

**Exhibit CKC-5**

**Kentucky Statement of Generally Available  
Terms and Conditions (SGAT)**

**February 1, 2002**

**STATEMENT OF GENERALLY AVAILABLE  
TERMS AND CONDITIONS FOR  
INTERCONNECTION, UNBUNDLING AND RESALE  
PROVIDED BY BELL SOUTH TELECOMMUNICATIONS, INC. IN THE  
COMMONWEALTH OF KENTUCKY**

Pursuant to 47 U.S.C. § 252(f), BellSouth Telecommunications, Inc. ("BellSouth") makes the following terms and conditions generally available for the purposes of fulfilling its obligations under 47 U.S.C. §§ 251, 252(d) and 271. This Statement of Generally Available Terms and Conditions ("Statement") shall remain in effect for two (2) years from the date it takes effect under 47 U.S.C. § 252(f) following review by the Kentucky Public Service Commission. The filing of this Statement does not change or diminish BellSouth's willingness to negotiate individual agreements with Competitive Local Exchange Carriers. This Statement is subject to revision to the extent necessary to comply with any legislative, regulatory or judicial order or rule that affects the rights and obligations created by this Statement. BellSouth has negotiated agreements with numerous Competitive Local Exchange Carriers. These agreements are open to inspection, and provide examples of detailed contractual language that has been used by BellSouth and other carriers. These agreements may be utilized by other parties.

This Statement uses the following abbreviations throughout:

- A. CLEC means a Competitive Local Exchange Carrier certificated by the Kentucky Public Service Commission to offer and/or provide local telecommunications services in Kentucky.
- B. Commission means the Kentucky Public Service Commission.
- C. Telecommunications Act of 1996 ("Act") means Public Law 104-104 of the United States Congress effective February 8, 1996. The Act amended the Communications Act of 1934 (47 U.S.C. § 1, *et seq.*).

**I. Interconnection (47 U.S.C. §§ 251(b)(5), 251(c)(2), 251(c)(6), 252(d)(1)&(2) and 271(c)(2)(B)(i))**

BellSouth provides CLECs interconnection with BellSouth's network for the transmission and routing of telephone exchange service and exchange access on the following terms:

- A. Local Traffic. Local Traffic is defined as any telephone call that originates in one exchange and terminates in either the same exchange, or other local calling area associated with the originating exchange as defined and specified in Section A3 of BellSouth's General Subscriber Services Tariff. Local Traffic does not include calls that do not transmit information of the user's choosing. In any event, neither Party will pay reciprocal compensation to the other

if the “traffic” to which such reciprocal compensation would otherwise apply was generated, in whole or in part, for the purpose of creating an obligation on the part of the originating carrier to pay reciprocal compensation for such traffic. As an option, CLECs may elect to have all calls that originate and terminate within the same LATA treated as local calls for purposes of intercarrier compensation.

1. Interconnection Points. Local interconnection is available at any technically feasible point within BellSouth’s network. Interconnection is currently available at the following points:

- a. Line-side of local switch.
- b. Trunk-side of local switch.
- c. Trunk interconnection points for local and access tandem switches.
- d. Central office cross-connect points.
- e. Out-of-band signal transfer points.

Interconnection at applicable unbundled network element points is also available. See Section II.

2. Additional Interconnection Points. BellSouth will provide local interconnection at any other technically feasible point, including meet point interconnection arrangements. Requests for interconnection at other points may be made through the Bona Fide Request process set out in Attachment B.

3. Percent Local Use. When traffic other than local traffic is routed on the same facilities as local traffic, as provided under this statement, each Party will report to the other a Percent Local Usage (“PLU”)<sup>1</sup>. The application of the PLU will determine the amount of local minutes to be billed to the other company. For purposes of developing the PLU, each company shall consider every local call and every long distance call, excluding intermediary traffic. By the first of January, April, July and October of each year, each Party shall provide a positive report updating the PLU. Requirements associated with PLU calculation and reporting shall be as set forth in BellSouth’s Percent Local Use Reporting Guidebook, as it is amended from time to time. Notwithstanding the foregoing, where the terminating Party has message recording

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<sup>1</sup> Percent Local Usage (PLU) is defined as a factor to be applied to intrastate terminating minutes of use. The numerator shall include all “nonintermediary” local minutes of use adjusted for those minutes of use that only apply to local due to Service Provider Number Portability. The denominator is the total intrastate minutes of use including local, intrastate toll, and access, adjusted for Service Provider Number Portability less intrastate Terminating Company Pays minutes of use.

technology that identifies the jurisdiction of traffic terminated as defined in this Statement, such information, in lieu of the PLU factor, shall at the terminating Party's option be utilized to determine the appropriate local usage compensation to be paid.

4. Unidentified local traffic. Whenever BellSouth delivers traffic to a CLEC for termination on the CLEC's network, if BellSouth cannot determine because of the manner in which the CLEC has utilized its NXX codes, or for other reasons, whether the traffic is local or toll, BellSouth will charge the applicable rates for originating intrastate network access service as reflected in BellSouth's Intrastate Access Services Tariff. BellSouth will make appropriate billing adjustments if the CLEC can provide sufficient information for BellSouth to determine whether said traffic is local or toll. If BellSouth deploys an NXX code across its local calling areas in such a manner that a CLEC cannot determine whether the traffic it delivers to BellSouth is local or toll, this subsection shall apply to BellSouth and the CLEC.

5. Intermediary Tandem Switching. BellSouth will provide intermediary tandem switching and transport services for the CLEC's connection of its end user to a local end user of BellSouth, an independent company or another CLEC, where both the parties are connected at the same tandem and termination of calls is authorized. Basic or enhanced local tandem interconnection may be selected. Basic interconnection allows CLECs to terminate traffic to BellSouth's end office switches and wireless service provider switches within the area served by the tandem. Enhanced interconnection adds the ability to terminate traffic to other CLECs and independent company switches in the area served by the tandem. The Local Exchange Routing Guide ("LERG") is the authority for which NXX Codes are assigned to switches sub-tending local tandems.

6. Transit Traffic Service. BellSouth shall provide tandem switching and transport services for the CLEC's transit traffic. Transit traffic is traffic originating on the CLEC's network that is switched and/or transported by BellSouth and delivered to a third party's network, or traffic originating on a third Party's network that is switched and/or transported by BellSouth and delivered to the CLEC's network. Rates for local transit traffic shall be the same as call transport and termination rates as set forth in Attachment A to this Statement. Rates for intraLATA toll and switched access transit traffic shall be the applicable call transport and termination charges as set forth in BellSouth's Interstate or Intrastate Switched Access Services tariffs. Switched access transit traffic presumes that the CLEC's end office is subtending the BellSouth Access Tandem for switched access traffic to and from the CLEC's end users utilizing BellSouth facilities, either by direct trunks with the Interexchange Carrier (IXC), or via the BellSouth Access Tandem. Billing associated with all transit traffic shall be pursuant to Multiple Exchange Carrier Access Billing (MECAB)<sup>2</sup> procedures. BellSouth will provide meet point billing

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<sup>2</sup> Multiple Exchange Carrier Access Billing means the document prepared by the Billing Committee of the Ordering and Billing Forum ("OBF"), which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions ("ATIS") and by Telecordia as

usage records to CLEC either directly as an RAO Host company or to CLEC through the RAO Host selected by the CLEC. Wireless Type 2A traffic shall not be treated as transit traffic from a routing or billing perspective until BellSouth and the Wireless carrier have the capability to properly meet-point-bill in accordance with MECAB guidelines.

The delivery of traffic which transits the BellSouth network and is transported to another carrier's network is excluded from any BellSouth billing guarantees and will be delivered to a terminating carrier at the rates stipulated in this Statement. BellSouth agrees to deliver this traffic to the terminating carrier, provided that the CLEC is solely responsible for negotiating and executing any appropriate contractual agreements with the terminating carrier for the receipt of this traffic through the BellSouth network. BellSouth will not be liable for any compensation to the terminating carrier or to the CLEC. The CLEC agrees to compensate BellSouth for any charges or costs for the delivery of transit traffic to a connecting carrier on behalf of the CLEC. Additionally, the Parties agree that any billing to a third party or other telecommunications carrier under this Section shall be pursuant to MECAB procedures.

7. Mutual Provision of Access Service. When BellSouth and a CLEC provide an access service connection between an IXC and each other, each company will provide its own access services to the IXC on a multi-bill, multi-tariff meet-point basis. Each company will bill its own access services rates to the IXC with the exception of the interconnection charge. The interconnection charge will be billed by the company providing the end office function. BellSouth will use the MECAB system to establish meet point billing for all applicable traffic, including traffic terminating to ported numbers. Thirty (30) day billing periods will be employed for these arrangements. The recording company agrees to provide to the initial billing company, at no charge, the switched access detailed usage data within a reasonable time after the usage is recorded. The initial billing company will provide the switched access summary usage data to all subsequent billing companies within 10 days of rendering the initial bill to the IXC.

B. Exchange of intraLATA toll traffic. Exchange of intraLATA toll traffic between BellSouth and CLEC networks shall occur as follows:

1. IntraLATA Toll Traffic. IntraLATA toll traffic is traffic that originates and terminates in the same LATA and that is not Local Traffic as defined in Section I.A. above.

2. Delivery of IntraLATA Toll Traffic. For terminating its toll traffic on the other company's network, each company will pay the terminating company's current terminating switched access rates as set forth in the Party's filed and effective intrastate

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Special Report SR-BDS-000983, containing the recommended guidelines for the billing of Exchange Service access provided by two or more LECs and/or CLECs or by one LEC in two or more states within a single Local Access and Transport Area ("LATA").

or interstate switched access tariff, whichever is applicable. If the CLEC does not have a filed and effective tariff, BellSouth's switched access rates will be paid.

3. Rates. For originating and terminating toll traffic, each company shall pay the other Party's intrastate or interstate (whichever is appropriate), switched network access services rate elements on a per minute of use basis. Applicable rate elements are set out in the Access Services Tariffs. The appropriate charges will be determined by the routing of the call. If a CLEC is the BellSouth end user's presubscribed IXC or if the BellSouth end user uses a CLEC as an IXC on a 1010XXX basis, BellSouth will charge the CLEC the appropriate tariff charges for originating network access services. If BellSouth is serving as the CLEC end user's presubscribed interexchange carrier for intraLATA toll calls or if the CLEC end user uses BellSouth as an interexchange carrier on a 1010XXX basis for intraLATA toll calls, the CLEC will charge BellSouth the appropriate CLEC tariff charges for originating network access services.

4. Additional Interconnection. To the extent a CLEC provides intraLATA toll service to its customers, it may be necessary for it to interconnect to additional BellSouth access tandems that serve end offices outside the local calling area.

5. Compensation for 800 Traffic. Each company shall compensate the other pursuant to the appropriate originating switched access charges, including the database query charge, for the origination of 800 traffic terminated to the other company.

6. Records for 800 Billing. Each company will provide to the other the appropriate records necessary for billing intraLATA 800 customers. The records provided will be in a standard EMR format.

7. 800 Access Screening. Should a CLEC require 800 Access Ten Digit Screening Service from BellSouth, it shall have signaling transfer points connecting directly to BellSouth's local or regional signaling transfer point for service control point database query information. The CLEC shall utilize SS7 signaling links, ports and usage as set forth in Section X. The CLEC will not be required to utilize switched access Feature Group D service. 800 Access Ten Digit Screening Service is an originating service that is provided via 800 Switched Access Service trunk groups from BellSouth's SS7 equipped end office or access tandem providing an IXC identification function and delivery of a call to the IXC based on the dialed ten digit number. The terms and conditions for this service are set out in BellSouth's Intrastate Access Services Tariff.

C. Methods of Interconnection. Interconnection is available through: (1) virtual collocation; (2) physical collocation; and (3) interconnection via purchase of facilities from either company by the other company. Rates for collocation are set out in Attachment A. Terms and conditions for physical collocation are contained in the Kentucky Access Services Tariff,

Section E.20, and in Attachment I. Terms and conditions for remote site collocation are contained in Attachment I. Terms and conditions for virtual collocation are contained in FCC Tariff No. 1, Section 20.

D. Trunk Groups. BellSouth and a CLEC shall establish trunk groups between interconnecting facilities. Local traffic may be routed over either one-way or two-way trunks when interconnected with a BellSouth local tandem. BellSouth local tandems do not handle intraLATA toll or interLATA toll traffic. Combined local and intraLATA toll traffic may be routed over either one-way or two-way trunks when interconnected with a BellSouth access tandem or end office switch. In addition, for traffic utilizing intermediary tandem switching at the BellSouth access tandem, i.e., traffic which is not originated by or terminated to a BellSouth end user (“transit traffic”), one-way or two-way trunk groups are generally available for any combination of local, intraLATA or interLATA traffic. BellSouth also provides a two-way Supergroup option which includes exchange of local and intraLATA toll traffic between BellSouth and a CLEC as well as local, intraLATA or interLATA transit traffic. Requests for alternative trunking arrangements may be made through the bona fide request (“BFR”) process (see Section II.B.) set out in Attachment B.

E. Rates. Rates for interconnection for local traffic on the BellSouth network are set out in Attachment A. Compensation for interconnection is reciprocal, as set out in Section XIII. Late payment fees, not to exceed the highest interest rate which may be levied by Commission regulation or the law of commercial transactions, may be assessed if interconnection charges are not paid within thirty (30) days of the due date.

F. Billing. Billing for interconnection services will be through the Carrier Access Billing System (“CABS”).

G. Network Design and Management for Interconnection. BellSouth will use its best efforts in conjunction with CLECs to create the most effective and reliable interconnected telecommunications networks. Detailed provisions governing network design and management for interconnection are contained in Section XVIII.

H. Interconnection Technical Standards. Interconnecting facilities shall conform, at a minimum, to the telecommunications industry standard of DS-1 pursuant to Bellcore Standard No. TR-NWT-00499. Signal Transfer Point, Signaling System 7 (“SS7”) connectivity is required at each interconnection point. BellSouth will provide out-of-band signaling using Common Channel Signaling Access Capability where technically and economically feasible, in accordance with the technical specifications set forth in the BellSouth Guidelines to Technical Publication, TR-TSV-000905. Facilities of each company shall provide the necessary on-hook, off-hook answer and disconnect supervision and shall hand off calling number ID when technically feasible.

I. Quality of Interconnection. Where technically feasible, the local interconnection for the transmission and routing of telephone exchange service and exchange access that BellSouth provides to CLECs will be at least equal in quality to what it provides to itself, to any subsidiary or affiliate or to any other party to which BellSouth provides local interconnection. Attachment C contains detailed service descriptions, and technical requirements provided to CLECs. Section 14.4 of Attachment C is particularly applicable to interconnection. BellSouth provides interconnection according to applicable industry standard technical references.

J. Ordering and Provisioning Guidelines. Where technically feasible, BellSouth provides interconnection ordering and provisioning services to CLECs that are equal to the ordering and provisioning services BellSouth provides to itself. Detailed procedures for ordering and provisioning BellSouth interconnection services are set forth in the BellSouth Business Rules for Local Ordering. See Section XV.

**II. Access To Unbundled Network Elements (47 U.S.C. §§ 251(c)(3), 252(d) and 271(c)(2)(B)(ii)). See also Statement Sections (IV), (V), (VI) and (X).**

BellSouth provides CLECs with access to unbundled elements of BellSouth's network on the following terms:

A. Available Network Elements. BellSouth shall, upon request of the CLEC, provide access to its network elements at any technically feasible point for the provision of the CLEC's telecommunications service where such access is necessary and failure to provide access would impair the ability of the CLEC to provide services that it seeks to offer. The following BellSouth network elements are available on an unbundled basis:

1. Local Loop Transmission. BellSouth provides unbundled local loops. See Section IV.

2. Unbundled Local Transport. BellSouth provides unbundled local transport. See Section V.

3. Unbundled Local Switching. BellSouth provides unbundled local switching. See Section VI.

4. Signaling Network Elements/AIN Services. BellSouth provides unbundled signaling network elements and Advanced Intelligent Network ("AIN") services. See Section X.

5. Access to Operations Support Systems. BellSouth provides to CLECs unbundled access to several operations support systems ("OSS"). Access to these support systems is available through a variety of means, including electronic interfaces. The operations support systems available are:



a. Pre-Ordering. Pre-ordering allows CLECs to determine the availability of features and services, assign a telephone number, advise the customer of a due date, validate a street address for service order purposes, and obtain customer service record information, as applicable to the service being ordered. CLECs may obtain access to customer service record information under a blanket letter of authorization.

b. Ordering. Ordering provides the CLEC with order entry functions, including supplements, and the capability to establish directory listings. BellSouth provides a “switch as is” process by which it will switch all services and features subscribed to by a particular BellSouth customer to a CLEC upon receipt of appropriate customer authorization.

c. Provisioning. Provisioning information available to CLECs includes firm order confirmation and completion notices.

d. Trouble Reporting and Repair. Trouble reporting and repair allows CLECs to report and monitor service troubles and obtain repair services. BellSouth provides to CLECs service trouble reporting availability and monitoring in a non-discriminatory manner that provides CLECs with the same ability to report and monitor service troubles that BellSouth provides to itself. BellSouth also provides CLECs an estimated time to repair, and an appointment time or a commitment time, as appropriate, on all trouble reports.

e. Directory Listing and Line Information Databases. Access to the Directory Listing Database is discussed in Sections VII.B. and VIII.E. Access to the Line Information Database is discussed in Section X.

f. Customer Daily Usage Data. Customer daily usage data provides detailed information for determining billable usage for services such as directory assistance or toll calls associated with a resold line. This usage option allows CLECs to bill their end-user customers at their discretion, rather than on BellSouth’s billing cycles. It also allows a CLEC to establish toll limits, detect fraudulent calling or analyze the usage patterns of its customers. Usage data available includes the Access Daily Usage File (ADUF), Optional Daily Usage File (ODUF), and Enhanced Optional Daily Usage File (EODUF).

6. Interfaces for Operational Support Systems. BellSouth provides electronic interfaces for the following OSS functions: pre-ordering, ordering and provisioning, trouble reporting, and customer usage data. BellSouth also provides the option of placing orders manually (e.g., via facsimile) through the Local Carrier Service Center.

- a. Pre-Ordering. BellSouth provides electronic access to the following pre-ordering functions or information: service address validation, telephone number selection, product and service availability, due date information, loop make-up information, and customer service record information. Access is provided through the Local Exchange Navigation System (LENS) and the Telecommunications Access Gateway (TAG). TAG is a machine-to-machine interface that provides real-time interactive access to BellSouth databases. LENS is a human-to-machine interface for use by those CLECs who choose not to use machine-to-machine interfaces.
- b. Ordering and Provisioning. BellSouth provides CLECs electronic options for the exchange of ordering and provisioning information. The Exchange Access Control and Tracking system (EXACT) is for service requests involving interconnection trunking and many unbundled network elements. BellSouth provides TAG and the Electronic Data Interchange (EDI) arrangement for resale requests and some unbundled network elements. As an alternative to the EDI arrangement, BellSouth also provides through LENS an ordering and provisioning capability that is integrated with the LENS pre-ordering capability. TAG is an integratable pre-ordering and ordering interface.
- c. Trouble Reporting. BellSouth provides the following options for electronic trouble reporting. For exchange services, BellSouth offers to CLECs access to the Trouble Analysis Facilitation Interface (TAFI). For individually designed services, BellSouth provides electronic trouble reporting through an electronic communications gateway – the TIM1 standard machine-to machine interface called Electronic Communications Trouble Administration (ECTA) Gateway.
- d. Billable Usage Information. BellSouth provides to CLECs electronic files containing billable usage information associated with resold exchange lines, and unbundled ports.
- e. Rates. Rates for manual and electronic interfaces are set out in Attachment A. Nonrecurring service order charges are differentiated for manually and electronically processed orders.
- f. Versioning. Pursuant to the Change Control Process, BellSouth will issue new software releases for new industry standards for its industry standard EDI and TAG interfaces. When a new release of new industry standards is implemented, BellSouth will, for these interfaces, continue to support both the new release (N) and the prior release (N-1). When BellSouth implements the next release (N+1), BellSouth will eliminate support for the (N-1) release and support the two newest releases (N and N+1). Thus, BellSouth will support

the two most current releases. Pursuant to the Change Control Process, BellSouth will issue documents to CLECs with sufficient notice to allow CLECs to make the necessary changes to their systems and operations to migrate to the newest release in a timely fashion. This versioning policy is set forth in the Change Control Process document and may be changed from time to time pursuant to the procedures set forth in that document.

7. Collocation. Collocation allows CLECs to place equipment, including digital subscriber line access multiplexers, in BellSouth facilities. Physical and virtual collocation are available for interconnection and access to unbundled network elements as described in this Section. BellSouth will provide physical collocation for CLEC equipment unless BellSouth demonstrates to the Commission that physical collocation is not practical for technical reasons or space limitations. Virtual collocation is available at the CLEC's request and is not dependent on the availability of physical collocation. BellSouth facilities include central offices and serving wire centers, as well as buildings or similar structures owned or leased by BellSouth that house BellSouth network facilities, and structures that house facilities on public rights-of-way, including, but not limited to, vaults containing loop concentrators. Terms and conditions for physical collocation, including relevant intervals for provisioning physical collocation, are set forth in the Kentucky Access Services Tariff, Section E.20, and Attachment I. See Section XV. Terms and Conditions for virtual collocation are contained in FCC Tariff No. 1, Section 20.

8. Dark Fiber. Unused optical transmission media or "dark fiber" is available to CLECs as an unbundled network element, where it is in existence, as unbundled dark fiber loops or as unbundled dark fiber transport.

9. Line Sharing and Line Splitting

a. High Frequency Loop Spectrum (Line Sharing). BellSouth provides CLECs access to the high frequency portion of the loop network element as an unbundled network element where BellSouth is providing, and continues to provide, analog circuit-switched voice-band services on the particular loop for which the CLEC seeks access. The high frequency portion of the loop is defined as the frequency range above the voice-band on a copper loop facility that is being used to carry analog circuit-switched voice-band transmissions. BellSouth may maintain control over the loop and splitter equipment and functions, and will provide CLECs with loop and splitter functionality that is compatible with any transmission technology that the CLEC seeks to deploy using the high frequency portion of the loop, as defined in 47 C.F.R. § 51.319(h), provided that such transmission technology is presumed to be deployable pursuant to 47 C.F.R. § 51.230. BellSouth also offers CLECs the option of purchasing, installing, and maintaining central office POTS splitters in its collocation arrangements. Any splitters installed by CLECs in its collocation arrangements shall comply with ANSI

T1.413, Annex E, or any future ANSI splitter standards. CLECs may install any splitters that BellSouth deploys or permits to be deployed for itself or any BellSouth affiliate. BellSouth will also provide line sharing splitters at its remote sites to allow CLECs access to the high frequency spectrum of copper sub-loops terminated at that remote site, where the CLEC has a collocated DSLAM. BellSouth will condition loops to enable CLECs to access the high frequency portion of the loop spectrum in accordance with 47 C.F.R. § 51.319(a)(3) and § 51.319(h). Further details as to this network element are contained in Attachment C.

b. Line Splitting.

Line Splitting is a UNE service offering that allows a provider of data services (a “Data CLEC”) and a provider of voice services (a “Voice CLEC”) to deliver voice and data service to end users over one loop. The voice and data carriers may be the same or different carriers. End users currently receiving voice service from a CLEC through a UNE platform (UNE-P) may be converted to Line Splitting arrangements by CLECs ordering Line Splitting Service.

Line Splitting network elements consist of a non-designed, analog loop from the serving wire center to the network interface device (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, and a splitter over which BellSouth will maintain control. The Data CLEC provides data service over the high frequency portion of the loop purchased by the Voice CLEC, utilizing a Voice CLEC or Data CLEC- provided collocated DSLAM, and splitter equipment. This may be the Voice CLEC’s or the Data CLEC’s collocation area. When converting from existing High Frequency Spectrum Co Based BellSouth Owned Splitter line sharing service to Line Splitting, BellSouth will discontinue billing for the upper spectrum. BellSouth will continue to bill the Data CLEC for all associated splitter charges.

An unloaded, 2-wire copper loop must serve the end user. It is the responsibility of the CLEC to determine if the loop meets its data requirements. The CLEC’s meet point is the point of termination for CLEC’s cable and pairs.

BellSouth will only interface with the Voice CLEC that owns the loop for subsequent activity, trouble reports, etc. The Data CLEC will act on behalf of the owner of the loop and will submit trouble reports for the data service. The Voice CLEC that owns the loop is responsible for any billable charges associated with the loop.

i. If BellSouth is currently the voice provider and a provider of data services (a “Data CLEC”) is the advanced services provider, and the end user subsequently chooses a CLEC for voice service (a “Voice CLEC”), then the following would occur:

If the original line sharing arrangement was established with a Data CLEC-owned splitter, then BellSouth would not be involved with the splitter provisioning and, accordingly, any decisions regarding use of the splitter would be left up to the Data CLEC. If, however, the original line sharing arrangement was established with a BellSouth-owned splitter, then BellSouth would allow the Data CLEC to continue leasing the BellSouth splitter under the following conditions:

1. The existing Data CLEC remains the end user's advanced services provider; and
2. The Data CLEC has an agreement with the Voice CLEC to use the upper frequency spectrum of the loop to continue providing the advanced services.

The applicable recurring charges to be paid by the Voice CLEC for this line splitting arrangement will be the loop, the port and two cross connects as shown on Attachment A. The applicable nonrecurring charges to be paid by the Voice CLEC for this line splitting arrangement will be the nonrecurring rate for the loop-port combination (switch-as-is).

ii. Where a line sharing arrangement or UNE-P arrangement does not already exist, BellSouth will work cooperatively with CLECs to develop methods and procedures to develop a process whereby a Voice CLEC and a Data CLEC may provide services over the same loop. Under such process, BellSouth will deliver a loop and a port to the collocation space of either the Voice CLEC or the Data CLEC and will provide a splitter upon request of the CLEC. In this scenario the loop and port cannot be a loop and port combination (i.e., UNE-P), but must be individual stand-alone network elements.

B. Bona Fide Request Process.

1. Any request by the CLECs for access to a network element, interconnection option, or for the provisioning of any service or product that is not already available shall be treated as a BFR, and shall be submitted to BellSouth pursuant to the BFR process, which is described in Attachment B.

2. The CLECs shall submit any BFR in writing to the CLEC's Account Manager. The BFR shall specifically identify the requested service date, technical requirements, space requirements and/or such specifications that clearly define the request such that BellSouth has sufficient information to analyze and prepare a response. The BFR shall also include the CLEC's designation of the request as being (a) pursuant to the Act, or (b) pursuant to the needs of the business.

C. Quality of Network Elements. Where technically feasible, BellSouth provides CLECs with access to all the unbundled network elements described in this section. Such access will be at least equal in quality to that which BellSouth provides to itself. Attachment C contains detailed service descriptions, and technical requirements applicable to CLEC access to BellSouth unbundled network elements and the performance of those network elements. BellSouth provides network elements according to applicable industry standard technical references. See Section XVI.

D. Combining Network Elements.

1. CLEC Combination of Network Elements. CLECs may combine BellSouth network elements, in any manner the CLEC chooses, to provide telecommunications services. CLEC-combined network elements will be priced at the sum of the individual element charges. BellSouth will physically deliver unbundled network elements where reasonably possible, e.g., unbundled loops and ports extended to CLEC collocation spaces as part of the network element offering. In addition, BellSouth offers central office Assembly Points to provide CLECs with the capability to combine unbundled network elements themselves within a BellSouth central office location, without requiring the CLEC to own or control any telecommunications equipment (i.e., without acquiring collocation space). Additional services desired by CLECs to assist in their combining or operating BellSouth unbundled network elements are available as negotiated.

2. Software Modifications. Software modifications, e.g., switch translations, necessary for the proper functioning of CLEC-combined BellSouth unbundled network elements are provided as part of the network element offering. Additional software modifications requested by CLECs for new features or services may be obtained through the BFR process.

3. Unbundled Network Element Combinations. BellSouth will provide Unbundled Network Element Combinations as set forth in Attachment C. BellSouth will provide CLECs with combinations of elements at cost-based rates when such elements are, in fact, currently combined in BellSouth's network to the location the CLEC wants to serve. BellSouth also provides CLECs combinations of network elements that are ordinarily combined in its network, in the manner which they are typically combined, allowing CLECs to order combinations of typically combined elements even if the particular elements being ordered are not actually physically connected at the time the order is placed. BellSouth will not make auditing a precondition to converting special access to unbundled network elements; however, BellSouth may audit CLEC records in order to verify the type of traffic being transmitted over loop/transport network element combinations. If, based on its audits, BellSouth concludes that a CLEC is not providing a significant amount of local exchange traffic over the facilities, BellSouth may file a complaint with the Commission. To the extent that a CLEC seeks to obtain

combinations of unbundled network elements that are currently combined in BellSouth's network but that are not priced in Attachment A, the CLEC may purchase such unbundled network element combinations at the sum of the stand-alone prices of the elements which make up the combination.

E. Rates. Rates for the unbundled network elements and combinations of elements described above are set out in Attachment A.

F. Ordering and Provisioning. Where technically feasible, BellSouth provides unbundled network element ordering and provisioning services to CLECs that are equal to the ordering and provisioning services BellSouth provides to itself. Detailed guidelines for ordering and provisioning unbundled network elements are set out in the BellSouth Business Rules for Local Ordering. See Section XV.

G. Billing. BellSouth provides unbundled network element billing under Ordering and Billing Forum (OBF) guidelines for CABS bill formats as those guidelines are developed.

### **III. Access To Poles, Ducts, Conduits, and Rights of Way (47 U.S.C. §§ 251(b)(4) and 271(c)(2)(B)(iii))**

BellSouth provides nondiscriminatory access to poles, ducts, conduits and rights-of-way under the following terms:

A. Standard License for Poles, Ducts, Conduits and Rights-of-Way. BellSouth will provide CLECs with nondiscriminatory access to poles, ducts, conduits and rights-of-way owned or controlled by BellSouth under the Standard Agreement set out in Attachment D.

B. Access to Engineering Records. BellSouth will provide access to relevant plats, maps, engineering records and other data to CLECs upon receiving a BFR for access and CLEC agreement to reasonable terms to protect proprietary information.

C. Capacity Reservation. Capacity will be allocated on a first-come first-served basis, although BellSouth may reserve a maintenance spare at its discretion.

### **IV. Local Loop Transmission Unbundled From Local Switching (47 U.S.C. §§ 251(c)(3), 252(d) and 271(c)(2)(B)(iv))**

BellSouth provides access to unbundled local loops and sub-loop elements on the following terms:

A. Unbundled Local Loops. Local loops provide transmission paths between a distribution frame (or its equivalent) in an incumbent LEC central office and the loop demarcation point at an end-user customer premises, including inside wire owned by the incumbent LEC. The local

loop network element includes all features, functions, and capabilities of such transmission facility, including, but not limited to, dark fiber, attached electronics (except those electronics used for the provision of advanced services, such as Digital Subscriber Line Access Multiplexers), and line conditioning. BellSouth provides a variety of local loop configurations. Local loops include, but are not limited to, unbundled copper loops, dark fiber loops, DSO, DS1, DS3, fiber, and other high capacity loops. All BellSouth provided loops will be provisioned according to BellSouth's TR 73600, and are described in Attachment C.

B. Sub-Loop elements. The subloop is defined as any portion of the loop that is technically feasible to access at terminals in BellSouth's outside plant, including inside wire. An accessible terminal is any point on the loop where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within. Such points may include, but are not limited to, the pole or pedestal, the network interface device ("NID"), the minimum point of entry, the single point of interconnection, the main distribution frame, the remote terminal, and the feeder/distribution interface. The sub-loop elements are described in Attachment C.

C. Loop Cross Connects. Loop cross connects allow the local loop to be transported from the main distribution frame in the central office to a CLEC's collocated space.

D. Unbundled Loop Channelization Systems. Unbundled loop channelization systems with central office channel interfaces channelize multiple digital loop carrier channels on a non-concentrated or concentrated basis up to a maximum of 96 voice grade channels per system.

E. Single Point of Interconnection. BellSouth provides a single point of interconnection at multi-unit premises that is suitable for use by multiple carriers.

F. Line Conditioning. Line conditioning is defined as the removal from the loop of any devices that may diminish the capability of the loop to deliver high-speed switched wireline telecommunications capability, including xDSL services. Such devices include, but are not limited to, load coils, bridged taps, low pass filters and range extenders. Where technically feasible, BellSouth will test and report trouble for all the features, functions, and capabilities of conditioned lines, and may not restrict testing to voice-transmission only. A CLEC may select the level of line conditioning it desires and will be required to pay only for the level of conditioning it selects. BellSouth performs line conditioning on unbundled loops upon CLEC request, whether or not BellSouth offers advanced services to the end-user customer on that loop. A CLEC has the option of refusing, in whole or in part, to have a line conditioned without diminishing its right of access to the high frequency portion of the loop.

G. Rates. Rates for unbundled network elements in this section are set out in Attachment A.



H. Quality of Network Elements. Where technically feasible, BellSouth provides CLECs with unbundled local loops and sub-loop elements, and access to those elements, that is at least equal in quality to that which BellSouth provides to itself. Attachment C contains detailed service descriptions and technical requirements applicable to CLEC access to BellSouth unbundled network elements including local loops and sub-loop elements. BellSouth provides network elements according to applicable industry standard technical references.

I. Ordering and Provisioning. Where technically feasible, BellSouth provides local loop and sub-loop element ordering and provisioning services to CLECs that are equal to the ordering and provisioning services BellSouth provides itself. Detailed guidelines for ordering and provisioning local loops and sub-loop elements are set out in the BellSouth Business Rules for Local Ordering. See Section XV.

**V. Local Transport From The Trunk Side Unbundled From Switching Or Other Services (47 U.S.C. §§ 251(c)(3), 252(d) and 271(c)(2)(B)(v))**

BellSouth provides local transport from the trunk side of its switches unbundled from switching or other services under the following terms:

A. Local Transport Elements. Transport elements provide transmission paths that connect one location to another. BellSouth offers both dedicated and common (shared) local transport from the trunk side of its central office switches over a variety of transport options unbundled from switching or switch ports.

1. Dedicated Transport. Dedicated Transport is an interoffice transmission path used exclusively by a single carrier for the transmission of its traffic. Dedicated transport is available between BellSouth central offices and between BellSouth central offices and CLEC facilities. Transmission media include, but are not limited to, DS-1, DS-3, STS-1 and OCn levels.
2. Common Transport. Common transport is a shared transmission path used for the traffic of multiple carriers. Common transport is available between BellSouth end offices and between BellSouth end offices and BellSouth tandem switches. BellSouth provides common transport on a per minute of use basis. Transmission media used to provide common transport includes speeds up to and including OCn.
3. Tandem Switching. Tandem switching establishes a communications path between two switching offices through a third switching office. BellSouth offers all the functionality of its tandem switches to CLECs unbundled from transport. Tandem switching includes the facilities connecting the trunk distribution frame to the switch, and all the functions of the switch itself, including those facilities that establish a temporary transmission path between two other switches as well as functions that

are centralized in tandem switches such as call recording, routing of calls to operator services and signaling conversion functions.

4. Digital Cross-Connect Systems. BellSouth provides CLECs, to the extent technically feasible, with the functionality provided by BellSouth's digital cross-connect systems.
5. Additional Options. BellSouth makes additional transport elements available at any technically feasible point. CLECs may use the BFR process to obtain additional options.

B. Rates. Rates for local transport elements are set out in Attachment A.

C. Quality of Network Elements. Where technically feasible, BellSouth provides CLECs with unbundled local transport elements, and access to those elements, that is at least equal in quality to that which BellSouth provides itself. Attachment C contains detailed service descriptions, and technical requirements applicable to CLEC access to BellSouth unbundled network elements including transport elements. BellSouth provides network elements according to applicable industry standard technical references.

D. Ordering and Provisioning. Where technically feasible, BellSouth provides local transport ordering and provisioning services to CLECs that are equal to the ordering and provisioning services BellSouth provides to itself. Detailed guidelines for ordering and provisioning local transport elements are set out in the BellSouth Business Rules for Local Ordering. See Section XV.

## **VI. Local Switching Unbundled from Transport, Local Loop Transmission or Other Services (47 U.S.C. §§ 251(c)(3), 252(d) and 271(c)(2)(B)(vi))**

BellSouth provides local switching unbundled from transport, local loop transmission or other services under the following terms:

A. Local Circuit Switching. BellSouth offers all the functionality of its local circuit switches to CLECs unbundled from transport, local loop transmission and other services, except as set forth in VI.B. Local switching provides the functionality to connect the appropriate originating lines or trunks wired to the Main Distributing Frame or to the digital Cross Connect panel to a desired terminating line or trunk. Local circuit switching functionality includes line termination and line side switching (dialtone) capability and other switch functionality, e.g., vertical features, at rates set forth in Attachment A. All vertical features loaded in a circuit switch are available to CLECs. Features loaded but not activated, and features not loaded in the circuit switch are available and may be requested through the BFR process. Local circuit switching functionality also provides access to all the features and functionality available to the switch and switch

software including transport signaling, 911, operator, directory and repair services as well as AIN and similar capabilities.

1. Selective Routing. Selective routing to a CLEC's desired platform is available as discussed in Section X.A.3.f.

2. Port Cross Connects. Port cross connects allow ports to be transported from the main distribution frame in the central office to a CLEC's collocated space.

B. Availability of Local Circuit Switching as an Unbundled Network Element. BellSouth provides CLECs with local circuit switching as defined above on an unbundled network element basis except, pursuant to 47 C.F.R § 319(c)(2), for CLECs that serve end-users with four or more voice grade (DS0) equivalents or lines, where BellSouth provides nondiscriminatory access to combinations of unbundled loops and transport throughout Density Zone 1, and BellSouth's local circuit switches are located in the top 50 Metropolitan Statistical Areas as set forth in Appendix B of the Third Report and Order and Fourth Further Notice of Proposed Rulemaking in CC Docket No. 96-98, and in Density Zone 1, as defined in 47 C.F.R. § 69.123 on January 1, 1999.

C. Packet Switching. The packet switching capability network element is defined as the basic packet switching function of routing or forwarding packets, frames, cells or other data units based on address or other routing information contained in the packets, frames, cells or other data units, and the functions that are performed by Digital Subscriber Line Access Multiplexers, including but not limited to: (i) the ability to terminate copper customer loops (which includes both a low band voice channel and a high-band data channel, or solely a data channel); (ii) the ability to forward the voice channels, if present, to a circuit switch or multiple circuit switches; (iii) the ability to extract data units from the data channels on the loops; and (iv) the ability to combine data units from multiple loops onto one or more trunks connecting to a packet switch or packet switches.

D. Availability of Packet Switching as an Unbundled Network Element. BellSouth provides CLECs with packet switching as an unbundled network element only where all of the following conditions are satisfied:

1. BellSouth has deployed digital loop carrier systems, including but not limited to, integrated digital loop carrier or universal digital loop carrier systems; or has deployed any other system in which fiber optic facilities replace copper facilities in the distribution section (e.g., end office to remote terminal, pedestal or environmentally controlled vault);
2. There are no spare copper loops capable of supporting xDSL services the CLEC seeks to offer;

3. BellSouth has not permitted a CLEC to deploy a Digital Subscriber Line Access Multiplexer in the remote terminal, pedestal or environmentally controlled vault or other interconnection point, nor has the requesting carrier obtained a virtual collocation arrangement at these subloop interconnection points as defined in 47 C.F.R. § 319(b); and
4. BellSouth has deployed packet switching capability for its own use.

E. Rates. Cost-based rates for unbundled local circuit switching provided on an unbundled network element basis under 47 U.S.C. § 251(c)(3) are set out in Attachment A. Rates, terms and conditions for unbundled local circuit switching provided under 47 U.S.C. § 271(c)(2)(B)(vi) but not on an unbundled network element basis under 47 U.S.C. § 251(c)(3), and packet switching provided on an unbundled network element basis (subject to the requirements of 47 C.F.R. §51.319(c)(3)), may be obtained through the BFR process.

F. Quality of Network Elements. Where technically feasible, BellSouth provides CLECs with unbundled local switching elements, and access to those elements, that is at least equal in quality to that which BellSouth provides itself. Attachment C contains detailed service descriptions, and technical requirements applicable to CLEC access to BellSouth unbundled network elements including local switching elements. BellSouth provides network elements according to applicable industry standard technical references.

G. Ordering and Provisioning. BellSouth provides CLECs with ordering and provisioning services for local switching that are equal to the ordering and provisioning services BellSouth provides to itself, where technically feasible. Detailed guidelines for ordering and provisioning local switching elements are set out in the BellSouth Business Rules for Local Ordering.

**VII. Nondiscriminatory Access to (A) 911/E911 Emergency Network (47 U.S.C. §§ 251(c)(3) and 271(c)(2)(B)(vii)(I); Regulations (§§ 901(J),(K)(2)); (B) Directory Assistance Services (§§ 271(c)(2)(B)(vii)(II) and 251(c)(3)); and (C) Operator Call Completion Services (§§ 271(c)(2)(B)(vii)(III) and 251(c)(3))**

BellSouth provides nondiscriminatory access to the 911/E911 network, directory assistance and operator call completion services and associated databases under the following terms:

A. Access to 911/E911. BellSouth provides CLECs with equal access to 911/E911 service and the ability for CLECs to provide customer numbers and address information to 911/E911 providers on the following terms:

1. 911/E911 Service. Basic 911 and E911 provide callers access to the applicable emergency services bureau by dialing a three-digit universal telephone number.

2. Equal Access. A CLEC's customers will be able to dial and reach emergency services bureaus providing 911/E911 service in the same manner as BellSouth customers.
3. Basic 911 Service Provisioning. For basic 911 service, BellSouth will provide to a CLEC a list consisting of each municipality that subscribes to Basic 911 service. The list will also provide, if known, the E911 conversion date for each municipality and, for network routing purposes, a ten-digit directory number representing the appropriate emergency answering position for each municipality subscribing to 911. The CLEC will be required to arrange to accept 911 calls from its end users in municipalities that subscribe to Basic 911 service and translate the 911 call to the appropriate 10-digit directory number as stated on the list provided by BellSouth. The CLEC will be required to route that call to BellSouth at the appropriate tandem or end office. When a municipality converts to E911 service, the CLEC will be required to discontinue the Basic 911 procedures and begin using E911 procedures.
4. E911 Service Provisioning. For E911 service, a CLEC will be required to install a minimum of two dedicated trunks originating from the CLEC's serving wire center and terminating to the appropriate E911 tandem. The dedicated trunks shall be, at a minimum, DS-0 level trunks configured either as a 2-wire analog interface or as part of a digital (1.544 Mb/s) interface. Either configuration shall use CAMA-type signaling with multifrequency ("MF") pulsing that will deliver automatic number identification ("ANI") with the voice portion of the call. If the user interface is digital, MF pulses, as well as other AC signals, shall be encoded per the Mu-255 Law convention. The CLEC will be required to provide BellSouth daily updates to the E911 database. A CLEC will be required to forward 911 calls to the appropriate E911 tandem, along with ANI, based upon the current E911 end office to tandem homing arrangement as provided by BellSouth. If the E911 tandem trunks are not available, the CLEC will be required to route the call to a designated 7-digit local number residing in the appropriate Public Service Answering Point ("PSAP"). This call will be transported over BellSouth's interoffice network and will not carry the ANI of the calling party.
5. Rates. Charges for 911/E911 service are borne by the municipality purchasing the service. BellSouth will impose no charge on CLECs beyond applicable charges for BellSouth trunking arrangements shown on Attachment A.
6. 911/E911 Databases. BellSouth will load CLEC end-user information into 911/E911 databases in the same manner it loads BellSouth end-user information so that CLEC end-user information is available at the same time and in the same manner as BellSouth end-user information.

7. Detailed Practices and Procedures. The detailed practices and procedures contained in the E911 Local Exchange Carrier Guide For Facility-Based Providers determine the appropriate practices and procedures for BellSouth and CLECs to follow in providing 911/E911 services.

B. Directory Assistance Services. BellSouth provides CLECs nondiscriminatory access to directory assistance services and databases on the following terms:

1. Directory Assistance Database. BellSouth includes CLEC subscriber listings in BellSouth's directory assistance database at no charge. CLECs must provide timely updates in the appropriate format. The same procedures and time intervals will apply to the entry of directory assistance information and updates for BellSouth, CLECs and independent telephone company end-users.

2. BellSouth Directory Assistance Services. BellSouth provides CLECs and their subscribers nondiscriminatory access to directory assistance service under BellSouth's tariffs. CLEC subscribers will be able to reach BellSouth's directory assistance by dialing the same numbers, and will receive the same treatment, as BellSouth subscribers. If the CLEC provides ANI, then additional services such as directory assistance call completion will be available. BellSouth offers CLECs the following access options on the same terms as they are currently offered to other telecommunications providers:

a. Directory Assistance Access Service. This service is currently provided by BellSouth to IXC's for directory assistance.

b. Direct Access to Directory Assistance Service. This service provides direct on-line access to BellSouth's directory assistance database.

c. Directory Assistance Database Service. This service provides a copy of the BellSouth Directory Assistance database to requesting carriers.

3. Selective Routing for CLEC Branded Directory Assistance Services. BellSouth provides CLECs purchasing BellSouth unbundled local circuit switching and reselling BellSouth local exchange service with selective routing or a compatible signaling protocol for routing of calls to a requesting CLEC's directory service platform for provision of CLEC directory assistance services or to a BellSouth platform for BellSouth provision of CLEC-branded directory assistance. In either case, CLEC customers may use the same dialing arrangements as BellSouth customers, but obtain a CLEC-branded service. BellSouth's selective routing offering is discussed in Section X.A.3.f.

4. Rates. Rates for Directory Assistance Services provided under 47 U.S.C. § 271(c)(2)(B)(vii) may be obtained from BellSouth's tariffs or through negotiations.

C. Operator Call Completion Services. BellSouth provides operator services to CLECs in the same manner and extent, utilizing the same databases, that BellSouth provides operator services to its customers:

1. Busy Line Verification and Emergency Interrupt. Busy line verification and busy line verification and emergency interrupt allows BellSouth and CLEC subscribers to request an operator to verify that a line is busy or to interrupt a conversation.
2. Intercept Service. This service provides for call interception in the event of a number change or disconnect. BellSouth provides intercept service to CLECs.
3. Operator Call Processing Access Service. This service provides operator and automated call handling for processing and verification of alternative billing information for collect, calling card and billing to a third number. This service can also be used to provide customized call branding, dialing instructions and other operator assistance.
4. Centralized Message Distribution System. Centralized Message Distribution System (“CMDS”) is a Bellcore administered national system used to transfer specially formatted messages among companies. BellSouth will offer CLECs CMDS Hosting and access to various mechanized reports provided through the system as set out in detail in Attachment E.
5. Selective Routing for CLEC-Branded Operator Call Completion Services. BellSouth provides CLECs purchasing BellSouth unbundled local circuit switching and reselling BellSouth local exchange service with selective routing or a compatible signaling protocol for routing of calls to a requesting CLEC’s operator service platform for provision of CLEC operator call completion services or to a BellSouth platform for BellSouth provision of CLEC-branded operator call completion services. In either case, the CLEC’s customers may use the same dialing arrangements as BellSouth customers, but obtain a CLEC-branded service. BellSouth's selective routing offering is discussed in Section X.A.3.f.
6. Rates. Rates for Operator Call Completion Services provided under 47 U.S.C. § 271(c)(2)(B)(vii) may be obtained from BellSouth’s tariffs or through negotiations.

D. Quality of Network Elements. Where technically feasible, BellSouth provides CLECs nondiscriminatory access to the 911/E911 emergency network, directory assistance and operator call completion services, that is at least equal in quality to that which BellSouth provides itself. Attachment C contains detailed service descriptions and technical requirements applicable to CLEC nondiscriminatory access to BellSouth 911/E911 emergency network,

directory assistance and operator call completion services. BellSouth provides network elements according to applicable industry standard technical references.

E. Ordering and Provisioning. Where technically feasible, BellSouth provides ordering and provisioning services for nondiscriminatory access to the 911/E911 emergency network, directory assistance and operator call completion services to CLECs that are equal to the ordering and provisioning services BellSouth provides to itself. Detailed guidelines for ordering and provisioning nondiscriminatory access to 911/E911 emergency network, directory assistance and operator call completion services elements are set out in the BellSouth Business Rules for Local Ordering. See Section XVI.

### **VIII. White Pages Directory Listings For CLEC Customers (47 U.S.C. § 271(c)(2)(B)(viii))**

BellSouth provides CLECs and their customers access to white pages directory listings under the following terms:

A. Listings. BellSouth or its agent will include CLEC residential and business customer listings in the appropriate White Pages (residential and business) or alphabetical directories. Directory listings will make no distinction between CLEC and BellSouth subscribers.

B. Rates. Subscriber primary listing information in the White Pages shall be provided at no charge to CLECs or their subscribers provided that the CLEC provides subscriber listing information to BellSouth at no charge.

C. Procedures for Submitting CLEC Subscriber Information. BellSouth will provide to CLECs a magnetic tape or computer disk containing the proper format for submitting subscriber listings. CLECs will be required to provide BellSouth with directory listings and daily updates to those listings, including new, changed, and deleted listings, in an industry-accepted format. These procedures are detailed in the BellSouth Business Rules for Local Ordering. See Section XV.

D. Unlisted Subscribers. CLECs will be required to provide to BellSouth the names, addresses and telephone numbers of all CLEC customers that wish to be omitted from directories.

E. Inclusion of CLEC Customers in Directory Assistance Database. BellSouth will include and maintain CLEC subscriber listings in BellSouth's directory assistance database at no charge. BellSouth and CLECs will formulate appropriate procedures regarding leadtime, timeliness, format and content of listing information. CLEC subscriber listings and information will be migrated on an "as is" basis upon a change of service provider consistent with OBF standards.



F. Listing Information Confidentiality. BellSouth will accord a CLEC's directory listing information the same level of confidentiality that BellSouth accords its own directory listing information, and BellSouth shall limit access to a CLEC's customer proprietary confidential directory information to those BellSouth employees who are involved in the preparation of listings.

G. Optional Listings. Additional listings and optional listings will be offered by BellSouth at tariffed rates as set forth in the General Subscriber Services Tariff.

H. Delivery. BellSouth or its agent shall deliver White Pages directories to CLEC subscribers at no charge.

**IX. Nondiscriminatory Access to Telephone Numbers For CLEC Customers (47 U.S.C. §§ 251(b)(3) and § 271((c)(2)(B)(ix))**

Non-Discriminatory Access. A neutral party currently serves as the North American Numbering Plan administrator. BellSouth complies with the rules adopted pursuant to 47 U.S.C. § 251(e).

**X. Nondiscriminatory Access to Signaling and Signaling Databases (47 U.S.C. §§ 251(c)(3), 252(d)(2) and 271(c)(2)(B)(x))**

BellSouth provides nondiscriminatory access to signaling and signaling databases under the following terms:

A. Signaling and Signaling Databases. Signaling elements offered by BellSouth include signaling systems and databases. Signaling elements facilitate call routing and completion. BellSouth offers CLECs mediated access to BellSouth's signaling network and signaling databases on an unbundled basis. Available signaling elements include Signaling Links, Signal Transfer Points and Service Control Points.

1. Signaling Links. Signaling links are dedicated transmission paths carrying signaling messages between carrier switches and signaling networks. Signal Link Transport is a dedicated set of two or four 56 kbps transmission paths between the CLEC designated Signaling Points of Interconnection that provide a diverse transmission path and cross connect to a BellSouth Signal Transfer Point. BellSouth will provide connections between a switch or Service Switching Point and a home Signal Transfer Point and connections between two Signal Transfer Point pairs in different company networks.

2. Signal Transfer Points. Signal Transfer Points ("STPs") are signaling message switches that interconnect Signaling Links to route signaling messages between switches and databases. STPs enable the exchange of Signaling System 7 ("SS7") messages between switching elements, database elements and STPs. STPs provide access to

various BellSouth network elements such as local switching, databases and third-party provided services.

3. Service Control Points. Service Control Points (“SCPs”) are databases that store and provide access and the ability to manipulate information required to offer particular services. BellSouth provides the following SCP databases on an unbundled basis:

a. Line Information Database. The line information database (“LIDB”) is an SCP transaction-oriented database that contains records associated with subscriber line numbers and special billing numbers. CLECs may query BellSouth’s LIDB to verify collect or third number billing calls. BellSouth will enter CLEC line information into its LIDB under the terms of the Line Information Database Storage Agreement attached as Attachment F. Entry of line information into LIDB will allow CLEC end users to participate in alternate billing arrangements such as collect or third number billed calls.

b. Toll Free Number Database. The Toll Free Number Database is an SCP that provides functionality necessary for toll free number service.

c. Automatic Location Identification/Data Management System. The Automatic Location Identification/Data Management System contains subscriber information used to route calls to the appropriate Public Safety Answering Point.

d. Advanced Intelligent Network. BellSouth offers CLECs access to its SCP-based Advanced Intelligent Network (“AIN”) through BellSouth’s Service Creation Environment and Service Management System (“SCE/SMS”). SCE/SMS access allows CLECs to provide AIN services from either BellSouth switches or their own. It also allows CLECs to create service applications using BellSouth’s AIN service creation tools and to deploy those services using BellSouth’s service management tools. CLECs have the same access to SCE/SMS as BellSouth.

e. Additional Databases. BellSouth provides CLECs access to the following additional databases on an unbundled network element basis: Calling Name Database, 911 Database, E911 Database and number portability databases.

f. Selective Routing. Selective routing allows CLECs purchasing unbundled BellSouth local switching or reselling BellSouth retail service to identify and selectively route subscriber calls from a BellSouth switch and BellSouth services to a CLEC’s switch and services using the same digits dialed

by BellSouth subscribers. In addition, calls may be selectively routed to BellSouth platforms allowing BellSouth to provide CLEC-branded services on behalf of the CLEC. This allows CLEC branding of services such as operator, directory assistance or repair services. Selective routing is provided through AIN-based carrier routing service. BellSouth also provides selective routing through the use of line class codes.

B. Rates. Rates for BellSouth's signaling services, including databases, are set out in Attachment A.

C. Ordering and Provisioning. BellSouth provides selective routing, signaling and signaling database element ordering and provisioning services to CLECs that are at least equal in quality to the ordering and provisioning services BellSouth provides itself, where technically feasible. Detailed guidelines for ordering and provisioning selective routing, signaling and signaling database services are set out in the BellSouth Business Rules for Local Ordering. See Section XV.

D. Quality of Network Elements. BellSouth provides CLECs with unbundled signaling and signaling database elements, and access to those elements, that is at least equal in quality to that which BellSouth provides itself, where technically feasible. Attachment C contains detailed service descriptions and technical requirements applicable to CLEC access to BellSouth unbundled network elements including signaling and signaling databases. BellSouth provides network elements according to applicable industry standard technical references. See Section XVI.

E. 800 Query Rates. Rates for a CLEC to use BellSouth's 800 database (for query purposes only) are set out in Attachment A.

## **XI. Number Portability (47 U.S.C. §§ 251(b)(2) and 271(c)(2)(B)(xi))**

A. Service Provider Number Portability. Service Provider Number Portability ("Number Portability") is a service arrangement that allows an end user customer who switches service providers to keep the same telephone number. BellSouth offers a permanent local number portability (LNP) solution.

B. Ordering and Provisioning. Detailed guidelines for ordering and provisioning are set out in the BellSouth Business Rules for Local Ordering. See Section XV.

C. Quality of Service. BellSouth will provide number portability to CLECs and their customers with minimum impairment of functionality, quality, reliability and convenience.

## **XII. Local Dialing Parity (47 U.S.C. §§ 251(b)(3) and 271(c)(2)(B)(xii))**

Local Dialing Parity. CLEC customers will not have to dial any greater number of digits than BellSouth customers to complete the same type of call. In addition, CLEC local service customers will experience at least the same quality as BellSouth local service customers regarding post-dial delay, call completion rate and transmission quality.

### **XIII. Reciprocal Compensation (47 U.S.C. §§ 252(d)(2) and 271(c)(2)(B)(xiii))<sup>3</sup>**

BellSouth provides reciprocal compensation under the following terms:

A. Mutual and Reciprocal Cost Recovery. BellSouth provides for the mutual and reciprocal recovery of the costs of transporting and terminating local calls on BellSouth's and the CLEC's networks. BellSouth's charges for transport and termination of calls on its network are set out in Attachment A.

B. Disputes Related to Reciprocal Compensation. If BellSouth and CLECs operating under this Statement and/or an interconnection agreement have any disputes regarding reciprocal compensation for transport and termination of traffic, they will continue to transport and terminate traffic so that end users are not affected until any dispute is resolved.

### **XIV. BellSouth Retail Services Available for Resale (47 U.S.C. §§ 251(b)(1), 251(c)(4), 252(d)(3) and 271(c)(2)(B)(xiv))**

BellSouth provides retail telecommunications services for resale by CLECs under the following terms:

A. Retail Services. Retail telecommunications services ("retail services") are telecommunications services that BellSouth provides at retail to subscribers that are not telecommunications carriers. N11 is not a retail service and is not available for resale.

B. Discounts. Retail services, as ordered by the Commission, are available at discounts set out in Attachment H. Discounts apply to intrastate tariffed services and are not applicable to

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<sup>3</sup> Intercarrier compensation for traffic delivered to enhanced service providers (which includes traffic delivered to Internet Service Providers), is not subject to the reciprocal compensation provisions of section 251(b)(5) and will be treated consistent with the requirements for compensation set forth in the FCC's Order on Remand and Report and Order in the matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 Intercarrier Compensation for ISP-Bound Traffic, CC Dockets 96-98 and 99-68, Released April 27, 2001.

non-tariffed services or products, taxes or other pass-through charges such as the federal subscriber line charge and similar charges not included in intrastate tariffs.

C. Compliance with Tariff Conditions. Retail services must be resold in compliance with the applicable terms and conditions of the service offering that are contained in BellSouth's existing retail tariffs. Thus, for example, cross-class selling is prohibited. Pursuant to the Commission's orders, the following specific services must be resold as described below:

1. Grandfathered Services. Grandfathered services are available for resale. These services may only be offered to subscribers who have already been grandfathered. These services may not be resold to a different group(s) or a new group(s) of subscribers.
2. LinkUp/Lifeline Services. LinkUp/Lifeline services are available for resale. These services may be resold only to subscribers who meet the criteria that BellSouth currently applies to subscribers of these services. CLECs must discount LinkUp/Lifeline services by at least the same percentage as that currently provided by BellSouth.
3. Contract Service Arrangements. Discounted contract service arrangements ("CSAs") as set out in Attachment H may be resold to the specific BellSouth end user for whom the CSA was constructed or to similarly situated end users. End users are similarly situated if their quantity of use and time of use, and the manner and costs of service, are the same. If a reseller assumes all of the terms and conditions of a CSA, no termination charges will apply upon the assumption of the CSA.
4. Promotions. Retail promotions offered for ninety (90) days or less will not be discounted. Promotions of more than ninety (90) days will be made available for resale at the promotional rate minus the applicable wholesale discount. These promotions may only be offered to customers who would qualify for the promotion if they received it directly from BellSouth.

D. Quality of Resale Services. The services and service provisioning that BellSouth provides CLECs for resale will be at least equal in quality to that provided to BellSouth, or any BellSouth subsidiary, affiliate or end user. BellSouth will provide resellers with preordering, service ordering, service trouble reporting and repair, and daily usage data functionality that will enable a reseller to provide equivalent levels of customer service to its local exchange customers as BellSouth provides to its own end users.

E. BellSouth Interaction with CLEC Customers. When interacting with CLEC resale customers on behalf of a CLEC, BellSouth employees will not market BellSouth services. BellSouth will provide parity in the treatment of CLEC customers with BellSouth customers.

F. Transfer of Customers. BellSouth will implement CLEC requests to disconnect the service of a BellSouth end user and transfer that customer's service to the CLEC. In the case of a customer terminating service from a CLEC, BellSouth will notify the CLEC within twenty-four (24) hours. BellSouth will not require end user confirmation prior to transferring an end user's service. A CLEC must, however, provide proof of authorization upon request.

G. Unauthorized Transfer of Customer. If an unauthorized change in local service provider occurs, BellSouth will reestablish service with the appropriate local service provider as requested by the end user and will assess the party responsible for the unauthorized change as described in FCC Tariff No. 1, Section 13, or applicable state tariff. The appropriate nonrecurring charges to reestablish the customer's service with the appropriate local service provider will also be assessed to the party responsible for the unauthorized change.

H. Interexchange Carrier Selection. BellSouth will implement requests to change a CLEC end user's choice of a primary interexchange carrier and/or intraLATA toll carrier.

I. Customer of Record. The CLEC will be the customer of record for all retail services purchased from BellSouth. Except as specified in this Statement, BellSouth will take orders from, bill and expect payment from the CLEC for all services.

J. Single Point of Contact. The CLEC will be BellSouth's single point of contact for all retail services purchased, including all ordering activities and repair calls. For all repair requests, the CLEC must adhere to BellSouth's prescreening guidelines prior to referring troubles to BellSouth. BellSouth may bill the CLEC for troubles that are found not to be in the BellSouth network. BellSouth will have no other contact with CLEC end users, except as provided herein.

K. Detailed Guidelines for Ordering, Provisioning and Billing. Detailed guidelines for ordering, provisioning and billing of resold services are contained in the BellSouth Business Rules for Local Ordering. See Section XV.

L. Resale of Transmitted Telephone Number Information. Telephone numbers transmitted via any resold service feature are intended solely for the use of the end user of the feature. Resale of this information is prohibited.

M. Maintenance of BellSouth Facilities and Equipment. BellSouth facilities and equipment used to provide CLEC-resold services will be maintained by BellSouth. A CLEC or its end users may not rearrange, move, disconnect or attempt to repair any BellSouth facilities or equipment, other than by connection or disconnection to any interface means used, without the written consent of BellSouth.

N. Billing and Collection. This Statement does not provide for billing and collection services. CLEC requests for billing and collection services should be referred to the appropriate entity or operational group within BellSouth.

O. Discontinuing CLEC End User Service. BellSouth will discontinue service provided to a CLECs' resale end user customers as follows:

1. Where possible, BellSouth will deny service to a CLEC's end user on behalf of, and at the request of, the CLEC. Upon restoration of the end user's service, restoral charges will apply and will be the responsibility of the CLEC.
2. At the request of a CLEC, BellSouth will disconnect a CLEC end user customer.
3. CLEC requests for denial or disconnection of an end user for nonpayment must be in writing.
4. A CLEC is solely responsible for notifying the end user of the proposed service disconnection.
5. BellSouth will continue to process calls made to the Annoyance Call Center and will advise a CLEC when it is determined that annoyance calls are originated from one of their end user's locations. BellSouth shall be indemnified, defended and held harmless by the CLEC and/or the end user against any claim, loss or damage arising from providing this information to the CLEC. It is the responsibility of the CLEC to take the corrective action necessary with its customers who make annoying calls. Failure to do so will result in BellSouth's disconnecting the end user's service.

## **XV. Ordering Guide**

A. BellSouth provides detailed administrative information and procedures for ordering facilities and services under this Statement through the BellSouth Business Rules for Local Ordering. This manual sets out current order forms, ordering procedures and processes, contact names and other information to assist in ordering interconnection, facilities and resale services from BellSouth. This manual can be accessed at <http://www.interconnection.bellsouth.com/guides/>. The administrative information and procedures set out in this manual is intended to ensure that CLECs understand how to order BellSouth unbundled network elements, resale services and other facilities and services set out in this Statement on a day-to-day basis. This manual will be updated to conform to CLEC needs, systems developments and changes to and improvements in administrative procedures. Changes to the manual will not affect BellSouth's commitments, set out in this Statement, to treat CLECs in a non-discriminatory manner.

## **XVI. Performance Measures/Enforcement Plan**

- A. Performance Measures and Enforcement Plan. Upon the Commission's issuance of an Order pertaining to Performance Measures and/or an Enforcement Plan applicable to all CLECs generally, BellSouth shall implement in Kentucky such Performance Measures and Enforcement Plan as of the legally effective date.
- B. Additional Measures. Additional Service Quality Measurements and reports may be developed through the BFR process described in Attachment B.

## **XVII. Forecasting Requirements**

- A. Technical Descriptions and Forecasting. CLECs ordering out of this Statement shall provide technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail to establish the interconnections necessary to assure traffic completion to and from all customers in their respective designated service areas.
- B. Regular Meetings. The Parties shall meet every six months or at otherwise mutually agreeable intervals for the purpose of discussing non-binding forecasts of their traffic and volume requirements for interconnection and network elements provided under this Agreement, in the form and detail as agreed. Section XVII. C. contains guidelines regarding trunk forecasts and meetings that the Parties may use. The Parties agree that each forecast provided under this section shall be deemed "Confidential Information" under Section XXIII of this Statement.
- C. Trunk Forecasts. The trunk forecast should include trunk requirements for all of the interconnecting trunk groups for the current year plus the next two years. Forecast meetings may be face-to-face meetings, video or audio conferences. Meetings may be held regionally or otherwise. Forecast meetings should be held at least semi-annually, or more often if the forecast is no longer usable. Updates to a forecast or portions thereof should be made whenever the Party providing the forecast deems that the latest trunk requirements exceed the original quantities by 24 trunks or 10%, whichever is greater. Either Party should notify the other Party if they have measurements indicating that a trunk group is exceeding its designed call carrying capacity and is impacting other trunk groups in the network. Also, either Party should notify the other Party if they know of situations in which the traffic load is expected to increase significantly and thus affect the interconnecting trunk requirements as well as the trunk requirements within the other Party's network. BellSouth reserves the right to disconnect underutilized trunks. The Parties agree that forecast information provided under this Section shall be deemed "Confidential Information" under Section XXIII of this Statement.
- D. Binding Forecasts. In addition to, and not in lieu of, the non-binding forecasts required by Section XVII.B., a Party that is required pursuant to this Statement to provide a forecast



(the “Forecast Provider”) or a Party that is entitled pursuant to this Statement to receive a forecast (the “Forecast Recipient”) may request that the other Party negotiate to establish a forecast (a “Binding Forecast”) that commits such Forecast Provider to purchase, and such Forecast Recipient to provide, a specified volume to be utilized as set forth in such Binding Forecast. The Forecast Provider and Forecast Recipient shall negotiate the terms of such Binding Forecast provisions in good faith and may include in such Binding Forecast provisions regarding price, quantity, liability for failure to perform and any other terms desired. The Parties agree that any Binding Forecast provided under this Section shall be deemed “Confidential Information” under Section XXIII of this Statement. Neither Party is required to enter into a Binding Forecast as described in this Section.

E. Non-Binding Forecasts. For a non-binding trunk forecast, agreement between the two Parties on the trunk quantities and the timeframe of those trunks does not imply any liability for failure to perform if the trunks are not available for use or ordered at the stated time.

## **XVIII. Network Design and Management (47 U.S.C. § 251(c)(5))**

A. Network Management and Changes. BellSouth will work cooperatively with a CLEC to install and maintain reliable interconnected telecommunications networks, including but not limited to, maintenance contact numbers and escalation procedures. BellSouth agrees to provide public notice of changes in the information necessary for the transmission and routing of services using its local exchange facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks.

B. Interconnection Standards. The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria.

C. Network Management Controls. BellSouth will work cooperatively with a CLEC to apply sound network management principles by invoking appropriate network management controls, *e.g.*, call gapping, to alleviate or prevent network congestion.

D. Common Channel Signaling. BellSouth will provide LEC-to-LEC Common Channel Signaling (“CCS”) to a CLEC, where available, in conjunction with all traffic in order to enable full interoperability of CLASS features and functions except for call return. All CCS signaling parameters will be provided, including automatic number identification (“ANI”), originating line information (“OLI”) calling company category, charge number, etc. All privacy indicators will be honored, and BellSouth will cooperate with a CLEC on the exchange of Transactional Capabilities Application Part (“TCAP”) messages to facilitate full interoperability of CCS-based features between the respective networks.

E. Network Expansion. For network expansion, BellSouth will review engineering requirements with each CLEC on a quarterly basis and establish forecasts for trunk utilization. New trunk groups will be implemented as stated by engineering requirements for both parties.

F. Call Information. BellSouth will provide a CLEC with the proper call information, *i.e.*, originated call company number and destination call company number, CIC, and OZZ code, including all proper translations for routing between networks and any information necessary for billing where BellSouth provides recording capabilities. The exchange of information is required to enable each company to bill properly.

## **XIX. Taxes**

A. Definition. The terms “taxes” and “fees” shall include, but not be limited to, federal, state or local sales, use, excise, gross receipts or other taxes or tax-like fees of whatever nature and however designated (including tariff surcharges and any fees, charges or other payments, contractual or otherwise, for the use of public streets or rights of way, whether designated as franchise fees or otherwise) imposed, or sought to be imposed, on or with respect to the services furnished hereunder or measured by the charges or payments therefore, excluding any taxes levied on income.

B. Taxes and Fees Imposed Directly On Either Seller or Purchaser.

1. Taxes and fees imposed on the providing party, which are not permitted or required to be passed on by the providing party to its customer, shall be borne and paid by the providing party.

2. Taxes and fees imposed on the purchasing party, which are not required to be collected and/or remitted by the providing party, shall be borne and paid by the purchasing party.

C. Taxes and Fees Imposed on Purchaser But Collected And Remitted By Seller.

1. Taxes and fees imposed on the purchasing party shall be borne by the purchasing party, even if the obligation to collect and/or remit such taxes or fees is placed on the providing party.

2. To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing party remains liable for any such taxes and fees regardless of whether they are actually billed by the providing party at the time that the respective service is billed.

3. If the purchasing party determines that in its opinion any such taxes or fees are not payable, the providing party shall not bill such taxes or fees to the purchasing party if

the purchasing party provides written certification, reasonably satisfactory to the providing party, stating that it is exempt or otherwise not subject to the tax or fee, setting forth the basis therefor, and satisfying any other requirements under applicable law. If any authority seeks to collect any such tax or fee that the purchasing party has determined and certified not to be payable, or any such tax or fee that was not billed by the providing party, the purchasing party may contest the same in good faith, at its own expense. In any such contest, the purchasing party shall promptly furnish the providing party with copies of all filings in any proceeding, protest, or legal challenge, all rulings issued in connection therewith, and all correspondence between the purchasing party and the taxing authority.

4. In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing party during the pendency of such contest, the purchasing party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

5. If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing party shall pay such additional amount, including any interest and penalties thereon.

6. Notwithstanding any provision to the contrary, the purchasing party shall protect, indemnify and hold harmless (and defend at the purchasing party's expense) the providing party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing party in connection with any claim for or contest of any such tax or fee.

7. Each party shall notify the other party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

D. Taxes and Fees Imposed on Seller But Passed On To Purchaser.

1. Taxes and fees imposed on the providing party, which are permitted or required to be passed on by the providing party to its customer, shall be borne by the purchasing party.

2. To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing party shall remain liable for any such

taxes and fees regardless of whether they are actually billed by the providing party at the time that the respective service is billed.

3. If the purchasing party disagrees with the providing party's determination as to the application or basis for any such tax or fee, the Parties shall consult with respect to the imposition and billing of such tax or fee. Notwithstanding the foregoing, the providing party shall retain ultimate responsibility for determining whether and to what extent any such taxes or fees are applicable, and the purchasing party shall abide by such determination and pay such taxes or fees to the providing party. The providing party shall further retain ultimate responsibility for determining whether and how to contest the imposition of such taxes and fees; provided, however, that any such contest undertaken at the request of the purchasing party shall be at the purchasing party's expense.

4. In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing party during the pendency of such contest, the purchasing party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

5. If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing party shall pay such additional amount, including any interest and penalties thereon.

6. Notwithstanding any provision to the contrary, the purchasing party shall protect indemnify and hold harmless (and defend at the purchasing party's expense) the providing party from and against any such tax or fee, interest or penalties thereon, or other reasonable charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing party in connection with any claim for or contest of any such tax or fee.

7. Each party shall notify the other party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

E. Mutual Cooperation.

In any contest of a tax or fee by one Party, the other Party shall cooperate fully by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. Further, the other Party shall be reimbursed for any reasonable and necessary out-of-pocket copying and travel expenses incurred in assisting in such contest.

## **XX. Auditing Procedures**

A. Audits. On thirty (30) days written notice, each company must provide the other the ability and opportunity to conduct an annual audit to ensure the proper billing of traffic. BellSouth and the CLEC shall retain records of call detail for a minimum of nine months from which a PLU can be ascertained. The audit shall be accomplished during normal business hours at an office designated by the company being audited. Audit requests shall not be submitted more frequently than one (1) time per calendar year. Audits shall be performed by a mutually acceptable independent auditor paid for by the company requesting the audit. The PLU shall be adjusted based upon the audit results and shall apply to the usage for the quarter the audit was completed, to the usage for the quarter prior to the completion of the audit, and to the usage for the two quarters following the completion of the audit. If, as a result of an audit, either company is found to have overstated the PLU by twenty percentage points (20%) or more, that company shall reimburse the auditing company for the cost of the audit.

B. Percent Interstate Usage. For combined interstate and intrastate CLEC traffic terminated by BellSouth over the same facilities, a CLEC will be required to provide a projected Percent Interstate Usage ("PIU")<sup>4</sup> to BellSouth. All jurisdictional report requirements, rules and regulations for IXCs specified in BellSouth's Intrastate Access Services Tariff will apply to the CLEC. After interstate and intrastate traffic percentages have been determined by use of PIU procedures, the PLU factor will be used for application and billing of local interconnection and intrastate toll access charges.

C. CLEC Resale Audit. BellSouth reserves the right to periodically audit services purchased by a CLEC for the purposes of resale to confirm that such services are being utilized in conformity with this Statement and BellSouth's tariffs. The CLEC will be required to make any and all records available to BellSouth or its auditors on a timely basis. BellSouth shall bear the cost of said audit that shall not occur more than once in a calendar year. If the audit determines that the services are being utilized in violation of this Statement or BellSouth's tariffs, the CLEC shall be notified and billing for the service will be immediately changed to conform with this Statement and BellSouth's tariffs. Service charges, back billing and interest may be applied.

## **XXI. Liability and Indemnification**

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<sup>3</sup>Percent of Interstate Usage (PIU) is defined as a factor to be applied to terminating access services minutes of use to obtain those minutes that should be rated as interstate access services minutes of use. The numerator includes all interstate "nonintermediary" minutes of use, including interstate minutes of use that are forwarded due to service provider number portability less any interstate minutes of use for Terminating Company Pays services, such as 800 Services. The denominator includes all "nonintermediary", local, interstate, intrastate, toll and access minutes of use adjusted for service provider number portability less all minutes attributable to terminating company pays services.

- A. BellSouth Liability. BellSouth shall take financial responsibility for its own actions in causing, or its lack of action in preventing, unbillable or uncollectible CLEC revenues.
- B. Liability for Acts or Omissions of Third Parties. Neither BellSouth nor a CLEC shall be liable for any act or omission of another telecommunications company providing a portion of the services provided under this Statement.
- C. Mutual Limitation of Liability. BellSouth and a CLEC shall limit the liability of each other to the customers of the other to the greatest extent permissible by law. Each company is required to include in its local service tariff if it files one, or in an appropriate document that is binding on its customers if it does not file a local service tariff, a limitation of liability for damages by its customers that covers each company as a provider of a portion of an end user service to the same extent as each company limits its own liability to its customers.
- D. No Liability for Certain Damage. Neither BellSouth nor a CLEC shall be liable for damages to the other's terminal location, point of interface ("POI") or other company's customers' premises resulting from the furnishing of a service, including, but not limited to, the installation and removal of equipment or associated wiring, except to the extent caused by a company's negligence or willful misconduct or by a company's failure to properly ground a local loop after disconnection.
- E. Indemnification for Certain Claims. BellSouth and a CLEC providing services, their affiliates and their parent company, shall be indemnified, defended and held harmless by each other against any claim, loss or damage arising from the receiving company's use of the services provided under this Statement pertaining to (1) claims for libel, slander, invasion of privacy or copyright infringement arising from the content of the receiving company's own communications, or (2) any claim, loss or damage claimed by the other company's customer arising from one company's use or reliance on the other company's services, actions, duties, or obligations arising out of this Statement.
- F. No Liability for Certain Inaccurate Data. Neither BellSouth nor a CLEC assumes any liability for the accuracy of data provided by one company to the other and each company agrees to indemnify and hold harmless the other for any claim, action, cause of action, damage, or injury that might result from the supply of inaccurate data in conjunction with the provision of any service provided pursuant to this Statement.

## **XXII. Intellectual Property Rights and Indemnification**

- A. No License. No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Statement. A CLEC is strictly prohibited from any use, including but not limited to in sales, in marketing or advertising of telecommunications services, of any BellSouth name, service mark or trademark.

B. Ownership of Intellectual Property. Any intellectual property which originates from or is developed by a party shall remain in the exclusive ownership of that party. Except for a limited license to use patents or copyrights to the extent necessary for the parties to use any facilities or equipment (including software) or to receive any service solely as provided under this Agreement, no license in patent, copyright, trademark or trade secret, or other proprietary or intellectual property right now or hereafter owned, controlled or licensable by a party, is granted to the other party or shall be implied or arise by estoppel. It is the responsibility of each party to ensure at no additional cost to the other party that it has obtained any necessary licenses in relation to intellectual property of third parties used in its network that may be required to enable the other party to use any facilities or equipment (including software), to receive any service, or to perform its respective obligations under this Agreement.

C. Indemnification. The party providing a service pursuant to this Agreement will defend the party receiving such service or data provided as a result of such service against claims of infringement arising solely from the use by the receiving party of such service and will indemnify the receiving party for any damages awarded based solely on such claims in accordance with Section XXI of this Agreement.

D. Claim of Infringement. In the event that use of any facilities or equipment (including software), becomes or, in reasonable judgment of the party who owns the affected network is likely to become, the subject of a claim, action, suit, or proceeding based on intellectual property infringement, then said party shall promptly and at its sole expense, but subject to the limitations of liability set forth below:

(i) modify or replace the applicable facilities or equipment (including software) while maintaining form and function, or (ii) obtain a license sufficient to allow such use to continue. In the event (i) or (ii) are commercially unreasonable, then said party may, (iii) terminate, upon reasonable notice, this contract with respect to use of, or services provided through use of, the affected facilities or equipment (including software), but solely to the extent required to avoid the infringement claim.

E. Exception to Obligations. Neither party's obligations under this Section shall apply to the extent the infringement is caused by: (i) modification of the facilities or equipment (including software) by the indemnitee; (ii) use by the indemnitee of the facilities or equipment (including software) in combination with equipment or facilities (including software) not provided or authorized by the indemnitor provided the facilities or equipment (including software) would not be infringing if used alone; (iii) conformance to specifications of the indemnitee which would necessarily result in infringement; or (iv) continued use by the indemnitee of the affected facilities or equipment (including software) after being placed on notice to discontinue use as set forth herein.

F. Exclusive Remedy. The foregoing shall constitute the parties' sole and exclusive remedies and obligations with respect to a third party claim of intellectual property infringement arising out of the conduct of business under this agreement.

### **XXIII. Treatment of Proprietary and Confidential Information**

A. Confidential Information. It may be necessary for BellSouth and a CLEC to provide each other with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data, call detail records and like information (hereinafter collectively referred to as "Information"). All Information shall be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and that the Information will be returned to the owner within a reasonable time. The Information shall not be copied or reproduced in any form. BellSouth and the CLEC shall receive such Information and not disclose such Information. BellSouth and the CLEC shall protect the Information received from distribution, disclosure or dissemination to anyone except employees of BellSouth and the CLEC with a need to know such Information and which employees agree to be bound by the terms of this Section. BellSouth and the CLEC will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.

B. Exception to Obligation. Notwithstanding the foregoing, there will be no obligation on BellSouth or the CLEC to protect any portion of the Information that is: (1) made publicly available by the owner of the Information or lawfully disclosed by a party other than BellSouth or the CLEC; (2) lawfully obtained from any source other than the owner of the Information; or (3) previously known to the receiving company without an obligation to keep it confidential.

### **XXIV. Notices/Discontinuance of Service/Deposits**

A. BellSouth provides notice to CLECs ordering interconnection, unbundled network elements or retail telecommunications services for resale under this Statement under the following terms:

1.. Notice of Network Changes. BellSouth provides notice of network changes in compliance with FCC rules.

2.. Notice of Changes Affecting Unbundled Network Element and Resale Offerings. BellSouth provides CLECs advance notice of any changes to its retail services 45 days before such changes. Such notification will be via Internet posting of changes affecting unbundled network element and resale offerings, including operations support systems. To the extent that revisions occur between the time BellSouth notifies a CLEC of changes under this Statement and the time the changes are scheduled to be implemented, BellSouth will immediately notify a CLEC of such revisions consistent with BellSouth's internal notification process. CLEC may



not hold BellSouth responsible for any cost incurred as a result of such revisions, unless such costs are incurred as a result of BellSouth's intentional misconduct.

3. Notices in Writing. Every notice, consent, approval, or other communications required by this Statement to be in writing, for example, notices of discontinuation of service under Section XIV.O. and P. shall be delivered in person or given by postage prepaid mail to the address the intended recipient previously shall have designated by written notice to the other party. Notices to BellSouth shall be addressed to the CLEC's account manager.

B. Discontinuing Service to a CLEC. The procedures for discontinuing service to a CLEC are as follows:

1. BellSouth reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of BellSouth facilities or service or any other violation or noncompliance by a CLEC of the rules and regulations contained in BellSouth's tariffs.

2. If payment of account is not received by the bill day in the month after the original bill day, BellSouth may provide written notice to the CLEC that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. If BellSouth does not refuse additional applications for service on the date specified in the notice and the CLEC's noncompliance continues, nothing contained herein shall preclude BellSouth's right to refuse additional applications for service without further notice.

3. If payment of the account is not received or arrangements made by the bill day in the second consecutive month, the account will be considered in default and will be subject to denial or disconnection, or both.

4. If the CLEC fails to comply with the provisions of this Statement, including any payments to be made by it on the dates and times specified, BellSouth may, on thirty days written notice to the person designated by the CLEC to receive notices of noncompliance, discontinue the provision of existing services to the CLEC at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If BellSouth does not discontinue the provision of the services involved on the date specified in the thirty days notice and the CLEC's noncompliance continues, nothing contained herein shall preclude BellSouth's right to discontinue the provision of the services to the CLEC without further notice.

5. If payment is not received or arrangements made for payment by the date given in the written notification, the CLEC's services will be discontinued.

Upon discontinuance of service on a CLEC's account, service to the CLEC's end users will be denied. BellSouth will reestablish service at the request of the end user or the CLEC upon payment of the appropriate connection fee and subject to BellSouth's normal application procedures.

6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

- C. Deposits. BellSouth may require a CLEC to make a deposit when purchasing services pursuant to this Statement to be held by BellSouth as a guarantee of the payment of rates and charges. Any such deposit may be held during the continuance of the service and may not exceed two month's estimated billing. The fact that a deposit has been made in no way relieves the CLEC from the prompt payment of bills on presentation, nor does it constitute a waiver or modification of the regular practices of BellSouth providing for the discontinuance of service for non-payment of any sums due BellSouth. In the event that a CLEC defaults on its account, service to the CLEC will be terminated and any deposits held will be applied to its account. In the case of a cash deposit, interest at the rate of six percent per annum shall be paid to the CLEC during the continuance of the deposit. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to the CLEC by the accrual date.

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