Steven J. Pitterle Director - Negotiations Network Services



Network Services 600 Hidden Ridge HQE03B67 P.O. Box 152092 Irving, Texas 75038

Phone 972/718-1333 Fax 972/718-1279 steve.pitterle@verizon.com

July 6, 2001

Mr. Carl A. Rosberg President West Virginia PCS Alliance, L.C. d/b/a NTELOS 401 Spring Lane, Suite 300 Waynesboro, VA 22980

Re: Requested Adoption Under Section 252(i) of the TA96

Dear Mr. Rosberg:

Verizon South Inc., f/k/a GTE South Incorporated ("Verizon"), has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996 (the "Act"), West Virginia PCS Alliance, L.C. d/b/a NTELOS ("NTELOS") wishes to adopt the terms of the Interconnection Agreement between Sprint Spectrum L.P. ("Spectrum") and Verizon that was approved by the Kentucky Public Service Commission (the "Commission") as an effective agreement in the Commonwealth of Kentucky, as such agreement exists on the date hereof after giving effect to operation of law (the "Terms"). I understand NTELOS has a copy of the Terms. Please note the following with respect to NTELOS's adoption of the Terms.

- 1. By NTELOS's countersignature on this letter, NTELOS hereby represents and agrees to the following three points:
 - (A) NTELOS adopts (and agrees to be bound by) the Terms of the Spectrum/Verizon agreement for interconnection as it is in effect on the date hereof after giving effect to operation of law, and in applying the Terms, agrees that NTELOS shall be substituted in place of Sprint Spectrum L.P. and Spectrum in the Terms wherever appropriate.
 - (B) Notice to NTELOS and Verizon as may be required under the Terms shall be provided as follows:
 - To: West Virginia PCS Alliance, L.C. d/b/a NTELOS Attention: Mr. Carl A. Rosberg 401 Spring Lane, Suite 300 Waynesboro, VA 22980

Telephone number: 540/946-3511 FAX number: 540/946-3595 Email: rosberg@ntelos.com

To Verizon:

Director-Contract Performance & Administration Verizon Wholesale Markets 600 Hidden Ridge HQEWMNOTICES Irving, TX 75038 Telephone Number: 972-718-5988 Facsimile Number: 972-719-1519 Internet Address: wmnotices@verizon.com

with a copy to:

Vice President and Associate General Counsel Verizon Wholesale Markets 1320 N. Court House Road 8th Floor Arlington, VA 22201 Facsimile: 703/974-0744

- (C) NTELOS represents and warrants that it is a FCC-licensed provider of two-way wireless service, and that its adoption of the Terms will cover services in the Commonwealth of Kentucky only.
- NTELOS's adoption of the Spectrum Terms shall become effective on July 20, 2001. Verizon shall file this adoption letter with the Commission promptly upon receipt of an original of this letter countersigned by an authorized officer of NTELOS. The Spectrum agreement is currently scheduled to terminate on July 30, 2001.
- 3. As the Terms are being adopted by you pursuant to your statutory rights under section 252(i), Verizon does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by Verizon of the Terms does not in any way constitute a waiver by Verizon of any position as to the Terms or a portion thereof, nor does it constitute a waiver by Verizon of all rights and remedies it may have to seek review of the Terms, or to seek review in any way of any provisions included in these Terms as a result of NTELOS's 252(i) election.
- 4. On January 25, 1999, the Supreme Court of the United States ("Court") issued its decision on the appeals of the Eighth Circuit's decision in *Iowa Utilities Board*. Specifically, the Supreme Court modified several of the FCC's and the Eighth Circuit's rulings regarding unbundled network elements and pricing requirements

under the Act. *AT&T Corp. v. Iowa Utilities Board*, 119 S. Ct. 721 (1999). Certain provisions of the Terms may be void or unenforceable as a result of the Court's decision of January 25, 1999, the United States Eighth Circuit Court of Appeals' decision in Docket No. 96-3321 regarding the FCC's pricing rules, and the current appeal before the U.S. Supreme Court regarding the FCC's new UNE rules. Moreover, nothing herein shall be construed as or is intended to be a concession or admission by Verizon that any provision in the Terms complies with the rights and duties imposed by the Act, the decisions of the FCC and the Commissions, the decisions of the courts, or other law, and Verizon expressly reserves its full right to assert and pursue claims arising from or related to the Terms.

- 5. Verizon reserves the right to deny NTELOS's adoption and/or application of the Terms, in whole or in part, at any time:
 - (a) when the costs of providing the Terms to NTELOS are greater than the costs of providing them to Spectrum;
 - (b) if the provision of the Terms to NTELOS is not technically feasible; and/or
 - (c) to the extent that Verizon otherwise is not required to make the Terms available to NTELOS under applicable law.
- 6. For avoidance of doubt, please note that adoption of the Terms will not result in reciprocal compensation payments for Internet traffic. Verizon has always taken the position that reciprocal compensation was not due to be paid for Internet traffic under section 251(b)(5) of the Act. Verizon's position that reciprocal compensation is not to be paid for Internet traffic was confirmed by the FCC in the Order on Remand and Report and Order adopted on April 18, 2001 ("FCC Remand Order"), which held that Internet traffic constitutes "information access" outside the scope of the reciprocal compensation obligations set forth in section 251(b)(5) of the Act.¹ Accordingly, any compensation to be paid for Internet traffic will be handled pursuant to the terms of the FCC Remand Order, not pursuant to adoption of the Terms.² Moreover, in light of the FCC Remand *Order*, even if the Terms include provisions invoking an intercarrier compensation mechanism for Internet traffic, any reasonable amount of time permitted for adopting such provisions has expired under the FCC's rules implementing section 252(i) of the Act.³

¹ Order on Remand and Report and Order, In the Matters of: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Intercarrier Compensation for ISP-Bound Traffic, CC Docket No. 99-68 (rel. April 27, 2001) ¶44.

² For your convenience, an industry letter distributed by Verizon explaining its plans to implement the *FCC Remand Order* can be viewed at Verizon's Customer Support Website at URL <u>www.verizon.com/wise</u> (select Verizon East Customer Support, Resources, Industry Letters, CLEC).

³ See, e.g., 47 C.F.R. Section 51.809(c).

7. Should NTELOS attempt to apply the Terms in a manner that conflicts with paragraphs 3-6 above, Verizon reserves its rights to seek appropriate legal and/or equitable relief.

Please arrange for a duly authorized representative of NTELOS to sign this letter in the space provided below and return it to the undersigned.

Sincerely,

VERIZON SOUTH INC.

Steven J. Pitterle Director – Negotiations Network Services

Reviewed and countersigned as to points A, B, and C of paragraph 1:

WEST VIRGINIA PCS ALLIANCE, L.C. D/B/A NTELOS

(SIGNATURE)

(PRINT NAME)

c: R. Ragsdale – Verizon