framework" and "encouraged the State commissions to monitor this area closely to ensure that parties do not engage in unnecessary delay."⁹¹ This Commission clearly informed the CLECs that it "plans to do so, with the full expectation and goal that the parties will reach new agreements and have

⁸⁸ In addition to these disputes, BellSouth and the CLECs dispute which wire centers in South Carolina are not impaired pursuant to the FCC's impairment tests. BellSouth addresses which wire centers satisfy the test in its discussion of Issue 5, not Issue 2. BellSouth also discusses CompSouth's erroneous fiber-based collocation definition in its discussion of Issue 4.

⁸⁹ *TRRO* at ¶ 143 (DS1/3 transport); ¶ 196 (DS1/3 loops); ¶ 227 (local switching).

⁹⁰ *TRRO* at ¶ 144 (dark fiber transport); ¶ 198 (dark fiber loops). Tipton Direct at 5 – 6.

⁹¹ *Order Addressing Petition for Emergency Relief*, Order No. 2005-247 Docket No. 2004-316-C at p.11, ¶5 (Aug. 1, 2005).

procedures in place to transition new and existing services well before the relevant deadlines recognized by this Commission and the FCC.”⁹²

The Commission further finds that once CLECs have migrated from UNEs to alternative serving arrangements, the rates, terms, and conditions of such alternatives apply. The *TRRO* specifically states that the transition rates will apply only while the CLEC is leasing the de-listed element from the ILEC during the relevant transition period.⁹³ The transition rates will thus apply until the earlier of March 10, 2006 (or September 10, 2006 for dark fiber), or the date the de-listed UNEs are converted to the alternative arrangements ordered by the CLEC.⁹⁴

1. Local Switching and UNE-P

In establishing transitional language, the Commission will require CLECs to identify their embedded base via spreadsheets and submit orders as soon as possible to convert or disconnect their embedded base of UNE-P or standalone local switching.⁹⁵ This will give BellSouth time to work with each CLEC to ensure all embedded base elements are identified, negotiate project timelines, issue and process service orders, update billing records, and perform all necessary cutovers. If a CLEC fails to submit orders to convert UNE-P lines to alternative arrangements in a timeframe that allows the orders to be completed by March 10, 2006, BellSouth is authorized to convert remaining UNE-P lines to the resale equivalent no later than March 11, 2006. For any remaining

⁹²

Id.

⁹³

See TRRO at ¶¶ 145, 198 and 228.

⁹⁴

Id.

⁹⁵

This 15-day requirement applies unless a CLEC and BellSouth agree to a different time frame.

stand-alone switch ports, BellSouth is authorized to disconnect these arrangements no later than March 11, 2006, as there is no other tariff or wholesale alternative for stand-alone switch ports.

The Commission finds that the transition plan also must include the transitional rates contained in the FCC's rules.⁹⁶ These rules make clear that transitional switching rates would be determined based on the higher of the rate the CLEC paid for that element or combinations of elements on June 15, 2004, or the rate the State commission ordered for that element or combination of elements between June 16, 2004, and the effective date of the *TRRO*.⁹⁷ In most if not all instances, the transitional rate will be the rate the CLEC paid for the element or combination of elements on June 15, 2004, plus the transitional additive (\$1 for UNE-P/Local Switching). For UNE-P, this includes those circuits priced at market rates for the FCC's four or more line carve-out established in the *UNE Remand Order* and affirmed in the *TRO*, n. 1376. To the extent that contracts include a market based price for switching for "enterprise" customers served by DS0 level switching that met the FCC's four or more line carve-out, these terms and rates were included in the interconnection agreements and were in effect on June 15, 2004.⁹⁸

The Commission rejects the CLECs' suggestion that TELRIC rates plus \$1 apply to such customers, as the FCC was very clear that for the embedded base of UNE-Ps, the CLECs would pay either the higher of the rates that were in their contracts as of June 15,

⁹⁶ See 47 C.F.R. 51.319(d)(2)(iii).

⁹⁷ Tr. at 349.

⁹⁸ Although BellSouth has the legal right to the transitional additive in addition to the rate in existing interconnection agreements (Tr. at 349 (Tipton Rebuttal at 6); 47 C.F.R. § 51.319(d)(2)(iii)), BellSouth has elected not to apply the additional \$1 to previously established market rates for switching.

2004, or the rates that the State commissions had established between June 16, 2004, and the effective date of the TRRO, plus \$1.⁹⁹ The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Sections 4.2, 4.4.2, and 5.4, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

3. DS1 and DS3 High Capacity Loops and Dedicated Transport

For unimpaired wire centers where the FCC's competitive thresholds are met¹⁰⁰ or impaired wire centers where the FCC's caps apply,¹⁰¹ the Commission will require CLECs to submit spreadsheets as soon as possible, identifying the embedded base and excess DS1 and DS3 loops and transport circuits to be disconnected or converted to other BellSouth services.¹⁰²

If a CLEC does not provide notice in a timely manner to accomplish orderly conversions by March 10, 2006, BellSouth is authorized to convert any remaining embedded or excess high capacity loops and interoffice transport to the corresponding tariff service offerings. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Sections 2.1.4

⁹⁹ *Id.*

¹⁰⁰ The identification and discussion of the wire centers that satisfy the FCC's competitive thresholds is addressed in relation to Issue 4.

¹⁰¹ BellSouth and other active parties have agreed that the DS1 transport cap applies to routes for which there is no unbundling obligation for DS3 transport, but for which impairment exists for DS1 transport.

¹⁰² This 15-day requirement applies unless a CLEC and BellSouth agree to a different time frame.

and 6.2, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

4. Dark Fiber Loops and Dedicated Transport

The Commission will require CLECs to submit spreadsheets to identify their embedded base dark fiber to be either disconnected or converted to other services by June 10, 2006.¹⁰³ If CLECs do not submit orders in a timely manner so that conversions can be completed by September 11, 2006, BellSouth is authorized to convert any remaining dark fiber loops or embedded base dark fiber transport to corresponding tariff service offerings. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Sections 2.8.4 and 6.9.1, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

5. Transition Rates, Terms, and Conditions

The Commission finds that it is appropriate to take steps in addition to requiring CLECs to identify their embedded base of customers and adopting timely and orderly steps to effectuate the transition from UNEs to alternative services. The Commission addressed the question of the embedded base in its "No New Adds" order.¹⁰⁴ CLECs that added new local switching arrangements, UNE-P arrangements, high capacity loops, or high capacity transport in unimpaired wire centers or in excess of the caps for their

¹⁰³ This deadline applies unless a CLEC and BellSouth agree to a different time frame.

¹⁰⁴ See *South Carolina No New Adds Order*, p. 3; Tr. at 276.

customers existing as of March 11, 2005, will be considered part of the embedded base. CLECs must transition these arrangements by the end of the transition period unless a CLEC and BellSouth negotiate different language. The Commission rejects CompSouth's proposed language that would allow CLECs to add other delisted UNEs during the transition period.¹⁰⁵

As explained above in connection with switching, the transition rate is the rate the CLEC paid for the element or combination of elements on June 15, 2004, plus the FCC's prescribed transitional additive for that particular element.¹⁰⁶ For UNE switching, the additive is \$1.00.¹⁰⁷ For UNE high capacity loops and transport, the additive is 15% of the rate paid (*i.e.*, a rate equal to 115% of the rate paid as of June 15, 2004).¹⁰⁸ Transition period pricing applies for each de-listed UNE retroactively to March 11, 2005.¹⁰⁹ Facilities no longer subject to unbundling shall be subject to true-up to the applicable transition rate upon amendment of the interconnection agreements.¹¹⁰ The transition rates will not go into effect without a contract amendment but once the agreement is amended, the transition rate must be true-up to the March 11, 2005, transition period start date.¹¹¹ The transition rates apply only while the CLEC is leasing the de-listed element from BellSouth during the transition period.¹¹² Once the de-listed

¹⁰⁵ Tr. at 358.
¹⁰⁶ Tr. at 349.
¹⁰⁷ *Id.*
¹⁰⁸ *Id.*
¹⁰⁹ *Id.* at 354.
¹¹⁰ *TRRO* n. 408, 524, 630.
¹¹¹ *Id.*
¹¹² Tr. at 354.

UNE is converted to an alternative service, the CLEC will be billed the applicable rates for that alternative service going forward.¹¹³

CompSouth suggests that its members are entitled to transitional rates through March 10, 2006, even if they convert to alternative arrangements before that date. The Commission disagrees.¹¹⁴ This decision is consistent with a decision of the Illinois Commerce Commission, which found:

The Commission disagrees with CLECs that the transition rate should remain in effect for the entire transition period, even if transition is completed before the deadline. The terms of an agreement go into effect at the time the agreement say it does . . . Once the transition has been completed, the agreement takes over with all of its rate, terms, and conditions. The transition rates default only to those UNEs that have not transitioned to an alternate service arrangement.

The Commission does not see how the imposition of agreement rates prior to the expiration of the deadline would somehow adversely affect an otherwise orderly transition. CLECs' argument, that SBC would have the incentive to overstate and exaggerate implementation challenges so as to convert as many UNEs as early as possible, defies logic.¹¹⁵

B. Issue 3: Modification and Implementation of Interconnection Agreement Language: (a) *How should existing ICAs be modified to address BellSouth's obligation to provide network elements that the FCC has found are no longer Section 251(c)(3) obligations?* (b) *What is the appropriate way to implement in new agreements pending in arbitration any modifications to BellSouth's obligations to provide network elements that the FCC has found are no longer Section 251(c)(3) obligations?*

¹¹³ *Id.* at 355.

¹¹⁴ CompSouth's members and BellSouth are free to agree to such an arrangement, but CompSouth's members cannot compel BellSouth to enter such an arrangement.

¹¹⁵ Illinois Commerce Commission Docket No. 05-0442, *Arbitration Decision*, November 2, 2005, p. 78. BellSouth acknowledges that other State commissions have reached different results on this issue.

In its *TRRO*, the FCC directed that carriers “implement changes to their interconnection agreements consistent with [the FCC’s] conclusions [in the *TRRO*].”¹¹⁶ Accordingly, carriers must execute amendments to their interconnection agreements to remove the availability of de-listed UNEs. Over 99 CLECs in South Carolina had, at the time of the hearing in this case, amended or entered into new interconnection agreements to implement the changes in law that are the subject of this proceeding.¹¹⁷ The Commission hereby orders all CLECs that have not yet executed a *TRO*- and *TRRO*-compliant amendment to their interconnection agreement to execute an amendment with Commission-approved contract language promptly following issuance of the Commission’s Order approving such language.

Further, the Commission finds that its decisions in this generic docket will apply to interconnection agreements that currently are the subject of arbitration proceedings before the Commission. Proceeding in this manner is most efficient in that the Commission will have to address a given issue only once (which is one reason the Commission opened this generic docket rather than addressing these issues on a case-by-case basis). The same rationale applies to agreements that are being negotiated, but for which no arbitration has yet been filed.¹¹⁸

¹¹⁶ *TRRO* at ¶ 233.

¹¹⁷ Tr. at 113-114 (Blake Reb. at 4-5).

¹¹⁸ In prior pleadings in this docket (but not in testimony), NuVox and Xspedius have contended that as a result of their “abeyance agreement” with BellSouth, they should not be required to amend their current interconnection agreements with BellSouth to incorporate the *TRRO* or the Commission’s decisions in this generic proceeding. The Commission previously has rejected this argument, *see Order Addressing Petition for Emergency Relief*, Order No. 2005-247 Docket No. 2004-316-C at 5 (Aug. 1, 2005), and it hereby re-affirms its rejection of that argument.

Finally, the Commission is aware that some CLECs have not negotiated with BellSouth in any form or fashion.¹¹⁹ CLECs cannot circumvent binding federal law through inaction. The Commission orders all CLECs to execute contract amendments or execute new agreements as soon as possible, unless BellSouth and the CLEC mutually agree to a specific timeframe. If amendments are not executed, the language approved in this order will go into effect regardless of whether an amendment or new contract is executed. We would note, however, that this directive applies only to those issues which were disputed under the TRO and/or TRRO. The parties do not have to execute contract amendments or new agreements at this time with regard to any non-TRO or non-TRRO issues, and BellSouth's proposed contract language shall be modified accordingly, including any such language that may be included in the Appendices attached hereto.

- C. **Issue 4: High Capacity Loops and Dedicated Transport:** *What is the appropriate language to implement BellSouth's obligation to provide Section 251 unbundled access to high capacity loops and dedicated transport and how should the following terms be defined: (i) business line; (ii) fiber-based collocation; (iii) building; (iv) route?*

The Commission finds that the federal rules and any definitions in them should be incorporated into interconnection agreements. To the extent that terms (such as "building") are not defined in those rules, the Commission finds that any disputes regarding the definition of such terms should be addressed on a case-by-case basis and in the context of the actual facts involved in any such dispute. The Commission believes that this approach will lead to better results than any attempt to define such terms in a vacuum.

¹¹⁹ Tr. at 162-163.

Further, the Commission accepts CompSouth's proposed fiber-based collocator language, because it gives a reasonable means for determining impairment if it occurs after the fact. The FCC rule, in its entirety, states as follows:

Fiber-based collocator. A fiber-based collocator is any carrier, unaffiliated with the incumbent LEC, that maintains a collocation arrangement in an incumbent LEC wire center, with active electrical power supply, and operates a fiber-optic cable or comparable transmission facility that (1) terminates at a collocation arrangement within the wire center; (2) leaves the incumbent LEC wire center premises; and (3) is owned by a party other than the incumbent LEC or any affiliate of the incumbent LEC, except as set forth in this paragraph. Dark fiber obtained from an incumbent LEC on an indefeasible right of use basis shall be treated as non-incumbent LEC fiber-optic cable. Two or more affiliated fiber-based collocators in a single wire center shall collectively be counted as a single fiber-based collocator. For purposes of this paragraph, the term affiliate is defined by 47 U.S.C. § 153(1) and any relevant interpretation in this Title.

CompSouth's proposed language adds the following language to the federal definition:

For purposes of this definition: (i) carriers that have entered into merger and/or other consolidation agreements, or otherwise announced their intention to enter into the same, will be treated as affiliates and therefore as one collocator; provided, however, in the case one of the parties to such merger or consolidation arrangement is BellSouth, then the other party's collocation arrangement shall *not* be counted as a Fiber-Based Collocator, (ii) a Comparable transmission Facility means, at a minimum, the provision of transmission capacity equivalent to fiber-optic cable with a minimum point-to-point symmetrical data capacity exceeding 12 DS3s; (iii) the network of a Fiber-Based Collocator may only be counted once in making a determination of the number of Fiber-Based Collocators, notwithstanding that such single Fiber-Based Collocator leases its facilities to other collocators in a single wire center; provided, however, that a collocating carrier's dark fiber leased from an unaffiliated carrier may only be counted as a separate fiber-optic cable from the unaffiliated carrier's fiber if the collocating carrier obtains this dark fiber on an IRU basis.¹²⁰

¹²⁰ First Revised Exhibit JPG-1, p. 17.

This additional language would reasonably require BellSouth to count AT&T and SBC as one fiber-based collocator, rather than as separate fiber-based collocators, regardless of the precise effective date of the TRRO, as they are now merged companies. As of the March 10, 2005, effective date of the *TRRO*, AT&T and SBC were not affiliated companies.¹²¹ We see no reason to tie the determination of the number of fiber-based collocators to the effective date of the TRRO. Allowance needs to be made for wire centers that become impaired post-TRRO. The Commission also adopts CompSouth's proposed language about counting the network of fiber-based collocators separately. We believe that the stated language is reasonable, given the usual circumstances of collocation.

The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including Sections 1.8, 2.1.4, 2.3, 2.8.4, 6.2-6.7, and 6.9 (unless inconsistent with CompSouth Suggested Contract Language Section 10.4 as noted below) shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina. However, BellSouth shall modify its language where appropriate to allow wire centers to be declared impaired if, indeed, this becomes the case after March 10, 2006, including, but not limited to Sections 2.1.4.9, 2.1.4.10, 6.2.6.7 and 6.2.6.8, and the CLECs are to be allowed UNEs at TELRIC prices for those wire centers, if impairment occurs. Further, unless a CLEC and BellSouth negotiate different language,

¹²¹ The subsequent merger of AT&T and SBC and the announced merger of AT&T and BellSouth remove both AT&T and SBC from consideration as non-affiliated fiber-based collocators under the adopted language.

CompSouth's proposed language addressing collocation as included in Section 10.4 of the CompSouth Suggested Contract Language, and attached hereto as Appendix D, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

- D. Issue 5: Unimpaired Wire Centers:** *(a) Does the Commission have the authority to determine whether or not BellSouth's application of the FCC's Section 251 non-impairment criteria for high-capacity loops and transport is appropriate? (b) What procedures should be used to identify those wire centers that satisfy the FCC's Section 251 non-impairment criteria for high-capacity loops and transport? (c) What language should be included in agreements to reflect the procedures identified in (b)?*

Relevant Contract Provisions: PAT-1 Sections 2.1.4.5.1, 2.1.4.5.2, 2.1.4.9, 2.1.4.10, 6.2.6.1, 6.2.6.2, 6.2.6.7, 6.2.6.8; PAT-2 Sections 2.1.4.2.1, 2.1.4.2.2, 2.1.4.4, 2.1.4.5, 5.2.2.1, 5.2.2.2, 5.2.2.4, 5.2.2.5

1. State Commission Authority

Pursuant to *USTA II*, the FCC may not delegate impairment decisions to State commissions.¹²² State commissions, however, are charged with resolving disputes arising under interconnection agreements and with implementing the changes to interconnection agreements necessitated by the *TRRO*.¹²³ As a practical matter, therefore, the Commission must resolve the parties' disputes concerning the wire centers that meet the FCC's impairment tests so that all parties have a common understanding of the wire centers from which CLECs must transition former UNEs to alternative arrangements.¹²⁴

¹²² *USTA II* at 574.

¹²³ *TRRO* at ¶ 234.

¹²⁴ Tr. at 299-300.

2. South Carolina Wire Centers that Currently Satisfy the FCC's Impairment Tests

For the reasons set forth below, the Commission finds that the following BellSouth wire centers in South Carolina satisfy the FCC's impairment tests:¹²⁵

Wire Center	Total Business Lines	Transport		High Capacity Loops	
		Tier 1	Tier 2	No Impairment for DS3	No Impairment for DS1
CHTNSCDT	24,703	X			
CHTNSCNO	24,107		X		
CLMASCSA	13,939		X		
CLMASCSN	48,403	X		X	
GNVLSCDT	45,546	X		X	
GNVLSCLR	33,639		X		
MNPLSCES	24,061		X		
SPBGSCMA	22,796		X		

The Commission, therefore, orders CLECs to transition existing Section 251 loops and transport (as applicable) in the wire centers listed above to alternative serving arrangements.

The dispute between BellSouth and the CLECs over these wire centers concerns the application of the FCC's rule defining business lines.¹²⁶ There are two aspects to this dispute. The first is BellSouth's inclusion of certain UNE loops, and the second is BellSouth's treatment of high capacity loops. The Commission finds that BellSouth properly implemented the applicable federal law with regard to both of these aspects of the dispute.

¹²⁵ Hearing Exh. 9; also Tr. at 302-306, 307-308, and PAT-4.

¹²⁶ See 47 C.F.R. § 51.5.

With respect to the inclusion of certain UNE loops, the *TRRO* clearly requires BellSouth to include business UNE-P.¹²⁷ BellSouth did so,¹²⁸ it did not include residential UNE-P,¹²⁹ and the CLECs have not suggested that BellSouth should have included residential UNE-P. Moreover, the text of the FCC’s definition of “business line” calls for the inclusion of “*all* UNE loops,”¹³⁰ and BellSouth included all UNE loops in its count (i.e. those loops offered as stand-alone loops or in combination with dedicated interoffice transport). The CLECs apparently take issue with this, arguing that in doing so, BellSouth has wrongly included some UNE loops that serve residential customers in its count of business loops.

The Commission finds that BellSouth’s count is appropriate. The federal rule requires the

number of business lines in a wire center [t]o equal the sum of all incumbent LEC business switched access lines, plus the sum of all UNE loops connected to that wire center, including UNE loops provisioned in combination with other unbundled elements.¹³¹

The FCC intentionally required all UNE loops (excepting residential UNE-P) to be included, because doing so gauges “the business opportunities in a wire center, including business opportunities already being captured by competing carriers through the use of UNEs.”¹³² Moreover, while the CLECs argue that some residential UNE loops may have been mistakenly included in BellSouth’s count, their witness Mr. Gillan conceded that he

¹²⁷ *TRRO* at ¶ 105.

¹²⁸ Tr. at 303.

¹²⁹ Tr. at 367-368.

¹³⁰ 47 C.F.R. §51.5 (emphasis added).

¹³¹ 47 C.F.R. § 51.5

¹³² *TRRO* at ¶ 105.

did not think it was worth “correcting” BellSouth’s business line count to exclude residential DSO loops because “it’s such a small number ... trying to go in to do it correctly wouldn’t be worth it.”¹³³ Mr. Gillan also acknowledged that BellSouth has no way of determining whether a given DSO loop is being used to provide business service or residential service.¹³⁴ Finally, if the Commission were to disregard completely some portion, estimate, or percentage of UNE loops, it would ignore the “opportunity” present in a particular wire center.

The CLECs also suggest that the Commission should undertake some calculation or estimate to capture “switched” UNE loops. CLEC witness Mr. Gillan, however, concedes there is no source that would provide data concerning which UNE loops are switched as compared to loops that are not switched.¹³⁵ Moreover, the FCC clearly intended to capture, with its business line test, an accurate measurement of the revenue opportunity in a wire center.¹³⁶ This intent is consistent with the revised impairment standard the FCC adopted in the *TRRO*, which considers, in part, whether requesting carriers can compete without access to particular network elements¹³⁷ and requires consideration of all the revenue opportunity that a competitor can reasonably expect to gain over facilities it uses, from all possible sources.¹³⁸ Finally, the FCC was very clear that it wished to avoid a “complex” test, or a test that would be subject to “significant

¹³³ Gillan Deposition at 43.
¹³⁴ *Id.*
¹³⁵ Tr. at 543; Gillan Deposition at 44.
¹³⁶ *TRRO* at ¶ 104.
¹³⁷ *TRRO* at ¶ 22.
¹³⁸ *Id.* at 24.

latitude.”¹³⁹ The Commission, therefore, declines to undertake the calculation or estimate suggested by the CLECs. This is consistent with decisions reached by the Illinois and Michigan Commissions.¹⁴⁰

Additionally, the federal rule requires ISDN and other digital access lines, whether BellSouth’s lines or CLEC UNE lines, to be counted at their full system capacity; that is, each 64 kbps-equivalent is to be counted as one line.¹⁴¹ The FCC’s rule plainly states that “a DS1 line corresponds to 24 64 kbps-equivalents, and therefore to 24 ‘business lines.’”¹⁴² The FCC has made clear its “test requires ILECs to count business lines on a voice grade equivalent basis. In other words, a DS1 loop counts as 24 business lines, not one.”¹⁴³ On cross-examinations, Mr. Gillan conceded that “[t]here’s no question that there’s the potential for 24 lines in DS1.”¹⁴⁴ Despite this recognition, however, Mr. Gillan urges the Commission not to consider the potential customers CLECs can serve. The Commission, however, finds that it is appropriate to consider the potential customers CLECs can serve.

¹³⁹ *TRRO*, ¶ 99

¹⁴⁰ Illinois Commerce Commission Docket No. 05-0442, Arbitration Decision, November 2, 2005, p. 30; In re: Commission’s own Motion to Commence a Collaborative Proceeding to Monitor and Facilitate Implementation of Accessible Letters Issued by SBC Michigan and Verizon, 2005 Mich. PSC LEXIS 310, Order at * 13.

¹⁴¹ 47 C.F.R. § 51.5.

¹⁴² *Id.*

¹⁴³ See Sept. 9, 2005, Br. for the FCC Respondents, United States Court of Appeals, D.C. Cir. No. 05-1095.

¹⁴⁴ Tr. at 543.

3. **Identifying Wire Centers in the Future that Satisfy the FCC's Impairment Tests**

CompSouth has proposed a means for identifying future wire centers that would resolve disputes relating to BellSouth's subsequent wire center identification within ninety days after BellSouth's initial filing.¹⁴⁵ BellSouth has objected to any process that limits its right to designate future wire centers on an annual basis, and the Commission finds nothing in the federal rules that supports any such limitation. Moreover, CompSouth's proposed process inserts a number of qualifications to the data that it seeks from BellSouth, and the Commission can find no basis in the applicable law for such qualifications. The Commission, therefore will not adopt the CLECs' proposed language.

Under BellSouth's proposal, if wire centers are later found to meet the FCC's no impairment criteria, BellSouth will notify CLECs of these new wire centers via a Carrier Notification Letter. The non-impairment designation will become effective ten business days after posting the Carrier Notification Letter. Beginning on the effective date, BellSouth would no longer be obligated to offer high capacity loops and dedicated transport as UNEs in such wire centers, except pursuant to the self-certification process. This means that if a CLEC self certifies, BellSouth will process the order, subject to its right to invoke the dispute resolution process if BellSouth believes the self certification is invalid. High capacity loop and transport UNEs that were in service when the subsequent wire center determination was made will remain available as UNEs for 90 days after the effective date of the non-impairment designation. This 90 day period is

¹⁴⁵ Tr. at 442-443.

referred to as the “subsequent transition period.” No later than 40 days from the effective date of the non-impairment designation, affected CLECs must submit spreadsheets identifying their embedded base UNEs to be converted to alternative BellSouth services or to be disconnected. From that date, BellSouth will negotiate a project conversion timeline that will ensure completion of the transition activities by the end of the 90-day subsequent transition period.

BellSouth’s proposal has been agreed to with a number of CLECs.¹⁴⁶ We do modify BellSouth’s proposal, however. If a wire center is later found to be impaired, then BellSouth must also issue a Carrier Notification Letter, and then furnish the appropriate UNEs at TELRIC prices, beginning at an agreed upon time. The Commission therefore finds, with this modification, that unless a CLEC and BellSouth negotiate different language, BellSouth’s proposed language addressing this issue as set forth in Appendix A to this Order, including Sections 2.1.4.5.1, 2.1.4.5.2, 6.2.6.1, 6.2.6.2, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina. BellSouth shall, however, modify its language to allow a later finding of impairment in a wire center, as outlined above, including, but not limited to, language in Sections 2.1.4.9, 2.1.4.10, 6.2.6.7 and 6.2.6.8.

¹⁴⁶ Tr. at 113.

- E. **Issue 9: Conditions Applicable to the Embedded Base** *What conditions, if any, should be imposed on moving, adding, or changing orders to a CLEC's respective embedded bases of switching, high-capacity loops and dedicated transport, and what is the appropriate language to implement such conditions, if any?*

This Commission addressed this issue in its *South Carolina No New Adds Order*. Nothing in the record suggests that BellSouth is not complying with that order. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Section 5.4.3.2, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

- F. **Issue 10: Transition of De-listed Network Elements To Which No Specified Transition Period Applies:** *What rates, terms, and conditions should govern the transition of existing network elements that BellSouth is no longer obligated to provide as Section 251 UNEs to non-Section 251 network elements and other services and (a) what is the proper treatment for such network elements at the end of the transition period; and (b) what is the appropriate transition period, and what are the appropriate rates, terms and conditions during such transition period, for unbundled high capacity loops, high capacity transport, and dark fiber transport in and between wire centers that do not meet the FCC's non-impairment standards at this time, but that meet such standards in the future?*

The Commission has addressed the rates, terms and conditions for elements de-listed by the *TRRO* and which have a designated transition period, including those identified in subpart (b) above, in connection with its discussion of Issue 2. In addition to taking steps to transition away from elements de-listed by the *TRRO*, the FCC removed significant unbundling obligations in the *TRO*, including entrance facilities,

enterprise or DS1 level switching, OCN loops and transport, fiber to the home, fiber to the curb, fiber sub-loop feeder, line sharing and packet switching.¹⁴⁷

The FCC eliminated the ILECs' obligation to provide unbundled access to these elements 2 years ago in the *TRO*. CLECs that still have the rates, terms and conditions for these elements in interconnection agreements have reaped the benefits of unlawful unbundling of these elements for far too long.¹⁴⁸ As such, with the exception of entrance facilities, which BellSouth will agree to allow CLECs to transition with their embedded base and excess dedicated transport, BellSouth is authorized to disconnect or convert such arrangements upon 30 days written notice, absent a CLEC order to disconnect or convert such arrangements.¹⁴⁹ BellSouth should also be permitted to impose applicable nonrecurring charges.¹⁵⁰ To do otherwise would provide an incentive for these CLECs to further delay implementation of the *TRO*.

BellSouth's proposed contract language is fully consistent with the *TRO*. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Section 1.7 and 4.1, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

¹⁴⁷ Tr. at 313.
¹⁴⁸ *Id.*
¹⁴⁹ Tr. at 314.
¹⁵⁰ *Id.*

G. Issue 11: UNEs That Are Not Converted: *What rates, terms and conditions, if any, should apply to UNEs that are not converted on or before March 11, 2006, and what impact, if any, should the conduct of the parties have upon the determination of the applicable rates, terms, and conditions that apply in such circumstances?*

The *TRRO* requires CLECs to transition their entire embedded base of switching and high capacity loops and transport by March 10, 2006.¹⁵¹ To accomplish this, and to minimize disruption to end users, BellSouth obviously needs CLECs to timely provide it with information concerning their plans for these services. The Commission has reviewed BellSouth's proposals and finds them to be reasonable.

BellSouth is asking CLECs to identify their embedded base UNE-Ps as soon as possible and to submit orders to disconnect or convert the embedded base in a timely manner so as to complete the transition process by March 10, 2006.¹⁵² If CLECs fail to submit orders in a timely manner, BellSouth should be permitted to identify all such remaining embedded base UNE-P lines and convert them to the equivalent resold services no later than March 10, 2006, subject to applicable disconnect charges and the full nonrecurring charges in BellSouth's tariffs.¹⁵³ Absent a commercial agreement for switching, BellSouth is authorized to disconnect any stand alone switching ports which remain in place on March 11, 2006.¹⁵⁴ To do otherwise will incent CLECs to simply refuse to act in order to delay implementation of the *TRRO* by the FCC's deadline.

For high capacity loops and dedicated transport, BellSouth is requesting that CLECs submit spreadsheets as soon as possible to identify and designate transition plans

¹⁵¹ Tr. at 315-316.
¹⁵² Tr. at 316.
¹⁵³ *Id.*
¹⁵⁴ *Id.*

for their embedded base of these de-listed UNEs.¹⁵⁵ The Commission will require CLECs to do so as soon as possible. If CLECs fail to comply with this requirement, BellSouth is authorized to identify such elements and transition such circuits to corresponding BellSouth tariffed services no later than March 10, 2006, subject to applicable disconnect charges and full nonrecurring charges in BellSouth's tariffs.¹⁵⁶

For dark fiber, BellSouth is requesting that CLECs submit spreadsheets to identify and designate plans for their embedded base dark fiber loops and de-listed dark fiber transport to transition to other BellSouth services by June 10, 2006.¹⁵⁷ If a CLEC fails to submit such spreadsheets, BellSouth is authorized to identify all such remaining embedded dark fiber loops and/or de-listed dark fiber dedicated transport and transition such circuits to the corresponding BellSouth tariffed services no later than September 10, 2006, subject to applicable disconnect charges and full nonrecurring charges set forth in BellSouth's tariffs.¹⁵⁸

BellSouth's proposed contract language is fully consistent with the *TRO*. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Sections 4.2.5, 4.2.6, 5.4.3.5, 5.4.3.6, 2.1.4.11, 2.8.4.7, 6.2.6.9, 6.9.1.9, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

¹⁵⁵ Tr. at 317.
¹⁵⁶ Tr. at 317-318.
¹⁵⁷ *Id.*
¹⁵⁸ *Id.*

- H. **Issue 32: Binding Nature Of Commission Order:** *How should the determinations made in this proceeding be incorporated into existing § 252 interconnection agreements?*

The Commission intends that unless they agree otherwise, BellSouth and all CLECs operating in South Carolina promptly execute contractual amendments to incorporate the language the Commission adopts in this proceeding so that the FCC's transitional deadlines are met. If an amendment is not promptly executed, the Commission's approved language will go into effect for all CLECs in the state of South Carolina, regardless of whether an amendment is signed.¹⁵⁹ However, only disputed issues under the TRO and TRRO are included in this directive. Any other disputed issues may be debated in another proceeding.

III. Service-Specific Issues (13, 15, 16, 29, 31)

- A. **Issue 13: Performance Plan:** *Should network elements de-listed under Section 251(c)(3) be removed from the SQM/PMAP/SEEM?*

In deciding this issue, the Commission first notes that the Georgia Commission entered an *Order Adopting Hearing Officer's Recommended Order*, dated June 23, 2005, in Docket No. 7892-U, in which it approved a Stipulation Agreement reached between BellSouth and several CLEC parties. This stipulation provides, in part:

1. All DS0 wholesale platform circuits provided by BellSouth to a CLEC pursuant to a commercial agreement are to be removed from the SQM Reports; Tier 1 payments; and Tier 2 payments starting with May 2005 data.
2. The removal of DS0 wholesale platform circuits as specified above will occur region-wide.

¹⁵⁹ The Commission notes also that it has previously addressed the "Abeyance Agreement" between BellSouth and CompSouth members Nuvox and Xspedius in its No New Adds Order, and that all CLECs including Nuvox and Xspedius must promptly execute amendments consistent with this order.

3. All parties to this docket [the Performance Measurements docket] reserve the right to make any arguments regarding the removal of any items other than the DSO wholesale platform circuits from SQM/SEEMs in Docket No. 19341-U [the Generic Change of Law docket] to the extent specified in the approved issues list.¹⁶⁰

This regional Stipulation was endorsed by a number of CLECs, including AT&T, Covad, MCI and DeltaCom, all of whom are CompSouth members.

Although this Stipulation is not binding on all parties to this docket, it supports the Commission's finding that elements that are no longer required to be unbundled pursuant to Section 251(c)(3) should not be subject to a SQM/PMAP/SEEM plan. The SQM/PMAP/SEEM plan was established to ensure that BellSouth would continue to provide nondiscriminatory access to elements required to be unbundled under Section 251(c)(3) after BellSouth gained permission to provide in-region interLATA service. If BellSouth fails to meet measurements set forth in the plan, it must pay a monetary penalty to a CLEC and/or to the State. Section 251(c)(3) elements are those elements which the FCC has determined are necessary for CLECs to provide service and without access to the ILEC's network, the CLEC would be impaired in its ability to do so.

In determining that certain elements are no longer "necessary" and that CLECs are not "impaired" without access to them, the FCC found that CLECs were able to purchase similar services from other providers. These other providers are not required to perform under a SQM/PMAP/SEEM plan. To continue to impose upon BellSouth a performance measurement, and possible penalty, on competitive, commercial offerings is discriminatory and anticompetitive. For commercial offerings, the marketplace, not a SQM/PMAP/SEEM plan, becomes BellSouth's penalty plan. If BellSouth fails to meet a

¹⁶⁰ Tr. at 104.

CLEC's provisioning needs, such CLEC can avail itself of other providers of the service and BellSouth is penalized because it losses a customer and associated revenues.¹⁶¹

The Commission, therefore, finds that network elements that are de-listed under Section 251(c)(3) should be removed from the SQM/PMAP/SEEM.

B. Issue 15: Conversion of Special Access Circuits to UNEs: Is BellSouth required to provide conversion of special access circuits to UNE pricing, and, if so, at what rates, terms and conditions and during what timeframe should such new requests for such conversions be effectuated?

Mr. Gillan did not file any direct or rebuttal testimony addressing Issue 15.¹⁶²

BellSouth, on the other hand, explained that it will convert special access services to UNE pricing, subject to the FCC's service eligibility requirements and limitations on high-cap EELs, once a CLEC's contract has these terms incorporated in its contract.¹⁶³

BellSouth also presented testimony that it will convert UNE circuits to special access services and that special access to UNE conversions should be considered termination of any applicable volume and term tariffed discount plan or grandfathered arrangements.¹⁶⁴

BellSouth presented evidence that the applicable rates for conversions in South Carolina for the first single DS1 or lower capacity loop conversion should be \$24.88 and \$3.51 per loop for additional conversions on that LSR and \$26.37 for projects consisting of 15 or more loops submitted on a spreadsheet and \$4.99 for each additional loop on the same LSR.¹⁶⁵ For DS3 and higher capacity loops and for interoffice transport conversions, BellSouth presented evidence that the rate should be \$40.27 for the first single

¹⁶¹ Tr. at 102-104.

¹⁶² Gillan Deposition at 77.

¹⁶³ Tr. at 327.

¹⁶⁴ *Id.*

¹⁶⁵ Tr. at 328.

conversion on an LSR and \$13.52 per loop for additional single conversions on that LSR.¹⁶⁶ For a project consisting of 15 or more such elements in a state submitted on a single spreadsheet, BellSouth is proposing \$64.07 for the first loop and \$25.63 for each additional loop conversion on the same spreadsheet.¹⁶⁷ Finally, BellSouth presented evidence that the Commission-ordered rate of \$5.61 should apply for EEL conversions, until new rates are issued¹⁶⁸ and that if physical changes to the circuit are required, the activity should not be considered a conversion and the full nonrecurring and installation charges should apply.¹⁶⁹

Based on the evidence presented by BellSouth and the lack of evidence presented by the CLECs, the Commission adopts BellSouth's proposed language. The Commission notes that nothing precludes BellSouth from offering conversions at rates lower than those specified in this Order. The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Sections 1.6 and 1.13, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

¹⁶⁶ Tr. at 328.

¹⁶⁷ Tr. at 328.

¹⁶⁸ *Id.*

¹⁶⁹ *Id.*

- C. **Issue 16: Pending Conversion Requests:** *What are the appropriate rates, terms, conditions and effective dates, if any, for conversion requests that were pending on the effective date of the TRO?*

Relevant Contract Provisions: Neither BellSouth nor CompSouth propose specific language on this issue. The parties' dispute concerns CLECs' claims for retroactive conversion rights. *See* BellSouth Pre-filed Testimony of Pamela Tipton, Exhibit PAT-5.

Mr. Gillan did not file any direct testimony addressing Issue 16.¹⁷⁰ In his rebuttal testimony, Mr. Gillan claimed that conversion language and rights must be retroactive to March 11, 2005, the effective date of the *TRRO*.¹⁷¹ This Commission disagrees, because retroactive conversion rights were not contemplated in the *TRO*. Instead, the FCC made clear that "carriers [were] to establish any necessary timeframes to perform conversions in their interconnection agreements or other contracts."¹⁷² This is the conclusion the Massachusetts and Rhode Island commissions reached when confronted with this issue.¹⁷³

The Commission, therefore, finds that Mr. Gillan's testimony on this issue is incorrect and that it is inconsistent with the *TRO* and the *TRRO*. The contract language contained in a CLEC's interconnection agreement at the time the *TRO* became effective governs the appropriate rates, terms, conditions and effective dates for conversion

¹⁷⁰ Gillan Deposition at 77.

¹⁷¹ Tr. at 514-515.

¹⁷² *TRO* at ¶ 588.

¹⁷³ *See Massachusetts Arbitration Order*, p. 135; *see also Arbitration Decision*, In re: Petition of Verizon-Rhode Island for Arbitration of an Amendment to Interconnection Agreements with CLECs and CMRS Providers in Rhode Island to Implement the Triennial Review Order and Triennial Review Remand Order, Docket No. 3588, (November 10, 2005), p. 30 ("Paragraph 589 [of the *TRO*] does not contain any clear FCC mandate that pricing for conversions begin on the effective date of the *TRO*, which was October 2, 2003. Accordingly, the pricing for these conversions does not take effect until the ICA amendment goes into effect").

requests that were pending on the effective date of the TRO.¹⁷⁴ Conversion rights, rates, terms and conditions are not retroactive and become effective once an interconnection agreement is amended.¹⁷⁵

D. Issue 29: Enhanced Extended Link (“EEL”) Audits: *What is the appropriate ICA language to implement BellSouth’s EEL audit rights, if any, under the TRO?*

The essential dispute between the parties is that CompSouth claims that BellSouth must show cause to the CLEC before it can begin an audit.¹⁷⁶ The Commission, however, is concerned that this requirement could be used by certain CLECs to delay or even evade an appropriate audit. Additionally, an audit often is necessary in order to determine whether there is or is not cause for concern.

Moreover, BellSouth’s witness Ms. Tipton explained that BellSouth would not audit without cause,¹⁷⁷ and the fact that BellSouth’s proposed language calls for BellSouth to pay for an audit that does not reveal issues is a deterrent to BellSouth’s unreasonably requesting an audit. BellSouth’s proposed language allows it to audit CLECs on an annual basis to determine compliance with the qualifying service eligibility criteria, and requires BellSouth to obtain and pay for an independent auditor who will conduct the audit pursuant to American Institute for Certified Public Accountants (“AICPA”) standards.¹⁷⁸ The auditor determines material compliance or non-

¹⁷⁴ Tr. at 329, 377-378.

¹⁷⁵ *Id.*

¹⁷⁶ Gillan Deposition at 84.

¹⁷⁷ TRA Docket No. 04-00381, Transcript of proceedings, Wednesday, September 14, 2005, Vol. III, pp. 239-240.

¹⁷⁸ Tr. at 334-335.

compliance.¹⁷⁹ If the auditor determines that CLECs are not in compliance, the CLECs are required to true-up any difference in payments, convert noncompliant circuits, and make correct payments on a going-forward basis.¹⁸⁰ Also, CLECs determined by the auditor to have failed to comply with the service eligibility requirements must reimburse the ILEC for the cost of the auditor.¹⁸¹

The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Section 5.3.4.3, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

E. Issue 31: Core Forbearance Order: *What language should be used to incorporate the FCC's ISP Remand Core Forbearance Order into interconnection agreements?*

Neither BellSouth nor CompSouth has proposed specific contractual language regarding the *Core Order*.¹⁸² Thus, the only language before the Commission is the language proposed by ITC^DeltaCom, which suggests that BellSouth's template agreement should include language implementing the *Core Order*. The *Core Order*, however, provides CLECs with various choices that allow different CLECs to elect different rate structures.¹⁸³ Due to these choices, a one-size-fits-all approach is

¹⁷⁹ *Id.*

¹⁸⁰ *Id.*

¹⁸¹ *Id.*

¹⁸² See First Revised Exhibit JPG-1, p. 63.

¹⁸³ Tr. at 341.

inappropriate.¹⁸⁴ As BellSouth witness Ms. Tipton explained, even if language addressing the *Core Order* were included in an agreement, the parties to each agreement still must identify their desired rate structure. Including standard language, therefore, would not address all scenarios encountered in the implementation of the *Core Order*.¹⁸⁵

Accordingly, the Commission finds that BellSouth should resolve this issue on a carrier-by-carrier basis depending on the specific facts of each particular situation.

IV. Network Issues (6, 19, 23, 24, 26, 27, 28)

A. Issue 6: HDSL Capable Copper Loops: *Are HDSL-capable copper loops the equivalent of DS1 loops for the purpose of evaluating impairment?*

This issue presents two questions that require Commission resolution, and both of these questions relate specifically to BellSouth's UNE HDSL loop product, rather than to HDSL compatible loops generally. The first question is if, in the future, BellSouth satisfies the FCC's impairment thresholds for DS1 loops, would BellSouth be obligated to provide CLECs with its UNE HDSL loop product? Second, can BellSouth count each deployed UNE HDSL loop as 24 voice grade equivalent lines?

Concerning the first question, the Commission finds that CLECs are not entitled to order UNE HDSL loops in wire centers that satisfy the FCC's thresholds for DS1 loop relief. This conclusion is explicitly supported by the FCC's definition of a DS1 loop. The FCC defined a DS1 loop as including "2-wire and 4-wire copper Loops capable of

¹⁸⁴

Id.

¹⁸⁵

Tr. at 383.

providing high-bit rate digital subscriber line services, such as 2-wire and 4-wire HDSL Compatible Loops.”¹⁸⁶

The CLEC witnesses ignore the FCC’s definition of a DS1 loop and cite to FCC language addressing HDSL capable loops generally, rather than to the clear and unambiguous language contained in the rules.¹⁸⁷ The CLECs’ position is misplaced because, by defining DS1 loops as including a 2-wire and 4-wire HDSL loops, the FCC expressly removed any obligation to provide these loops in unimpaired wire centers.¹⁸⁸

In contrast, BellSouth’s proposed language implements the applicable federal rules, which, by their terms, extend unbundling relief to UNE HDSL loops in the same wire centers in which BellSouth is not obligated to provide CLECs with DS1 loops. The Commission, therefore, adopts BellSouth’s proposed language.

The second question posed by this issue relates to how UNE HDSL loops should be calculated in future determinations of wire centers that satisfy the FCC’s impairment thresholds. The Commission finds that deployed UNE HDSL loops can and should be counted as 24 business lines. In the *TRO* the FCC explained:

We note throughout the record in this proceeding parties use the terms DS1 and T1 interchangeably when describing a symmetric digital transmission link having a total 1.544 Mbps digital signal speed. Carriers frequently use a form of DSL service, i.e., High-bit rate DSL (HDSL), both two-wire and four-wire HDSL, as the means for delivering T1 services to customers. We will use DS1 for consistency but note that a DS1 loop and a T1 are equivalent in speed and capacity, both representing

¹⁸⁶ 47 C.F.R. § 51, 319(a)(4); Fogle Rebuttal at 4. (Tr. at 211.)

¹⁸⁷ Tr. at 438.

¹⁸⁸ There has been very little CLEC interest in BellSouth’s UNE HDSL product at all, as only 358 UNE HDSL loops were in service to *all* CLECs in South Carolina as of August 2005.

the North American standard for a symmetric digital transmission link of 1.544 Mbps.¹⁸⁹

The FCC has also made clear that, for the purposes of calculating business lines, “a DS1 line corresponds to 24 kbps-equivalents, and therefore to 24 ‘business lines.’”¹⁹⁰ Since the FCC has declared that a DS1 loop and a T1 are equivalent in speed and capacity, and since the FCC declared that UNE HDSL loops are used to deliver T1 services, it is obvious that BellSouth’s deployed UNE HDSL loops must be counted, for the purpose of determining business lines in an office, on a 64 kbps equivalent basis, or as 24 business lines.¹⁹¹ BellSouth’s proposed contract language is fully consistent with the FCC’s decisions and thus is approved.

The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth’s proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Section 2.3.6.1, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

B. Issue 19: Line Splitting: *What is the appropriate ICA language to implement BellSouth’s obligations with regard to line splitting?*

No CLEC witness provided any testimony concerning line splitting, which occurs when one CLEC provides narrowband voice service over the low frequency portion of a loop and a second CLEC provides xDSL service over the high frequency portion of that same loop and provides its own splitter.¹⁹² In contrast, BellSouth’s witness on this issue,

¹⁸⁹ TRO, n. 634 (emphasis supplied).

¹⁹⁰ 47 C.F.R. § 51.5.

¹⁹¹ Tr. at 210-211.

¹⁹² TRO at ¶ 251; *Line Sharing Reconsideration Order* at ¶ 33; Gillan Deposition at 77 – 78.

Mr. Fogle, demonstrated the need for BellSouth's contract language, which involves a CLEC purchasing a stand-alone loop (the whole loop), providing its own splitter in its central office leased collocation space, and then sharing the portion of the loop frequency not in use with a second CLEC.¹⁹³

CompSouth's language would require BellSouth to provide line splitting on a commingled arrangement of a loop and unbundled local switching pursuant to Section 271. As set forth above, however, the Commission does not support the reincarnation of UNE-P and will not require any references to Section 271 in Section 251/252 interconnection agreements. Moreover, the loop described by CompSouth does not exist, is not required by the FCC, and, therefore, should not be included in the section of the ICA that addresses line splitting.¹⁹⁴

CompSouth also proposes that BellSouth be obligated to provide splitters between the data and voice CLECs that are splitting a UNE-L. Mr. Fogle, however, made clear that splitter functionality can easily be provided by either an inexpensive stand-alone splitter or by utilizing the integrated splitter built into all Asynchronous Digital Subscriber Line ("ADSL") platforms.¹⁹⁵ The CLECs offered no contrary evidence. BellSouth should not be obligated to provide the CLECs with splitters when they are utilizing UNE-L and can readily provide this function for themselves.¹⁹⁶

The final area of competing contract language concerns CompSouth's proposed OSS language. The dispute between the parties is not over the language contained in the federal rules – clearly, the federal rules require BellSouth to make modifications to its

¹⁹³ Tr. at 187-189.

¹⁹⁴ Fogle Rebuttal at 8. (Tr. at 215.)

¹⁹⁵ *Id.*

¹⁹⁶ Tr. at 215-216.

OSS necessary for line splitting. The dispute between the parties revolves around the modifications that are actually "necessary." The CLEC presented no evidence to suggest that it is necessary for BellSouth to provide them with anything in order to facilitate line splitting.

The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Section 3, shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

C. Fiber and Broadband Unbundling:

1. Greenfield and Fiber To The Home

- i. **Issue 23: Greenfield Areas:** a) What is the appropriate definition of minimum point of entry ("MPOE")? b) What is the appropriate language to implement BellSouth's obligation, if any, to offer unbundled access to newly-deployed or 'greenfield' fiber loops, including fiber loops deployed to the minimum point of entry ("MPOE") of a multiple dwelling unit that is predominantly residential, and what, if any, impact does the ownership of the inside wiring from the MPOE to each end user have on this obligation?*
- ii. **Issue 28: Fiber To The Home:** What is the appropriate language, if any, to address access to overbuild deployments of fiber to the home and fiber to the curb facilities?*

There are essentially two disagreements regarding these issues. First, CompSouth wants to delete BellSouth's Section 2.1.2.3, which states:

Furthermore, in FTTH/FTTC overbuild areas where BellSouth has not yet retired copper facilities, BellSouth is not obligated to ensure that such copper Loops in that area are capable of transmitting signals prior to receiving a request for access to such Loops by <<customer_short_name>>. If a request is received by BellSouth for a copper Loop, and the copper

facilities have not yet been retired, BellSouth will restore the copper Loop to serviceable condition if technically feasible. In these instances of Loop orders in an FTTH/FTTC overbuild area, BellSouth's standard Loop provisioning interval will not apply, and the order will be handled on a project basis by which the Parties will negotiate the applicable provisioning interval

CompSouth did not offer any explanation for its desire to delete this provision,¹⁹⁷ which appears reasonable on its face. The Commission, therefore, finds that this provision should appear in interconnection agreements.

The second disagreement largely centers on the extent of fiber unbundling. The core dispute relates to the following language that CompSouth wants to substitute for BellSouth's proposed Section 2.1.2.3:

Notwithstanding the above, nothing in this Section shall limit BellSouth's obligation to offer CLECs an unbundled DS1 loop (or loop/transport combination) in any wire center where BellSouth is required to provide access to DS1 loop facilities.¹⁹⁸

CompSouth argues that its limitation is supported by the FCC's use of the terms "mass market" at various places in its orders. The Commission, however, finds that CompSouth's proposed language should be rejected because it is not supported by binding federal rules.¹⁹⁹

The FCC has addressed fiber relief in various orders. In the *TRO*, for instance, the FCC stated at ¶ 273:

Requesting carriers are not impaired without access to FTTH loops, although we find that the level of impairment varies to some degree depending on whether such loop is a new loop or a replacement of a pre-existing copper loop. With a limited exception for narrowband services,

¹⁹⁷ See Tr. at 220.

¹⁹⁸ See First Revised Exhibit JPG-1, p. 53.

¹⁹⁹ See 47 C.F.R. § 51.319(a)(3).

our conclusion applies to FTTH loops deployed by incumbent LECs in both new construction and overbuild situations. Only in fiber loop overbuild situations where the incumbent LEC elects to retire existing copper loops must the incumbent LEC offer unbundled access to those fiber loops, and in such cases the fiber loops must be unbundled for narrowband services only. Incumbent LECs do not have to offer unbundled access to newly deployed or “greenfield” fiber loops.

Although the FCC used the term “mass market” at various other places in the *TRO*, it did not use those words in explaining the scope of its fiber relief, and the FCC was very clear that its “unbundling obligations and limitations for such loops do not vary based on the customer to be served.”²⁰⁰ The FCC recognized clearly that CLECs “are currently leading the overall deployment of FTTH loops after having constructed some two-thirds or more of the FTTH loops throughout the nation.”²⁰¹

The FCC extended its fiber relief in subsequent orders. In its *Order on Reconsideration, In the Matter of Review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers*,²⁰² the FCC made clear that BellSouth is not required to unbundle fiber loops serving predominantly residential multiple dwelling units (“MDUs”).²⁰³ The FCC also explained that, to the extent fiber loops serve MDUs that are predominantly residential in nature, such loops are governed by the FTTH rules.²⁰⁴ “General examples of MDUs include apartment buildings, condominium buildings, cooperatives, or planned unit developments.”²⁰⁵ The FCC further stated that

²⁰⁰ *TRO* at ¶ 210.

²⁰¹ *TRO* at ¶ 275.

²⁰² CC Docket No. 01-338, FCC 04-191 (Aug. 9, 2004) (“*MDU Reconsideration Order*”).

²⁰³ *MDU Reconsideration Order* at ¶ 7.

²⁰⁴ *Id.* at 4.

²⁰⁵ *Id.* at ¶ 6.

the existence of businesses in MDUs does not exempt such buildings from the FTTH unbundling framework established in the *TRO*. For instance, the FCC stated that “a multi-level apartment that houses retail stores such as a dry cleaner and/or a mini-mart on the ground floor is predominantly residential, while an office building that contains a floor of residential suites is not.”²⁰⁶ In its concluding paragraphs, the FCC acknowledged that its rule “will deny unbundling to competitive carriers seeking to serve customers in predominantly residential MDUs” but found that “such unbundling relief was necessary to remove disincentives for incumbent LECs to deploy fiber to these buildings.”²⁰⁷

Following its *MDU Reconsideration Order*, the FCC next addressed the topic of fiber loops in its *Order on Reconsideration, In the Matter of Review of Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers (“FTTC Reconsideration Order”)*.²⁰⁸ The FCC defined a FTTC loop is a “fiber transmission facility connecting to copper distribution plant that is not more than 500 feet from the customer’s premises.”²⁰⁹ Then, the FCC granted further unbundling relief, concluding that “requesting carriers are not impaired in greenfield areas and face only limited impairment without access to FTTC loops where FTTC loops replace pre-existing loops.”²¹⁰ Significantly, the FCC reiterated that CLECs have increased revenue opportunities available with FTTC loops and that the entry barriers for CLECs and ILECs were “largely the same.”²¹¹ The FCC

206

Id.

207

Id. at 23.

208

CC Docket No. 01-338, FCC 04-248 at ¶¶ 1, 9 (Oct. 18, 2004).

209

FTTC Reconsideration Order at ¶ 10.

210

Id. at 11.

211

Id. at 12.

again concluded that its rule modification “will relieve the providers of such broadband loops from unbundling obligations under Section 251 of the Act.”²¹²

CompSouth’s proposed contract language would require BellSouth to provide access to its FTTH or FTTC DS1 loops or DS1 EELs. With one exception, the Commission, therefore, finds that CompSouth’s proposed language must be rejected because it is inconsistent with FCC’s broadband policies, its fiber orders, and the applicable rule. The BellSouth-proposed finding is consistent with decisions of the Michigan,²¹³ Massachusetts,²¹⁴ and Rhode Island²¹⁵ Commissions. However, we do believe that these loops should be provided in instances where wire centers are impaired. This is consistent with the TRO and TRRO.

The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth’s proposed language addressing this issue as set forth in Appendix A to this Order, including Sections 2.1.2, 2.1.2.1, 2.1.2.2, and 2.1.2.3 shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina. This language shall be modified, however, if necessary, to allow the provision of the requested loops in wire centers which are impaired at TELRIC prices.

²¹² *Id.* at 32.

²¹³ *Michigan Order*, p. 6 – 7.

²¹⁴ *Massachusetts Arbitration Order*, p. 177.

²¹⁵ *Arbitration Decision*, In re: Petition of Verizon-Rhode Island for Arbitration of an Amendment to Interconnection Agreements with CLECs and CMRS Providers in Rhode Island to Implement the Triennial Review Order and Triennial Review Remand Order, Docket No. 3588, (November 10, 2005), p. 18.

2. **Issue 24: Hybrid Loops:** *What is the appropriate ICA language to implement BellSouth's obligation to provide unbundled access to hybrid loops?*

Relevant Contract Provisions: PAT-1 Section 2.1.3; PAT-2 Section 2.1.3

Hybrid loops are defined in the federal rules, and BellSouth and CompSouth do not appear to contest that it is appropriate to include the language contained in such rules in interconnection agreements, whether that language is a shortened version of the rules, as BellSouth proposes, or the federal definition in its entirety.²¹⁶ BellSouth, however, opposes CompSouth's proposed language that would require BellSouth to provide access to hybrid loops as a Section 271 obligation.²¹⁷ Consistent with its decisions above, the Commission rejects this language and adopts BellSouth's proposed language, except as to impaired wire centers, where hybrid loops should be provided to CLECs at TELRIC prices. However, consistent with the rest of this Order, such loops are not being provided as a 271 obligation, but only as a function of the TRO and TRRO.

The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Sections 2.1.3 shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina, unless a wire center is impaired, in which case BellSouth should offer hybrid loops at TELRIC prices. The BellSouth language should be modified to include that exception.

²¹⁶ See PAT-1 and PAT-2.

²¹⁷ Tr. at 220-221.

D. Routine Network Modification Issues

1. **Issue 26:** *What is the appropriate ICA language to implement BellSouth's obligation to provide routine network modifications?*
2. **Issue 27:** *What is the appropriate process for establishing a rate, if any, to allow for the cost of a routine network modification that is not already recovered in Commission-approved recurring or non-recurring rates? What is the appropriate language, if any, to incorporate into the ICAs?*
3. **SC Specific Issue:** *(a) How should Line Conditioning be defined in the Agreement? What should BellSouth's obligation be with respect to Line Conditioning? (b) Should the Agreement contain specific provisions limiting the availability of Line Conditioning to copper loops of 18,000 feet or less? (c) Under what rates, terms and conditioning should BellSouth be required to perform line conditioning to Revenue Bridge Taps?*

Relevant Contract Provisions: – PAT-1 Section 1.10; PAT-2 Section 1.10

The parties' dispute centers on the relationship between routine network modifications ("RNM") and line conditioning. BellSouth argues that line conditioning is a subset of RNM,²¹⁸ and it opposes CompSouth's request to limit BellSouth's cost recovery to TELRIC rates, even if BellSouth performs work that it would not typically perform for its retail customers.

The FCC has defined RNMs as "those activities that incumbent LECs regularly undertake for their own customers."²¹⁹ RNMs do not include the construction of new wires (*i.e.* installation of new aerial or buried cable).²²⁰ The FCC, citing the United States Supreme Court, has recognized an ILEC like BellSouth is not required to "alter

²¹⁸ Tr. at 222.

²¹⁹ TRO at ¶ 632.

²²⁰ *Id.*

substantially [its] network[] in order to provide superior quality interconnection and unbundled access.”²²¹ Thus, an ILEC has to make the same RNMs to their existing loop facilities for CLECs that they make for their own customers.²²² As stated by the FCC,

[b]y way of illustration, we find that loop modification functions that the incumbent LEC routinely performs for their own customers, and therefore must perform for competitors, include, but are not limited to, rearrangement or splicing of cable, adding a doubler or repeater, adding an equipment case, adding a smart jack, installing a repeater shelf, adding a line card, and deploying a new multiplexer or reconfiguring an existing multiplexer.²²³

The FCC described these and other activities that would constitute RNMs as the “routine, day-to-day work of managing an [incumbent LEC’s] network.”²²⁴

The D.C. Circuit in *USTA II* interpreted the FCC’s RNM requirements in the *TRO*. The Court’s analysis is consistent with BellSouth’s position on this issue.

The ILECs claim that these passages manifest a resurrection of the unlawful superior quality rules. We disagree. ***The FCC has established a clear and reasonable limiting principle: the distinction between a ‘routine network modification’ and a ‘superior quality’ alteration turns on whether the modification is of the sort that the ILEC routinely performs, on demand, for its own customers.*** While there may be disputes about the application, the principle itself seems sensible and consistent with the Act as interpreted by the Eighth Circuit. Indeed, the FCC makes a plausible argument that requiring ILECs to provide CLECs with whatever modifications the ILECs would routinely perform for their own customers is not only allowed by the Act, but is affirmatively demanded by § 251(c)(3)’s requirement that access be “nondiscriminatory.”²²⁵

²²¹ *TRO* at ¶ 630 (quoting, *Iowa Util. Bd. v. FCC*, 120 F.3d 753, 813 (8th Cir. 1997)).

²²² *TRO* at ¶ 633.

²²³ *Id.* at 634 (footnotes omitted).

²²⁴ *Id.* at 637.

²²⁵ *USTA II*, 359 F.3d at 578 (emphasis added).

Clearly, the FCC draws no distinction between line conditioning and RNM. In paragraph 643 of the *TRO*, the FCC stated that “line conditioning should be properly seen as a routine network modification that incumbent LECs regularly perform in order to provide xDSL services to their own customers.”²²⁶ The FCC went on further to state that “incumbent LECs must make the routine adjustments to unbundled loops to deliver services at parity with how incumbent LECs provision such facilities for themselves” and that “line conditioning is a term or condition that incumbent LECs apply to their provision of loops for their own customers and must offer to requesting carriers pursuant to their Section 251(c)(3) nondiscrimination obligations.”²²⁷

In its discussion of routine network modifications, the FCC expressly equated its routine network modification rules to its line conditioning rules in the *TRO*: “In fact, the routine modifications we require today are substantially similar activities to those that the incumbent LECs currently undertake under our line conditioning rules.”²²⁸ The FCC echoed these sentiments in paragraph 250 of the *TRO*:

As noted elsewhere in this Order, we find that line conditioning constitutes a form of routine network modification that must be performed at the competitive carrier’s request to ensure that a copper local loop is suitable for providing xDSL service.²²⁹

The Florida Commission recently addressed this issue, finding that BellSouth’s RNM and line conditioning obligations were to be performed at parity.²³⁰ Under this ruling, BellSouth is not obligated, to remove at TELRIC rates, load coils on loops greater

²²⁶ *TRO* at ¶ 643.

²²⁷ *Id.*

²²⁸ *TRO* at ¶ 635.

²²⁹ *TRO* at ¶ 250.

²³⁰ *See* Order No. PSC-05-0975-FOF-TP at 24 – 26.

than 18,000 feet.²³¹ Likewise, the Florida Commission held that BellSouth's obligation to remove bridged taps was to provide parity access.²³²

With respect to Issue 27, BellSouth's position is that if BellSouth is not obligated to perform a RNM, such as removing load coils on loops that exceed 18,000 feet or removing bridged taps, then the appropriate rate is not TELRIC, it is a commercial or tariffed rate.²³³ In contrast, CompSouth's proposed language limits BellSouth's recovery to TELRIC rates, even if the activity the CLEC is requesting was not included in the establishment of that rate.²³⁴ The Commission finds that BellSouth's position is correct. If BellSouth performs non-standard modifications at the request of a CLEC, it is entitled to be compensated for doing so at rates other than TELRIC.

²³¹ *Id.* at 36 – 37.

²³² *Id.* at 41.

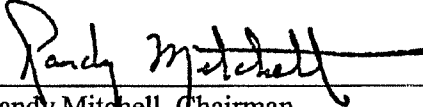
²³³ Tr. at 206.

²³⁴ Tr. at 225.

The Commission, therefore, finds that unless a CLEC and BellSouth negotiate different language, BellSouth's proposed language addressing this issue as set forth in Appendix A to this Order, including without limitation Sections 1.10 and 2.5 shall be included in interconnection agreements between BellSouth and CLECs operating in South Carolina.

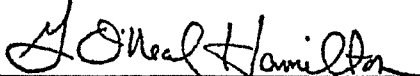
IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice Chairman

(SEAL)

Docket No. 2004-316-C
Order No. 2006-136
March 10, 2006

Appendix A

REVISED Exhibit PAT-1

Attachment 2

Page 1

Attachment 2

Network Elements and Other Services

TABLE OF CONTENTS

1 Introduction.....3

2 Loops7

3 Line Splitting.....31

4 Local Switching.....33

5 Unbundled Network Element Combinations42

6 Dedicated Transport and Dark Fiber Transport.....49

7 Call Related Databases and Signaling59

8 Automatic Location Identification/Data Management System68

9 White Page Listings72

Rates Exhibit A

Rates Exhibit B

ACCESS TO NETWORK ELEMENTS AND OTHER SERVICES

1 Introduction

- 1.1 This Attachment sets forth rates, terms and conditions for unbundled network elements (Network Elements) and combinations of Network Elements (Combinations) that BellSouth offers to <<customer_short_name>> for <<customer_short_name>>'s provision of Telecommunications Services in accordance with its obligations under Section 251(c)(3) of the Act. Additionally, this Attachment sets forth the rates, terms and conditions for other facilities and services BellSouth makes available to <<customer_short_name>> (Other Services). Additionally, the provision of a particular Network Element or Other Service may require <<customer_short_name>> to purchase other Network Elements or services. In the event of a conflict between this Attachment and any other section or provision of this Agreement, the provisions of this Attachment shall control.
- 1.2 The rates for each Network Element, Combinations and Other Services are set forth in Exhibits A and B. If no rate is identified in this Agreement, the rate will be as set forth in the applicable BellSouth tariff or as negotiated by the Parties upon request by either Party. If <<customer_short_name>> purchases service(s) from a tariff, all terms and conditions and rates as set forth in such tariff shall apply. A one-month minimum billing period shall apply to all Network Elements, Combinations and Other Services.
- 1.3 <<customer_short_name>> may purchase and use Network Elements and Other Services from BellSouth in accordance with 47 C.F.R. § 51.309.
- 1.4 The Parties shall comply with the requirements as set forth in the technical references within this Attachment 2.
- 1.5 <<customer_short_name>> shall not obtain a Network Element for the exclusive provision of mobile wireless services or interexchange services.
- 1.6 Conversion of Wholesale Services to Network Elements or Network Elements to Wholesale Services. Upon request, BellSouth shall convert a wholesale service, or group of wholesale services, to the equivalent Network Element or Combination that is available to <<customer_short_name>> pursuant to Section 251 of the Act and under this Agreement or convert a Network Element or Combination that is available to <<customer_short_name>> pursuant to Section 251 of the Act and under this Agreement to an equivalent wholesale service or group of wholesale services offered by BellSouth (collectively "Conversion"). BellSouth shall charge the applicable nonrecurring switch-as-is rates for Conversions to specific Network Elements or Combinations found in Exhibit A.

REVISED Exhibit PAT-1

Attachment 2

Page 4

BellSouth shall also charge the same nonrecurring switch-as-is rates when converting from Network Elements or Combinations. Any rate change resulting from the Conversion will be effective as of the next billing cycle following BellSouth's receipt of a complete and accurate Conversion request from <<customer_short_name>>. A Conversion shall be considered termination for purposes of any volume and/or term commitments and/or grandfathered status between <<customer_short_name>> and BellSouth. Any change from a wholesale service/group of wholesale services to a Network Element/Combination, or from a Network Element/Combination to a wholesale service/group of wholesale services, that requires a physical rearrangement will not be considered to be a Conversion for purposes of this Agreement. BellSouth will not require physical rearrangements if the Conversion can be completed through record changes only. Orders for Conversions will be handled in accordance with the guidelines set forth in the Ordering Guidelines and Processes and CLEC Information Packages as referenced in Sections 1.13.1 and 1.13.2 below.

- 1.7 Except to the extent expressly provided otherwise in this Attachment, <<customer_short_name>> may not maintain unbundled network elements or combinations of unbundled network elements, that are no longer offered pursuant to this Agreement (collectively "Arrangements"). In the event BellSouth determines that <<customer_short_name>> has in place any Arrangements after the Effective Date of this Agreement, BellSouth will provide <<customer_short_name>> with thirty (30) days written notice to disconnect or convert such Arrangements. If <<customer_short_name>> fails to submit orders to disconnect or convert such Arrangements within such thirty (30) day period, BellSouth will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth pursuant to this Section 1.7 shall be subject to all applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs. The applicable recurring tariff charge shall apply to each circuit as of the Effective Date of this Agreement.
- 1.8 Prior to submitting an order pursuant to this Agreement for high capacity (DS1 or above) Dedicated Transport or high capacity Loops, <<customer_short_name>> shall undertake a reasonably diligent inquiry to determine whether <<customer_short_name>> is entitled to unbundled access to such Network Elements in accordance with the terms of this Agreement. By submitting any such order, <<customer_short_name>> self-certifies that to the best of <<customer_short_name>>'s knowledge, the high capacity Dedicated Transport or high capacity Loop requested is available as a Network Element pursuant to this Agreement. Upon receiving such order, BellSouth shall process the request in reliance upon <<customer_short_name>>'s self-certification. To the extent

REVISED Exhibit PAT-1

Attachment 2

Page 5

BellSouth believes that such request does not comply with the terms of this Agreement, BellSouth shall seek dispute resolution in accordance with the General Terms and Conditions of this Agreement. In the event such dispute is resolved in BellSouth's favor, BellSouth shall bill <<customer_short_name>> the difference between the rates for such circuits pursuant to this Agreement and the applicable nonrecurring and recurring charges for the equivalent tariffed service from the date of installation to the date the circuit is transitioned to the equivalent tariffed service. Within thirty (30) days following a decision finding in BellSouth's favor, <<customer_short_name>> shall submit a spreadsheet identifying those non-compliant circuits to be transitioned to tariffed services or disconnected.

~~1.8.1 In the event that (1) BellSouth designates a wire center as non-impaired, (2) CLEC converts existing UNEs to other services or orders new services as services other than UNEs, (3) CLEC otherwise would have been entitled to UNEs in such wire center at the time alternative services were provisioned, and (4) BellSouth acknowledges or a state or federal regulatory body with authority determines that, at the time BellSouth designated such wire center as non-impaired, such wire center did not meet the FCC's non-impairment criteria, then upon request of CLEC, BellSouth shall transition to UNEs any alternative services in such wire center that were established after such wire center was designated as non-impaired. In such instances, BellSouth shall refund CLEC the difference between the rate paid by CLEC for such services and the applicable UNE rate, including but not limited to any charges associated with the unnecessary conversion from UNE to other wholesale services.~~

- 1.9 <<customer_short_name>> may utilize Network Elements and Other Services to provide services in accordance with this Agreement, as long as such services are consistent with industry standards and applicable BellSouth Technical References.
- 1.10 BellSouth will perform Routine Network Modifications (RNM) in accordance with FCC 47 C.F.R. § 51.319 (a)(7) and (e)(4) for Loops and Dedicated Transport provided under this Attachment. If BellSouth has anticipated such RNM and performs them during normal operations and has recovered the costs for performing such modifications through the rates set forth in Exhibit A, then BellSouth shall perform such RNM at no additional charge. RNM shall be performed within the intervals established for the Network Element and subject to the performance measurements and associated remedies set forth in Attachment 9 of this Agreement to the extent such RNM were anticipated in the setting of such intervals. If BellSouth has not anticipated a requested network modification as being a RNM and has not recovered the costs of such RNM in the rates set forth in Exhibit A, then such request will be handled as a project on an individual case basis. BellSouth will provide a price quote for the request and, upon receipt of payment from <<customer_short_name>>, BellSouth shall perform the RNM.

REVISED Exhibit PAT-1

Attachment 2

Page 6

1.11 Commingling of Services

1.11.1 Commingling means the connecting, attaching, or otherwise linking of a Network Element, or a Combination, to one or more Telecommunications Services or facilities that <<customer_short_name>> has obtained at wholesale from BellSouth, or the combining of a Network Element or Combination with one or more such wholesale Telecommunications Services or facilities.

<<customer_short_name>> must comply with all rates, terms or conditions applicable to such wholesale Telecommunications Services or facilities.

1.11.2 Subject to the limitations set forth elsewhere in this Attachment, BellSouth shall not deny access to a Network Element or a Combination on the grounds that one or more of the elements: (1) is connected to, attached to, linked to, or combined with such a facility or service obtained from BellSouth; or (2) shares part of BellSouth's network with access services or inputs for mobile wireless services and/or interexchange services.

1.11.3 Unless otherwise agreed to by the Parties, the Network Element portion of a commingled circuit will be billed at the rates set forth in Exhibit A and the remainder of the circuit or service will be billed in accordance with BellSouth's tariffed rates or rates set forth in a separate agreement between the Parties.

1.11.4 When multiplexing equipment is attached to a commingled circuit, the multiplexing equipment will be billed from the same agreement or tariff as the higher bandwidth circuit. Central Office Channel Interfaces (COCI) will be billed from the same agreement or tariff as the lower bandwidth circuit.

1.11.5 Notwithstanding any other provision of this Agreement, BellSouth shall not be obligated to commingle or combine Network Elements or Combinations with any service, network element or other offering that it is obligated to make available only pursuant to Section 271 of the Act.

1.12 Terms and conditions for order cancellation charges and Service Date Advancement Charges will apply in accordance with Attachment 6 and are incorporated herein by this reference. The charges shall be as set forth in Exhibit A.

1.13 Ordering Guidelines and Processes

1.13.1 For information regarding Ordering Guidelines and Processes for various Network Elements, Combinations and Other Services, <<customer_short_name>> should refer to the "Guides" section of the BellSouth Interconnection Web site.

REVISED Exhibit PAT-1

Attachment 2

Page 7

- 1.13.2 Additional information may also be found in the individual CLEC Information Packages located at the "CLEC UNE Products" on BellSouth's Interconnection Web site at: www.interconnection.bellsouth.com/guides/html/unes.html.
- 1.13.3 The provisioning of Network Elements, Combinations and Other Services to <<customer_short_name>>'s Collocation Space will require cross-connections within the central office to connect the Network Element, Combinations or Other Services to the demarcation point associated with <<customer_short_name>>'s Collocation Space. These cross-connects are separate components that are not considered a part of the Network Element, Combinations or Other Services and, thus, have a separate charge pursuant to this Agreement.
- 1.13.4 Testing/Trouble Reporting.
- 1.13.4.1 <<customer_short_name>> will be responsible for testing and isolating troubles on Network Elements. <<customer_short_name>> must test and isolate trouble to the BellSouth network before reporting the trouble to the UNE Customer Wholesale Interconnection Network Services (CWINS) Center. Upon request from BellSouth at the time of the trouble report, <<customer_short_name>> will be required to provide the results of the <<customer_short_name>> test which indicate a problem on the BellSouth network.
- 1.13.4.2 Once <<customer_short_name>> has isolated a trouble to the BellSouth network, and has issued a trouble report to BellSouth, BellSouth will take the actions necessary to repair the Network Element when trouble is found. BellSouth will repair its network facilities to its wholesale customers in the same time frames that BellSouth repairs similar services to its retail End Users.
- 1.13.4.3 If <<customer_short_name>> reports a trouble on a BellSouth Network Element and no trouble is found in BellSouth's network, BellSouth will charge <<customer_short_name>> a Maintenance of Service Charge for any dispatching and testing (both inside and outside the CO) required by BellSouth in order to confirm the Network Element's working status. BellSouth will assess the applicable Maintenance of Service rates from BellSouth's FCC No.1 Tariff, Section 13.3.1.
- 1.13.4.4 In the event BellSouth must dispatch to the End User's location more than once due to incorrect or incomplete information provided by <<customer_short_name>> (e.g., incomplete address, incorrect contact name/number, etc.), BellSouth will bill <<customer_short_name>> for each additional dispatch required to repair the Network Element due to the incorrect/incomplete information provided. BellSouth will assess the applicable Maintenance of Service rates from BellSouth's FCC No.1 Tariff, Section 13.3.1.

2 Loops

REVISED Exhibit PAT-1

Attachment 2

Page 8

- 2.1 General. The local loop Network Element is defined as a transmission facility that BellSouth provides pursuant to this Attachment between a distribution frame (or its equivalent) in BellSouth's central office and the loop demarcation point at an End User premises (Loop). Facilities that do not terminate at a demarcation point at an End User premises, including, by way of example, but not limited to, facilities that terminate to another carrier's switch or premises, a cell site, Mobile Switching Center or base station, do not constitute local Loops ~~under Section 251, except to the extent that CLLEC may require Loops to such locations for the purpose of providing telecommunications services to its personnel at those locations.~~ The Loop Network Element includes all features, functions, and capabilities of the transmission facilities, including the network interface device, and attached electronics (except those used for the provision of advanced services, such as Digital Subscriber Line Access Multiplexers (DSLAMs)), optronics and intermediate devices (including repeaters and load coils) used to establish the transmission path to the End User's premises, including inside wire owned or controlled by BellSouth. <<customer_short_name>> shall purchase the entire bandwidth of the Loop and, except as required herein or as otherwise agreed to by the Parties, BellSouth shall not subdivide the frequency of the Loop.
- 2.1.1 The Loop does not include any packet switched features, functions or capabilities.
- 2.1.2 Fiber to the Home (FTTH) loops are local loops consisting entirely of fiber optic cable, whether dark or lit, serving an End User's premises or, in the case of predominantly residential multiple dwelling units (MDUs), a fiber optic cable, whether dark or lit, that extends to the MDU minimum point of entry (MPOE). Fiber to the Curb (FTTC) loops are local loops consisting of fiber optic cable connecting to a copper distribution plant that is not more than five hundred (500) feet from the End User's premises or, in the case of predominantly residential MDUs, not more than five hundred (500) feet from the MDU's MPOE. The fiber optic cable in a FTTC loop must connect to a copper distribution plant at a serving area interface from which every other copper distribution subloop also is not more than five hundred (500) feet from the respective End User's premises.
- 2.1.2.1 In new build (Greenfield) areas, where BellSouth has only deployed FTTH/FTTC facilities, BellSouth is under no obligation to provide Loops. FTTH facilities include fiber loops deployed to the MPOE of a MDU that is predominantly residential regardless of the ownership of the inside wiring from the MPOE to each End User in the MDU.
- 2.1.2.2 In FTTH/FTTC overbuild situations where BellSouth also has copper Loops, BellSouth will make those copper Loops available to <<customer_short_name>> on an unbundled basis, until such time as BellSouth chooses to retire those copper Loops using the FCC's network disclosure requirements. In these cases,

REVISED Exhibit PAT-1

Attachment 2

Page 9

BellSouth will offer a sixty-four (64) kilobits per ~~second (kbps) voice~~ grade channel over its FTTH/FTTC facilities.

- 2.1.2.3 Furthermore, in FTTH/FTTC overbuild areas where BellSouth has not yet retired copper facilities, BellSouth is not obligated to ensure that such copper Loops in that area are capable of transmitting signals prior to receiving a request for access to such Loops by <<customer_short_name>>. If a request is received by BellSouth for a copper Loop, and the copper facilities have not yet been retired, BellSouth will restore the copper Loop to serviceable condition if technically feasible. In these instances of Loop orders in an FTTH/FTTC overbuild area, BellSouth's standard Loop provisioning interval will not apply, and the order will be handled on a project basis by which the Parties will negotiate the applicable provisioning interval
- 2.1.3 A hybrid Loop is a local Loop, composed of both fiber optic cable, usually in the feeder plant, and copper twisted wire or cable, usually in the distribution plant. BellSouth shall provide <<customer_short_name>> with nondiscriminatory access to the time division multiplexing features, functions and capabilities of such hybrid Loop, on an unbundled basis to establish a complete transmission path between BellSouth's central office and an End User's premises.
- 2.1.4 Transition for DS1 and DS3 Loops
- 2.1.4.1 For purposes of this Section 2, the Transition Period for the Embedded Base of DS1 and DS3 Loops and for the Excess DS1 and DS3 Loops (defined in 2.1.4.3) is the twelve (12) month period beginning March 11, 2005 and ending March 10, 2006.
- 2.1.4.2 For purposes of this Section 2, Embedded Base means DS1 and DS3 Loops that were in service for <<customer_short_name>> as of March 10, 2005 in those wire centers that, as of such date, met the criteria set forth in Sections 2.1.4.5.1 or 2.1.4.5.2 below. ~~For the state of South Carolina, during the Transition Period <<customer_short_name>> shall be entitled to order and BellSouth shall provision moves, changes and additions of and to DS1 and DS3 Loops that <<customer_short_name>> orders for the purpose of serving CLIC's existing DS1 and DS3 End Users as of March 10, 2005, at such End Users' new or existing physical locations, and such facilities shall be included in the Embedded Base.~~ Subsequent disconnects or loss of End Users shall be removed from the Embedded Base.
- 2.1.4.3 Excess DS1 and DS3 Loops are those <<customer_short_name>> DS1 and DS3 Loops in service as of March 10, 2005, in excess of the caps set forth in Sections 2.3.6.2 and 2.3.12 below, respectively. Subsequent disconnects or loss of End Users shall be removed from Excess DS1 and DS3 Loops.
- 2.1.4.4 For purposes of this Section 2, a Business Line is defined in 47 C.F.R. § 51.5.

REVISED Exhibit PAT-1

Attachment 2

Page 10

- 2.1.4.5 Notwithstanding anything to the contrary in this Agreement, and except as set forth in Section 2.1.4.12 below, BellSouth shall make available DS1 and DS3 Loops as described in this Section 2.1.4 only for <<customer_short_name>>'s Embedded Base ~~and Excess DS1 and DS3 loops~~ during the Transition Period:
- 2.1.4.5.1 DS1 Loops at any location within the service area of a wire center containing 60,000 or more Business Lines and four (4) or more fiber-based collocators.
- 2.1.4.5.2 DS3 Loops at any location within the service area of a wire center containing 38,000 or more Business Lines and four (4) or more fiber-based collocators.
- 2.1.4.6 A list of wire centers meeting the criteria set forth in Sections 2.1.4.5.1 and 2.1.4.5.2 above as of March 10, 2005 (Initial Wire Center List), is available on BellSouth's Interconnection Services Web site.
- 2.1.4.7 Notwithstanding the Effective Date of this Agreement, during the Transition Period, the rates for <<customer_short_name>>'s Embedded Base of DS1 and DS3 Loops and <<customer_short_name>>'s Excess DS1 and DS3 Loops described in this Section 2.1.4 shall be as set forth in Exhibit B.
- 2.1.4.8 The Transition Period shall apply only to (1) <<customer_short_name>>'s Embedded Base and (2) <<customer_short_name>>'s Excess DS1 and DS3 Loops. <<customer_short_name>> shall not add new DS1 or DS3 loops as described in this Section 2.1.4 pursuant to this Agreement, except pursuant to the self-certification process as set forth in Section 1.8 of this Attachment and as set forth in Section 2.1.4.12 below.
- 2.1.4.9 Once a wire center exceeds both of the thresholds set forth in Section 2.1.4.5.1 above, no future DS1 Loop unbundling will be required in that wire center.
- 2.1.4.10 Once a wire center exceeds both of the thresholds set forth in Section 2.1.4.5.2 above, no future DS3 Loop unbundling will be required in that wire center.
- 2.1.4.11 No later than December 9, 2005 <<customer_short_name>> shall submit spreadsheet(s) identifying all of the Embedded Base of circuits and Excess DS1 and DS3 Loops to be either disconnected or converted to other BellSouth services pursuant to Section 1.6 above. The Parties shall negotiate a project schedule for the Conversion of the Embedded Base and Excess DS1 and DS3 Loops.
- 2.1.4.11.1 If <<customer_short_name>> fails to submit the spreadsheet(s) specified in Section 2.1.4.11 above for all of its Embedded Base and Excess DS1 and DS3 Loops prior to December 9, 2005, BellSouth will identify <<customer_short_name>>'s remaining Embedded Base and Excess DS1 and DS3 Loops, if any, and will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth

REVISED Exhibit PAT-1

Attachment 2

Page 11

pursuant to this Section 2.1.4.11.1 shall be subject to all applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs.

- 2.1.4.11.2 For Embedded Base circuits and Excess DS1 and DS3 Loops converted pursuant to Section 2.1.4.11 above or transitioned pursuant to Section 2.1.4.11.1 above, the applicable recurring tariff charge shall apply to each circuit as of the earlier of the date each circuit is converted or transitioned, as applicable, or March 11, 2006.
- 2.1.4.12 Modifications and Updates to the Wire Center List and Subsequent Transition Periods
- 2.1.4.12.1 In the event BellSouth identifies additional wire centers that meet the criteria set forth in Section 2.1.4.5 above, but that were not included in the Initial Wire Center List, BellSouth shall include such additional wire centers in a carrier notification letter (CNL). Each such list of additional wire centers shall be considered a "Subsequent Wire Center List".
- 2.1.4.12.2 Effective ten (10) business days after the date of a BellSouth CNL providing a Subsequent Wire Center List, BellSouth shall not be required to unbundle DS1 and/or DS3 Loops, as applicable, in such additional wire center(s), except pursuant to the self-certification process as set forth in Section 1.8 of this Attachment.
- 2.1.4.12.3 For purposes of Section 2.1.4.12 above, BellSouth shall make available DS1 and DS3 Loops that were in service for <<customer_short_name>> in a wire center on the Subsequent Wire Center List as of the tenth (10th) business day after the date of BellSouth's CNL identifying the Subsequent Wire Center List (Subsequent Embedded Base) until ninety (90) days after the tenth (10th) business day from the date of BellSouth's CNL identifying the Subsequent Wire Center List (Subsequent Transition Period).
- 2.1.4.12.4 Subsequent disconnects or loss of End Users shall be removed from the Subsequent Embedded Base.
- 2.1.4.12.5 The rates set forth in Exhibit B shall apply to the Subsequent Embedded Base during the Subsequent Transition Period.
- 2.1.4.12.6 No later than forty (40) days from BellSouth's CNL identifying the Subsequent Wire Center List, <<customer_short_name>> shall submit a spreadsheet(s) identifying the Subsequent Embedded Base of circuits to be disconnected or converted to other BellSouth services. The Parties shall negotiate a project schedule for the Conversion of the Subsequent Embedded Base.

REVISED Exhibit PAT-1

Attachment 2

Page 12

- 2.1.4.12.6.1 If <<customer_short_name>> fails to submit the spreadsheet(s) specified in Section 2.1.4.12.6 above for all of its Subsequent Embedded Base within forty (40) days after the date of BellSouth's CNL identifying the Subsequent Wire Center List, BellSouth will identify <<customer_short_name>>'s remaining Subsequent Embedded Base, if any, and will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth shall be subject to the applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs.
- 2.1.4.12.6.2 For Subsequent Embedded Base circuits converted pursuant to Section 2.1.4.12.6 above or transitioned pursuant to Section 2.1.4.12.6.1 above, the applicable recurring tariff charges shall apply as of the earlier of the date each circuit is converted or transitioned, as applicable, or the first day after the end of the Subsequent Transition Period.
- 2.1.5 Where facilities are available, BellSouth will install Loops in compliance with BellSouth's Products and Services Interval Guide available at BellSouth's Web site. For orders of fifteen (15) or more Loops, the installation and any applicable Order Coordination as described below will be handled on a project basis, and the intervals will be set by the BellSouth project manager for that order. When Loops require a Service Inquiry (SI) prior to issuing the order to determine if facilities are available, the interval for the SI process is separate from the installation interval.
- 2.1.6 The Loop shall be provided to <<customer_short_name>> in accordance with BellSouth's TR73600 Unbundled Local Loop Technical Specification and applicable industry standard technical references.
- 2.1.7 BellSouth will only provision, maintain and repair the Loops to the standards that are consistent with the type of Loop ordered.
- 2.1.8 When a BellSouth technician is required to be dispatched to provision the Loop, BellSouth will tag the Loop with the Circuit ID number and the name of the ordering CLEC. When a dispatch is not required to provision the Loop, BellSouth will tag the Loop on the next required visit to the End User's location. If <<customer_short_name>> wants to ensure the Loop is tagged during the provisioning process for Loops that may not require a dispatch (e.g., UVL-SL1, UVL-SL2, and UCL-ND), <<customer_short_name>> may order Loop Tagging. Rates for Loop Tagging are as set forth in Exhibit A.
- 2.1.8.1 For voice grade Loop orders (or orders for Loops intended to provide voice grade services), <<customer_short_name>> shall have dial-tone available for that Loop forty-eight (48) hours prior to the Loop order completion due date.

REVISED Exhibit PAT-1

Attachment 2

Page 13

2.1.9 Order Coordination (OC) and Order Coordination-Time Specific (OC-TS)

2.1.9.1 OC allows BellSouth and <<customer_short_name>> to coordinate the installation of the SL2 Loops, Unbundled Digital Loops (UDL) and other Loops where OC may be purchased as an option, to <<customer_short_name>>'s facilities to limit End User service outage. OC is available when the Loop is provisioned over an existing circuit that is currently providing service to the End User. OC for physical conversions will be scheduled at BellSouth's discretion during normal working hours on the committed due date. OC shall be provided in accordance with the chart set forth below.

2.1.9.2 OC-TS allows <<customer_short_name>> to order a specific time for OC to take place. BellSouth will make commercially reasonable efforts to accommodate <<customer_short_name>>'s specific conversion time request. However, BellSouth reserves the right to negotiate with <<customer_short_name>> a conversion time based on load and appointment control when necessary. This OC-TS is a chargeable option for all Loops except Unbundled Copper Loops (UCL) and is billed in addition to the OC charge. <<customer_short_name>> may specify a time between 9:00 a.m. and 4:00 p.m. (location time) Monday through Friday (excluding holidays). If <<customer_short_name>> specifies a time outside this window, or selects a time or quantity of Loops that requires BellSouth technicians to work outside normal work hours, overtime charges will apply in addition to the OC and OC-TS charges. Overtime charges will be applied based on the amount of overtime worked and in accordance with the rates established in BellSouth's intrastate Access Services Tariff, Section E13.2, for each state. The OC-TS charges for an order due on the same day at the same location will be applied on a per LSR basis.

2.1.10

	Order Coordination (OC)	Order Coordination – Time Specific (OC-TS)	Test Points	DLR	Charge for Dispatch and Testing if No Trouble Found
SL-1 (Non-Designed)	Chargeable Option	Chargeable Option	Not available	Chargeable Option – ordered as Engineering Information Document	Charged for Dispatch inside and outside Central Office
UCL-ND (Non-Designed)	Chargeable Option	Not Available	Not Available	Chargeable Option – ordered as Engineering Information	Charged for Dispatch inside and outside Central Office

REVISED Exhibit PAT-1

Attachment 2

Page 14

				Document	
Unbundled Voice Loops - SL-2 (including 2- and 4-wire UVL) (Designed)	Included	Chargeable Option	Included	Included	Charged for Dispatch outside Central Office
Unbundled Digital Loop (Designed)	Included	Chargeable Option	Included (where appropriate)	Included	Charged for Dispatch outside Central Office
Unbundled Copper Loop (Designed)	Chargeable in accordance with Section 2	Not available	Included	Included	Charged for Dispatch outside Central Office
For UVL-SL1 and UCLs, <<customer_short_name>> must order and will be billed for both OC and OC-TS if requesting OC-TS.					

2.1.11 CLEC to CLEC Conversions for Unbundled Loops

2.1.11.1 The CLEC to CLEC conversion process for Loops may be used by <<customer_short_name>> when converting an existing Loop from another CLEC for the same End User. The Loop type being converted must be included in <<customer_short_name>>'s Agreement before requesting a conversion.

2.1.11.2 To utilize the CLEC to CLEC conversion process, the Loop being converted must be the same Loop type with no requested changes to the Loop, must serve the same End User location from the same serving wire center, and must not require an outside dispatch to provision.

2.1.11.3 The Loops converted to <<customer_short_name>> pursuant to the CLEC to CLEC conversion process shall be provisioned in the same manner and with the same functionality and options as described in this Agreement for the specific Loop type.

2.1.12 Bulk Migration

2.1.12.1 BellSouth will make available to <<customer_short_name>> a Bulk Migration process pursuant to which <<customer_short_name>> may request to migrate port/loop combinations, provisioned pursuant to a separate agreement between the parties, to Loops (UNE-L). The Bulk Migration process may be used if such loop/port combinations are (1) associated with two (2) or more Existing Account Telephone Numbers (EATNs); and (2) located in the same Central Office. The terms and conditions for use of the Bulk Migration process are described in the

REVISED Exhibit PAT-1

Attachment 2

Page 15

BellSouth CLEC Information Package. The CLEC Information Package is located on BellSouth's Interconnection Web site at: www.interconnection.bellsouth.com/guides/html/unes.html. The rates for the Bulk Migration process shall be the nonrecurring rates associated with the Loop type being requested on the Bulk Migration, as set forth in Exhibit A. Additionally, OSS charges will also apply. Loops connected to Integrated Digital Loop Carrier (IDLC) systems will be migrated pursuant to Section 2.6 below.

2.1.12.2 Should <<customer_short_name>> request migration for two (2) or more EATNs containing fifteen (15) or more circuits, <<customer_short_name>> must use the Bulk Migration process referenced in 2.1.11.1 above.

2.2 Unbundled Voice Loops (UVLs)

2.2.1 BellSouth shall make available the following UVLs:

2.2.1.1 2-wire Analog Voice Grade Loop – SL1 (Non-Designed);

2.2.1.2 2-wire Analog Voice Grade Loop – SL2 (Designed); or

2.2.1.3 4-wire Analog Voice Grade Loop (Designed)

2.2.2 UVL may be provisioned using any type of facility that will support voice grade services. This may include loaded copper, non-loaded copper, digital loop carrier systems, fiber/copper combination (hybrid loop) or a combination of any of these facilities. BellSouth, in the normal course of maintaining, repairing, and configuring its network, may also change the facilities that are used to provide any given voice grade circuit. This change may occur at any time. In these situations, BellSouth will only ensure that the newly provided facility will support voice grade services. BellSouth will not guarantee that <<customer_short_name>> will be able to continue to provide any advanced services over the new facility. BellSouth will offer UVL in two different service levels - Service Level One (SL1) and Service Level Two (SL2).

2.2.3 Unbundled Voice Loop - SL1 (UVL-SL1). Loops are 2-wire loop start circuits, will be non-designed, and will not have remote access test points. OC will be offered as a chargeable option on SL1 Loops when reuse of existing facilities has been requested by <<customer_short_name>>, however, OC is always required on UCLs that involve the reuse of facilities that are currently providing service. <<customer_short_name>> may also order OC-TS when a specified conversion time is requested. OC-TS is a chargeable option for any coordinated order and is billed in addition to the OC charge. An Engineering Information (EI) document can be ordered as a chargeable option. The EI document provides Loop Make-Up information which is similar to the information normally provided in a Design Layout Record (DLR). Upon issuance of a non-coordinated order in the service

REVISED Exhibit PAT-1

Attachment 2

Page 16

order system, SL1 Loops will be activated on the due date in the same manner and time frames that BellSouth normally activates POTS-type Loops for its End Users.

- 2.2.4 For an additional charge BellSouth will make available Loop Testing so that <<customer_short_name>> may request further testing on new UVL-SL1 Loops. Rates for Loop Testing are as set forth in Exhibit A.
- 2.2.5 Unbundled Voice Loop – SL2 (UVL-SL2). Loops may be 2-wire or 4-wire circuits, shall have remote access test points, and will be designed with a DLR provided to <<customer_short_name>>. SL2 circuits can be provisioned with loop start, ground start or reverse battery signaling. OC is provided as a standard feature on SL2 Loops. The OC feature will allow <<customer_short_name>> to coordinate the installation of the Loop with the disconnect of an existing customer's service and/or number portability service. In these cases, BellSouth will perform the order conversion with standard order coordination at its discretion during normal work hours.
- 2.3 Unbundled Digital Loops
- 2.3.1 BellSouth will offer UDLs. UDLs are service specific, will be designed, will be provisioned with test points (where appropriate), and will come standard with OC and a DLR. The various UDLs are intended to support a specific digital transmission scheme or service.
- 2.3.2 BellSouth shall make available the following UDLs, subject to restrictions set forth herein:
- 2.3.2.1 2-wire Unbundled ISDN Digital Loop;
- 2.3.2.2 2-wire Unbundled ADSL Compatible Loop;
- 2.3.2.3 2-wire Unbundled HDSL Compatible Loop;
- 2.3.2.4 4-wire Unbundled HDSL Compatible Loop;
- 2.3.2.5 4-wire Unbundled DS1 Digital Loop;
- 2.3.2.6 4-wire Unbundled Digital Loop/DS0 – 64 kbps, 56 kbps and below;
- 2.3.2.7 DS3 Loop; or
- 2.3.2.8 STS-1 Loop.
- 2.3.3 2-wire Unbundled ISDN Digital Loops. These will be provisioned according to industry standards for 2-Wire Basic Rate ISDN services and will come standard with a test point, OC, and a DLR. <<customer_short_name>> will be responsible

REVISED Exhibit PAT-1

Attachment 2

Page 17

for providing BellSouth with a Service Profile Identifier (SPID) associated with a particular ISDN-capable Loop and End User. With the SPID, BellSouth will be able to adequately test the circuit and ensure that it properly supports ISDN service.

- 2.3.4 2-wire ADSL-Compatible Loop. This is a designed Loop that is provisioned according to Revised Resistance Design (RRD) criteria and may be up to 18,000 feet long and may have up to 6,000 feet of bridged tap (inclusive of Loop length). The Loop is a 2-wire circuit and will come standard with a test point, OC, and a DLR.
- 2.3.5 2-wire or 4-wire HDSL-Compatible Loop. This is a designed Loop that meets Carrier Serving Area (CSA) specifications, may be up to 12,000 feet long and may have up to 2,500 feet of bridged tap (inclusive of Loop length). It may be a 2-wire or 4-wire circuit and will come standard with a test point, OC, and a DLR.
- 2.3.6 4-wire Unbundled DS1 Digital Loop.
- 2.3.6.1 This is a designed 4-wire Loop that is provisioned according to industry standards for DS1 or Primary Rate ISDN services and will come standard with a test point, OC, and a DLR. A DS1 Loop may be provisioned over a variety of loop transmission technologies including copper, HDSL-based technology or fiber optic transport systems. It will include a 4-wire DS1 Network Interface at the End User's location. For purposes of this Agreement, including the transition of DS1 and DS3 Loops described in Section 2.1.4 above, DS1 Loops include 2-wire and 4-wire copper Loops capable of providing high-bit rate digital subscriber line services, such as 2-wire and 4-wire HDSL Compatible Loops.
- 2.3.6.2 BellSouth shall not provide more than ten (10) unbundled DS1 Loops to <<customer_short_name>> at any single building in which DS1 Loops are available as unbundled Loops.
- 2.3.7 4-wire Unbundled Digital/DS0 Loop. These are designed 4-wire Loops that may be configured as sixty-four (64)kbps, fifty-six (56)kbps, nineteen (19)kbps, and other sub-rate speeds associated with digital data services and will come standard with a test point, OC, and a DLR.
- 2.3.8 DS3 Loop. DS3 Loop is a two-point digital transmission path which provides for simultaneous two-way transmission of serial, bipolar, return-to-zero isochronous digital electrical signals at a transmission rate of forty-four point seven thirty-six (44.736) megabits per second (Mbps) that is dedicated to the use of the ordering CLEC in its provisioning of local exchange and associated exchange access services. It may provide transport for twenty-eight (28) DS1 channels, each of which provides the digital equivalent of twenty-four (24) analog voice grade

REVISED Exhibit PAT-1

Attachment 2

Page 18

channels. The interface to unbundled dedicated DS3 transport is a metallic-based electrical interface.

- 2.3.9 STS-1 Loop. STS-1 Loop is a high-capacity digital transmission path with SONET VT1.5 mapping that is dedicated for the use of the ordering customer for the purpose of provisioning local exchange and associated exchange access services. It is a two-point digital transmission path which provides for simultaneous two-way transmission of serial bipolar return-to-zero synchronous digital electrical signals at a transmission rate of fifty-one point eighty-four (51.84) Mbps. It may provide transport for twenty-eight (28) DS1 channels, each of which provides the digital equivalent of twenty-four (24) analog voice grade channels. The interface to unbundled dedicated STS-1 transport is a metallic-based electrical interface.
- 2.3.10 Both DS3 Loop and STS-1 Loop require a SI in order to ascertain availability.
- 2.3.11 DS3 services come with a test point and a DLR. Mileage is airline miles, rounded up and a minimum of one (1) mile applies. BellSouth's TR73501 LightGate[®] Service Interface and Performance Specifications, Issue D, June 1995 applies to DS3 services.
- 2.3.12 <<customer_short_name>> may obtain a maximum of a single Unbundled DS3 Loop to any single building in which DS3 Loops are available as Unbundled Loops.
- 2.4 Unbundled Copper Loops (UCL)
- 2.4.1 BellSouth shall make available UCLs. The UCL is a copper twisted pair Loop that is unencumbered by any intervening equipment (e.g., filters, load coils, range extenders, digital loop carrier, or repeaters) and is not intended to support any particular telecommunications service. The UCL will be offered in two (2) types - Designed and Non-Designed.
- 2.4.2 Unbundled Copper Loop – Designed (UCL-D)
- 2.4.2.1 The UCL-D will be provisioned as a dry copper twisted pair (2-wire or 4-wire) Loop that is unencumbered by any intervening equipment (e.g., filters, load coils, range extenders, digital loop carrier, or repeaters).
- 2.4.2.2 A UCL-D will be eighteen thousand (18,000) feet or less in length and is provisioned according to Resistance Design parameters, may have up to six thousand (6,000) feet of bridged tap and will have up to thirteen hundred (1300) Ohms of resistance.

REVISED Exhibit PAT-1

Attachment 2

Page 19

- 2.4.2.3 The UCL-D is a designed circuit, is provisioned with a test point, and comes standard with a DLR. OC is a chargeable option for a UCL-D; however, OC is always required on UCLs where a reuse of existing facilities has been requested by <<customer_short_name>>.
- 2.4.2.4 These Loops are not intended to support any particular services and may be utilized by <<customer_short_name>> to provide a wide-range of telecommunications services as long as those services do not adversely affect BellSouth's network. This facility will include a Network Interface Device (NID) at the customer's location for the purpose of connecting the Loop to the customer's inside wire.
- 2.4.3 Unbundled Copper Loop – Non-Designed (UCL-ND)
- 2.4.3.1 The UCL-ND is provisioned as a dedicated 2-wire metallic transmission facility from BellSouth's Main Distribution Frame (MDF) to a customer's premises (including the NID). The UCL-ND will be a "dry copper" facility in that it will not have any intervening equipment such as load coils, repeaters, or digital access main lines (DAMLs), and may have up to six thousand (6,000) feet of bridged tap between the End User's premises and the serving wire center. The UCL-ND typically will be thirteen hundred (1300) Ohms resistance and in most cases will not exceed eighteen thousand (18,000) feet in length, although the UCL-ND will not have a specific length limitation. For Loops less than eighteen thousand (18,000) feet and with less than thirteen hundred (1300) Ohms resistance, the Loop will provide a voice grade transmission channel suitable for loop start signaling and the transport of analog voice grade signals. The UCL-ND will not be designed and will not be provisioned with either a DLR or a test point.
- 2.4.3.2 The UCL-ND facilities may be mechanically assigned using BellSouth's assignment systems. Therefore, the Loop Makeup (LMU) process is not required to order and provision the UCL-ND. However, <<customer_short_name>> can request LMU for which additional charges would apply.
- 2.4.3.3 For an additional charge, BellSouth also will make available Loop Testing so that <<customer_short_name>> may request further testing on the UCL-ND. Rates for Loop Testing are as set forth in Exhibit A.
- 2.4.3.4 UCL-ND Loops are not intended to support any particular service and may be utilized by <<customer_short_name>> to provide a wide-range of telecommunications services as long as those services do not adversely affect BellSouth's network. The UCL-ND will include a NID at the customer's location for the purpose of connecting the Loop to the customer's inside wire.

REVISED Exhibit PAT-1

Attachment 2

Page 20

- 2.4.3.5 OC will be provided as a chargeable option and may be utilized when the UCL-ND provisioning is associated with the reuse of BellSouth facilities. OC-TS does not apply to this product.
- 2.4.3.6 <<customer_short_name>> may use BellSouth's Unbundled Loop Modification (ULM) offering to remove excessive bridged taps and/or load coils from any copper Loop within the BellSouth network. Therefore, some Loops that would not qualify as UCL-ND could be transformed into Loops that do qualify, using the ULM process.
- 2.5 Unbundled Loop Modifications (Line Conditioning)
- 2.5.1 Line Conditioning is defined as routine network modification that BellSouth regularly undertakes to provide xDSL services to its own customers. This may include the removal of any device, from a copper Loop or copper Subloop that may diminish the capability of the Loop or Subloop to deliver high-speed switched wireline telecommunications capability, including xDSL service. Such devices include, load coils, excessive bridged taps, low pass filters, and range extenders. Excessive bridged taps are bridged taps that serves no network design purpose and that are beyond the limits set according to industry standards and/or the BellSouth's TR73600 Unbundled Local Loop Technical Specification.
- 2.5.2 BellSouth will remove load coils only on copper Loops and Subloops that are less than eighteen thousand (18,000) feet in length.
- 2.5.3 For any copper loop being ordered by <<customer_short_name>> which has over six thousand (6,000) feet of combined bridged tap will be modified, upon request from <<customer_short_name>>, so that the loop will have a maximum of six thousand (6,000) feet of bridged tap. This modification will be performed at no additional charge to <<customer_short_name>>. Loop conditioning orders that require the removal of bridged tap that serves no network design purpose on a copper Loop that will result in a combined total of bridged tap between two thousand five hundred (2,500) and six thousand (6,000) feet will be performed at the rates set forth in Exhibit A.
- 2.5.4 <<customer_short_name>> may request removal of any unnecessary and non-excessive bridged tap (bridged tap between zero (0) and two thousand five hundred (2,500) feet which serves no network design purpose), at rates pursuant to BellSouth's SC Process as mutually agreed to by the Parties.
- 2.5.5 Rates for ULM are as set forth in Exhibit A.
- 2.5.6 BellSouth will not modify a Loop in such a way that it no longer meets the technical parameters of the original Loop type (e.g., voice grade, ADSL, etc.) being ordered.

- 2.5.7 If <<customer_short_name>> requests ULM on a reserved facility for a new Loop order, BellSouth may perform a pair change and provision a different Loop facility in lieu of the reserved facility with ULM if feasible. The Loop provisioned will meet or exceed specifications of the requested Loop facility as modified. <<customer_short_name>> will not be charged for ULM if a different Loop is provisioned. For Loops that require a DLR or its equivalent, BellSouth will provide LMU detail of the Loop provisioned.
- 2.5.8 <<customer_short_name>> shall request Loop make up information pursuant to this Attachment prior to submitting a service inquiry and/or a LSR for the Loop type that <<customer_short_name>> desires BellSouth to condition.
- 2.5.9 When requesting ULM for a Loop that BellSouth has previously provisioned for <<customer_short_name>>, <<customer_short_name>> will submit a SI to BellSouth. If a spare Loop facility that meets the Loop modification specifications requested by <<customer_short_name>> is available at the location for which the ULM was requested, <<customer_short_name>> will have the option to change the Loop facility to the qualifying spare facility rather than to provide ULM. In the event that BellSouth changes the Loop facility in lieu of providing ULM, <<customer_short_name>> will not be charged for ULM but will only be charged the service order charges for submitting an order.
- 2.6 Loop Provisioning Involving IDLC
- 2.6.1 Where <<customer_short_name>> has requested an Unbundled Loop and BellSouth uses IDLC systems to provide the local service to the End User and BellSouth has a suitable alternate facility available, BellSouth will make such alternative facilities available to <<customer_short_name>>. If a suitable alternative facility is not available, then to the extent it is technically feasible, BellSouth will implement one of the following alternative arrangements for <<customer_short_name>> (e.g., hairpinning):
1. Roll the circuit(s) from the IDLC to any spare copper that exists to the customer premises.
 2. Roll the circuit(s) from the IDLC to an existing DLC that is not integrated.
 3. If capacity exists, provide "side-door" porting through the switch.
 4. If capacity exists, provide "Digital Access Cross-Connect System (DACS)-door" porting (if the IDLC routes through a DACS prior to integration into the switch).
- 2.6.2 Arrangements 3 and 4 above require the use of a designed circuit. Therefore, non-designed Loops such as the SL1 voice grade and UCL-ND may not be ordered in these cases.
- 2.6.3 If no alternate facility is available, and upon request from <<customer_short_name>>, and if agreed to by both Parties, BellSouth may

REVISED Exhibit PAT-1

Attachment 2

Page 22

utilize its SC process to determine the additional costs required to provision facilities. <<customer_short_name>> will then have the option of paying the one-time SC rates to place the Loop.

2.7 Network Interface Device

2.7.1 The NID is defined as any means of interconnection of the End User's customer premises wiring to BellSouth's distribution plant, such as a cross-connect device used for that purpose. The NID is a single line termination device or that portion of a multiple line termination device required to terminate a single line or circuit at the premises. The NID features two (2) independent chambers or divisions that separate the service provider's network from the End User's premises wiring. Each chamber or division contains the appropriate connection points or posts to which the service provider and the End User each make their connections. The NID provides a protective ground connection and is capable of terminating cables such as twisted pair cable.

2.7.2 BellSouth shall permit <<customer_short_name>> to connect <<customer_short_name>>'s Loop facilities to the End User's customer premises wiring through the BellSouth NID or at any other technically feasible point.

2.7.3 Access to NID

2.7.3.1 <<customer_short_name>> may access the End User's premises wiring by any of the following means and <<customer_short_name>> shall not disturb the existing form of electrical protection and shall maintain the physical integrity of the NID:

2.7.3.1.1 BellSouth shall allow <<customer_short_name>> to connect its Loops directly to BellSouth's multi-line residential NID enclosures that have additional space and are not used by BellSouth or any other telecommunications carriers to provide service to the premises;

2.7.3.1.2 Where an adequate length of the End User's customer premises wiring is present and environmental conditions permit, either Party may remove the End User premises wiring from the other Party's NID and connect such wiring to that Party's own NID;

2.7.3.1.3 Either Party may enter the subscriber access chamber or dual chamber NID enclosures for the purpose of extending a cross-connect or spliced jumper wire from the customer premises wiring through a suitable "punch-out" hole of such NID enclosures; or

2.7.3.1.4 <<customer_short_name>> may request BellSouth to make other rearrangements to the End User premises wiring terminations or terminal enclosure on a time and materials cost basis.

2.7.3.2 In no case shall either Party remove or disconnect the other Party's loop facilities from either Party's NIDs, enclosures, or protectors unless the applicable Commission has expressly permitted the same and the disconnecting Party provides prior notice to the other Party. In such cases, it shall be the responsibility of the Party disconnecting loop facilities to leave undisturbed the existing form of electrical protection and to maintain the physical integrity of the NID. It will be <<customer_short_name>>'s responsibility to ensure there is no safety hazard, and <<customer_short_name>> will hold BellSouth harmless for any liability associated with the removal of the BellSouth Loop from the BellSouth NID. Furthermore, it shall be the responsibility of the disconnecting Party, once the other Party's loop has been disconnected from the NID, to reconnect the disconnected loop to a nationally recognized testing laboratory listed station protector, which has been grounded as per Article 800 of the National Electrical Code. If no spare station protector exists in the NID, the disconnected loop must be appropriately cleared, capped and stored.

2.7.3.3 <<customer_short_name>> shall not remove or disconnect ground wires from BellSouth's NIDs, enclosures, or protectors.

2.7.3.4 <<customer_short_name>> shall not remove or disconnect NID modules, protectors, or terminals from BellSouth's NID enclosures.

2.7.3.5 Due to the wide variety of NID enclosures and outside plant environments, BellSouth will work with <<customer_short_name>> to develop specific procedures to establish the most effective means of implementing this section if the procedures set forth herein do not apply to the NID in question.

2.7.4 Technical Requirements

2.7.4.1 The NID shall provide an accessible point of interconnection and shall maintain a connection to ground.

2.7.4.2 If an existing NID is accessed, it shall be capable of transferring electrical analog or digital signals between the End User's customer premises and the distribution media and/or cross-connect to <<customer_short_name>>'s NID.

2.7.4.3 Existing BellSouth NIDs will be operational and provided in "as is" condition. <<customer_short_name>> may request BellSouth to do additional work to the NID on a time and material basis. When <<customer_short_name>> deploys its own local loops in a multiple-line termination device, <<customer_short_name>> shall specify the quantity of NID connections that it requires within such device.

2.8 Subloop Elements.

REVISED Exhibit PAT-1

Attachment 2

Page 24

- 2.8.1 Where facilities permit, BellSouth shall offer access to its Unbundled Subloop (USL) elements as specified herein.
- 2.8.2 Unbundled Subloop Distribution (USLD)
- 2.8.2.1 The USLD facility is a dedicated transmission facility that BellSouth provides from an End User's point of demarcation to a BellSouth cross-connect device. The BellSouth cross-connect device may be located within a remote terminal (RT) or a stand-alone cross-box in the field or in the equipment room of a building. The USLD media is a copper twisted pair that can be provisioned as a 2-wire or 4-wire facility. BellSouth will make available the following subloop distribution offerings where facilities exist:
- USLD – Voice Grade (USLD-VG)
 - Unbundled Copper Subloop (UCSL)
 - USLD – Intrabuilding Network Cable (USLD-INC (aka riser cable))
- 2.8.2.2 USLD-VG is a copper subloop facility from the cross-box in the field up to and including the point of demarcation at the End User's premises and may have load coils.
- 2.8.2.3 UCSL is a copper facility eighteen thousand (18,000) feet or less in length provided from the cross-box in the field up to and including the End User's point of demarcation. If available, this facility will not have any intervening equipment such as load coils between the End User and the cross-box.
- 2.8.2.3.1 If <<customer_short_name>> requests a UCSL and it is not available, <<customer_short_name>> may request the copper Subloop facility be modified pursuant to the ULM process to remove load coils and/or excessive bridged taps. If load coils and/or excessive bridged taps are removed, the facility will be classified as a UCSL.
- 2.8.2.4 USLD-INC is the distribution facility owned or controlled by BellSouth inside a building or between buildings on the same property that is not separated by a public street or road. USLD-INC includes the facility from the cross-connect device in the building equipment room up to and including the point of demarcation at the End User's premises.
- 2.8.2.4.1 Upon request for USLD-INC from <<customer_short_name>>, BellSouth will install a cross-connect panel in the building equipment room for the purpose of accessing USLD-INC pairs from a building equipment room. The cross-connect panel will function as a single point of interconnection (SPOI) for USLD-INC and will be accessible by multiple carriers as space permits. BellSouth will place cross-connect blocks in twenty five (25) pair increments for <<customer_short_name>>'s use on this cross-connect panel.

REVISED Exhibit PAT-1

Attachment 2

Page 25

<<customer_short_name>> will be responsible for connecting its facilities to the twenty five (25) pair cross-connect block(s).

- 2.8.2.5 For access to Voice Grade USLD and UCSL, <<customer_short_name>> shall install a cable to the BellSouth cross-box pursuant to the terms and conditions for physical collocation for remote sites set forth in Attachment 4. This cable would be connected by a BellSouth technician within the BellSouth cross-box during the set-up process. <<customer_short_name>>'s cable pairs can then be connected to BellSouth's USL within the BellSouth cross-box by the BellSouth technician.
- 2.8.2.6 Through the SI process, BellSouth will determine whether access to USLs at the location requested by <<customer_short_name>> is technically feasible and whether sufficient capacity exists in the cross-box. If existing capacity is sufficient to meet <<customer_short_name>>'s request, then BellSouth will perform the site set-up as described in the CLEC Information Package, located at BellSouth's Interconnection Web site:
www.interconnection.bellsouth.com/products/html/unec.html.
- 2.8.2.7 The site set-up must be completed before <<customer_short_name>> can order Subloop pairs. For the site set-up in a BellSouth cross-connect box in the field, BellSouth will perform the necessary work to splice <<customer_short_name>>'s cable into the cross-connect box. For the site set-up inside a building equipment room, BellSouth will perform the necessary work to install the cross-connect panel and the connecting block(s) that will be used to provide access to the requested USLs.
- 2.8.2.8 Once the site set-up is complete, <<customer_short_name>> will request Subloop pairs through submission of a LSR form to the LCSC. OC is required with USL pair provisioning when <<customer_short_name>> requests reuse of an existing facility, and the OC charge shall be billed in addition to the USL pair rate. For expedite requests by <<customer_short_name>> for Subloop pairs, expedite charges will apply for intervals less than five (5) days.
- 2.8.2.9 USLs will be provided in accordance with BellSouth's TR73600 Unbundled Local Loop Technical Specifications.
- 2.8.3 Unbundled Network Terminating Wire (UNTW)
- 2.8.3.1 UNTW is unshielded twisted copper wiring that is used to extend circuits from an intra-building network cable terminal or from a building entrance terminal to an individual End User's point of demarcation. It is the final portion of the Loop that in multi-subscriber configurations represents the point at which the network branches out to serve individual subscribers.

REVISED Exhibit PAT-1

Attachment 2

Page 26

- 2.8.3.2 This element will be provided in MDUs and/or Multi-Tenants Units (MTUs) where either Party owns wiring all the way to the End User's premises. Neither Party will provide this element in locations where the property owner provides its own wiring to the End User's premises, where a third party owns the wiring to the End User's premises.
- 2.8.3.3 Requirements
- 2.8.3.3.1 On a multi-unit premises, upon request of the other Party (Requesting Party), the Party owning the network terminating wire (Provisioning Party) will provide access to UNTW pairs on an Access Terminal that is suitable for use by multiple carriers at each Garden Terminal or Wiring Closet.
- 2.8.3.3.2 The Provisioning Party shall not be required to install new or additional NTW beyond existing NTW to provision the services of the Requesting Party.
- 2.8.3.3.3 In existing MDUs and/or MTUs in which BellSouth does not own or control wiring (INC/NTW) to the End Users premises, and <<customer_short_name>> does own or control such wiring, <<customer_short_name>> will install UNTW Access Terminals for BellSouth under the same terms and conditions as BellSouth provides UNTW Access Terminals to <<customer_short_name>>.
- 2.8.3.3.4 In situations in which BellSouth activates a UNTW pair, BellSouth will compensate <<customer_short_name>> for each pair activated commensurate to the price specified in <<customer_short_name>>'s Agreement.
- 2.8.3.3.5 Upon receipt of the UNTW SI requesting access to the Provisioning Party's UNTW pairs at a multi-unit premises, representatives of both Parties will participate in a meeting at the site of the requested access. The purpose of the site visit will include discussion of the procedures for installation and location of the Access Terminals. By request of the Requesting Party, an Access Terminal will be installed either adjacent to each of the Provisioning Party's Garden Terminal or inside each Wiring Closet. The Requesting Party will deliver and connect its central office facilities to the UNTW pairs within the Access Terminal. The Requesting Party may access any available pair on an Access Terminal. A pair is available when a pair is not being utilized to provide service or where the End User has requested a change in its local service provider to the Requesting Party. Prior to connecting the Requesting Party's service on a pair previously used by the Provisioning Party, the Requesting Party is responsible for ensuring the End User is no longer using the Provisioning Party's service or another CLEC's service before accessing UNTW pairs.
- 2.8.3.3.6 Access Terminal installation intervals will be established on an individual case basis.

REVISED Exhibit PAT-1

Attachment 2

Page 27

- 2.8.3.3.7 The Requesting Party is responsible for obtaining the property owner's permission for the Provisioning Party to install an Access Terminal(s) on behalf of the Requesting Party. The submission of the SI by the Requesting Party will serve as certification by the Requesting Party that such permission has been obtained. If the property owner objects to Access Terminal installations that are in progress or within thirty (30) days after completion and demands removal of Access Terminals, the Requesting Party will be responsible for costs associated with removing Access Terminals and restoring the property to its original state prior to Access Terminals being installed.
- 2.8.3.3.8 The Requesting Party shall indemnify and hold harmless the Provisioning Party against any claims of any kind that may arise out of the Requesting Party's failure to obtain the property owner's permission. The Requesting Party will be billed for nonrecurring and recurring charges for accessing UNTW pairs at the time the Requesting Party activates the pair(s). The Requesting Party will notify the Provisioning Party within five (5) business days of activating UNTW pairs using the LSR form.
- 2.8.3.3.9 If a trouble exists on a UNTW pair, the Requesting Party may use an alternate spare pair that serves that End User if a spare pair is available. In such cases, the Requesting Party will re-terminate its existing jumper from the defective pair to the spare pair. Alternatively, the Requesting Party will isolate and report troubles in the manner specified by the Provisioning Party. The Requesting Party must tag the UNTW pair that requires repair. If the Provisioning Party dispatches a technician on a reported trouble call and no UNTW trouble is found, the Provisioning Party will charge Requesting Party for time spent on the dispatch and testing the UNTW pair(s).
- 2.8.3.3.10 If the Requesting Party initiates the Access Terminal installation and the Requesting Party has not activated at least ten percent (10%) of the capacity of the Access Terminal installed pursuant to the Requesting Party's request for an Access Terminal within six (6) months of installation of the Access Terminal, the Provisioning Party will bill the Requesting Party a nonrecurring charge equal to the actual cost of provisioning the Access Terminal.
- 2.8.3.3.11 If the Provisioning Party determines that the Requesting Party is using the UNTW pairs without reporting the activation of the pairs, the Requesting Party will be billed for the use of that pair back to the date the End User began receiving service from the Requesting Party at that location. Upon request, the Requesting Party will provide copies of its billing record to substantiate such date. If the Requesting Party fails to provide such records, then the Provisioning Party will bill the Requesting Party back to the date of the Access Terminal installation.
- 2.8.4 Dark Fiber Loop

REVISED Exhibit PAT-1

Attachment 2

Page 28

- 2.8.4.1 Dark Fiber Loop is an unused optical transmission facility, without attached signal regeneration, multiplexing, aggregation or other electronics, from the demarcation point at an End User's premises to the End User's serving wire center. Dark Fiber Loops may be strands of optical fiber existing in aerial or underground structure. BellSouth will not provide line terminating elements, regeneration or other electronics necessary for <<customer_short_name>> to utilize Dark Fiber Loops.
- 2.8.4.2 Transition for Dark Fiber Loop
- 2.8.4.2.1 For purposes of this Section 2.8.4, the Transition Period for Dark Fiber Loops is the eighteen (18) month period beginning March 11, 2005 and ending September 10, 2006.
- 2.8.4.2.2 For purposes of this Section 2.8.4, Embedded Base means Dark Fiber Loops that were in service for <<customer short name>> as of March 10, 2005. ~~For the state of South Carolina, during the Transition Period <<customer short name>> shall be entitled to order and BellSouth shall provision moves, changes and additions of and to Dark Fiber Loops that <<customer short name>> orders for the purpose of serving CLEC's existing Dark Fiber Loop End Users as of March 10, 2005, at such End Users' new or existing physical locations, and such facilities shall be included in the Embedded Base.~~ Subsequent disconnects or loss of End Users shall be removed from the Embedded Base.
- 2.8.4.3 During the Transition Period only, BellSouth shall make available for the Embedded Base Dark Fiber Loops for <<customer_short_name>> at the terms and conditions set forth in this Attachment.
- 2.8.4.4 Notwithstanding the Effective Date of this Agreement, the rates for <<customer_short_name>>'s Embedded Base of Dark Fiber Loops during the Transition Period shall be as set forth in Exhibit A.
- 2.8.4.5 The Transition Period shall apply only to <<customer_short_name>>'s Embedded Base and <<customer_short_name>> shall not add new Dark Fiber Loops pursuant to this Agreement.
- 2.8.4.6 Effective September 11, 2006, Dark Fiber Loops will no longer be made available pursuant to this Agreement.
- 2.8.4.7 No later than June 10, 2006 <<customer_short_name>> shall submit spreadsheet(s) identifying all of the Embedded Base of circuits to be either disconnected or converted to other BellSouth services as Conversions pursuant to Section 1.6 above. The Parties shall negotiate a project schedule for the Conversion of the Embedded Base.

REVISED Exhibit PAT-1

Attachment 2

Page 29

- 2.8.4.7.1 If <<customer_short_name>> fails to submit the spreadsheet(s) specified in Section 2.8.4.7 above for all of its Embedded Base prior to June 10, 2006, BellSouth will identify <<customer_short_name>>'s remaining Embedded Base, if any, and will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth pursuant to this Section 2.8.4.7.1 shall be subject to all applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs.
- 2.8.4.7.2 For Embedded Base circuits converted pursuant to Section 2.8.4.7 above or transitioned pursuant to Section 2.8.4.7.1 above, the applicable recurring tariff charge shall apply to each circuit as of the earlier of the date each circuit is converted or transitioned, as applicable, or September 11, 2006.
- 2.9 Loop Makeup
- 2.9.1 Description of Service
- 2.9.1.1 BellSouth shall make available to <<customer_short_name>> LMU information with respect to Loops that are required to be unbundled under this Agreement so that <<customer_short_name>> can make an independent judgment about whether the Loop is capable of supporting the advanced services equipment <<customer_short_name>> intends to install and the services <<customer_short_name>> wishes to provide. LMU is a preordering transaction, distinct from <<customer_short_name>> ordering any other service(s). Loop Makeup Service Inquiries (LMUSI) and mechanized LMU queries for preordering LMU are likewise unique from other preordering functions with associated SIs as described in this Agreement.
- 2.9.1.2 BellSouth will provide <<customer_short_name>> LMU information consisting of the composition of the Loop material (copper/fiber); the existence, location and type of equipment on the Loop, including but not limited to digital loop carrier or other remote concentration devices, feeder/distribution interfaces, bridged taps, load coils, pair-gain devices; the Loop length; the wire gauge and electrical parameters.
- 2.9.1.3 BellSouth's LMU information is provided to <<customer_short_name>> as it exists either in BellSouth's databases or in its hard copy facility records. BellSouth does not guarantee accuracy or reliability of the LMU information provided.
- 2.9.1.4 BellSouth's provisioning of LMU information to the requesting CLEC for facilities is contingent upon either BellSouth or the requesting CLEC controlling the Loop(s) that serve the service location for which LMU information has been requested by the CLEC. The requesting CLEC is not authorized to receive LMU

REVISED Exhibit PAT-1

Attachment 2

Page 30

information on a facility used or controlled by another CLEC unless BellSouth receives a LOA from the voice CLEC (owner) or its authorized agent on the LMUSI submitted by the requesting CLEC.

- 2.9.1.5 <<customer_short_name>> may choose to use equipment that it deems will enable it to provide a certain type and level of service over a particular BellSouth Loop as long as that equipment does not disrupt other services on the BellSouth network. The determination shall be made solely by <<customer_short_name>> and BellSouth shall not be liable in any way for the performance of the advanced data services provisioned over said Loop. The specific Loop type (e.g., ADSL, HDSL, or otherwise) ordered on the LSR must match the LMU of the Loop reserved taking into consideration any requisite line conditioning. The LMU data is provided for informational purposes only and does not guarantee <<customer_short_name>>'s ability to provide advanced data services over the ordered Loop type. Furthermore, the LMU information for Loops other than copper-only Loops (e.g., ADSL, UCL-ND, etc.) that support xDSL services, is subject to change at any time due to modifications and/or upgrades to BellSouth's network. Except as set forth in Section 2.9.1.6 below, copper-only Loops will not be subject to change due to modification and/or upgrades to BellSouth's network and will remain on copper facilities until the Loop is disconnected by <<customer_short_name>> or the End User, or until BellSouth retires the copper facilities via the FCC's and any applicable Commission's requirements. <<customer_short_name>> is fully responsible for any of its service configurations that may differ from BellSouth's technical standard for the Loop type ordered.
- 2.9.1.6 If BellSouth retires its copper facilities using 47 C.F.R § 52.325(a) requirements; or is required by a governmental agency or regulatory body to move or replace copper facilities as a maintenance procedure, BellSouth will notify <<customer_short_name>>, according to the applicable network disclosure requirements. It will be <<customer_short_name>>'s responsibility to move any service it may provide over such facilities to alternative facilities. If <<customer_short_name>> fails to move the service to alternative facilities by the date in the network disclosure notice, BellSouth may terminate the service to complete the network change.
- 2.9.2 Submitting LMUSI
- 2.9.2.1 <<customer_short_name>> may obtain LMU information and reserve facilities by submitting a mechanized LMU query or a manual LMUSI according to the terms and conditions as described in the LMU CLEC Information Package, incorporated herein by reference as it may be amended from time to time. The CLEC Information Package is located at the "CLEC UNE Product" on the BellSouth Interconnection Web site:

REVISED Exhibit PAT-1

Attachment 2

Page 31

www.interconnection.bellsouth.com/guides/html/unes.html. After obtaining the Loop information from the mechanized LMU process, if <<customer_short_name>> needs further Loop information in order to determine Loop service capability, <<customer_short_name>> may initiate a separate Manual SI for a separate nonrecurring charge as set forth in Exhibit A.

- 2.9.2.2 All LSRs issued for reserved facilities shall reference the facility reservation number as provided by BellSouth. <<customer_short_name>> will not be billed any additional LMU charges for the Loop ordered on such LSR. If, however, <<customer_short_name>> does not reserve facilities upon an initial LMUSI, <<customer_short_name>>'s placement of an order for an advanced data service type facility will incur the appropriate billing charges to include SI and reservation per Exhibit A.
- 2.9.2.3 Where <<customer_short_name>> has reserved multiple Loop facilities on a single reservation, <<customer_short_name>> may not specify which facility shall be provisioned when submitting the LSR. For those occasions, BellSouth will assign to <<customer_short_name>>, subject to availability, a facility that meets the BellSouth technical standards of the BellSouth type Loop as ordered by <<customer_short_name>>.
- 2.9.2.4 Charges for preordering manual LMUSI or mechanized LMU are separate from any charges associated with ordering other services from BellSouth.

3 Line Splitting

- 3.1 Line splitting shall mean that a provider of data services (a Data LEC) and a provider of voice services (a Voice CLEC) to deliver voice and data service to End Users over the same Loop. The Voice CLEC and Data LEC may be the same or different carriers.
- 3.2 Line Splitting – UNE-L. In the event <<customer_short_name>> provides its own switching or obtains switching from a third party, <<customer_short_name>> may engage in line splitting arrangements with another CLEC using a splitter, provided by <<customer_short_name>>, in a Collocation Space at the central office where the loop terminates into a distribution frame or its equivalent.
- 3.3 Line Splitting – Loop and UNE Port (UNE-P)
- 3.3.1 To the extent <<customer_short_name>> is purchasing UNE-P pursuant to this Agreement, BellSouth will permit <<customer_short_name>> to replace UNE-P with Line Splitting. The UNE-P arrangement will be converted to a stand-alone Loop, a Network Element switch port, two (2) collocation cross-connects and the high frequency spectrum line activation. The resulting arrangement shall continue

REVISED Exhibit PAT-1

Attachment 2

Page 32

to be included in <<customer_short_name>>'s Embedded Base as described in Section 5.4.3.2 below.

- 3.3.2 <<customer_short_name>> shall provide BellSouth with a signed LOA between it and the Data LEC or Voice CLEC with which it desires to provision Line Splitting services, if <<customer_short_name>> will not provide voice and data services.
- 3.3.3 Line Splitting arrangements in service pursuant to this Section 3.3 must be disconnected or provisioned pursuant to Section 3.2 above on or before March 10, 2006.
- 3.4 Provisioning Line Splitting and Splitter Space – UNE-P
- 3.4.1 The Data LEC, Voice CLEC or BellSouth may provide the splitter. When <<customer_short_name>> or its authorized agent owns the splitter, Line Splitting requires the following: a non-designed analog Loop from the serving wire center to the NID at the End User's location; a collocation cross-connection connecting the Loop to the collocation space; a second collocation cross-connection from the collocation space connected to a voice port; the high frequency spectrum line activation, and a splitter. When BellSouth owns the splitter, Line Splitting requires the following: a non-designed analog Loop from the serving wire center to the NID at the End User's location with CFA and splitter port assignments, and a collocation cross-connection from the collocation space connected to a voice port.
- 3.4.2 An unloaded 2-wire copper Loop must serve the End User. The meet point for the Voice CLEC and the Data LEC is the point of termination on the MDF for the Data LEC's cable and pairs.
- 3.4.3 The foregoing procedures are applicable to migration from a UNE-P arrangement to Line Splitting Service.
- 3.5 Provisioning Line Splitting and Splitter Space – UNE-L
- 3.5.1 The Voice CLEC provides the splitter when providing Line Splitting with UNE-L. When <<customer_short_name>> owns the splitter, Line Splitting requires the following: a loop from NID at the End User's location to the serving wire center and terminating into a distribution frame or its equivalent.
- 3.6 CLEC Provided Splitter – Line Splitting – UNE-P and UNE-L
- 3.6.1 To order High Frequency Spectrum on a particular Loop, <<customer_short_name>> must have a DSLAM collocated in the central office that serves the End User of such Loop.

REVISED Exhibit PAT-1

Attachment 2

Page 33

- 3.6.2 <<customer_short_name>> may purchase, install and maintain central office POTS splitters in its collocation arrangements. <<customer_short_name>> may use such splitters for access to its customers and to provide digital line subscriber services to its customers using the High Frequency Spectrum. Existing Collocation rules and procedures and the terms and conditions relating to Collocation set forth in Attachment 4-Central Office shall apply.
- 3.6.3 Any splitters installed by <<customer_short_name>> in its collocation arrangement shall comply with ANSI T1.413, Annex E, or any future ANSI splitter Standards. <<customer_short_name>> may install any splitters that BellSouth deploys or permits to be deployed for itself or any BellSouth affiliate.
- 3.7 Maintenance – Line Splitting – UNE-P and UNE-L
- 3.7.1 BellSouth will be responsible for repairing voice troubles and the troubles with the physical loop between the NID at the End User’s premises and the termination point.
- 3.7.2 <<customer_short_name>> shall indemnify, defend and hold harmless BellSouth from and against any claims, losses, actions, causes of action, suits, demands, damages, injury, and costs including reasonable attorney fees, which arise out of actions related to the other service provider, except to the extent caused by BellSouth’s gross negligence or willful misconduct.
- 4 Local Switching**
- 4.1 Notwithstanding anything to the contrary in this Agreement, the services offered pursuant to this Section 4 are limited to DS0 level Local Switching and BellSouth is not required to provide Local Switching pursuant to this Agreement except as set forth in Section 4.2 below.
- 4.1.1 BellSouth shall not be required to unbundle local circuit switching for <<customer_short_name>> for a particular End User when <<customer_short_name>>: (1) serves an End User with four (4) or more voice-grade (DS0) equivalents or lines served by BellSouth in Zone 1 of the following MSAs: Atlanta, GA; Miami, FL; Orlando, FL; Ft. Lauderdale, FL; Charlotte-Gastonia-Rock Hill, NC; Greensboro-Winston Salem-High Point, NC; Nashville, TN; and New Orleans, LA; or (2) serves an End User with a DS1 or higher capacity Loop in any service area covered by this Agreement. To the extent that <<customer_short_name>> is serving any End User as described in (2) of this Section 4.1.1 as of the Effective Date of this Agreement, such End User’s arrangement may not remain in place and such Arrangement must be terminated by <<customer_short_name>> or transitioned by <<customer_short_name>>, or BellSouth shall disconnect such Arrangements upon thirty (30) days notice.

REVISED Exhibit PAT-1

Attachment 2

Page 34

- 4.2 Transition for Local Switching
- 4.2.1 For purposes of this Section 4, the Transition Period for the Embedded Base of Local Switching is the twelve (12) month period beginning March 11, 2005 and ending March 10, 2006.
- 4.2.2 For the purposes of this Section 4, Embedded Base shall mean Local Switching and any additional elements that are required to be provided in conjunction therewith that were in service for <<customer_short_name>> as of March 10, 2005. ~~For the states of North Carolina and South Carolina, during the Transition Period CLEC shall be entitled to order and BellSouth shall provision Local Switching that CLEC orders for the purpose of serving CLEC's existing Local Switching End Users as of March 10, 2005, and such facilities shall be included in the Embedded Base.~~ Subsequent disconnects or loss of End Users shall be removed from the Embedded Base.
- 4.2.3 During the Transition Period only, BellSouth shall make Local Switching available for the Embedded Base, in addition to all elements that are required to be provided in conjunction with Local Switching, at the rates, terms and conditions set forth in this Attachment. The Transition Period shall apply only to <<customer_short_name>>'s Embedded Base and <<customer_short_name>> shall not place new orders for Local Switching pursuant to this Agreement.
- 4.2.4 Notwithstanding the Effective Date of this Agreement, the rates for <<customer_short_name>>'s Embedded Base of Local Switching during the Transition Period shall be as set forth in Exhibit A.
- 4.2.5 <<customer_short_name>> must submit orders, to disconnect or convert all of its Embedded Base of Local Switching to other BellSouth services as Conversions pursuant to Section 1.6 above by October 1, 2005.
- 4.2.5.1 If <<customer_short_name>> fails to submit orders to disconnect or convert all of its Embedded Base of Local Switching as specified in Section 4.2.5 above prior to October 1, 2005, BellSouth will identify <<customer_short_name>>'s remaining Embedded Base of Local Switching and will disconnect such Local Switching. Those circuits identified and disconnected by BellSouth shall be subject to the applicable disconnect charges as set forth in this Agreement.
- 4.2.6 Effective March 11, 2006, Local Switching will no longer be made available pursuant to this Agreement.
- 4.3 Local Switching Capability, including Tandem Switching Capability
- 4.3.1 Local Switching capability is defined as all line-side and trunk-side facilities, plus the features, functions, and capabilities of the switch. The features, functions, and

REVISED Exhibit PAT-1

Attachment 2

Page 35

capabilities of the switch shall include the basic switching function of connecting lines to lines, lines to trunks, trunks to lines, and trunks to trunks. Local Switching includes all vertical features that the switch is capable of providing, including custom calling, custom local area signaling service features, and Centrex, as well as any technically feasible customized routing functions.

- 4.3.2 Unbundled local switching consists of three separate components: Unbundled Ports, End Office Switching Functionality, and End Office Interoffice Trunk Ports.
- 4.3.3 Unbundled Local Switching combined with Common Transport and, if necessary, Tandem Switching provides to <<customer_short_name>>'s End User local calling and the ability to presubscribe to a primary carrier for intraLATA and/or to presubscribe to a primary carrier for interLATA toll service.
- 4.3.4 Provided that <<customer_short_name>> has unbundled Local Switching from BellSouth and uses the BellSouth Carrier Identification Code (CIC) for its End Users' Local Preferred Interexchange Carrier (LPIC) or if a BellSouth local End User selects BellSouth as its LPIC, then the Parties will consider as local any calls originated by a <<customer_short_name>> local End User, or originated by a BellSouth local End User and terminated to a <<customer_short_name>> local End User, where such calls originate and terminate in the same LATA, except for those calls originated and terminated through switched access arrangements (i.e., calls that are transported by a Party other than BellSouth). For such calls, BellSouth will charge <<customer_short_name>> the Network Elements for the BellSouth facilities utilized. Neither Party shall bill the other originating or terminating switched access charges for such calls. Inter-carrier compensation for local calls between BellSouth and <<customer_short_name>> shall be as described in BellSouth's UNE Local Call Flows set forth on BellSouth's Interconnection Web site: www.interconnection.bellsouth.com/products/docs.
- 4.3.5 Where <<customer_short_name>> has unbundled Local Switching from BellSouth but does not use the BellSouth CIC for its End Users' LPIC, BellSouth will consider as local those direct dialed telephone calls that originate from a <<customer_short_name>> End User and terminate within the basic local calling area or within the extended local calling areas and that are dialed using seven (7) or ten (10) digits as defined and specified in Section A3 of BellSouth's General Subscriber Services Tariffs (GSST). For such local calls, BellSouth will charge <<customer_short_name>> the Network Elements for the BellSouth facilities utilized. Inter-carrier compensation for local calls between BellSouth and <<customer_short_name>> shall be as described in BellSouth's UNE Local Call Flows set forth on BellSouth's Interconnection Web site at www.interconnection.bellsouth.com/products/docs.

REVISED Exhibit PAT-1

Attachment 2

Page 36

- 4.3.6 For any calls that originate and terminate through switched access arrangements (i.e., calls that are transported by a party other than BellSouth), BellSouth shall bill <<customer_short_name>> the Network Elements for the BellSouth facilities utilized. Each Party may bill the toll provider originating or terminating switched access charges as appropriate.
- 4.3.7 Unbundled Ports may or may not include individual features. Where applicable and available, non-switch-based services may be ordered with the Unbundled Port at BellSouth's retail rates.
- 4.3.8 Any features that are not currently available but are technically feasible through the switch can be requested through the BFR/NBR Process as set forth in Attachment 11.
- 4.3.9 BellSouth will provide to <<customer_short_name>> selective routing of calls to a requested Operator System platform pursuant to this Agreement. Any other routing requests by <<customer_short_name>> will be made pursuant to the BFR/NBR Process as set forth in Attachment 11.
- 4.3.10 BellSouth shall perform routine testing (e.g., Mechanized Loop Tests (MLT) and test calls such as 105, 107 and 108 type calls) and fault isolation on a mutually agreed upon schedule.
- 4.3.11 BellSouth shall control congestion points such as those caused by radio station call-ins and network routing abnormalities. All traffic shall be restricted in a non-discriminatory manner.
- 4.3.12 BellSouth shall perform manual call trace and permit customer originated call trace. BellSouth shall provide Switching Service Point (SSP) capabilities and signaling software to interconnect the signaling links destined to the Signaling Transfer Point Switch (STPS). These capabilities shall adhere to the technical specifications set forth in the applicable industry standard technical references.
- 4.3.13 BellSouth shall provide interfaces to adjuncts through Telcordia standard interfaces. These adjuncts can include, but are not limited to, the Service Circuit Node and Automatic Call Distributors. BellSouth shall offer to <<customer_short_name>> all Advanced Intelligent Network (AIN) triggers in connection with its Service Creation Environment and Service Management System (SCE/SMS) offering.
- 4.3.14 BellSouth shall provide access to SS7 Signaling Network or Multi-Frequency trunking if requested by <<customer_short_name>>.
- 4.3.15 BellSouth shall provide the following Local Switching interfaces:

REVISED Exhibit PAT-1

Attachment 2

Page 37

- 4.3.15.1 Standard Tip/Ring interface including loopstart or groundstart, on-hook signaling (e.g., for calling number, calling name and message waiting lamp);
- 4.3.15.2 Coin phone signaling;
- 4.3.15.3 Basic Rate Interface ISDN adhering to appropriate Telcordia Technical Requirements;
- 4.3.15.4 2-wire analog interface to PBX;
- 4.3.15.5 4-wire analog interface to PBX; and
- 4.3.15.6 Loops adhering to Telcordia TR-NWT-08 and TR-NWT-303 specifications to interconnect Digital Loop Carriers.
- 4.3.16 <<customer_short_name>> shall maintain the individual telephone number and the correct corresponding address/location data, including maintaining the End User listed address as the actual physical End User location in the E911 ALI Database.
- 4.3.17 <<customer_short_name>> will be responsible and liable for any errors resulting from the submission of invalid telephone number and address/location data for the <<customer_short_name>>'s End Users.
- 4.4 Common (Shared) Transport.
- 4.4.1 Common (Shared) Transport, defined as transmission facilities shared by more than one carrier, including BellSouth, between end office switches, between end office switches and tandem switches, and between tandem switches, in BellSouth's network. Where BellSouth Network Elements are connected by intraoffice wiring, such wiring is provided as part of the Network Element and is not Common (Shared) Transport.
- 4.4.2 Notwithstanding any other provision of this Agreement, BellSouth will only provide unbundled access to Common (Shared) Transport to the extent BellSouth is required to provide and is providing Local Switching to <<customer_short_name>>.
- 4.4.3 Technical Requirements of Common (Shared) Transport
- 4.4.3.1 Common (Shared) Transport provided on DS1, DS3, and STS-1 circuits shall at a minimum meet the performance, availability, jitter, and delay requirements specified for Central Office to Central Office (CO to CO) connections in the applicable industry standards.

REVISED Exhibit PAT-1

Attachment 2

Page 38

- 4.4.3.2 BellSouth shall be responsible for the engineering, provisioning, and maintenance of the underlying equipment and facilities that are used to provide Common (Shared) Transport.
- 4.4.3.3 At a minimum, Common (Shared) Transport shall meet all of the requirements set forth in the applicable industry standards.
- 4.5 Tandem Switching
- 4.5.1 The Tandem Switching capability Network Element is defined as:
(i) trunk-connect facilities, which include, but are not limited to, the connection between trunk termination at a cross-connect panel and switch trunk card; (ii) the basic switch trunk function of connecting trunks to trunks; and (iii) the functions that are centralized in the Tandem Switches (as distinguished from separate end office switches), including but not limited to call recording, the routing of calls to operator services and signaling conversion features.
- 4.5.2 Where <<customer_short_name>> utilizes portions of the BellSouth network in originating or terminating traffic, the Tandem Switching rates are applied in call scenarios where the Tandem Switching Network Element has been utilized. Because switch recordings cannot accurately indicate on a per call basis when the Tandem Switching Network Element has been utilized for an interoffice call originating from a UNE port and terminating to a BellSouth, ICO or Facility-Based CLEC office, BellSouth has developed, based upon call studies, a melded rate that takes into account the average percentage of calls that utilize Tandem Switching in these scenarios. BellSouth shall apply the melded Tandem Switching rate for every call in these scenarios. BellSouth shall utilize the melded Tandem Switching Rate until BellSouth has the capability to measure actual Tandem Switch usage in each call scenario specifically mentioned above, at which point the rate for the actual Tandem Switch usage shall apply. The UNE Local Call Flows set forth on BellSouth's Interconnection Web site: www.interconnection.bellsouth.com/products/docs, illustrate when the full or melded Tandem Switching rates apply for specific scenarios.
- 4.5.3 Technical Requirements
- 4.5.3.1 Tandem Switching shall have the same capabilities or equivalent capabilities as those described in Telcordia TR-TSY-000540 Issue 2R2, Tandem Supplement, June 1, 1990. The requirements for Tandem Switching include but are not limited to the following:
- 4.5.3.1.1 Tandem Switching shall provide signaling to establish a tandem connection;
- 4.5.3.1.2 Tandem Switching will provide screening as jointly agreed to by <<customer_short_name>> and BellSouth;

REVISED Exhibit PAT-1

Attachment 2

Page 39

- 4.5.3.1.3 Where applicable, Tandem Switching shall provide AIN triggers supporting AIN features where such routing is not available from the originating end office switch, to the extent such Tandem switch has such capability;
- 4.5.3.1.4 Where applicable, Tandem Switching shall provide access to Toll Free number database;
- 4.5.3.1.5 Tandem Switching shall provide connectivity to Public Safety Answering Point (PSAP)s where 911 solutions are deployed and the tandem is used for 911; and
- 4.5.3.1.6 Where appropriate, Tandem Switching shall provide connectivity for the purpose of routing transit traffic to and from other carriers.
- 4.5.3.2 BellSouth may perform testing and fault isolation on the underlying switch that is providing Tandem Switching. Such testing shall be testing routinely performed by BellSouth. The results and reports of the testing shall be made available to <<customer_short_name>>.
- 4.5.3.3 BellSouth shall control congestion points and network abnormalities. All traffic will be restricted in a non-discriminatory manner.
- 4.5.3.4 Tandem Switching shall process originating toll free traffic received from <<customer_short_name>>'s local switch.
- 4.5.3.5 In support of AIN triggers and features, Tandem Switching shall provide SSP capabilities when these capabilities are not available from the Local Switching Network Element to the extent such Tandem Switch has such capability.
- 4.5.4 Upon <<customer_short_name>>'s purchase of overflow trunk groups, Tandem Switching shall provide an alternate routing pattern for <<customer_short_name>>'s traffic overflowing from direct end office high usage trunk groups.
- 4.6 Remote Call Forwarding (URCF)
 - 4.6.1 As an option, BellSouth shall make available to <<customer_short_name>> an unbundled port with Remote Call Forwarding capability. URCF service combines the functionality of unbundled Local Switching, Tandem Switching and common transport to forward calls from the URCF service telephone number (the number dialed by the calling party) to another telephone number selected by the URCF service subscriber. <<customer_short_name>> must ensure that the following conditions are satisfied:

REVISED Exhibit PAT-1

Attachment 2

Page 40

- 4.6.1.1 the End User of the forward-to number (service) agrees to receive calls forwarded using the URCF service (if such End User is different from the URCF service End User);
- 4.6.1.2 the forward-to number (service) is equipped with sufficient capacity to receive the volume of calls that will be generated from the URCF service;
- 4.6.1.3 the URCF service will not be utilized to forward calls to another URCF or similar service; and
- 4.6.1.4 the forward-to number (service) is not a public safety number (e.g., 911, fire or police number).
- 4.6.2 In addition to the charge for the URCF service port, BellSouth shall charge <<customer_short_name>> the rates set forth in Exhibit A for unbundled Local Switching, Tandem Switching, and Common Transport, including all associated usage incurred for calls from the URCF service telephone number (the number dialed by the calling party) to the forward-to number (service).
- 4.7 AIN Selective Carrier Routing for OS, DA and Repair Centers
- 4.7.1 Where BellSouth provides Local Switching to <<customer_short_name>>, BellSouth will provide AIN Selective Carrier Routing (AIN SCR) at the request of <<customer_short_name>>. AIN SCR will provide <<customer_short_name>> with the capability of routing operator calls, 0+ and 0- and 0+ NPA Local Numbering Plan Area (LNPA), 555-1212 directory assistance, 1+411 directory assistance and 611 repair center calls to pre-selected destinations.
- 4.7.2 <<customer_short_name>> shall order AIN SCR through its Account Team and/or Local Contract Manager. AIN SCR must first be established regionally and then on a per central office per state basis.
- 4.7.3 AIN SCR is not available in DMS 10 switches.
- 4.7.4 Where AIN SCR is utilized by <<customer_short_name>>, the routing of <<customer_short_name>>'s End User calls shall be pursuant to information provided by <<customer_short_name>> and stored in BellSouth's AIN SCR Service Control Point database. AIN SCR shall utilize a set of Line Class Codes (LCCs) unique to a basic class of service assigned on an "as needed" basis. The same LCCs will be assigned in each central office where AIN SCR is established.
- 4.7.5 Upon ordering AIN SCR Regional Service, <<customer_short_name>> shall remit to BellSouth the nonrecurring Regional Service Order charge set forth in Exhibit A. There shall be a nonrecurring End Office Establishment Charge as set forth in Exhibit A, per office, due at the addition of each central office where AIN

REVISED Exhibit PAT-1

Attachment 2

Page 41

SCR will be utilized. For each <<customer_short_name>> End User activated, there shall be a nonrecurring End User Establishment charge as set forth in Exhibit A. <<customer_short_name>> shall pay the AIN SCR Per Query Charge set forth in Exhibit A.

- 4.7.6 This nonrecurring Regional Service Order charge will be non-refundable and will be paid with one half due up-front with the submission of all fully completed required forms including: Regional SCR Order Request-Form A, Central Office AIN SCR Order Request - Form B, AIN SCR Central Office Identification Form - Form C, AIN SCR Routing Options Selection Form - Form D, and Routing Combinations Table - Form E. BellSouth has thirty (30) days to respond to <<customer_short_name>>'s fully completed firm order as a Regional Service Order. With the delivery of this firm order response to <<customer_short_name>>, BellSouth considers that the delivery schedule of this service commences. The remaining half of the nonrecurring Regional Service Order payment must be paid when at least ninety percent (90%) of the Central Offices listed on the original order have been turned up for the service.
- 4.7.7 The nonrecurring End Office Establishment charge will be billed to <<customer_short_name>> following BellSouth's normal monthly billing cycle for this type of order.
- 4.7.8 End-User Establishment Orders will not be turned-up until the second payment is received for the Regional Service Order. The nonrecurring End Office Establishment charges will be billed to <<customer_short_name>> following BellSouth's normal monthly billing cycle for this type of order.
- 4.7.9 Additionally, the AIN SCR Per Query Charge will be billed to <<customer_short_name>> following the normal billing cycle for per query charges.
- 4.7.10 All other network components needed, (i.e., unbundled switching, unbundled local transport, etc.) will be billed per contracted rates.
- 4.8 Selective Call Routing Using Line Class Codes (SCR-LCC)
- 4.8.1 Where <<customer_short_name>> has purchased unbundled Local Switching from BellSouth and utilizes an operator services provider other than BellSouth, BellSouth will route <<customer_short_name>>'s End User calls to that provider through Selective Call Routing.
- 4.8.2 SCR-LCC provides the capability for <<customer_short_name>> to have its Operator Call Processing/Directory Assistance (OCP/DA) calls routed to BellSouth's OCP/DA platform for BellSouth provided Custom Branded or Unbranded OCP/DA or to its own or an alternate OCP/DA platform for

REVISED Exhibit PAT-1

Attachment 2

Page 42

Self-Branded OCP/DA. SCR-LCC is only available if capacity is available in the requested BellSouth end office switches.

- 4.8.3 Custom Branding for DA is not available for certain classes of service, including but not limited to Hotel/Motel services, WATS service, and certain PBX services.
- 4.8.4 Where available, <<customer_short_name>> specific and unique LCCs are programmed in each BellSouth end office switch where <<customer_short_name>> intends to serve End Users with customized OCP/DA branding. The LCCs specifically identify <<customer_short_name>>'s End Users so OCP/DA calls can be routed over the appropriate trunk group to the requested OCP/DA platform. Additional LCCs are required in each end office if the end office serves multiple NPAs (i.e., a unique LCC is required per NPA), and/or if the end office switch serves multiple rate areas and <<customer_short_name>> intends to provide <<customer_short_name>> -branded OCP/DA to its End Users in these multiple rate areas.
- 4.8.5 SCR-LCC supporting Custom Branding and Self Branding require <<customer_short_name>> to order dedicated trunking from each BellSouth end office identified by <<customer_short_name>>, either to the BellSouth TOPS for Custom Branding or to the <<customer_short_name>> Operator Service Provider for Self Branding. Separate trunk groups are required for Operator Services and for DA. Rates for trunks are set forth in applicable BellSouth's FCC No. 1 Tariff.
- 4.8.6 Unbranding - Unbranded DA and/or OCP calls ride common trunk groups provisioned by BellSouth from those end offices identified by <<customer_short_name>> to the BellSouth TOPS.
- 4.8.7 The rates for SCR-LCC are as set forth in Exhibit A. There is a nonrecurring charge for the establishment of each LCC in each BellSouth central office. Furthermore, for Unbranded and Custom Branded OCP/DA provided by BellSouth Operator Services with unbundled ports and unbundled port/loop switch combinations, monthly recurring usage charges shall apply for the UNEs necessary to provide the service, such as end office and tandem switching and common transport. A flat rated end office switching charge shall apply to Self-Branded OCP/DA when used in conjunction with unbundled ports and unbundled port/loop switch combinations.

5 Unbundled Network Element Combinations

- 5.1 For purposes of this Section, references to "Currently Combined" Network Elements shall mean that the particular Network Elements requested by <<customer_short_name>> are in fact already combined by BellSouth in the BellSouth network. References to "Ordinarily Combined" Network Elements shall mean that the particular Network Elements requested by

REVISED Exhibit PAT-1

Attachment 2

Page 43

<<customer_short_name>> are not already combined by BellSouth in the location requested by <<customer_short_name>> but are elements that are typically combined in BellSouth's network. References to "Not Typically Combined" Network Elements shall mean that the particular Network Elements requested by <<customer_short_name>> are not elements that BellSouth combines for its use in its network.

5.1.1 Except as otherwise set forth in this Agreement, upon request, BellSouth shall perform the functions necessary to combine Network Elements that BellSouth is required to provide under this Agreement in any manner, even if those elements are not ordinarily combined in BellSouth's network, provided that such Combination is technically feasible and will not undermine the ability of other carriers to obtain access to Network Elements or to interconnect with BellSouth's network.

5.1.2 To the extent <<customer_short_name>> requests a Combination for which BellSouth does not have methods and procedures in place to provide such Combination, rates and/or methods or procedures for such Combination will be developed pursuant to the BFR process.

5.2 Rates

5.2.1 The rates for the Currently Combined Network Elements specifically set forth in Exhibit A shall be the rates associated with such Combinations. Where a Currently Combined Combination is not specifically set forth in Exhibit A, the rate for such Currently Combined Combination shall be the sum of the recurring rates for those individual Network Elements as set forth in Exhibit A and/or Exhibit B in addition to the applicable nonrecurring switch-as-is charge set forth in Exhibit A.

5.2.2 The rates for the Ordinarily Combined Network Elements specifically set forth in Exhibit A shall be the nonrecurring and recurring charges for those Combinations. Where an Ordinarily Combined Combination is not specifically set forth in Exhibit A, the rate for such Ordinarily Combined Combination shall be the sum of the recurring rates for those individual Network Elements as set forth in Exhibit A and/or Exhibit B and nonrecurring rates for those individual Network Elements as set forth in Exhibit A.

5.2.3 The rates for Not Typically Combined Combinations shall be developed pursuant to the BFR process upon request of <<customer_short_name>>.

5.3 Enhanced Extended Links (EELs)

5.3.1 EELs are combinations of Loops and Dedicated Transport as defined in this Attachment, together with any facilities, equipment, or functions necessary to

REVISED Exhibit PAT-1

Attachment 2

Page 44

combine those Network Elements. BellSouth shall provide <<customer_short_name>> with EELs where the underlying Network Element are available and are required to be provided pursuant to this Agreement and in all instances where the requesting carrier meets the eligibility requirements, if applicable.

- 5.3.2 High-capacity EELs are (1) combinations of Loop and Dedicated Transport, (2) Dedicated Transport commingled with a wholesale loop, or (3) a loop commingled with wholesale transport at the DS1 and/or DS3 level as described in 47 C.F.R. § 51.318(b).
- 5.3.3 By placing an order for a high-capacity EEL, <<customer_short_name>> thereby certifies that the service eligibility criteria set forth herein are met for access to a converted high-capacity EEL, a new high-capacity EEL, or part of a high-capacity commingled EEL as a UNE. BellSouth shall have the right to audit <<customer_short_name>>'s high-capacity EELs as specified below.
- 5.3.4 Service Eligibility Criteria
- 5.3.4.1 High capacity EELs must comply with the following service eligibility requirements. <<customer_short_name>> must certify for each high-capacity EEL that all of the following service eligibility criteria are met:
- 5.3.4.1.1 <<customer_short_name>> has received state certification to provide local voice service in the area being served;
- 5.3.4.2 For each combined circuit, including each DS1 circuit, each DS1 EEL, and each DS1-equivalent circuit on a DS3 EEL:
- 5.3.4.2.1 1) Each circuit to be provided to each End User will be assigned a local number prior to the provision of service over that circuit;
- 5.3.4.2.2 2) Each DS1-equivalent circuit on a DS3 EEL must have its own local number assignment so that each DS3 must have at least twenty-eight (28) local voice numbers assigned to it;
- 5.3.4.2.3 3) Each circuit to be provided to each End User will have 911 or E911 capability prior to provision of service over that circuit;
- 5.3.4.2.4 4) Each circuit to be provided to each End User will terminate in a collocation arrangement that meets the requirements of 47 C.F.R. § 51.318(c);
- 5.3.4.2.5 5) Each circuit to be provided to each End User will be served by an interconnection trunk over which <<customer_short_name>> will transmit the calling party's number in connection with calls exchanged over the trunk;

REVISED Exhibit PAT-1

Attachment 2

Page 45

5.3.4.2.6 6) For each twenty-four (24) DS1 EELs or other facilities having equivalent capacity, <<customer_short_name>> will have at least one (1) active DS1 local service interconnection trunk over which <<customer_short_name>> will transmit the calling party's number in connection with calls exchanged over the trunk; and

5.3.4.2.7 7) Each circuit to be provided to each End User will be served by a switch capable of switching local voice traffic.

5.3.4.3 BellSouth may, on an annual basis, audit <<customer_short_name>>'s records in order to verify compliance with the qualifying service eligibility criteria. The audit shall be conducted by a third party independent auditor, and the audit must be performed in accordance with the standards established by the American Institute for Certified Public Accountants (AICPA). To the extent the independent auditor's report concludes that <<customer_short_name>> failed to comply with the service eligibility criteria, <<customer_short_name>> must true-up any difference in payments, convert all noncompliant circuits to the appropriate service, and make the correct payments on a going-forward basis. In the event the auditor's report concludes that <<customer_short_name>> did not comply in any material respect with the service eligibility criteria, <<customer_short_name>> shall reimburse BellSouth for the cost of the independent auditor. To the extent the auditor's report concludes that <<customer_short_name>> did comply in all material respects with the service eligibility criteria, BellSouth will reimburse <<customer_short_name>> for its reasonable and demonstrable costs associated with the audit. <<customer_short_name>> will maintain appropriate documentation to support its certifications.

5.3.4.4 In the event <<customer_short_name>> converts special access services to UNEs, <<customer_short_name>> shall be subject to the termination liability provisions in the applicable special access tariffs, if any.

5.4 UNE-P

5.4.1 DS0 Local Switching, as defined in Section 4 above, in combination with a Loop and Common (Shared) Transport as defined in Section 4.4 above (UNE-P) provides local exchange service for the origination or termination of calls. UNE-P supports the same local calling and feature requirements as described in the Local Switching section of this Attachment and the ability to presubscribe to a primary carrier for intraLATA toll service and/or to presubscribe to a primary carrier for interLATA toll service.

5.4.2 Notwithstanding anything to the contrary in this Agreement, BellSouth is not required to provide UNE-P pursuant to this Agreement except as set forth in this Section 5.4.

5.4.3 Transition Period for UNE-P

REVISED Exhibit PAT-1

Attachment 2

Page 46

- 5.4.3.1 For purposes of this Section 5.4, the Transition Period for UNE-P is the twelve (12) month period beginning March 11, 2005 and ending March 10, 2006.
- 5.4.3.2 ~~*For the purposes of this Section 5.4, Embedded Base shall mean UNE-P lines that were in service as of March 10, 2005. For the states of North Carolina and South Carolina, during the Transition Period, CLEC shall be entitled to order and BellSouth shall provision UNE-P that CLEC orders for the purpose of serving CLEC's existing UNE-P End Users as of March 10, 2005, and such facilities shall be included in the Embedded Base. Subsequent disconnects or loss of UNE-P by CLEC shall be removed from the Embedded Base.*~~
- 5.4.3.3 During the Transition Period only, BellSouth shall make UNE-P available for the Embedded Base, in addition to all elements that are required to be provided in conjunction with UNE-P, at the rates, terms and conditions set forth in this Attachment. The Transition Period shall apply only to <<customer_short_name>>'s Embedded Base and <<customer_short_name>> shall not place new orders for UNE-P pursuant to this Agreement.
- 5.4.3.4 Notwithstanding the Effective Date of this Agreement, the rates for <<customer_short_name>>'s Embedded Base of UNE-P during the Transition Period shall be as set forth in Exhibit A.
- 5.4.3.5 By October 1, 2005, <<customer_short_name>> must submit orders or spreadsheets, or if migrating to UNE Loops must use the Bulk Migration process in accordance with Section 2.1.12 above, to either disconnect or convert all of its Embedded Base of UNE-P to other BellSouth services.
- 5.4.3.5.1 If <<customer_short_name>> fails to submit orders or spreadsheets converting all of the Embedded Base of UNE-P as specified in Section 5.4.3.5 above prior to October 1, 2005, BellSouth will identify <<customer_short_name>>'s remaining Embedded Base of UNE-P and will transition such UNE-P to resold BellSouth telecommunication services, as set forth in Attachment 1. Those circuits identified and transitioned by BellSouth shall be subject to the applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of such BellSouth services as set forth in BellSouth's tariffs.
- 5.4.3.5.2 For Embedded Base UNE-P converted pursuant to Section 5.4.3.5 above or transitioned pursuant to Section 5.4.3.5. above, the applicable recurring tariff charges shall apply as of the earlier of the date each circuit is converted or transitioned, as applicable, or March 11, 2006.
- 5.4.3.6 Effective March 11, 2006, UNE-P will no longer be made available pursuant to this Agreement.

REVISED Exhibit PAT-1

Attachment 2

Page 47

- 5.4.4 BellSouth shall make 911 updates in the BellSouth 911 database for <<customer_short_name>>'s UNE-P. BellSouth will not bill <<customer_short_name>> for 911 surcharges. <<customer_short_name>> is responsible for paying all 911 surcharges to the applicable governmental agency.
- 5.5 Intercarrier Compensation
- 5.5.1 Intercarrier compensation for seven (7) or ten (10) digit dialed calls originated by <<customer_short_name>> utilizing Local Switching shall apply as follows:
- 5.5.2 For calls terminating to a BellSouth End User or to an End User served by BellSouth resold services, BellSouth shall charge <<customer_short_name>> for End Office Switching as set forth in Exhibit A at the terminating end office.
- 5.5.3 For calls terminating to a CLEC where such CLEC is utilizing a BellSouth switch port or port/loop combination to provide service to its End User, BellSouth shall charge <<customer_short_name>> for End Office Switching as set forth in Exhibit A at the terminating end office. BellSouth will not charge the terminating CLEC for End Office Switching as set forth in Exhibit A at the terminating end office.
- 5.5.3.1 For calls terminating to third party carriers, such as CLECs, wireless carriers and independent companies, utilizing their own switches to serve their End Users, <<customer_short_name>> is required to enter into interconnection or traffic exchange agreements with such third parties for the exchange of traffic through BellSouth's network. If <<customer_short_name>> does not have such an agreement with a third party carrier and BellSouth is charged termination charges by a third party terminating a call originated by <<customer_short_name>>, or if such third party carrier bills BellSouth for terminating such calls, despite the existence of such an agreement, then BellSouth may, at its option:
- 5.5.3.1.1 pay such charges as billed by the third party carrier and charge End Office Switching as set forth in Exhibit A to <<customer_short_name>> for each such call; or
- 5.5.3.1.2 pay such charges as billed by the third party carrier and <<customer_short_name>> will reimburse the full amount of such charges within thirty (30) days of BellSouth's request for reimbursement.
- 5.5.3.2 Intercarrier compensation for seven (7) or ten (10) digit dialed calls terminating to <<customer_short_name>> utilizing Local Switching shall apply as follows:
- 5.5.3.2.1 For calls originated by a BellSouth End User or by an End User served by resold BellSouth services, BellSouth shall not charge <<customer_short_name>> for End Office Switching at the terminating end office for use of the network

REVISED Exhibit PAT-1

Attachment 2

Page 48

component; therefore, <<customer_short_name>> shall not charge BellSouth intercarrier compensation or any other charges for termination of such calls.

- 5.5.3.2.2 For calls originated by a CLEC where such CLEC is utilizing a BellSouth switch port or port/loop combination to provide service to its End User, BellSouth shall not charge <<customer_short_name>> for End Office Switching at the terminating end office for use of the network component; therefore, <<customer_short_name>> shall not charge the originating CLEC or BellSouth intercarrier compensation or any other charges for termination of such calls.
- 5.5.3.2.3 For calls originated by third party carriers, such as CLECs, wireless carriers and independent companies,utilizing their own switches to serve their End Users, <<customer_short_name>> is required to enter into interconnection or traffic exchange agreements with such third parties for the exchange of traffic through BellSouth's network. <<customer_short_name>> may bill the third parties according to such agreements and shall not bill BellSouth for the exchange of traffic through BellSouth's network.
- 5.5.3.3 Intercarrier compensation shall apply as follows for intralata 1+ dialed calls originated by <<customer_short_name>> utilizing Local Switching where <<customer_short_name>> uses BellSouth's CIC for its End User's LPIC:
- 5.5.3.3.1 For calls terminating to a BellSouth End User or to an End User served by BellSouth resold services, BellSouth shall charge <<customer_short_name>> for End Office Switching as set forth in Exhibit A at the terminating end office.
- 5.5.3.3.2 For calls terminating to a CLEC where such CLEC is utilizing a BellSouth switch port or port/loop combination to provide service to its End User, BellSouth shall charge <<customer_short_name>> for End Office Switching as set forth in Exhibit A at the terminating end office. BellSouth will not charge the terminating CLEC for End Office Switching at the terminating end office. In the event that BellSouth is charged termination charges by the CLEC, BellSouth may pay such charges and <<customer_short_name>> will reimburse BellSouth the full amount of such charges within thirty (30) days following BellSouth's request for reimbursement.
- 5.5.3.3.3 For calls terminating to third party carriers, such as CLECs, wireless carriers and independent companies, utilizing their own switches to serve their End Users, <<customer_short_name>> is required to enter into interconnection or traffic exchange agreements with such third parties for the exchange of traffic through BellSouth's network. If <<customer_short_name>> does not have such an agreement with a third party carrier and BellSouth is charged termination charges by a third party terminating a call originated by <<customer_short_name>>, or if such third party carrier bills BellSouth for terminating such calls, despite the existence of such an agreement, then BellSouth may, at its option:

REVISED Exhibit PAT-1

Attachment 2

Page 49

- 5.5.3.3.3.1 pay such charges as billed by the third party carrier and charge End Office Switching as set forth in Exhibit A to <<customer_short_name>> for each such call; or
- 5.5.3.3.3.2 pay such charges as billed by the third party carrier and <<customer_short_name>> will reimburse BellSouth the full amount of such charges within thirty (30) days following BellSouth's request for reimbursement.
- 5.5.3.4 Intercarrier compensation shall apply as follows for intralata 1+ dialed calls terminating to <<customer_short_name>> utilizing Local Switching where the originating carrier uses BellSouth's CIC for its End User's LPIC:
- 5.5.3.4.1 For calls originated by a BellSouth End User or by an End User served by BellSouth resold service, BellSouth shall charge <<customer_short_name>> for End Office Switching as set forth in Exhibit A at the terminating end office for use of the End Office Switching network component in terminating such calls. <<customer_short_name>> may charge BellSouth for intercarrier compensation at the End Office Switching as set forth in Exhibit A for such calls. <<customer_short_name>> shall not charge originating or terminating switched access rates to BellSouth for termination of such calls.
- 5.5.3.5 For calls originated by or terminating to interexchange carriers through a switched access arrangement, <<customer_short_name>> may bill the interexchange carrier in accordance with <<customer_short_name>>'s tariff and will not bill BellSouth any charges for such call. <<customer_short_name>> shall pay BellSouth applicable charges for the use of BellSouth's network in accordance with the rates set forth in Exhibit A for originating and terminating such calls.

6 Dedicated Transport and Dark Fiber Transport

- 6.1 Dedicated Transport. Dedicated Transport is defined as BellSouth's transmission facilities between wire centers or switches owned by BellSouth, or between wire centers or switches owned by BellSouth and switches owned by <<customer_short_name>>, including but not limited to DS1, DS3 and OCn level services, as well as dark fiber, dedicated to <<customer_short_name>>. BellSouth shall not be required to provide access to OCn level Dedicated Transport under any circumstances pursuant to this Agreement. In addition, except as set forth in Section 6.2 below, BellSouth shall not be required to provide to <<customer_short_name>> unbundled access to interoffice transmission facilities that do not connect a pair of wire centers or switches owned by BellSouth ("Entrance Facilities").
- 6.2 Transition for DS1 and DS3 Dedicated Transport Including DS1 and DS3 Entrance Facilities

REVISED Exhibit PAT-1

Attachment 2

Page 50

- 6.2.1 For purposes of this Section 6.2, the Transition Period for the Embedded Base of DS1 and DS3 Dedicated Transport, Embedded Base Entrance Facilities and for Excess DS1 and DS3 Dedicated Transport, is the twelve (12) month period beginning March 11, 2005 and ending March 10, 2006.
- 6.2.2 For purposes of this Section 6.2, Embedded Base means DS1 and DS3 Dedicated Transport that were in service for <<customer_short_name>> as of March 10, 2005 in those wire centers that, as of such date, met the criteria set forth in Sections 6.2.6.1 or 6.2.6.2 below. ~~For the state of South Carolina, during the Transition Period <<customer_short_name>> shall be entitled to order and BellSouth shall provision moves, changes and additions of and to DS1 and DS3 Dedicated Transport that <<customer_short_name>> orders for the purpose of serving CLEC's existing DS1 and DS3 Dedicated Transport End Users as of March 10, 2005, at such End Users' new or existing physical locations, and such facilities shall be included in the Embedded Base.~~ Subsequent disconnects or loss of End Users shall be removed from the Embedded Base.
- 6.2.3 For purposes of this Section 6, Embedded Base Entrance Facilities means Entrance Facilities that were in service for <<customer_short_name>> as of March 10, 2005. Subsequent disconnects or loss of customers shall be removed from the Embedded Base.
- 6.2.4 For purposes of this Section 6, Excess DS1 and DS3 Dedicated Transport means those <<customer_short_name>> DS1 and DS3 Dedicated Transport facilities in service as of March 10, 2005, in excess of the caps set forth in Section 6.6 below. Subsequent disconnects and loss of End Users shall be removed from Excess DS1 and DS3 Loops.
- 6.2.5 For purposes of this Section 6.2, a Business Line is as defined in 47 C.F.R. § 51.5.
- 6.2.6 Notwithstanding anything to the contrary in this Agreement, BellSouth shall make available Dedicated Transport as described in this Section 6.2 only for <<customer_short_name>>'s Embedded Base ~~and Excess Dedicated Transport~~ during the Transition Period:
- 6.2.6.1 DS1 Dedicated Transport where both wire centers at the end points of the route contain 38,000 or more Business Lines or four (4) or more fiber-based collocators.
- 6.2.6.2 DS3 Dedicated Transport where both wire centers at the end points of the route contain 24,000 or more Business Lines or three (3) or more fiber-based collocators.
- 6.2.6.3 A list of wire centers meeting the criteria set forth in Sections 6.2.6.1 or 6.2.6.2 above as of March 10, 2005, is available on BellSouth's Interconnection Services Web site, as (Initial Wire Center List).

REVISED Exhibit PAT-1

Attachment 2

Page 51

- 6.2.6.4 Notwithstanding anything to the contrary in this Agreement, BellSouth shall make available Entrance Facilities only for <<<customer_short_name>>'s Embedded Base Entrance Facilities and only during the Transition Period.
- 6.2.6.5 Notwithstanding the Effective Date of this Agreement, during the Transition Period, the rates for <<customer_short_name>>'s Embedded Base of DS1 and DS3 Dedicated Transport and for <<customer_short_name>>'s Excess DS1 and DS3 Dedicated Transport, as described in this Section 6.2, shall be as set forth in Exhibit B, and the rates for <<customer_short_name>>'s Embedded Base Entrance Facilities as described in this Section 6.2 shall be as set forth in Exhibit A.
- 6.2.6.6 The Transition Period shall apply only to (1) <<customer_short_name>>'s Embedded Base and Embedded Base Entrance Facilities; and (2) <<customer_short_name>>'s Excess DS1 and DS3 Dedicated Transport. <<customer_short_name>> shall not add new Entrance Facilities pursuant to this Agreement. Further, <<customer_short_name>> shall not add new DS1 or DS3 Dedicated Transport as described in this Section 6.2 pursuant to this Agreement, except pursuant to the self-certification process as set forth in Section 1.8 above of and as set forth in Section 6.2.6.10 below.
- 6.2.6.7 Once a wire center exceeds either of the thresholds set forth in Section 6.2.6.1 above, no future DS1 Dedicated Transport unbundling will be required in that wire center.
- 6.2.6.8 Once a wire center exceeds either of the thresholds set forth in Section 6.2.6.2 above, no future DS3 Dedicated Transport will be required in that wire center.
- 6.2.6.9 No later than December 9, 2005 <<customer_short_name>> shall submit spreadsheet(s) identifying all of the Embedded Base of circuits, Embedded Base Entrance Facilities, and Excess DS1 and DS3 Dedicated Transport to be either disconnected or converted to other BellSouth services pursuant to Section 1.6 above. The Parties shall negotiate a project schedule for the Conversion of the Embedded Base, Embedded Base Entrance Facilities and Excess DS1 and DS3 Dedicated Transport.
- 6.2.6.9.1 If <<customer_short_name>> fails to submit the spreadsheet(s) specified in Section 6.2.6.9 above for all of its Embedded Base, Embedded Base Entrance Facilities and Excess DS1 and DS3 Dedicated Transport prior to December 9, 2005, BellSouth will identify <<customer_short_name>>'s remaining Embedded Base, Embedded Base Entrance Facilities and Excess DS1 and DS3 Dedicated Transport, if any, and will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth pursuant to this Section 6.2.6.9.1 shall be subject to all applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for

REVISED Exhibit PAT-1

Attachment 2

Page 52

installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs.

- 6.2.6.9.2 For Embedded Base circuits, Embedded Base Entrance Facilities and Excess DS1 and DS3 Dedicated Transport converted pursuant to Section 6.2.6.9 or transitioned pursuant to Section 6.2.6.9.1 above, the applicable recurring tariff charge shall apply to each circuit as of the earlier of the date each circuit is converted or transitioned, as applicable, or March 11, 2006.
- 6.2.6.10 Modifications and Updates to the Wire Center List and Subsequent Transition Periods
- 6.2.6.10.1 In the event BellSouth identifies additional wire centers that meet the criteria set forth in Sections 6.2.6.1 or 6.2.6.2 above, but that were not included in the Initial Wire Center List, BellSouth shall include such additional wire centers in CNL. Each such list of additional wire centers shall be considered a Subsequent Wire Center List.
- 6.2.6.10.2 Effective ten (10) business days after the date of a BellSouth CNL providing a Subsequent Wire Center List, BellSouth shall not be required to provide DS1 and DS3 Dedicated Transport, as applicable, in such additional wire center(s), except pursuant to the self-certification process as set forth in Section 1.8 above.
- 6.2.6.10.3 For purposes of Section 6.2.6.10 above, BellSouth shall make available DS1 and DS3 Dedicated Transport that was in service for <<customer_short_name>> in a wire center on the Subsequent Wire Center List as of the tenth (10th) business day after the date of BellSouth's CNL identifying the Subsequent Wire Center List (Subsequent Embedded Base) until ninety (90) days after the tenth (10th) business day from the date of BellSouth's CNL identifying the Subsequent Wire Center List (Subsequent Transition Period).
- 6.2.6.10.4 Subsequent disconnects or loss of End Users shall be removed from the Subsequent Embedded Base.
- 6.2.6.10.5 The rates set forth in Exhibit B shall apply to the Subsequent Embedded Base during the Subsequent Transition Period.
- 6.2.6.10.6 No later than forty (40) days from BellSouth's CNL identifying the Subsequent Wire Center List <<customer_short_name>> shall submit a spreadsheet(s) identifying the Subsequent Embedded Base of circuits to be disconnected or converted to other BellSouth services. The Parties shall negotiate a project schedule for the Conversion of the Subsequent Embedded Base.

REVISED Exhibit PAT-1

Attachment 2

Page 53

- 6.2.6.10.6.1 If <<customer_short_name>> fails to submit the spreadsheet(s) specified in Section 6.2.6.10.6 above for all of its Subsequent Embedded Base within forty (40) days after the date of BellSouth's CNL identifying the Subsequent Wire Center List, BellSouth will identify <<customer_short_name>>'s remaining Subsequent Embedded Base, if any, and will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth shall be subject to the applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs.
- 6.2.6.10.7 For Subsequent Embedded Base circuits converted pursuant to Section 6.2.6.10.6 above or transitioned pursuant to Section 6.2.6.10.6.1 above, the applicable recurring tariff charges shall apply as of the earlier of the date each circuit is converted or transitioned, as applicable, or the first day after the end of the Subsequent Transition Period.
- 6.3 BellSouth shall:
- 6.3.1 Provide <<customer_short_name>> exclusive use of Dedicated Transport to a particular customer or carrier;
- 6.3.2 Provide all technically feasible features, functions, and capabilities of Dedicated Transport as outlined within the technical requirements of this section;
- 6.3.3 Permit, to the extent technically feasible, <<customer_short_name>> to connect Dedicated Transport to equipment designated by <<customer_short_name>>, including but not limited to, <<customer_short_name>>'s collocated facilities; and
- 6.3.4 Permit, to the extent technically feasible, <<customer_short_name>> to obtain the functionality provided by BellSouth's digital cross-connect systems.
- 6.4 BellSouth shall offer Dedicated Transport:
- 6.4.1 As capacity on a shared facility; and
- 6.4.2 As a circuit (i.e., DS0, DS1, DS3, STS-1) dedicated to <<customer_short_name>>.
- 6.5 Dedicated Transport may be provided over facilities such as optical fiber, copper twisted pair, and coaxial cable, and shall include transmission equipment such as line terminating equipment, amplifiers, and regenerators.
- 6.6 ~~<<customer_short_name>> may obtain a maximum of twelve (12) unbundled DS3 Dedicated Transport circuits on each route where DS3 Dedicated Transport is available as a Network Element, and a maximum of ten (10)~~

REVISED Exhibit PAT-1

Attachment 2

Page 54

~~unbundled DS1 Dedicated Transport circuits on each Route where there is no 251(c)(3) unbundling obligation for DS3 Dedicated Transport but for which impairment exists for DS1 Dedicated Transport. <<customer short name>> may obtain a maximum of ten (10) unbundled DS1 Dedicated Transport circuits or twelve (12) unbundled DS3 Dedicated Transport circuits, or their equivalent, on each route where the respective Dedicated Transport is available as a Network Element.~~ A route is defined as a transmission path between one of BellSouth's wire centers or switches and another of BellSouth's wire centers or switches. A route between two (2) points may pass through one or more intermediate wire centers or switches. Transmission paths between identical end points are the same "route", irrespective of whether they pass through the same intermediate wire centers or switches, if any.

6.7 Technical Requirements

6.7.1 BellSouth shall offer DS0 equivalent interface transmission rates for DS0 or voice grade Dedicated Transport. For DS1 or DS3 circuits, Dedicated Transport shall at a minimum meet the performance, availability, jitter, and delay requirements specified for Customer Interface to Central Office (CI to CO) connections in the applicable industry standards.

6.7.2 BellSouth shall offer the following interface transmission rates for Dedicated Transport:

6.7.2.1 DS0 Equivalent;

6.7.2.2 DS1;

6.7.2.3 DS3;

6.7.2.4 STS-1; and

6.7.2.5 SDH (Synchronous Digital Hierarchy) Standard interface rates are in accordance with International Telecommunications Union (ITU) Recommendation G.707 and Plesiochronous Digital Hierarchy (PDH) rates per ITU Recommendation G.704.

6.7.3 BellSouth shall design Dedicated Transport according to its network infrastructure. <<customer_short_name>> shall specify the termination points for Dedicated Transport.

6.7.4 At a minimum, Dedicated Transport shall meet each of the requirements set forth in the applicable industry technical references and BellSouth Technical References;

6.7.4.1 Telcordia TR-TSY-000191 Alarm Indication Signals Requirements and Objectives, Issue 1, May 1986.

REVISED Exhibit PAT-1

Attachment 2

Page 55

- 6.7.4.2 BellSouth's TR73501 LightGate®Service Interface and Performance Specifications, Issue D, June 1995.
- 6.7.4.3 BellSouth's TR73525 MegaLink®Service, MegaLink Channel Service and MegaLink Plus Service Interface and Performance Specifications, Issue C, May 1996.
- 6.8 Unbundled Channelization (Multiplexing)
- 6.8.1 To the extent <<customer_short_name>> is purchasing DS1 or DS3 or STS-1 Dedicated Transport pursuant to this Agreement, Unbundled Channelization (UC) provides the optional multiplexing capability that will allow a DS1 (1.544 Mbps) or DS3 (44.736 Mbps) or STS-1 (51.84 Mbps) Network Elements to be multiplexed or channelized at a BellSouth central office. Channelization can be accomplished through the use of a multiplexer or a digital cross-connect system at the discretion of BellSouth. Once UC has been installed, <<customer_short_name>> may request channel activation on a channelized facility and BellSouth shall connect the requested facilities via COCIs. The COCI must be compatible with the lower capacity facility and ordered with the lower capacity facility. This service is available as defined in NECA 4.
- 6.8.2 BellSouth shall make available the following channelization systems and interfaces:
- 6.8.2.1 DS1 Channelization System: channelizes a DS1 signal into a maximum of twenty-four (24) DS0s. The following COCI are available: Voice Grade, Digital Data and ISDN.
- 6.8.2.2 DS3 Channelization System: channelizes a DS3 signal into a maximum of twenty-eight (28) DS1s. A DS1 COCI is available with this system.
- 6.8.2.3 STS-1 Channelization System: channelizes a STS-1 signal into a maximum of twenty-eight (28) DS1s. A DS1 COCI is available with this system.
- 6.8.3 Technical Requirements. In order to assure proper operation with BellSouth provided central office multiplexing functionality, <<customer_short_name>>'s channelization equipment must adhere strictly to form and protocol standards. <<customer_short_name>> must also adhere to such applicable industry standards for the multiplex channel bank, for voice frequency encoding, for various signaling schemes, and for sub rate digital access.
- 6.9 Dark Fiber Transport. Dark Fiber Transport is defined as Dedicated Transport that consists of unactivated optical interoffice transmission facilities without attached signal regeneration, multiplexing, aggregation or other electronics. Except as set forth in Section 6.9.1 below, BellSouth shall not be required to

REVISED Exhibit PAT-1

Attachment 2

Page 56

provide access to Dark Fiber Transport Entrance Facilities pursuant to this Agreement.

- 6.9.1 Transition for Dark Fiber Transport and Dark Fiber Transport Entrance Facilities
- 6.9.1.1 For purposes of this Section 6.9, the Transition Period for the Embedded Base of Dark Fiber Transport is the eighteen (18) month period beginning March 11, 2005 and ending September 10, 2006.
- 6.9.1.2 For purposes of this Section 6.9, Embedded Base means Dark Fiber Transport that was in service for <<customer_short_name>> as of March 10, 2005 in those wire centers that, as of such date, met the criteria set forth in 6.9.1.4.1. ~~For the state of South Carolina, during the Transition Period, <<customer_short_name>> shall be entitled to order and BellSouth shall provision moves, changes and additions of and to Dark Fiber Transport that <<customer_short_name>> orders for the purpose of serving CLEC's existing Dark Fiber Transport End Users as of March 10, 2005, at such End Users' new or existing physical locations, and such facilities shall be included in the Embedded Base.~~ Subsequent disconnects or loss of End Users shall be removed from the Embedded Base.
- 6.9.1.3 For purposes of this Section 6.9, a Business Line is as defined in 47 C.F.R. § 51.5.
- 6.9.1.4 Notwithstanding anything to the contrary in this Agreement, BellSouth shall make available Dark Fiber Transport as described in this Section 6.9 only for <<customer_short_name>>'s Embedded Base during the Transition Period:
- 6.9.1.4.1 Dark Fiber Transport where both wire centers at the end points of the route contain twenty-four thousand (24,000) or more Business Lines or three (3) or more fiber-based collocators.
- 6.9.1.5 A list of wire centers meeting the criteria set forth in Section 6.9.1.4 above as of March 10, 2005, ("Initial List") is available on BellSouth's Interconnection Services Web site.
- 6.9.1.6 Notwithstanding the Effective Date of this Agreement, during the Transition Period, the rates for <<customer_short_name>>'s Embedded Base of Dark Fiber Transport as described in Section 6.9.1.2 above shall be as set forth in Exhibit B and the rates for <<customer_short_name>>'s Embedded Base of Dark Fiber Transport Entrance Facilities as described in Section 6.9.1 above shall be as set forth in Exhibit A.
- 6.9.1.7 The Transition Period shall apply only to <<customer_short_name>>'s Embedded Base of Dark Fiber Transport and Dark Fiber Entrance Facilities. <<customer_short_name>> shall not add new Dark Fiber Transport as described in this Section 6.9 except pursuant to the self-certification process as set forth in

REVISED Exhibit PAT-1

Attachment 2

Page 57

Section 1.8 of this Attachment and as set forth in Section 6.9.1.10 below. Further, <<customer_short_name>> shall not add new Dark Fiber Entrance Facilities pursuant to this Agreement.

- 6.9.1.8 Once a wire center exceeds either of the thresholds set forth in this Section 6.9.1.4 above, no future Dark Fiber Transport unbundling will be required in that wire center.
- 6.9.1.9 No later than June 10, 2006 <<customer_short_name>> shall submit spreadsheet(s) identifying all of the Embedded Base of Dark Fiber Transport and Dark Fiber Entrance Facilities to be either disconnected or converted to other BellSouth services as Conversions pursuant to Section 1.6 above. The Parties shall negotiate a project schedule for the Conversion of the Embedded Base.
- 6.9.1.9.1 If <<customer_short_name>> fails to submit the spreadsheet(s) specified in Section 6.9.1.9 above for all of its Embedded Base prior to June 10, 2006, BellSouth will identify <<customer_short_name>>'s remaining Embedded Base, if any, and will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth pursuant to this Section 6.9.1.9.1 shall be subject to all applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs.
- 6.9.1.9.2 For Embedded Base circuits converted pursuant to Section 6.9.1.9 above or transitioned pursuant to Section 6.9.1.9.1 above, the applicable recurring tariff charge shall apply to each circuit as of the earlier of the date each circuit is converted or transitioned, as applicable, or September 11, 2006.
- 6.9.1.10 Modifications and Updates to the Wire Center List and Subsequent Transition Periods
- 6.9.1.10.1 In the event BellSouth identifies additional wire centers that meet the criteria set forth in Section 6.9.1.4.1 above, but that were not included in the Initial Wire Center List, BellSouth shall include such additional wire centers in a CNL. Each such list of additional wire centers shall be considered a "Subsequent Wire Center List".
- 6.9.1.10.2 Effective ten (10) business days after the date of a BellSouth CNL providing a Subsequent Wire Center List, BellSouth shall not be required to provide unbundled access to Dark Fiber Transport, as applicable, in such additional wire center(s), except pursuant to the self-certification process as set forth in Section 1.8 above.
- 6.9.1.10.3 For purposes of Section 6.9.1.10, BellSouth shall make available Dark Fiber Transport that were in service for <<customer_short_name>> in a wire center on

REVISED Exhibit PAT-1

Attachment 2

Page 58

the Subsequent Wire Center List as of the tenth (10th) business day after the date of BellSouth's CNL identifying the Subsequent Wire Center List (Subsequent Embedded Base) until ninety (90) days after the tenth (10th) business day from the date of BellSouth's CNL identifying the Subsequent Wire Center List (Subsequent Transition Period).

- 6.9.1.10.4 Subsequent disconnects or loss of End Users shall be removed from the Subsequent Embedded Base.
- 6.9.1.10.5 The rates set forth in Exhibit B shall apply to the Subsequent Embedded Base during the Subsequent Transition Period.
- 6.9.1.10.6 No later than forty (40) days from BellSouth's CNL identifying the Subsequent Wire Center List <<customer_short_name>> shall submit a spreadsheet(s) identifying the Subsequent Embedded Base of circuits to be disconnected or converted to other BellSouth services. The Parties shall negotiate a project schedule for the Conversion of the Subsequent Embedded Base.
 - 6.9.1.10.6.1 If <<customer_short_name>> fails to submit the spreadsheet(s) specified in Section 6.9.1.10.6 above for all of its Subsequent Embedded Base within forty (40) days after the date of BellSouth's CNL identifying the Subsequent Wire Center List, BellSouth will identify <<customer_short_name>>'s remaining Subsequent Embedded Base, if any, and will transition such circuits to the equivalent tariffed BellSouth service(s). Those circuits identified and transitioned by BellSouth shall be subject to the applicable disconnect charges as set forth in this Agreement and the full nonrecurring charges for installation of the equivalent tariffed BellSouth service as set forth in BellSouth's tariffs.
 - 6.9.1.10.6.2 For Subsequent Embedded Base circuits converted pursuant to Section 6.9.1.10.6 above or transitioned pursuant to Section 6.9.1.10.6.1 above, the applicable recurring tariff charges shall apply as of the earlier of the date each circuit is converted or transitioned, as applicable, or the first day after the end of the Subsequent Transition Period.
- 6.10 Rearrangements
 - 6.10.1 A request to move a working <<customer_short_name>> CFA to another <<customer_short_name>> CFA, where both CFAs terminate in the same BellSouth Central Office (Change in CFA), shall not constitute the establishment of new service. The applicable rates set forth in Exhibit A.
 - 6.10.2 Requests to re-terminate one end of a facility that is not a Change in CFA constitute the establishment of new service and require disconnection of existing service and the applicable rates set forth in Exhibit A shall apply.

REVISED Exhibit PAT-1

Attachment 2

Page 59

6.10.3 Upon request of <<customer_short_name>>, BellSouth shall project manage the Change in CFA or re-termination of a facility as described in Sections 6.10.1 and 6.10.2 above and <<customer_short_name>> may request OC-TS for such orders.

6.10.4 BellSouth shall accept a LOA between <<customer_short_name>> and another carrier that will allow <<customer_short_name>> to connect a facility, or Combination that includes Dedicated Transport to the other carrier's collocation space or to another carrier's CFA associated with higher bandwidth transport.

7 Call Related Databases and Signaling

7.1 Call Related Databases are the databases other than OSS, that are used in signaling networks, for billing and collection, or the transmission, routing or other provision of a Telecommunications Service. Notwithstanding anything to the contrary herein, BellSouth shall only provide unbundled access to call related databases and signaling including but not limited to, BellSouth Switched Access 8XX Toll Free Dialing Ten Digit Screening Service, LIDB, Signaling, Signaling Link Transport, STP, SS7 AIN Access, Service Control Point(SCP\Databases, Local Number Portability (LNP) Databases and Calling Name (CNAM) Database Service pursuant to this Agreement where BellSouth is required to provide and is providing Local Switching or UNE-P to <<customer_short_name>> pursuant to this Agreement.

7.2 BellSouth Switched Access (SWA) 8XX Toll Free Dialing Ten Digit Screening Service

7.2.1 The BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service database (8XX SCP Database) is a SCP that contains customer record information and the functionality to provide call-handling instructions for 8XX calls. The 8XX SCP IN software stores data downloaded from the national SMS/8XX database and provides the routing instructions in response to queries from the SSP or tandem. The BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service (8XX TFD Service) utilizes the 8XX SCP Database to provide identification and routing of the 8XX calls, based on the ten digits dialed. At <<customer_short_name>>'s option, 8XX TFD Service is provided with or without POTS number delivery, dialing number delivery, and other optional complex features as selected by <<customer_short_name>>.

7.2.2 The 8XX SCP Database is designated to receive and respond to queries using the ANSI Specification of SS7 protocol.

7.3 LIDB

7.3.1 LIDB is a transaction-oriented database accessible through Common Channel Signaling (CCS) networks. For access to LIDB, <<customer_short_name>> must

purchase appropriate signaling links pursuant to Section 7.4 below. LIDB contains records associated with End User Line Numbers and Special Billing Numbers. LIDB accepts queries from other Network Elements and provides appropriate responses. The query originator need not be the owner of LIDB data. LIDB queries include functions such as screening billed numbers that provides the ability to accept Collect or Third Number Billing calls and validation of Telephone Line Number based non-proprietary calling cards. The interface for the LIDB functionality is the interface between BellSouth's CCS network and other CCS networks. LIDB also interfaces to administrative systems.

7.3.2 Technical Requirements

- 7.3.2.1 BellSouth will offer to <<customer_short_name>> any additional capabilities that are developed for LIDB during the life of this Agreement.
- 7.3.2.2 BellSouth shall process <<customer_short_name>>'s customer records in LIDB at least at parity with BellSouth customer records, with respect to other LIDB functions. BellSouth shall indicate to <<customer_short_name>> what additional functions (if any) are performed by LIDB in the BellSouth network.
- 7.3.2.3 Within two (2) weeks after a request by <<customer_short_name>>, BellSouth shall provide <<customer_short_name>> with a list of the customer data items, which <<customer_short_name>> would have to provide in order to support each required LIDB function. The list shall indicate which data items are essential to LIDB function and which are required only to support certain services. For each data item, the list shall show the data formats, the acceptable values of the data item and the meaning of those values.
- 7.3.2.4 BellSouth shall provide LIDB systems for which operating deficiencies that would result in calls being blocked shall not exceed thirty (30) minutes per year.
- 7.3.2.5 BellSouth shall provide LIDB systems for which operating deficiencies that would not result in calls being blocked shall not exceed twelve (12) hours per year.
- 7.3.2.6 BellSouth shall provide LIDB systems for which the LIDB function shall be in overload no more than twelve (12) hours per year.
- 7.3.2.7 All additions, updates and deletions of <<customer_short_name>> data to the LIDB shall be solely at the direction of <<customer_short_name>>. Such direction from <<customer_short_name>> will not be required where the addition, update or deletion is necessary to perform standard fraud control measures (e.g., calling card auto-deactivation).
- 7.3.2.8 BellSouth shall provide priority updates to LIDB for <<customer_short_name>> data upon <<customer_short_name>>'s request (e.g., to support fraud detection),

REVISED Exhibit PAT-1

Attachment 2

Page 61

via password-protected telephone card, facsimile, or electronic mail within one hour of notice from the established BellSouth contact.

- 7.3.2.9 BellSouth shall provide LIDB systems such that no more than 0.01% of <<customer_short_name>> customer records will be missing from LIDB, as measured by <<customer_short_name>> audits. BellSouth will audit <<customer_short_name>> records in LIDB against Data Base Administration System (DBAS) to identify record mismatches and provide this data to a designated <<customer_short_name>> contact person to resolve the status of the records and BellSouth will update system appropriately. BellSouth will refer record of mismatches to <<customer_short_name>> within one (1) business day of audit. Once reconciled records are received back from <<customer_short_name>>, BellSouth will update LIDB the same business day if less than five hundred (500) records are received before 1:00 p.m. Central Time. If more than five hundred (500) records are received, BellSouth will contact <<customer_short_name>> to negotiate a time frame for the updates, not to exceed three (3) business days.
- 7.3.2.10 BellSouth shall perform backup and recovery of all of <<customer_short_name>>'s data in LIDB including sending to LIDB all changes made since the date of the most recent backup copy, in at least the same time frame BellSouth performs backup and recovery of BellSouth data in LIDB for itself. Currently, BellSouth performs backups of the LIDB for itself on a weekly basis; and when a new software release is scheduled, a backup is performed prior to loading the new release.
- 7.3.2.11 BellSouth shall provide <<customer_short_name>> with LIDB reports of data which are missing or contain errors, as well as any misrouted errors, within a reasonable time period as negotiated between <<customer_short_name>> and BellSouth.
- 7.3.2.12 BellSouth shall prevent any access to or use of <<customer_short_name>> data in LIDB by BellSouth personnel that are outside of established administrative and fraud control personnel, or by any other Party that is not authorized by <<customer_short_name>> in writing.
- 7.3.2.13 BellSouth shall provide <<customer_short_name>> performance of the LIDB Data Screening function, which allows a LIDB to completely or partially deny specific query originators access to LIDB data owned by specific data owners, for Customer Data that is part of an NPA-NXX or RAO-0/1XX wholly or partially owned by <<customer_short_name>> at least at parity with BellSouth Customer Data. BellSouth shall obtain from <<customer_short_name>> the screening information associated with LIDB Data Screening of <<customer_short_name>> data in accordance with this requirement. BellSouth currently does not have LIDB Data Screening capabilities. When such capability is available, BellSouth

REVISED Exhibit PAT-1

Attachment 2

Page 62

shall offer it to <<customer_short_name>> under the BFR/NBR Process as set forth in Attachment 11.

- 7.3.2.14 BellSouth shall accept queries to LIDB associated with <<customer_short_name>> customer records and shall return responses in accordance with industry standards.
- 7.3.2.15 BellSouth shall provide mean processing time at the LIDB within 0.50 seconds under normal conditions as defined in industry standards.
- 7.3.2.16 BellSouth shall provide processing time at the LIDB within one (1) second for ninety-nine percent (99%) of all messages under normal conditions as defined in industry standards.
- 7.3.3 Interface Requirements
 - 7.3.3.1 BellSouth shall offer LIDB in accordance with the requirements of this subsection.
 - 7.3.3.2 The interface to LIDB shall be in accordance with the technical references contained within.
 - 7.3.3.3 The CCS interface to LIDB shall be the standard interface described herein.
 - 7.3.3.4 The LIDB Data Base interpretation of the ANSI-TCAP messages shall comply with the technical reference herein. Global Title Translation (GTT) shall be maintained in the signaling network in order to support signaling network routing to the LIDB.
 - 7.3.3.5 The application of the LIDB rates contained in Exhibit A will be based on a Percent CLEC LIDB Usage (PCLU) factor. <<customer_short_name>> shall provide BellSouth a PCLU. The PCLU will be applied to determine the percentage of total LIDB usage to be billed to the other Party at local rates. <<customer_short_name>> shall update its PCLU on the first of January, April, July and October and shall send it to BellSouth to be received no later than thirty (30) calendar days after the first of each such month based on local usage for the past three months ending the last day of December, March, June and September, respectively. Requirements associated with PCLU calculation and reporting shall be as set forth in BellSouth's Jurisdictional Factors Reporting Guide.
- 7.4 Signaling. BellSouth shall offer access to signaling and access to BellSouth's signaling databases subject to compatibility testing and at the rates set forth in this Attachment. BellSouth may provide mediated access to BellSouth signaling systems and databases. Available signaling elements include signaling links,

STPs and SCPs. Signaling functionality will be available with both A-link and B-link connectivity.

- 7.4.1 Signaling Link Transport. Signaling Link Transport is a set of two (2) or four (4) dedicated 56 kbps transmission paths between <<customer_short_name>> designated SPOI that provide appropriate physical diversity.
- 7.4.1.1 Technical Requirements
- 7.4.1.1.1 Signaling Link Transport shall consist of full duplex mode 56 kbps transmission paths and shall perform in the following two ways:
- 7.4.1.1.1.1 As an "A-link" Signaling Link Transport is a connection between a switch or SCP and a home STP switch pair; and
- 7.4.1.1.1.2 As a "B-link" Signaling Link Transport is a connection between two (2) STP switch pairs in different company networks (e.g., between two (2) STP switch pairs for two (2) CLECs).
- 7.4.1.2 Signaling Link Transport shall consist of two (2) or more signaling link layers as follows:
- 7.4.1.2.1 An A-link layer shall consist of two (2) links; and
- 7.4.1.2.2 A B-link layer shall consist of four (4) links.
- 7.4.1.3 A signaling link layer shall satisfy interoffice and intraoffice diversity of facilities and equipment, such that:
- 7.4.1.3.1 No single failure of facilities or equipment causes the failure of both links in an A-link layer (i.e., the links should be provided on a minimum of two (2) separate physical paths end-to-end); and
- 7.4.1.3.2 No two (2) concurrent failures of facilities or equipment shall cause the failure of all four (4) links in a B-link layer (i.e., the links should be provided on a minimum of three (3) separate physical paths end-to-end).
- 7.4.2 Interface Requirements. There shall be a DS1 (1.544 Mbps) interface at <<customer_short_name>>'s designated SPOIs. Each 56 kbps transmission path shall appear as a DS0 channel within the DS1 interface.
- 7.4.3 STP. An STP is a signaling network function that includes all of the capabilities provided by the signaling transfer point switches and their associated signaling links that enables the exchange of SS7 messages among and between switching elements, database elements and signaling transfer point switches.

7.4.3.1 Technical Requirements

- 7.4.3.1.1 STPs shall provide access to BellSouth Local Switching or Tandem Switching and to BellSouth SCPs/Databases connected to BellSouth SS7 network. STPs also provide access to third party local or tandem switching and third party provided STPs.
- 7.4.3.1.2 The connectivity provided by STPs shall fully support the functions of all other Network Elements connected to the BellSouth SS7 network. This includes the use of the BellSouth SS7 network to convey messages that neither originate nor terminate at a signaling end point directly connected to the BellSouth SS7 network (i.e., transit messages). When the BellSouth SS7 network is used to convey transit messages, there shall be no alteration of the Integrated Services Digital Network User Part (ISDNUP) or Transaction Capabilities Application Part (TCAP) user data that constitutes the content of the message. Rates for ISDNUP and TCAP messages are as set forth in Exhibit A.
- 7.4.3.1.3 If a BellSouth tandem switch routes traffic, based on dialed or translated digits, on SS7 trunks between a <<customer_short_name>> local switch and third party local switch, the BellSouth SS7 network shall convey the TCAP messages that are necessary to provide Call Management features (Automatic Callback, Automatic Recall, and Screening List Editing) between <<customer_short_name>> local STPs and the STPs that provide connectivity with the third party local switch, even if the third party local switch is not directly connected to BellSouth STPs.
- 7.4.3.1.4 STPs shall provide all functions of the SCCP necessary for Class 0 (basic connectionless) service as defined in Telcordia ANSI Interconnection Requirements. This includes GTT and SCCP Management procedures, as specified in ANSI T1.112.4. Where the destination signaling point is a <<customer_short_name>> or third party local or tandem switching system directly connected to BellSouth SS7 network, BellSouth shall perform final GTT of messages to the destination and SCCP Subsystem Management of the destination. In all other cases, BellSouth shall perform intermediate GTT of messages to a gateway pair of STPs in an SS7 network connected with BellSouth SS7 network and shall not perform SCCP Subsystem Management of the destination. If BellSouth performs final GTT to a <<customer_short_name>> database, then <<customer_short_name>> agrees to provide BellSouth with the Destination Point Code for <<customer_short_name>> database.
- 7.4.3.1.5 STPs shall provide all functions of the Operations, Maintenance and Administration Part (OMAP) as specified in applicable industry standard technical references, which may include, where available in BellSouth's network, MTP Routing Verification Test (MRVT) and SCCP Routing Verification Test (SRVT).

REVISED Exhibit PAT-1

Attachment 2

Page 65

- 7.4.3.1.6 Where the destination signaling point is a BellSouth local or tandem switching system or database, or is a <<customer_short_name>> or third party local or tandem switching system directly connected to the BellSouth SS7 network, STPs shall perform MRVT and SRVT to the destination signaling point. In all other cases, STPs shall perform MRVT and SRVT to a gateway pair of STPs in an SS7 network connected with the BellSouth SS7 network. This requirement may be superseded by the specifications for Internetwork MRVT and SRVT when these become approved ANSI standards and available capabilities of BellSouth STPs.
- 7.4.4 SS7
- 7.4.4.1 When technically feasible and upon request by <<customer_short_name>>, SS7 AIN Access shall be made available in association with switching. SS7 AIN Access is the provisioning of AIN 0.1 triggers in an equipped BellSouth local switch and interconnection of the BellSouth SS7 network with <<customer_short_name>>'s SS7 network to exchange TCAP queries and responses with a <<customer_short_name>> SCP.
- 7.4.4.2 SS7 AIN Access shall provide <<customer_short_name>> SCP access to an equipped BellSouth local switch via interconnection of BellSouth's SS7 and <<customer_short_name>> SS7 Networks. BellSouth shall offer SS7 AIN Access through its STPs. If BellSouth requires a mediation device on any part of its network specific to this form of access, BellSouth must route its messages in the same manner. The interconnection arrangement shall result in the BellSouth local switch recognizing the <<customer_short_name>> SCP as at least at parity with BellSouth's SCPs in terms of interfaces, performance and capabilities.
- 7.4.4.3 Interface Requirements
- 7.4.4.3.1 BellSouth shall provide the following STP options to connect <<customer_short_name>> or <<customer_short_name>>-designated Local Switching systems to the BellSouth SS7 network:
- 7.4.4.3.1.1 An A-link interface from <<customer_short_name>> Local Switching systems; and
- 7.4.4.3.1.2 A B-link interface from <<customer_short_name>> local STPs.
- 7.4.4.3.2 Each type of interface shall be provided by one or more layers of signaling links.
- 7.4.4.3.3 The SPOI for each link shall be located at a cross-connect element in the CO where the BellSouth STP is located. There shall be a DS1 or higher rate transport interface at each of the SPOIs. Each signaling link shall appear as a DS0 channel within the DS1 or higher rate interface.

REVISED Exhibit PAT-1

Attachment 2

Page 66

- 7.4.4.3.4 BellSouth shall provide intraoffice diversity between the SPOI and BellSouth STPs so that no single failure of intraoffice facilities or equipment shall cause the failure of both B-links in a layer connecting to a BellSouth STP.
- 7.4.4.3.5 STPs shall provide all functions of the MTP as defined in the applicable industry standard technical references.
- 7.4.4.4 Message Screening
- 7.4.4.4.1 BellSouth shall set message screening parameters so as to accept valid messages from <<customer_short_name>> local or tandem switching systems destined to any signaling point within BellSouth's SS7 network where the <<customer_short_name>> switching system has a valid signaling relationship.
- 7.4.4.4.2 BellSouth shall set message screening parameters so as to pass valid messages from <<customer_short_name>> local or tandem switching systems destined to any signaling point or network accessed through BellSouth's SS7 network where the <<customer_short_name>> switching system has a valid signaling relationship.
- 7.4.4.4.3 BellSouth shall set message screening parameters so as to accept and pass/send valid messages destined to and from <<customer_short_name>> from any signaling point or network interconnected through BellSouth's SS7 network where the <<customer_short_name>> SCP has a valid signaling relationship.
- 7.4.5 SCP/Databases
- 7.4.5.1 Call Related Databases provide the storage of, access to, and manipulation of information required to offer a particular service and/or capability. BellSouth shall provide access to the following Databases: LNP, LIDB, Toll Free Number Database, ALI/DMS, and CNAM Database. BellSouth also provides access to SCE/SMS application databases and DA.
- 7.4.5.2 A SCP is deployed in a SS7 network that executes service application logic in response to SS7 queries sent to it by a switching system also connected to the SS7 network. SMS provides operational interfaces to allow for provisioning, administration and maintenance of subscriber data and service application data stored in SCPs.
- 7.4.5.3 Technical Requirements for SCPs/Databases
- 7.4.5.3.1 BellSouth shall provide physical access to SCPs through the SS7 network and protocols with TCAP as the application layer protocol.

- 7.4.5.3.2 BellSouth shall provide physical interconnection to databases via industry standard interfaces and protocols (e.g., SS7, ISDN and X.25).
- 7.4.5.3.3 The reliability of interconnection options shall be consistent with requirements for diversity and survivability.
- 7.5 LNP Database. The Permanent Number Portability (PNP) database supplies routing numbers for calls involving numbers that have been ported from one local service provider to another. BellSouth agrees to provide access to the PNP database at rates, terms and conditions as set forth by BellSouth and in accordance with an effective FCC or Commission directive.
- 7.6 CNAM Database Service
- 7.6.1 CNAM is the ability to associate a name with the calling party number, allowing the End User (to which a call is being terminated) to view the calling party's name before the call is answered. The calling party's information is accessed by queries launched to the CNAM database. This service also provides <<customer_short_name>> the opportunity to load and store its subscriber names in the BellSouth CNAM SCPs.
- 7.6.2 <<customer_short_name>> shall submit to BellSouth a notice of its intent to access and utilize BellSouth CNAM Database Services. Said notice shall be in writing no less than sixty (60) days prior to <<customer_short_name>>'s access to BellSouth's CNAM Database Services and shall be addressed to <<customer_short_name>>'s Local Contract Manager.
- 7.6.2.1 <<customer_short_name>>'s End Users' names and numbers related to UNE-P Services and shall be stored in the BellSouth CNAM database, and shall be available, on a per query basis only, to all entities that launch queries to the BellSouth CNAM database. BellSouth, at its sole discretion, may opt to interconnect with and query other calling name databases. In the event BellSouth does not query a third party calling name database that stores the calling party's information, BellSouth cannot deliver the calling party's information to a called End User. In addition, BellSouth cannot deliver the calling party's information where the calling party subscribes to any service that would block or otherwise cause the information to be unavailable.
- 7.6.2.2 For each <<customer_short_name>> End User that subscribes to a switch based vertical feature providing calling name information to that End User for calls received, BellSouth will launch a query on a per call basis to the BellSouth CNAM database, or, subject to Section 7.6.2.1 above, to a third party calling name database, to provide calling name information, if available, to <<customer_short_name>>'s End User. <<customer_short_name>> shall pay the rates set forth in Exhibit A, on a per query basis, for each query to the BellSouth

REVISED Exhibit PAT-1

Attachment 2

Page 68

CNAM database made on behalf of an <<customer_short_name>> End User that subscribes to the appropriate vertical features that support Caller ID or a variation thereof. In addition, <<customer_short_name>> shall reimburse BellSouth for any charges BellSouth pays to third party calling name database providers for queries launched to such database providers for the benefit of <<customer_short_name>>'s End Users.

7.6.3 BellSouth currently does not have a billing mechanism for CNAM queries. Until a mechanized billing solution is available for CNAM queries, BellSouth shall bill <<customer_short_name>> at the applicable rates set forth in Exhibit A based on a surrogate of two hundred and fifty-six (256) database queries per month per <<customer_short_name>>'s End Users with the Caller ID feature.

7.7 SCE/SMS AIN Access

7.7.1 BellSouth's SCE/SMS AIN Access shall provide <<customer_short_name>> the capability to create service applications in a BellSouth SCE and deploy those applications in a BellSouth SMS to a BellSouth SCP.

7.7.2 BellSouth's SCE/SMS AIN Access shall provide access to SCE hardware, software, testing and technical support (e.g., help desk, system administrator) resources available to <<customer_short_name>>. Training, documentation, and technical support will address use of SCE and SMS access and administrative functions but will not include support for the creation of a specific service application.

7.7.3 BellSouth SCP shall partition and protect <<customer_short_name>> service logic and data from unauthorized access.

7.7.4 When <<customer_short_name>> selects SCE/SMS AIN Access, BellSouth shall provide training, documentation, and technical support to enable <<customer_short_name>> to use BellSouth's SCE/SMS AIN Access to create and administer applications.

7.7.5 <<customer_short_name>> access will be provided via remote data connection (e.g., dial-in, ISDN).

7.7.6 BellSouth shall allow <<customer_short_name>> to download data forms and/or tables to BellSouth SCP via BellSouth SMS without intervention from BellSouth.

8 **Automatic Location Identification/Data Management System**

8.1 911 and E911 Databases

REVISED Exhibit PAT-1

Attachment 2

Page 69

- 8.1.1 BellSouth shall provide <<customer_short_name>> with nondiscriminatory access to 911 and E911 databases on an unbundled basis, in accordance with 47 C.F.R. § 51.319 (f).
- 8.1.2 The ALI/DMS database contains End User information (including name, address, telephone information, and sometimes special information from the local service provider or End User) used to determine to which PSAP to route the call. The ALI/DMS database is used to provide enhanced routing flexibility for E911. <<customer_short_name>> will be required to provide the BellSouth 911 database vendor daily service order updates to E911 database in accordance with Section 8.2.1 below.
- 8.2 Technical Requirements
- 8.2.1 BellSouth's 911 database vendor shall provide <<customer_short_name>> the capability of providing updates to the ALI/DMS database through a specified electronic interface. <<customer_short_name>> shall contact BellSouth's 911 database vendor directly to request interface. <<customer_short_name>> shall provide updates directly to BellSouth's 911 database vendor on a daily basis. Updates shall be the responsibility of <<customer_short_name>> and BellSouth shall not be liable for the transactions between <<customer_short_name>> and BellSouth's 911 database vendor.
- 8.2.2 It is <<customer_short_name>>'s responsibility to retrieve and confirm statistical data and to correct errors obtained from BellSouth's 911 database vendor on a daily basis. All errors will be assigned a unique error code and the description of the error and the corrective action is described in the CLEC Users Guide for Facility Based Providers that is found on the BellSouth Interconnection Web site.
- 8.2.3 <<customer_short_name>> shall conform to the BellSouth standards as described in the CLEC Users Guide to E911 for Facilities Based Providers that is located on the BellSouth's Interconnection Web site:
www.interconnection.bellsouth.com/guides.
- 8.2.4 Stranded Unlocks are defined as End User records in BellSouth's ALI/DMS database that have not been migrated for over ninety (90) days to <<customer_short_name>>, as a new provider of local service to the End User. Stranded Unlocks are those End User records that have been "unlocked" by the previous local exchange carrier that provided service to the End User and are open for <<customer_short_name>> to assume responsibility for such records.
- 8.2.5 Based upon End User record ownership information available in the NPAC database, BellSouth shall provide a Stranded Unlock annual report to <<customer_short_name>> that reflects all Stranded Unlocks that remain in the ALI/DMS database for over ninety (90) days. <<customer_short_name>> shall

REVISED Exhibit PAT-1

Attachment 2

Page 70

review the Stranded Unlock report, identify its End User records and request to either delete such records or migrate the records to <<customer_short_name>> within two (2) months following the date of the Stranded Unlock report provided by BellSouth. <<customer_short_name>> shall reimburse BellSouth for any charges BellSouth's database vendor imposes on BellSouth for the deletion of <<customer_short_name>>'s records.

- 8.3 911 PBX Locate Service®. 911 PBX Locate Service is comprised of a database capability and a separate transport component.
- 8.3.1 Description of Product. The transport component provides a dedicated trunk path from a Private Branch Exchange (PBX) switch to the appropriate BellSouth 911 tandem.
- 8.3.1.1 The database capability allows <<customer_short_name>> to offer an E911 service to its PBX End Users that identifies to the PSAP the physical location of the <<customer_short_name>> PBX 911 End User station telephone number for the 911 call that is placed by the End User.
- 8.3.2 <<customer_short_name>> may order either the database capability or the transport component as desired or <<customer_short_name>> may order both components of the service.
- 8.3.3 911 PBX Locate Database Capability. <<customer_short_name>>'s End User or <<customer_short_name>>'s End User's database management agent (DMA) must provide the End User PBX station telephone numbers and corresponding address and location data to BellSouth's 911 database vendor. The data will be loaded and maintained in BellSouth's ALI database.
- 8.3.4 Ordering, provisioning, testing and maintenance shall be provided by <<customer_short_name>> pursuant to the 911 PBX Locate Marketing Service Description (MSD) that is located on the BellSouth Interconnection Web site.
- 8.3.5 <<customer_short_name>>'s End User, or <<customer_short_name>>'s End User database management agent must provide ongoing updates to BellSouth's 911 database vendor within a commercially reasonable timeframe of all PBX station telephone number adds, moves and deletions. It will be the responsibility of <<customer_short_name>> to ensure that the End User or DMA maintain the data pertaining to each End User's extension managed by the 911 PBX Locate Service product. <<customer_short_name>> should not submit telephone number updates for specific PBX station telephone numbers that are submitted by <<customer_short_name>>'s End User, or <<customer_short_name>>'s End User DMA under the terms of 911 PBX Locate product.

REVISED Exhibit PAT-1

Attachment 2

Page 71

- 8.3.5.1 <<customer_short_name>> must provision all PBX station numbers in the same LATA as the E911 tandem.
- 8.3.6 <<customer_short_name>> agrees to release, indemnify, defend and hold harmless BellSouth from any and all loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted or asserted by <<customer_short_name>>'s End User or by any other party or person, for any personal injury to or death of any person or persons, or for any loss, damage or destruction of any property, whether owned by <<customer_short_name>> or others, or for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of PBX Locate Service features or by any services which are or may be furnished by BellSouth in connection therewith, including but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing 911 services using 911 PBX Locate Service hereunder, except to the extent caused by BellSouth's gross negligence or wilful misconduct. <<customer_short_name>> is responsible for assuring that its authorized End Users comply with the provisions of these terms and that unauthorized persons do not gain access to or use the 911 PBX Locate Service through user names, passwords, or other identifiers assigned to <<customer_short_name>>'s End User or DMA pursuant to these terms. Specifically, <<customer_short_name>>'s End User or DMA must keep and protect from use by any unauthorized individual identifiers, passwords, and any other security token(s) and devices that are provided for access to this product.
- 8.3.7 <<customer_short_name>> may only use BellSouth PBX Locate Service solely for the purpose of validating and correcting 911 related data for <<customer_short_name>>'s End Users' telephone numbers for which it has direct management authority.
- 8.3.8 911 PBX Locate Transport Component. The 911 PBX Locate Service transport component requires <<customer_short_name>> to order a CAMA type dedicated trunk from <<customer_short_name>>'s End User premise to the appropriate BellSouth 911 tandem pursuant to the following provisions.
- 8.3.8.1 Except as otherwise set forth below, a minimum of two (2) End User specific, dedicated 911 trunks are required between the <<customer_short_name>>'s End User premise and the BellSouth 911 tandem as described in BellSouth's Technical Reference (TR) 73576 and in accordance with the 911 PBX Locate Marketing Service Description located on the BellSouth Interconnection Web site. <<customer_short_name>> is responsible for connectivity between the End User's PBX and <<customer_short_name>>'s switch or POP location. <<customer_short_name>> will then order 911 trunks from their switch or POP

REVISED Exhibit PAT-1

Attachment 2

Page 72

location to the BellSouth 911 tandem. The dedicated trunks shall be, at a minimum, DS0 level trunks configured as part of a digital interface (delivered over a <<customer_short_name>> purchased DS1 facility that hands off at a DS1 or higher level digital or optical interface). <<customer_short_name>> is responsible for ensuring that the PBX switch is capable of sending the calling station's Direct Inward Dial (DID) telephone number to the BellSouth 911 tandem in a specified Multi-frequency (MF) Address Signaling Protocol. If the PBX switch supports Primary Rate ISDN (PRI) and the calling stations are DID numbers, then the 911 call can be transmitted using PRI, and there will be no requirement for the PBX Locate Transport component.

- 8.3.9 Ordering and Provisioning. <<customer_short_name>> will submit an Access Service Request (ASR) to BellSouth to order a minimum of two (2) End User specific 911 trunks from its switch or POP location to the BellSouth 911 tandem.
- 8.3.9.1 Testing and maintenance shall be provided by <<customer_short_name>> pursuant to the 911 PBX Locate Marketing Service description that is located on the BellSouth Interconnection Web site.
- 8.3.10 Rates. Rates for the 911 PBX Locate Service database component are set forth in Exhibit A. Trunks and facilities for 911 PBX Locate transport component may be ordered by <<customer_short_name>> pursuant to the terms and conditions set forth in Attachment 3.

9 White Page Listings

- 9.1 BellSouth shall provide <<customer_short_name>> and its End Users access to white pages directory listings under the following terms:
 - 9.1.1 Listings. <<customer_short_name>> shall provide all new, changed and deleted listings on a timely basis and BellSouth or its agent will include <<customer_short_name>> residential and business End User listings in the appropriate White Pages (residential and business) or alphabetical directories in the geographic areas covered by this Agreement. Directory listings will make no distinction between <<customer_short_name>> and BellSouth End Users. <<customer_short_name>> shall provide listing information in accordance with the procedures set forth in The BellSouth Business Rules for Local Ordering found at BellSouth's Interconnection Services Web site.
 - 9.1.2 Unlisted/Non-Published End Users. <<customer_short_name>> will be required to provide to BellSouth the names, addresses and telephone numbers of all <<customer_short_name>> End Users who wish to be omitted from directories. Unlisted/Non-Published listings will be subject to the rates as set forth in BellSouth's GSST and shall not be subject to wholesale discount.

REVISED Exhibit PAT-1

Attachment 2

Page 73

- 9.1.3 Inclusion of <<customer_short_name>> End Users in Directory Assistance Database. BellSouth will include and maintain <<customer_short_name>> End User listings in BellSouth's Directory Assistance databases. <<customer_short_name>> shall provide such Directory Assistance listings to BellSouth at no charge.
- 9.1.4 Listing Information Confidentiality. BellSouth will afford <<customer_short_name>>'s directory listing information the same level of confidentiality that BellSouth affords its own directory listing information.
- 9.1.5 Additional and Designer Listings. Additional and designer listings will be offered by BellSouth at tariffed rates as set forth in BellSouth's GSST and shall not be subject to the wholesale discount.
- 9.1.6 Rates. So long as <<customer_short_name>> provides listing information to BellSouth as set forth in Section 9.1.1 above, BellSouth shall provide to <<customer_short_name>> one (1) basic White Pages directory listing per <<customer_short_name>> End User at no charge other than applicable service order charges as set forth in BellSouth's tariffs. Except in the case of an LSR submitted solely to port a number from BellSouth, if such listing is requested on the initial LSR associated with the request for services, a single manual service order charge or electronic service order charge, as appropriate, as described in Attachment 6 of this Agreement, will apply to both the request for service and the request for the directory listing. Where a subsequent LSR is placed solely to request a directory listing, or is placed to port a number and request a directory listing, separate service order charges as set forth in BellSouth's tariffs shall apply, as well as the manual service order charge or the electronic service order charge, as appropriate, as described in Attachment 6.
- 9.2 Directories. BellSouth or its agent shall make available White Pages directories to <<customer_short_name>> End User at no charge or as specified in a separate agreement between <<customer_short_name>> and BellSouth's agent.
- 9.3 Procedures for submitting <<customer_short_name>> Subscriber Listing Information (SLI) are found in The BellSouth Business Rules for Local Ordering found at BellSouth's Interconnection Services Web site.
- 9.3.1 <<customer_short_name>> authorizes BellSouth to release all <<customer_short_name>> SLI provided to BellSouth by <<customer_short_name>> to qualifying third parties pursuant to either a license agreement or BellSouth's Directory Publishers Database Service (DPDS), GSST. Such <<customer_short_name>> SLI shall be intermingled with BellSouth's own End User listings and listings of any other CLEC that has authorized a similar release of SLI.

REVISED Exhibit PAT-1

Attachment 2

Page 74

- 9.3.2 No compensation shall be paid to <<customer_short_name>> for BellSouth's receipt of <<customer_short_name>> SLI, or for the subsequent release to third parties of such SLI. In addition, to the extent BellSouth incurs costs to modify its systems to enable the release of <<customer_short_name>>'s SLI, or costs on an ongoing basis to administer the release of <<customer_short_name>> SLI, <<customer_short_name>> shall pay to BellSouth its proportionate share of the reasonable costs associated therewith. At any time that costs may be incurred to administer the release of <<customer_short_name>>'s SLI, <<customer_short_name>> will be notified. If <<customer_short_name>> does not wish to pay its proportionate share of these reasonable costs, <<customer_short_name>> may instruct BellSouth that it does not wish to release its SLI to independent publishers, and <<customer_short_name>> shall amend this Agreement accordingly. <<customer_short_name>> will be liable for all costs incurred until the effective date of the agreement.
- 9.3.3 Neither BellSouth nor any agent shall be liable for the content or accuracy of any SLI provided by <<customer_short_name>> under this Agreement. <<customer_short_name>> shall indemnify, except to the extent caused by BellSouth's gross negligence or willful misconduct, hold harmless and defend BellSouth and its agents from and against any damages, losses, liabilities, demands, claims, suits, judgments, costs and expenses (including but not limited to reasonable attorneys' fees and expenses) arising from BellSouth's tariff obligations or otherwise and resulting from or arising out of any third party's claim of inaccurate <<customer_short_name>> listings or use of the SLI provided pursuant to this Agreement. BellSouth may forward to <<customer_short_name>> any complaints received by BellSouth relating to the accuracy or quality of <<customer_short_name>> listings.
- 9.3.4 Listings and subsequent updates will be released consistent with BellSouth system changes and/or update scheduling requirements.

Docket No. 2004-316-C
Order No. 2006-136
March 10, 2006

Appendix B

3 Line Sharing

- 3.1 **General.** Line Sharing is defined as the process by which <<customer_short_name>> provides digital subscriber line service (“xDSL”) over the same copper Loop that BellSouth uses to provide retail voice service, with BellSouth using the low frequency portion of the Loop and <<customer_short_name>> using the high frequency spectrum (as defined below) of the Loop.
- 3.1.1 Line Sharing arrangements in service as of October 1, 2003 under a prior *Interconnection Agreement between Bellsouth and <<customer_short_name>>*, will remain in effect until the End User discontinues or moves xDSL service with <<customer_short_name>>. Arrangements pursuant to this Section will be billed at the rates set forth in Exhibit A.
- 3.1.2 No new line sharing arrangements may be ordered. For Line Sharing arrangements placed in service between October 2, 2003, and October 1, 2004; on or after October 2, 2004 (whether under this Agreement only, or under this Agreement and a prior Agreement), the rates will be as set forth in Exhibit A.
- 3.1.3 Any Line Sharing arrangements placed in service between October 2, 2003 and October 1, 2004; on or after October 2, 2004; and not otherwise terminated, shall terminate on October 2, 2006.
- 3.1.4 The High Frequency Spectrum is defined as the frequency range above the voiceband on a copper Loop facility carrying analog circuit-switched voiceband transmissions. Access to the High Frequency Spectrum is intended to allow <<customer_short_name>> the ability to provide xDSL data services to the End User for which BellSouth provides voice services. The High Frequency Spectrum shall be available for any version of xDSL complying with Spectrum Management Class 5 of ANSI T1.417, American National Standard for Telecommunications, Spectrum Management for Loop Transmission Systems. BellSouth will continue to have access to the low frequency portion of the Loop spectrum (from 300 Hertz to at least 3000 Hertz, and potentially up to 3400 Hertz, depending on equipment and facilities) for the purposes of providing voice service. <<customer_short_name>> shall only use xDSL technology that is within the PSD mask for Spectrum Management Class 5 as found in the above-mentioned document.
- 3.1.5 Access to the High Frequency Spectrum requires an unloaded, 2-wire copper Loop. An unloaded Loop is a copper Loop with no load coils, low-pass filters, range extenders, DAMLs, or similar devices and minimal bridged taps consistent with ANSI T1.413 and T1.601.

- 3.1.6 BellSouth will provide Loop Modification to <<customer_short_name>> on an existing Loop for Line Sharing in accordance with procedures as specified in Section 2 of this Attachment. BellSouth is not required to modify a Loop for access to the High Frequency spectrum if modification of that Loop significantly degrades BellSouth's voice service. If <<customer_short_name>> requests that BellSouth modify a Loop and such modification significantly degrades the voice services on the Loop, <<customer_short_name>> shall pay for the Loop to be restored to its original state.
- 3.1.7 Line Sharing shall only be available on loops on which BellSouth is also providing, and continues to provide, analog voice service directly to the End User. In the event the End User terminates its BellSouth provided voice service for any reason, or in the event BellSouth disconnects the End User's voice service pursuant to its tariffs or applicable law, and <<customer_short_name>> desires to continue providing xDSL service on such Loop, <<customer_short_name>> or the new voice provider, or both, shall be required to purchase a full stand-alone Loop. In those cases in which BellSouth no longer provides voice service to the End User and <<customer_short_name>> purchases the full stand-alone Loop, <<customer_short_name>> may elect the type of Loop it will purchase. <<customer_short_name>> will pay the appropriate recurring and nonrecurring rates for such Loop as set forth in Exhibit A to this Attachment. In the event <<customer_short_name>> purchases a voice grade Loop, <<customer_short_name>> acknowledges that such Loop may not remain xDSL compatible.
- 3.1.8 In the event the End User terminates its BellSouth provided voice service, and <<customer_short_name>> requests BellSouth to convert the Line Sharing arrangement to a Line Splitting arrangement (see below), BellSouth will discontinue billing <<customer_short_name>> for the High Frequency Spectrum and begin billing the voice CLEC. BellSouth will continue to bill the Data LEC for all associated splitter charges if the Data LEC continues to use a BellSouth splitter.
- 3.1.9 Only one CLEC shall be permitted access to the High Frequency Spectrum of any particular Loop.
- 3.2 Once BellSouth has placed cross-connects on behalf of <<customer_short_name>> to provide <<customer_short_name>> access to the High Frequency Spectrum and chooses to rearrange its splitter or CLEC pairs, <<customer_short_name>> may order the rearrangement of its splitter or cable pairs via "Subsequent Activity". Subsequent Activity is any rearrangement of <<customer_short_name>>'s cable pairs or splitter ports after BellSouth has placed cross-connection to provide

<<customer_short_name>> access to the High Frequency Spectrum. BellSouth shall bill and <<customer_short_name>> shall pay the Subsequent Activity charges as set forth in Exhibit A of this Attachment.

- 3.3 BellSouth's Local Ordering Handbook (LOH) will provide <<customer_short_name>> the LSR format to be used when ordering disconnections of the High Frequency Spectrum or Subsequent Activity.
- 3.4 **Maintenance and Repair -- Line Sharing.** <<customer_short_name>> shall have access for repair and maintenance purposes to any Loop for which it has access to the High Frequency Spectrum. <<customer_short_name>> may test from the collocation space, the Termination Point, or the NID.
 - 3.4.1 BellSouth will be responsible for repairing voice services and the physical line between the NID at the End User's premises and the Termination Point. <<customer_short_name>> will be responsible for repairing its data services. Each Party will be responsible for maintaining its own equipment.
 - 3.4.2 <<customer_short_name>> shall inform its End Users to direct data problems to <<customer_short_name>>, unless both voice and data services are impaired, in which event <<customer_short_name>> should direct the End Users to contact BellSouth.
 - 3.4.3 Once a Party has isolated a trouble to the other Party's portion of the Loop, the Party isolating the trouble shall notify the End User that the trouble is on the other Party's portion of the Loop.

Docket No. 2004-316-C
Order No. 2006-136
March 10, 2006

Appendix C

UNBUNDLED NETWORK ELEMENTS - South Carolina										Attachment: 2 Exh. C					
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES(\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l			
													Rec	Nonrecurring	
										SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN
LINE SHARING															
NOTE 1: The Line Sharing monthly recurring rates for all installations completed from October 02, 2003 through midnight October 01, 2004 and on or after October 02, 2004 shall be billed as follows:															
NOTE 1: 10/02/2003 - 10/01/2004: 25% of the rate for an unbundled copper loop non-designed ("UCLND")															
NOTE 1: 10/02/2004 - 10/01/2005: 50% of the rate for UCLND															
NOTE 1: 10/02/2005 - 10/01/2006: 75% of the rate for UCLND															
NOTE 1: Above will apply to USOCs: ULSDT and ULSCT															
**NOTE 2: The Line Sharing monthly recurring rates with USOCs ULSDC and ULSCC applies only to circuits installed and inservice on or before October 1, 2003															
LINE SHARING															
SPLITTERS-CENTRAL OFFICE BASED															
	Line Sharing Splitter, per System 96 Line Capacity			ULS	ULSDA	216.22	189.21	0.00	178.38	0.00					
	Line Sharing Splitter, per System 24 Line Capacity			ULS	ULSDB	54.05	189.21	0.00	178.38	0.00					
	Line Sharing Splitter, Per System, 8 Line Capacity			ULS	ULSD8	18.02	189.21	0.00	178.38	0.00					
	Line Sharing-DLEC Owned Splitter in CO-CFA activation-deactivation (per LSOD)			ULS	ULSDG		86.67	0.00	49.95	0.00					
END USER ORDERING-CENTRAL OFFICE BASED LINE SHARING															
	Line Sharing - per Line Activation (BST Owned splitter) - OBSOLETE see **NOTE 2			ULS	ULSDC	0.81	18.55	10.62	10.04	4.93					
	Line Share Service, TRO per line activation, BST owned splitter - Central Office Located (50% of UCLND) - please see NOTE 1 (E:10/2/2004)			ULS	ULSDT	6.47	18.55	10.62	10.04	4.93					
	Line Share Service, TRO per line activation, BST owned splitter - Central Office Located (75% of UCLND) - please see NOTE 1 (E:10/2/2005)			ULS	ULSDT	9.71	18.55	10.62	10.04	4.93					
	Line Sharing - per Subsequent Activity per Line Rearrangement(BST Owned Splitter)			ULS	ULSDS		16.42	8.21							
	Line Sharing - per Subsequent Activity per Line Rearrangement(DLEC Owned Splitter)			ULS	ULSCS		16.42	8.21							
	Line Sharing - per Line Activation (DLEC owned Splitter) - OBSOLETE see **NOTE 2			ULS	ULSCC	0.61	47.44	19.31	20.67	12.74					
	Line Share Service, TRO per line activation, CLEC owned splitter Central Office Located (50% of UCLND) - please see NOTE 1 (E:10/2/2004)			ULS	ULSCT	6.47	47.44	19.31	20.67	12.74					
	Line Share Service, TRO per line activation, CLEC owned splitter Central Office Located (75% of UCLND) - please see NOTE 1 (E:10/2/2005)			ULS	ULSCT	9.71	47.44	19.31	20.67	12.74					

Docket No. 2004-316-C
Order No. 2006-136
March 10, 2006

APPENDIX D

(2) shall not include non-switched special access lines, (3) shall account for ISDN and other digital access lines by counting each 64 kbps-equivalent as one line. For example, a DS1 line corresponds to 24 64 kbps-equivalents, and therefore to 24 "business lines."
~~Business lines do not include (i) non-switched loop facilities; (ii) lines used to serve residential customers; (iii) dedicated or shared transport; (iv) ISPs' transport facilities; (v) lines used to serve subsidiaries or affiliates of the ILEC; (vi) data lines, or any portions of data lines, not connected to the end-office for the provision of switched voice services interconnected to the PSTN; (vii) unused capacity on channelized high capacity loops; (viii) lines used for VoIP unless such facilities are switched at the wire center; and (ix) any lines not confirmed by the ILEC to conform to the above requirements. BellSouth may not "round up" when calculating 64 Kbps equivalents for high capacity loops (e.g., a 144 Kbps service is equal to two business lines, not three). In addition, when calculating data speeds for purposes of determining 64 Kbps equivalents, BellSouth must use the lowest data speed associated with the line when sold to the customer, not a higher potential use or a higher one-way speed. Any Centrex extensions located in a wire center will be calculated with a value of 1/9 of a business line, consistent with the Centrex Equivalent Factor developed by the FCC in its Second Order on Reconsideration and Memorandum Opinion and Order, Access Charge Reform; Price Cap Performance Review for Local Exchange Carriers; Transport Rate Structure, 12 FCC Red 16606, ¶¶ 31-32 (1997) and its Order and Second Order on Reconsideration, (FCC Docket 96-45) _____ FCC Red _____, ¶¶ 3-4 (2003). HDSL-capable copper loops are not the equivalent of DS1 loops for the purpose of counting Business Lines.~~

10.4

For purposes of this Attachment 2, a "Fiber-Based Collocator" is, as defined in 47 C.F.R. § 51.5, any carrier, unaffiliated with BellSouth, that maintains a collocation arrangement in a BellSouth wire center, with active electrical power supply, and operates a fiber-optic cable or comparable transmission facility that (1) terminates at a collocation arrangement within the wire center; (2) leaves the BellSouth wire center premises; and (3) is owned by a party other than BellSouth or any affiliate of BellSouth. For purposes of this definition: (i) carriers that have entered into merger and/or other consolidation agreements, or otherwise announced their intention to enter into the same, will be treated as affiliates and therefore as one collocator; provided, however, in the case one of the parties to such merger or consolidation arrangement is BellSouth, then the other party's collocation arrangement shall *not* be counted as a Fiber-Based Collocator, (ii) a Comparable Transmission Facility means, at a minimum, the provision of transmission capacity equivalent to fiber-optic cable with a minimum point-to-point symmetrical data capacity exceeding 12 DS3s; (iii) the network of a Fiber-Based Collocator may only be counted once in making a determination of the number of Fiber-Based Collocators, notwithstanding that such single Fiber-Based Collocator leases its facilities to other collocators in a single wire center; provided, however, that a collocating carrier's dark fiber leased from an unaffiliated carrier may only be counted as a separate fiber-optic cable from the unaffiliated carrier's fiber if the collocating carrier obtains this dark fiber on an IRU basis.