## AMENDMENT NO. 1 TO THE INTERCONNECTION AGREEMENT BETWEEN NEXTLINK KENTUCKY, INC. AND CINCINNATI BELL TELEPHONE COMPANY FOR KENTUCKY DATED <u>November 6, 2001</u>

THIS AMENDMENT is made by and between Cincinnati Bell Telephone Company ("CBT") and NEXTLINK Kentucky, Inc. ("NEXTLINK"), as of the 6<sup>th</sup> day of November, 2001. CBT and NEXTLINK are collectively referred to as the "Parties".

WHEREAS, the Parties executed an Interconnection Agreement on September 18, 2000 (the "Interconnection Agreement"); and

WHEREAS, the Parties desire to amend the Interconnection Agreement to set forth the terms and conditions for intercarrier compensation between the Parties for Local Traffic and for telecommunications traffic delivered to Internet Service Providers (ISPs) as mandated by the FCC's Order on Remand and Report and Order in CC Docket Nos. 96-98, 99-68 FCC 01-131 (the "FCC Order");

NOW, THEREFORE, for and in consideration of the promises contained herein, the parties to this Amendment, intending to be legally bound, hereby agree to amend the Interconnection Agreement as follows:

**1.** NEXTLINK Kentucky, Inc. has changed its name to XO Kentucky, Inc. and this Agreement is amended so that all references to NEXTLINK Kentucky, Inc. and NEXTLINK will instead refer to XO Kentucky, Inc.

2. Section 2.1 of the Interconnection Agreement is modified to read as follows:

2.1 Interconnection Activation Date. Subject to the terms and conditions of this Agreement, Interconnection of the Parties' facilities and equipment pursuant to <u>Articles III</u> and <u>IV</u> for the transmission and routing of Telephone Exchange Service traffic, Information Access Traffic and Exchange Access traffic, and Interconnection of the Parties' facilities and equipment to provide NEXTLINK access to CBT's unbundled Network Elements pursuant to <u>Article IX</u>, shall be established on or before the corresponding "Interconnection Activation Date" shown for each Interconnection Point set forth on <u>Schedule 2.1</u>. NEXTLINK may seek additional Interconnection Points or revise any estimated or new Interconnection Activation Dates according to the principles set forth in <u>Section 3.4</u>. <u>Schedule 2.1</u> shall be revised and supplemented from time to time to reflect additional Interconnection Points, by attaching one or more supplementary schedules to such Schedule.

**3. Section 3.1** of the Interconnection Agreement is modified to read as follows:

**3.1 Scope.** <u>Article III</u> describes the physical architecture for Interconnection of the Parties' facilities and equipment for the transmission and routing of Telephone Exchange Service traffic, Information Access Traffic, and Exchange Access traffic (including intraLATA and interLATA traffic) between the respective business and residential Customers of the Parties pursuant to Section 251(c)(2) of the Act. Each Party shall make available to the other Party the same Interconnection methods on the same rates, terms and conditions. Interconnection may not be used solely for the purpose of originating a Party's own interexchange traffic. <u>Articles IV</u> and <u>V</u> prescribe the specific logical trunk groups (and traffic routing parameters) that will be configured over the physical Interconnections described in this <u>Article III</u> related to the transmission and routing of Telephone Exchange Service traffic, Information Access Traffic, and Exchange Access traffic, respectively. Other trunk groups, as described in this Agreement, may be configured using this architecture.

4. Section 3.2.1 of the Interconnection Agreement is modified to read as follows:

**3.2.1** In the LATA identified on <u>Schedule 2.1</u>, NEXTLINK and CBT shall Interconnect their networks at the correspondingly identified Interconnection Points on <u>Schedule2.1</u> for the transmission and routing within that LATA of Telephone Exchange Service traffic, Information Access Traffic and Exchange Access traffic pursuant to Section 251(c)(2) of the Act.

5. Section 4.1 of the Interconnection Agreement is modified to read as follows:

4.1 Scope of Traffic. <u>Article IV</u> prescribes parameters for trunk groups (the "Local/IntraLATA Trunks") to be effected over the Interconnections specified in <u>Article III</u> for the transmission and routing of Local Traffic, Information Access Traffic and IntraLATA Toll Traffic between the Parties' respective Telephone Exchange Service Customers.

6. Section 4.6.3 of the Interconnection Agreement is modified to read as follows:

4.6.3 Measurement of Telecommunications traffic billed hereunder shall be (I) in actual conversation time for Local Traffic and Information Access Traffic, and (ii) in accordance with applicable tariffs for all other types of Telecommunications traffic. The total conversation seconds will be totaled for the entire monthly bill cycle and then rounded to the next whole minute. 7. Section 4.7 and its subparts are replaced by the following:

**4.7** Reciprocal Compensation Arrangements – Section 251(b)(5) from the Effective Date of this Agreement (December 20, 2000) through June 13, 2001. The Parties agree that no traffic was exchanged prior to June 14, 2001.

## 8. Section 4.8 is added to the Interconnection Agreement, as follows:

**4.8 Reciprocal Compensation Arrangements -- Section 251(b)(5) beginning June 14, 2001.** Compensation for the transport and termination of Local Traffic and IntraLATA Toll Traffic shall be pursuant to this <u>Section 4.8</u> beginning June 14, 2001. Compensation for the transport and termination of any Exchange Access Traffic shall be pursuant to <u>Article VI</u>.

4.8.1 Reciprocal Compensation applies for transport and termination of Local Traffic billable by CBT or NEXTLINK that a Telephone Exchange Service Customer originates on CBT's or NEXTLINK's network for termination on the other Party's network. The Parties shall compensate each other for such transport and termination of Local Traffic at the rates provided in the Pricing Schedule; <u>provided</u>, <u>however</u>, that compensation for local traffic will be reciprocal and symmetrical.

4.8.1.1 Reciprocal Compensation for Local traffic and ISP traffic will be rated as required by the FCC's Order on Remand and Report and Order in CC Docket Nos. 96-98 and 99-68, released on April 27, 2001, as follows:

- Beginning on June 14, 2001, and continuing for six months, intercarrier compensation for Local traffic will be capped at a rate of \$.0015/minute-of-use (mou). Starting December 14, 2001, and continuing for eighteen months, the rate will be capped at \$.0010/mou. Starting June 14, 2003, and continuing through June 14, 2004 or until further FCC action (whichever is later), the rate will be capped at \$.0007/mou.
- (ii) The Parties agree that traffic was not exchanged prior to April 18, 2001, and therefore, any ISP Traffic exchanged between the Parties, shall be exchanged on a Bill and Keep basis in accordance with the 3-1 ration established by the FCC Order as set forth in (iii) following.
- (iii) There shall be a rebuttable presumption that traffic exchanged between the Parties that exceeds a 3:1 ratio of terminating to originating traffic is ISP-bound traffic subject to the compensation mechanism set forth in this Section. A Party may rebut the presumption by demonstrating to the

Commission that traffic above the 3:1 ratio is in fact Local Traffic delivered to non-ISP customers. Conversely, a Party can demonstrate to the Commission that traffic it delivers to the other Party is ISP-bound traffic, even though it does not exceed the 3:1 ratio During the pendency of any such proceedings, the Parties remain obligated to pay the presumptive rates, subject to true-up upon the conclusion of Commission proceedings.

4.8.1.2 For each month, beginning June 14, 2001, during the term of this Agreement (each a "Calculation Period"), NEXTLINK shall provide the combined total of Local Traffic and ISP traffic terminated from CBT during that Calculation Period in written form toCBT, within thirty (30) days after the end of the Calculation Period. CBT shall provide the total traffic terminated from NEXTLINK during that Calculation Period. Using the traffic terminated by both Parties, CBT shall calculate the total Local Traffic and ISP traffic delivered to NEXTLINK (using the 3:1 ratio) during that Calculation Period. CBT shall provide the traffic terminated by CBT and the calculation in written form to NEXTLINK, for NEXTLINK's review and approval, within thirty (30) days after receiving the information necessary to make such calculation from NEXTLINK.

4.8.2 The Reciprocal Compensation arrangements set forth in this Agreement are not applicable to Switched Exchange Access Service. All Switched Exchange Access Service and all IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of the applicable federal and state tariffs.

4.8.3 Each Party shall charge the other Party its effective applicable federal-and state-tariffed IntraLATA FGD-switched access rates for the transport and termination of all IntraLATA Toll Traffic.

9. Section 8.2 of the Interconnection Agreement is modified to read as follows:

**8.2** Transit Service Defined. "Transit Service" means the delivery of Local Traffic, Information Access Traffic and IntraLATA Toll Traffic between NEXTLINK and a third-party LEC or CMRS provider by CBT over the Local/IntraLATA Trunks.

# **10.** Section 8.3 and it's subparts are replaced by the following:

**8.3 Compensation for Transit Service.** The Parties shall compensate each other for Transit Service as follows:

(a) Each party acknowledges that CBT has no responsibility to pay any third party LEC or CMRS provider for termination of any transit traffic. CBT will not pay such charges on behalf of the originating party unless CBT acts as the primary toll carrier ("**PTC**"), see (c)(1) below.

- (b) For Local Traffic, Information Access Traffic and IntraLATA Toll Traffic originating from NEXTLINK that is delivered over the Transit Service ("Transit Traffic") NEXTLINK shall pay to CBT a Transit Service charge as set forth in the Pricing Schedule. NEXTLINK is responsible for paying any termination charges imposed by the third party carrier;
- (c) For Local Traffic, Information Access Traffic and IntraLATA Toll Traffic originating from a third party LEC or CMRS provider that is delivered to NEXTLINK over the Transit Service.
  - (1) For IntraLATA Toll Traffic that is subject to a PTC arrangement, CBT shall deliver such IntraLATA Toll Traffic to NEXTLINK in accordance with the terms and conditions of such PTC arrangement;
  - (2) For Local Traffic, Information Access Traffic and IntraLATA Toll Traffic where CBT has a transiting arrangement with such thirdparty LEC or CMRS provider that authorizes CBT to deliver such traffic to NEXTLINK ("Other Party Transit Agreement"), then CBT shall deliver such traffic to NEXTLINK in accordance with the terms and conditions of such Other Party Transit Agreement, and such third-party LEC or CMRS provider (and not NEXTLINK) shall be responsible to pay CBT the applicable Transit Service charge. NEXTLINK is to bill any termination charges solely to the third party carrier.
- **11.** Section 27.1.3 and all of it subparts are deleted from the Agreement.

**12.** The points of contact for Notices for CBT in **Section 31.10** are amended to read as follows:

#### To CBT:

Cincinnati Bell Telephone Company 201 E. Fourth Street Cincinnati, Ohio 45201-2301 Attn: Vice President & General Manager – Carrier Services Facsimile: (513) 241-8735

with a copy to:

Cincinnati Bell Telephone Company 201 E. Fourth Street, Room 620 Cincinnati, Ohio 45201-2301 Attn: General Counsel Facsimile: (513) 397-9557 **13.** Schedule 1.2 is amended to include the definitions for "Information Access Traffic", "Local Interconnection Trunks/Trunk Groups" and "Percent Local Usage." The definitions will read as follows:

**"Information Access Traffic"** is defined in FCC's Order on Remand and Report and Order in CC Docket Nos. 96-98 and 99-68, Paragraph 44, released on April 27, 2001 and includes exchange services used for Information Access Traffic.

"Local Interconnection Trunks/Trunk Groups" means equipment and facilities that provide for the termination of Local Traffic, Information Access Traffic and IntraLATA Toll traffic.

"**Percent Local Usage**" or "**PLU**" means a calculation representing the ratio of the minutes of Local Traffic and Information Access Traffic to the sum of the minutes of Local Traffic and Information Access Traffic plus the minutes of IntraLata Toll Traffic sent over Local Interconnection Trunks. PLU does not include directory assistance, BLV/BLVI Traffic, Information Service Traffic, Transit Calls and Exchange Access calls.

14. In Schedule 1.2, the definition "Local Traffic" is replaced with the following definition:

**"Local Traffic"** means (1) telecommunications traffic exchanged between a LEC and a telecommunications carrier other than a CMRS provider, except for telecommunications traffic that is interstate or intrastate exchange access, information access or exchange services for such access; or (2) telecommunications traffic exchanged between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area, as defined in 47 C.F.R. § 24.202(a).

**15**. Item I (Transport and Termination) of the **Pricing Schedule** shall be revised to read as shown on Attachment 1 to this Amendment.

**16**. In the event of a conflict between the terms of this Amendment and the terms of the Interconnection Agreement, the terms of this Amendment shall prevail. All of the other provisions of the Interconnection Agreement shall remain in full force and effect.

**17**. Either or both of the Parties is authorized to submit this Amendment to the Commission for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

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

XO Kentucky, Inc.

Cincinnati Bell Telephone Company

By:
Name: Christian Gartner
Title: <u>Vice President &amp; General Manager –</u> <u>Carrier Services</u>
Date:

### CINCINNATI BELL PRICING SCHEDULE FOR INTERCONNECTION NEXTLINK/CBT AGREEMENT

The rates structures/levels shown below in ITEM I A. 1,2.3.& 4. (prior to June 14, 2001 only) are for interim use (and subject to true up) pending the completion of Case No. 96-899-TP-ALT

	RATE ELEMENT	RECURRING RATE	NONRECURRING CHARGE
ITEM I A.	Transport and Termination for Local Traffic Prior to June 14, 2001		
A.1	End Office Local Termination	\$ .003782 per minute	-
A.2.	Tandem Switching	\$ .002575 per minute	-
A.3.	Tandem Transport Facility Mileage	\$ .000073 per minute/mile	-
A.4.	Dedicated Transport <sup>2</sup>	See Interoffice Transmission Facilities	
В	Transport and Termination for ISP Traffic from the Effective Date of this Agreement through 6/13/01	N/A	
C.	Transport and Termination for Local Traffic as of June 14, 2001 <sup>3</sup> Termination of Local Traffic within annual MOU caps	<ul> <li>\$.0015 per minute from June 14, 2001 to December 13, 2001</li> <li>\$.0010 per minute from December 14, 2001 to June 13, 2003</li> <li>\$.0007 per minute from June 14, 2003 to June 13, 2004 or further</li> <li>FCC Order, whichever occurs later</li> </ul>	
D.	Transport and Termination for Information Access Traffic as of June 14, 2001	Bill and Keep	

<sup>&</sup>lt;sup>1</sup> Transport and Termination rates for Local Traffic shown in ITEM 1, A.1, 2, 3, & 4, (rates prior to June 14, 2001) are for interim use and are subject to true up pending the completion of Case No. 96-899-TP-ALT.

<sup>&</sup>lt;sup>2</sup> Applies in lieu of Tandem Switching and Tandem Transport Facility Mileage when local traffic is not routed through a tandem switch. The dedicated transport rate that the requesting carrier pays shall recover only the costs of the portion of that trunk capacity used by the requesting carrier to send the traffic that it will terminate on the other carrier's network.

<sup>&</sup>lt;sup>3</sup> Transport and Termination rates as of June 14, 2001 were set by the FCC's Order on Remand and Report and Order in CC Docket Nos. 96-98 FCC 01-131 on remand from the Court of Appeals for the District of Columbia adopted on April 18, 2001, and are not subject to true up.