

Larry D. Callison
State Manager
Regulatory Affairs & Tariffs



**GTE Service
Corporation**

P.O. Box 1650
Lexington, KY. 40588-1650
859 245-1389
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July 5, 2000

Mr. Martin Huelsmann
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, Kentucky 40601

RECEIVED

JUL 05 2000

PUBLIC SERVICE
COMMISSION

RE: Line Sharing Amendment to Interconnection Agreement Between GTE South Incorporated and New Edge Network, Inc., d/b/a New Edge Networks

Reference #00053

Dear Mr. Huelsmann:

Enclosed for joint filing by the parties with the Kentucky Public Service Commission (Commission) are six copies of a Line Sharing Amendment recently executed between GTE South Incorporated and New Edge Network, Inc., d/b/a New Edge Networks. The Interconnection Agreement was approved by the Commission on June 8, 2000 and assigned Reference # 00053.

Also enclosed is an electronic copy of the Amendment in Microsoft Word 97 format on a 3.5 floppy diskette.

This Amendment is being provided to the Commission for its review and approval. Please bring this filing to the attention of the Commission, and if there are any questions, please contact me at your convenience.

Yours truly,

A handwritten signature in cursive script that reads "Larry D. Callison".

Larry D. Callison

Enclosures

c: Mr. Robert McMillin – New Edge Network, Inc. d/b/a New Edge Networks

**LINE SHARING AMENDMENT TO
INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT
BETWEEN
GTE SOUTH INCORPORATED
AND
NEW EDGE NETWORK, INC. D/B/A NEW EDGE NETWORKS**

THIS LINE SHARING AMENDMENT to the Interconnection, Resale and Unbundling Agreement between GTE South Incorporated and New Edge Network, Inc. d/b/a New Edge Networks (the "Agreement") is by and between GTE South Incorporated and New Edge Network, Inc. d/b/a New Edge Networks ("New Edge Networks") (GTE and New Edge Networks being referred to collectively as the "Parties" and individually as a "Party"). This Line Sharing Amendment covers services in the state of Kentucky (the "State").

RECITALS

WHEREAS, the Agreement has been filed with the Commission; and

WHEREAS, GTE and New Edge Networks are entering into this Amendment to implement the Federal Communications Commission's ("FCC") Third Report and Order in CC Docket No. 98-147 and Fourth Report and Order in CC Docket No. 96-98 (released December 9, 1999) (FCC 99-355) ("Line Sharing Order").

1. The Agreement shall be amended by the addition of the following Article:

**ARTICLE VII A
LINE SHARING**

1. General.

1.1 Description of Service. For purposes of this Agreement, line sharing is access to the high frequency spectrum network element, which is defined as the frequency range above the voiceband on a copper loop facility that is being used by GTE to carry analog circuit-switched voiceband transmissions. GTE shall provide line sharing to the New Edge Networks on a nondiscriminatory basis for use only in the provision of telecommunications service in accordance with, and subject to, the terms and conditions of this Agreement and Applicable Law.

1.2 Basic Requirements. The following requirements shall serve as conditions to GTE's obligation to provide line sharing hereunder:

(a) Line sharing will be permitted for any ADSL or voice compatible xDSL ("DSL") technologies that are presumed acceptable for deployment pursuant to applicable FCC rules and orders, including without limitation Asymmetric Digital Subscriber Line ("ADSL"), G.Lite, Rate-Adaptive ADSL and Multiple Virtual Lines. As additional technologies that may be compatible with existing services on a loop become

available, the parties will address their possible deployment, consistent with the requirements of applicable FCC rules and orders. The DSL technology used by New Edge Networks will be within the PSD mask parameters set forth in T1.413 or other applicable industry standards.

(b) GTE provides retail analog circuit switched voice band service (“Voice Service”) on the loop to the same end-user for which New Edge Networks provides the DSL line sharing service. If GTE discontinues the provision of such Voice Service for any permissible reason not prohibited by Applicable Law, GTE shall provide notice to New Edge Networks via e-mail that the Voice Service has been discontinued. Within five (5) business days after such notice, New Edge Networks shall notify GTE via e-mail that it desires to: (i) discontinue the end-user’s line sharing DSL service; or (ii) continue providing DSL service to the end-user over an unbundled loop without line sharing. If New Edge Networks does not make an affirmative election during said five (5) business day period, option (i) shall be implemented. If option (ii) is implemented, the Parties shall cooperate to transition the continuation of such DSL service without line sharing and without interruption.

(c) For existing end-users with line sharing DSL service, GTE shall provide no less than five (5) business days notice to New Edge Networks via e-mail that it intends to decommission the line shared copper loop. During such five (5) business day period, New Edge Networks shall notify GTE via e-mail that it desires to: (i) discontinue the end-user’s line sharing DSL service; or (ii) continue providing DSL service to the end-user over an unbundled loop without line sharing. If New Edge Networks does not make an affirmative election during said five (5) business day period, option (ii) shall be implemented. If option (ii) is implemented, the Parties shall cooperate to transition the continuation of such DSL service without line sharing and without interruption.

1.3 Availability. Provided that the requirements of this Agreement are met, line sharing shall be available under the following circumstances:

(a) The end-user has Voice Service from GTE and wishes to add DSL service from New Edge Networks.

(b) The end-user has Voice Service and DSL service from GTE and wishes to convert the DSL service to New Edge Networks.

(c) The end-user wishes to establish both new Voice Service from GTE and new DSL service from New Edge Networks, subject to the requirement that Voice Service must be established prior to the implementation of DSL service.

(d) The end-user has Voice Service from GTE and DSL service from another competitive local exchange carrier and wishes to convert the DSL service to New Edge Networks.

At this time, line sharing will not be available where the end-user has had its Voice Service number ported out to another local service provider either through interim number portability or long-term local number portability. In addition, GTE shall not provide line sharing to more than one competitive local exchange carrier per loop.

1.4 Reservation of Rights. Notwithstanding anything to the contrary in this Agreement, the Parties do not waive, and hereby expressly reserve, their rights: (a) to challenge, or to continue to challenge, the legality and/or propriety of, FCC Rule 51.319, the FCC Line Sharing Order (CC Docket No. 96-98 and 98-147; FCC 99-355) and/or any other related FCC orders or rules, including, without limitation, the FCC Collocation Order in CC Docket No. 98-147 (rel. March 31, 1999) which was remanded and vacated in part by the United States Court of Appeals for the District of Columbia Circuit on March 17, 2000 (*See, GTE Service Corporation, et. al. v. Federal Communications Commission and United States of America*, No. 99-1176, consolidated with No. 99-1201, 2000 U.S. App. LEXIS 4111 (D.C. Cir. 2000)); (b) to continue to prosecute the current appeal of the FCC pricing rules pending before the Eighth Circuit Court of Appeals; (c) to assert or continue to assert that certain provisions of the FCC's First, Second and Third Report and Order in FCC Docket No. 96-98 and other FCC orders or rules are unlawful, illegal and improper; (d) to assert that modifications to this Agreement from a pricing and/or policy standpoint may be necessary to address or account for the use of line sharing for the provision of voice service, including, without limitation, voice over IP or voice over DSL service; (e) to assert or continue to assert any rights or challenges already reserved or existing under the Agreement, including, without limitation, any litigation related to the Agreement; (f) to continue to assert that the discontinuance of Splitter Option No. 2 is unlawful, illegal, and improper, and (g) to take any appropriate action relating to the offering of line sharing based on the outcome of any of the actions or challenges described in subparagraphs (a)-(f) above or any other actions. New Edge Networks further reserves the right to seek to have this Article be construed and interpreted to enable New Edge Networks to offer the broadest possible array of advanced services to consumers in the State. The Parties' consent herein shall not be considered a waiver of any rights granted or clarified by the FCC or the Commission. The Parties enter into this Agreement without waiving current or future relevant legal rights and without prejudicing any position the Parties may take on relevant issues before industry fora, state or federal regulatory or legislative bodies, or courts of competent jurisdiction. The provisions of this Section shall survive the termination, rescission, modification or expiration of this Agreement without limit as to time.

1.5 Further Assurances. The Parties agree to cooperate in any reasonable arrangement designed to facilitate the development of necessary and appropriate standards and processes for the implementation of line sharing, and to document the same for purposes of this Agreement.

1.6 Customer Education. GTE and New Edge Networks shall make end-users aware of the following conditions and requirements:

(a) The end-user should call GTE for problems related to its Voice Service. The end-user should call its New Edge Networks contact for problems related to its DSL service.

(b) The end-user's line shared DSL service is dependent on its Voice Service. If there is a problem with the physical line that causes the Voice Service to be inoperative, the end-user may also be unable to use DSL services for some period of time.

(c) Subject to the requirements of Sections 1.2(b) and (c), end-users will not be able to use New Edge Networks line shared DSL services if GTE Voice Services on the shared line are cancelled or terminated for any reason.

2. Operations Matters.

2.1 Copper Network. Except as otherwise provided in Section 2.2, GTE shall provide line sharing to New Edge Networks utilizing an all-copper pair between an end-user customer demarcation location and the main distribution frame in GTE's serving wire center that is jumpered and cross-connected to a New Edge Networks collocation arrangement located in said serving wire center. At the serving wire center, GTE shall connect the line to a New Edge Networks tie cable via a GTE-provided jumper; provided, however, that New Edge Networks must first have obtained said tie cable from GTE to connect to New Edge Networks's collocation arrangement.

2.2 Fiber-Fed DLC Network. GTE shall provide line sharing to New Edge Networks over Digital Loop Carrier ("DLC") to the extent required pursuant to Applicable Law, and without waiving any rights to challenge any such requirement. Fiber-fed DLC consists of an all-copper pair from the end-user customer demarcation location to a remote terminal (i.e., controlled environmental vault, fiber hut, cabinet or other structure with DSL-capable DLC equipment installed). Fiber fed DLC includes a fiber feeder loop from the central office to the remote terminal.

2.3 Splitter Options. To utilize line sharing, New Edge Networks must obtain access to a splitter that meets the requirements for equipment collocation set by the FCC in its Collocation Order in CC Docket No. 98-147 (rel. March 31, 1999) in the central office that serves the end-user of the shared line. New Edge Networks may obtain access to said splitter via the following options. Notwithstanding the foregoing, prior to June 6, 2000, GTE shall equip as many central offices as possible with a GTE-owned splitter as described in Option No. 2 below. New Edge Networks agrees to use this configuration for initial line sharing in the central offices that GTE commits to have fully operational on or before June 6, 2000 (assuming that unforeseen delays in the availability of necessary equipment and/or labor, or other circumstances beyond GTE's control, do not occur) as set forth on Exhibit 1 attached hereto. For those central offices that GTE cannot commit to have fully operational with a GTE-owned splitter on or before June 6, 2000, New Edge Networks may choose to deploy its own splitter as described in Option No. 1 below. GTE shall provide New Edge Networks with written notice in the event that Exhibit 1 needs to be revised due to unforeseen delays or other circumstances beyond GTE's reasonable control. For any central office in which New Edge Networks chooses to install its own splitter, GTE agrees to install any additional tie cables required by New Edge Networks, in accordance with, and subject to, the terms of collocation set forth in

this Agreement and/or applicable GTE tariffs. GTE will discontinue Option No. 2 effective on the earlier to occur of December 15, 2000 or the termination of this Agreement (the "Option No. 2 Termination Date"). GTE, at its discretion however, may continue Option No. 2 past the Option No. 2 Termination Date. New Edge Networks shall have the right to the Option No. 2 alternative during the period until the Option No. 2 Termination Date, provided, however, that GTE shall discontinue deploying splitters effective on such date. GTE's discontinuance of Option No. 2 shall not diminish its obligation to complete initial splitter deployment in the central offices identified on Exhibit 1. New Edge Networks will be permitted to continue to utilize GTE owned splitters that have been assigned to it as of the Option No. 2 Termination Date, until the line sharing service applicable to such splitter as of such date has been discontinued or terminated by New Edge Networks. Notwithstanding anything to the contrary herein, any splitter installed by New Edge Networks or GTE shall: (1) comply with ANSI T1E1 standards and NEBS standards; (2) employ DC blocking capacitors or equivalent technology to assist in isolating high bandwidth trouble resolution and maintenance to the high frequency portion of the frequency spectrum; and (3) be designed so that the analog voice "dial tone" stays active when the splitter card is removed for testing or maintenance.

(a) Option No. 1: CLEC Owned Splitter Located in the Collocation Arrangement of New Edge Networks. New Edge Networks may choose to obtain the splitter directly and place the splitter in its collocation arrangement. New Edge Networks shall purchase and own the splitter. Under this option, both the non-New Edge Networks voice traffic and the New Edge Networks-provided DSL services will arrive at the New Edge Networks collocation arrangement via a tie cable obtained from GTE. At the collocation arrangement, the tie cable will terminate at the splitter, which will separate the voice traffic and the DSL traffic. New Edge Networks will retain the DSL traffic and will return the voice traffic to GTE, over a separate CLEC tie pair assignment.

(b) Option No. 2: GTE Owned Splitter Located in an Area of the Serving Wire Center Controlled Exclusively by GTE. New Edge Networks may choose to have GTE purchase and own the splitter and locate the splitter in an area in the serving wire center to which New Edge Networks does not have access (*e.g.*, on or as close to the main distribution frame as practical). Said splitter shall be installed in any of the following locations within the central office, at GTE's discretion--the main distribution frame, in a relay rack mounted arrangement or intermediate frame arrangement. In this scenario, New Edge Networks shall obtain the splitter functionality on an individual "port-at-a-time" basis. GTE shall perform all maintenance and repair work (as detailed further below in Section 2.11). New Edge Networks shall receive its DSL traffic via a tie cable obtained from GTE, running from the main distribution frame to the splitter and then from the splitter to New Edge Networks's collocation arrangement. Under this Option, GTE shall provide to New Edge Networks loop and splitter functionality that is compatible with any transmission technology that New Edge Networks seeks to deploy using the high frequency portion of the loop, provided that such transmission technology is presumed to be deployable pursuant to applicable FCC rules and orders.

(c) Option No. 3: CLEC Owned Splitter Located in an Area of the Serving Wire Center Controlled Exclusively by GTE Via Virtual Collocation. GTE shall offer New Edge Networks an additional option under which it may choose to purchase and own the splitter and have it located via a virtual collocation arrangement in an area in the serving wire center to which New Edge Networks does not have access. In this scenario, New Edge Networks shall obtain the splitter functionality on a “shelf at-a-time” basis. GTE shall perform all maintenance and repair work. New Edge Networks shall receive its DSL traffic via a tie cable obtained from GTE, running from the main distribution frame to the virtually collocated splitter and then from the splitter to New Edge Networks’s collocation arrangement. GTE shall offer New Edge Networks virtual collocation under this Option in accordance with the terms of the GTE federal collocation tariff (FCC Tariff No. 1), provided, however, that for purposes of this Agreement, the Parties shall treat the tariff rates applied to the virtual collocation of a splitter as interim, and subject to true-up, in accordance with the terms outlined in Section 3.1. During the sixty (60) day period following the effective date of this Article, the Parties agree to cooperate in the negotiation and development of any terms necessary to implement virtual collocation for line sharing. Any interim rates established pursuant to such negotiation shall be subject to true-up in accordance with the terms outlined in Section 3.1.

2.4 Collocation. GTE will revise collocation applications to include requests for information regarding line sharing equipment. New Edge Networks will specify its requirements for line sharing on the collocation application for that central office. If New Edge Networks’s collocation application is accepted, GTE will make the office ready for line sharing during the interval applicable to New Edge Networks’s request for collocation. GTE shall complete the installation and provisioning of any tie cable ordered by CLEC in accordance with, and subject to, the terms of collocation set forth in this Agreement and/or applicable GTE tariffs. GTE shall process all New Edge Networks applications and firm orders for augmenting its collocation arrangements to use line sharing in accordance with, and subject to, the terms of collocation set forth in this Agreement and/or applicable GTE tariffs.

2.5 Transport. GTE shall make available to New Edge Networks interoffice transport to transport its high frequency traffic between its collocation arrangement in the serving wire center and its point-of-presence, node, or collocation arrangement in a different wire center in accordance with, and subject to, the terms of this Agreement and/or applicable GTE tariffs.

2.6 End-User Premises Equipment. New Edge Networks must provide the end-user with, and is responsible for the installation of, a modem, splitter, filter(s) and/or other equipment necessary at the end-user premises to receive separate Voice Services and DSL services across the same loop. New Edge Networks is also responsible for the installation and maintenance of such equipment. New Edge Networks shall determine the necessary customer premises equipment.

2.7 Pre-ordering. During pre-ordering, GTE shall provide New Edge Networks with nondiscriminatory access to the loop qualification information required by applicable FCC rules and orders including, but not limited to, the following:

- (a) The composition of the available loop material (including without limitation fiber optics and copper);
- (b) The existence, location and type of electronic or other equipment on the loop (including without limitation DLC or other remote concentration devices, feeder/distribution interfaces, bridged taps, load coils, pair gain devices, repeaters, remote switching units, range extenders, AMI T-1s in the same or adjacent binder groups, and other potential disturbers);
- (c) Loop length, including the segment length and location of each type of transmission media;
- (d) Loop length by wire gauge; and
- (e) The electrical parameters of the loop.

GTE shall enable New Edge Networks to perform all pre-ordering functions via a real-time, electronic interface, including accessing the information available to GTE contained in all systems and databases containing loop qualification information, as soon as possible after the interface becomes available. Until such time as a real-time, electronic interface is made available to New Edge Networks by GTE, GTE shall enable New Edge Networks to perform all pre-ordering functions via a Web GUI, including accessing the information available to GTE contained in all systems and databases containing loop qualification information.

2.8 Ordering. GTE shall enable New Edge Networks to perform all ordering functions via a real-time, electronic interface, as soon as possible after the interface becomes available. Until such time as a real-time, electronic interface is made available to New Edge Networks by GTE, GTE shall enable New Edge Networks to order line sharing, or the conditioning of lines via a Web GUI.

2.9 Provisioning. GTE will work cooperatively with New Edge Networks to prioritize the order and timeframe in which GTE will complete deployment of POTS splitters and other equipment necessary to provision line sharing in GTE's offices where New Edge Networks is currently collocated or where collocation is in the process of being provisioned capable of supporting shared lines. After this Article becomes effective, for offices where New Edge Networks notifies GTE of its intent to deploy line sharing, it must provide a rolling six (6) month forecast of line sharing orders, which is updated every three (3) months. These forecasts will be utilized to assist the Parties in the more efficient provisioning of line sharing, but shall not be binding on either Party. These forecasts will be treated as confidential information pursuant to the Agreement and shall be used by GTE solely for wholesale capacity planning purposes. As soon as a

central office has a splitter installed, GTE will begin accepting orders for lines served by that office. GTE will initially provision line sharing within its current standard DSL retail provisioning intervals for unconditioned (five (5) business days) and conditioned loops (eleven (11) business days). The Parties acknowledge that these intervals are subject to change based on systems mechanization, changes in Applicable Law (including, without limitation new OSS requirements), order volumes and other agreed upon procedures that better facilitate line sharing, provided, however, that such intervals shall remain at parity with GTE's actual DSL retail provisioning intervals.

2.10 Conditioning. New Edge Networks may order conditioning of shared lines, which may involve the removal of bridge taps, filter, extenders and load coils. GTE will perform loop conditioning if the loop loss for voice services is less than – 8.0dB.

2.11 Testing, Repair and Maintenance.

(a) GTE shall test the line shared loop to confirm copper continuity and for pair balance prior to completing the installation.

(b) GTE will provide New Edge Networks with access to the loop facility for testing, repair and maintenance activities via its Wholesale Internet Service Engine (“WISE”) website (<http://www.gte.com/wise>) 4-Tel loop testing mechanism. GTE shall provide CLECs with equivalent electronic access to any testing functionality which GTE and/or GTE's affiliates utilize to provide DSL services. GTE is responsible for all testing of facilities and equipment terminated to its main distribution frame and New Edge Networks is responsible for all testing of facilities located within its collocation space. New Edge Networks shall have physical and/or remote test access to the GTE loop testing mechanism twenty-four hours a day, seven days a week. For line sharing testing purposes (i.e., high frequency spectrum only), New Edge Networks's point of demarcation will be within the New Edge Networks's collocation space.

(c) GTE will be responsible for repairing Voice Service and the physical line between the network interface device at the end-user premises and New Edge Networks demarcation point in the central office. New Edge Networks will be responsible for repairing its DSL services and any end user related DSL component at the end-user premises. Each entity will be responsible for maintaining its own equipment. In response to a trouble ticket opened by New Edge Networks, GTE shall conduct any necessary repair work for line sharing on a twenty-four-hour-a-day, seven-day-a-week basis, and shall maintain a mean-time-to-repair interval of twenty-four (24) hours, applied monthly, on a parity basis with GTE's actual retail repair intervals. GTE is responsible for all repair and maintenance of facilities and equipment terminated to its main distribution frame and New Edge Networks is responsible for all repair and maintenance of facilities located within its collocation space. Where GTE owns the splitter and does not provide New Edge Networks with access to the splitter, GTE shall conduct any necessary repair work on the splitter on a twenty-four-hour-a-day, seven-day-a-week basis, and shall maintain a mean-time-to-repair interval of twenty-four (24)

hours, applied monthly, on a parity basis with GTE's actual retail repair intervals. Where New Edge Networks owns the splitter, New Edge Networks is responsible for performing maintenance, repair and testing on the splitter.

(d) GTE and New Edge Networks agree to coordinate in good faith any testing, repair and maintenance that will significantly impact the line shared service provided by the other party. GTE and New Edge Networks will work together to diagnose and resolve any troubles reported by the end-user and to develop a permanent process for repair of shared lines. In the interim, GTE and New Edge Networks will work together to address end-user initiated repair requests and to prevent adverse impacts to the end-user. Where GTE has isolated a trouble with the Voice Service to be in New Edge Networks provided equipment, GTE shall notify New Edge Networks and New Edge Networks will be required to clear the trouble associated with the GTE lifeline voice services. Where such troubles are not cleared within 3 hours, or if New Edge Networks consents before the end of such 3 hour period, GTE has the right to strap-through the voice service on the GTE main distribution frame, isolating New Edge Networks equipment from the GTE loop facility. This strap-through arrangement shall be limited in duration to the time necessary to repair the trouble. New Edge Networks is responsible for informing GTE of any life line data services (e.g. heart monitor), which may be being provided over the high frequency portion of the loop, that would preclude any such strap-through activity by GTE.

2.12 End-Users with Burglar Alarm Systems. GTE shall not be liable for any damages, costs, expenses, etc. which arise in connection with, are caused by or result from line sharing services interference with, or impairment of, the end-user's burglar alarm systems.

2.13 DAML Removal. Upon New Edge Networks request, GTE shall be required to remove a Digital Added Main Line ("DAML") when the DAML is used to serve a single end-user and that end-user agrees to the removal. New Edge Networks shall be obligated to obtain consent from the end-user prior to requesting such DAML removal. Said consent shall evidence that the end-user knowingly and voluntarily agrees to the discontinuation of any and all services associated with the additional lines which shall be terminated as a result of such DAML removal. New Edge Networks is only obligated to obtain said consent so long as GTE obtains the same consent for its own end-users.

3. Financial Matters.

3.1 Interim Pricing. The rates and charges for line sharing services provided pursuant to this Agreement are set forth on Exhibit 2.¹ Notwithstanding anything in this

¹ Collocation is a prerequisite to line sharing. New Edge Networks must first collocate digital subscriber line access multiplexer (DSLAM) equipment and splitters (under Option No. 1 described in Section 2.3) in GTE's central office and order applicable tie cables in connection therewith. The applicable conditions, rates, and charges for satisfying these collocation requirements are contained within the collocation provisions of the Agreement and are separate from the interim line sharing rates and charges proposed herein.

Agreement to the contrary, these rates and charges are interim pending the outcome of the Commission's rate proceeding regarding line sharing. It is GTE's position that the interim pricing proposal does not reflect all the costs associated with line sharing for all configurations (e.g., the costs associated with collaborative testing, costs associated with OSS-related implementation costs, loop conditioning costs, etc.). GTE reserves the right to present its costs and rates, and seek recovery for them (including a retroactive true-up) in the line sharing pricing proceeding. New Edge Networks does not agree with GTE's position. It is New Edge Networks's position that the interim prices for line sharing services in this Agreement exceed TELRIC. New Edge Networks reserves the right to present costs and rates that it believes are TELRIC compliant in the line sharing pricing proceeding, and to seek a retroactive refund for overpayment. To the extent that the line sharing rates for GTE (the "Line Sharing Rates"), or the terms and conditions for application of the Line Sharing Rates, are different than specified in this Section, the Line Sharing Rates will be applied prospectively pending the issuance of a final, binding and non-appealable order. Upon the issuance of such an order, the Line Sharing Rates will be applied retroactively to the effective date of this Agreement. The Parties will true up any resulting over or under billing. Any underpayment shall be paid, and any overpayment shall be refunded, within forty-five (45) business days after the date on which any such Line Sharing Rate order becomes final, binding and non-appealable. Such true-up payments, if any, shall also include interest computed at the prime rate of the Bank of America, N.A. in effect at the date of said order.

3.2 Nonwaiver. The Parties do not waive, and hereby expressly reserve, their rights to assert or continue to assert that certain of the rates, charges or terms established in any other proceeding (including, without limitation, the Line Sharing Rates) are unlawful, illegal and improper. The Parties further expressly reserve their past, present and future rights to challenge and seek review of any and all such rates, charges or terms in any court or commission of competent jurisdiction or other available forum. Such terms, rates or charges are further subject to change and/or modification resulting from future orders or decisions of any commission, court or other governmental authority having competent jurisdiction that address the following: (a) GTE's costs (e.g., actual costs, contribution, undepreciated reserve deficiency, or similar GTE costs (including GTE's interim universal service support charge)); (b) the establishment of a competitively neutral universal service system; (c) any and all actions seeking to invalidate, stay, vacate or otherwise modify any FCC order in effect as of the effective date, or during the term, of this Agreement which impact such terms, rates and/or charges, including, without limitation, the matters described in Section 1.4; or (d) any other relevant appeal or litigation. If any such rates, charges and/or terms are adjusted or otherwise modified, in whole or in part, in the proceeding or in any other proceeding, then this Agreement shall be deemed to have been automatically amended, and such amendment shall be effective upon the date of the applicable order. Such adjusted or modified rates and charges will be applied prospectively pending the issuance of a final, binding and non-appealable order in the subject proceeding. At such time as the applicable order becomes final, binding and non-appealable, the adjusted or modified rates and charges established therein shall be applied retroactively to the effective date of the amendment to this Agreement regarding line sharing. The Parties will true-up any resulting over or under billing in accordance with the requirements of Section 3.1. The

Parties agree that the provisions of this Section shall survive the termination, rescission, modification or expiration of this Agreement without limit as to time. The Parties acknowledge that either Party may seek to enforce the provisions of this Section before a commission or court of competent jurisdiction.

3.3 Loop Costs. In developing its interim prices set forth in Section 3.1, GTE did not include any loop costs. GTE's pricing methodology, however, is premised on the assumption that GTE will be afforded an opportunity to recover all its actual costs -- including the total actual cost of the loop -- in prices for services and in explicit universal service support. If GTE cannot recover all its costs, then GTE's pricing methodology must change and GTE reserves the right to require such a change. Also, GTE does not agree with the FCC's UNE pricing rules, which do not allow prices to be based on an ILEC's actual costs or opportunity costs. The Court of Appeals for the Eighth Circuit is considering the substantive validity of the FCC's pricing rules, and GTE reserves its right to change its prices if the court stays, vacates, or modifies the FCC's rules.

3.4 Billing. Billing for line sharing will be handled via the GTE CBSS system, consistent with the billing for UNE loops.

2. Except as specifically modified by this Amendment, the Agreement shall remain in full force and effect.
3. If any provision in the Agreement conflicts with this Amendment, this Amendment shall control.
4. This Amendment shall become effective upon the later to occur of June 6, 2000 or the date the Parties shall execute the same (the "Effective Date"). The term of this Amendment shall be coterminous with the Agreement. The Parties agree that all of their obligations and duties hereunder shall remain in full force and effect pending the final disposition of the Commission review and approval process.
5. Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Agreement.
6. This Amendment, together with its preamble and recitals and with any exhibits, schedules, appendices or other attachments hereto, each of which is incorporated by this reference, sets forth the entire understanding of the Parties, supersedes all prior agreements between the Parties and merges all prior discussions between the Parties, with respect to the subject matter contained herein.

IN WITNESS WHEREOF, each Party has executed this Amendment and it shall be effective upon the Effective Date.

GTE South Incorporated

New Edge Network, Inc. d/b/a
New Edge Networks

By: Connie Nicholas

By: Ry McMillin

Name: Connie Nicholas

Name: Robert Y. McMillin

Title: Assistant Vice President
Wholesale Markets-Interconnection

Title: Director - Interconnection

Date: June 19, 2000

Date: 6/15/00

APPROVED BY LEGAL DEPT.	
<u>TDP</u>	<u>6/15/00</u>
ATTORNEY	DATE

GTE CENTRAL OFFICE INITIAL SPLITTER DEPLOYMENT
Kentucky

Lexington East
Lexington Main
Lexington South
Lexington Southeast

Interim Line Sharing Prices for Kentucky

		Ordering		Provisioning	
		100% Manual	Semi Mech.	Initial Unit	Add'l Unit
CLEC Owned Splitter					
CLEC Splitter Connection - Initial	NRC	\$32.19	\$22.52	\$53.04	\$47.29
GTE Owned Splitter					
GTE Splitter	MRC \$3.00				
GTE Splitter Connection - Initial	NRC	\$32.19	\$22.52	\$67.46	\$59.80
Loop Conditioning	No charge for loops 12,000 feet or less. For loops more than 12,000 feet, the following charges shall apply:				
	Bridge Taps		\$318.71		
	Load Coils		\$249.91		
	Bridge Taps/Load Coils		\$568.62		