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**BellSouth Telecommunications, Inc.**

333 Commerce Street  
Suite 2101  
Nashville, TN 37201-3300

guy.hicks@bellsouth.com

**Guy M. Hicks**

General Counsel

615 214 6301

Fax 615 214 7406

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July 29, 2002

TN REGULATORY AUTHORITY  
DOCKET ROOM

VIA HAND DELIVERY

Hon. Sarah Kyle  
Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37238

Re: *Approval of the Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. and Telepak Networks, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.*  
Docket No: 02-00590 02-00823

Dear Chairman Kyle:

Telepak Networks, Inc. ("Telepak") and BellSouth Telecommunications, Inc. are hereby submitting to the Tennessee Regulatory Authority ("TRA") the original and thirteen copies of the attached Petition for Approval of the Amendment to the Interconnection Agreement dated March 16, 2001. The Amendment adds rates and provisions for a volume and term agreement between the parties.

Thank you for your attention to this matter.

Sincerely yours,

Guy M. Hicks

GMH/jej

Enclosure

cc: Mr. Wesley Goings, Telepak Networks, Inc.  
Mr. Robert Hutchison, Telepak Networks, Inc.

BEFORE THE TENNESSEE REGULATORY AUTHORITY  
Nashville, Tennessee

In re: *Approval of the Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. and Telepak Networks, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996*

Docket No. 02-00590

**PETITION FOR APPROVAL OF THE**  
**AMENDMENT TO THE INTERCONNECTION AGREEMENT**  
**NEGOTIATED BETWEEN BELL SOUTH TELECOMMUNICATIONS, INC.**  
**AND TELEPAK NETWORKS, INC.**  
**PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996**

COME NOW, Telepak Networks, Inc. ("Telepak") and BellSouth Telecommunications, Inc., ("BellSouth"), and file this request for approval of the Amendment to the Interconnection Agreement dated March 16, 2001 (the "Amendments") negotiated between the two companies pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, (the "Act"). In support of their request, Telepak and BellSouth state the following:

1. Telepak and BellSouth have successfully negotiated an agreement for interconnection of their networks, the unbundling of specific network elements offered by BellSouth and the resale of BellSouth's telecommunications services to Telepak. The Interconnection Agreement was approved by the Tennessee Regulatory Authority ("TRA") on July 10, 2001.

2. The parties have recently negotiated an Amendment to the Agreement. The Amendment adds provisions and rates for a volume and term agreement between the parties. A copy of the Amendment is attached hereto and incorporated herein by reference.

3. Pursuant to Section 252(e) of the Telecommunications Act of 1996, Telepak and BellSouth are submitting their Amendment to the TRA for its consideration and approval. The Amendment provides that either or both of the parties is authorized to submit the Amendment to the TRA for approval.

4. In accordance with Section 252(e) of the Act, the TRA is charged with approving or rejecting the negotiated Amendment between BellSouth and Telepak within 90 days of its submission. The Act provides that the TRA may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity.

5. Telepak and BellSouth aver that the Amendment is consistent with the standards for approval.

6. Pursuant to Section 252(i) of the Act, BellSouth shall make the Agreement available upon the same terms and conditions contained therein.

Telepak and BellSouth respectfully request that the TRA approve the Amendment negotiated between the parties.

This 30<sup>th</sup> day of July, 2002.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

By: \_\_\_\_\_

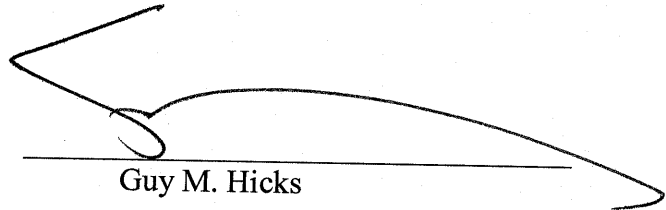
Guy M. Hicks  
333 Commerce Street, Suite 2101  
Nashville, Tennessee 37201-3300  
(615) 214-6301  
Attorney for BellSouth

CERTIFICATE OF SERVICE

I, Guy M. Hicks, hereby certify that I have served a copy of the foregoing Petition for Approval of the Amendment to the Interconnection Agreement on the following via United States Mail on the 30<sup>th</sup> day of July, 2002:

Mr. Wesley Goings  
Telepak Networks, Inc.  
125 S. Congress, Suite 1100  
Jackson, MS 39201

Mr. Robert Hutchison  
Telepak Networks, Inc.  
188 E. Capitol Street, Suite 1200  
Jackson, MS 39201



Guy M. Hicks

**AMENDMENT  
TO THE  
INTERCONNECTION AGREEMENT BETWEEN  
TELEPAK NETWORKS, INC.  
AND  
BELLSOUTH TELECOMMUNICATIONS, INC.  
DATED MARCH 16, 2001**

This Amendment to Interconnection Agreement ("Amendment") is entered into by and between BellSouth Telecommunications, Inc., a Georgia corporation ("BellSouth"), and Telepak Networks, Inc., a Mississippi corporation ("Telepak Networks"). BellSouth and Telepak Networks may be individually referred to herein as "Party" and collectively as "Parties".

WHEREAS, BellSouth and Telepak Networks executed an Interconnection Agreement dated March 16, 2001, and amended on July 9, 2001, July 31, 2001, October 10, 2001, November 5, 2001, and May 3, 2002 (the "Interconnection Agreement"); and

WHEREAS, the Parties desire to amend the Interconnection Agreement as set forth herein;

NOW, THEREFORE, for and in consideration of the promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Interconnection Agreement as follows:

1. The term of the Amendment shall begin on January 1, 2002, and shall terminate on December 31, 2005. The Parties acknowledge that the term of this Amendment exceeds the term of the Interconnection Agreement. The terms and conditions of this Amendment shall be incorporated into any subsequent interconnection agreement. If no such agreement is executed, this Amendment shall terminate on the date of the Interconnection Agreement with applicable termination liability as described in this Amendment.
2. The existing Interconnection Agreement is hereby amended to add the following, which shall be a new Attachment 1A to the Interconnection Agreement:
  - 1.0 Volume and Term
  - 1.1 Scope

This Amendment applies to the services specified in Appendix I provisioned within the states of Alabama, Florida, Louisiana, Mississippi, and Tennessee.

## 1.2 PURPOSE

BellSouth and Telepak Networks intend for Telepak Networks to purchase the services set forth in Appendix I at a Discount Level as set forth in Section 1.3.3. The specified services shall be purchased so that Telepak Networks will comply with the revenue commitment set forth in Section 2 below.

## 1.3 DEFINITIONS

1.3.1 "V&T Eligible Services" are those services listed in Appendix I.

1.3.2 "Annual Revenue Commitment" represents the agreed upon amount of billing to Telepak Networks by BellSouth for BellSouth's V&T Eligible Services purchased by Telepak Networks each year that represent the revenue Telepak Networks agrees to achieve for the purposes of the V&T Agreement. Telepak Networks' Annual Revenue Commitment is included in Appendix II of this Agreement.

1.3.3 "Discount Level" is the percentage reduction from the resale rate in addition to the applicable state-mandated resale discount applied monthly to the total recurring charges for the BellSouth services that are eligible for participation in the V&T offering and for which billing has occurred or will occur during the current billing period.

1.3.4 "A Contract Year" is the twelve-month period during the term of this Agreement beginning on January 1, 2002, the effective date of the Agreement, and will last for 12 months. This date shall also establish the anniversary date for this V&T agreement.

## 2.0 ANNUAL REVENUE COMMITMENT

2.1 Telepak Networks agrees to an Annual Revenue Commitment in each Contract Year of the V&T Agreement as specified in Appendix II.

2.2 BellSouth and Telepak Networks agree that all recurring charges for V&T Eligible Services billed by BellSouth shall be applied toward Telepak Networks' Annual Revenue Commitment. Telepak Networks' progress toward meeting the Annual Revenue Commitment will be tracked by BellSouth and measured in resale billed dollars with a BellSouth bill date within the appropriate Contract Year.

2.3 Annual Revenue Commitment does not include services purchased by Telepak Networks from the BellSouth Federal or State Access Tariff.

- 2.4 Telepak Networks will receive credit for recurring charges that are waived due to BellSouth's failure to meet service commitments.
- 3.0 DISCOUNT LEVELS
- 3.1 BellSouth shall apply a discount that is a percentage reduction off the total recurring charges within the total billed revenue associated with the Eligible Services based on tariff rates. Discount Levels shall be based on the Annual Revenue Commitment and are provided in Appendix II. The applicable Discount Level shall be selected from the Table contained in Appendix II.
- 3.2 Charges billed pursuant to Interconnection Agreements except as provided for herein, Federal or State Access Services tariffs, and billing for taxes or public imposed surcharges, including but not limited to, the surcharges for 911 or dual party relay services, will not be subject to a Discount.
- 3.3 Discounts under this Agreement will be limited to an annual maximum total billed revenue associated with the V&T Eligible Services based on tariff rates as specified in Appendix II.
- 4.0 REGULATORY CONSIDERATIONS
- 4.1 Telepak Networks recognizes and agrees that the V&T Agreement is to be applied in accordance with Appendix II to this Amendment and that all services that are included in the V&T Agreement will be purchased in accordance with the approved applicable BellSouth General Subscriber Services Tariff and Private Line Services Tariff in effect in each state. The provisions of such tariffs applicable to the services shall apply unless and except to the extent this Agreement contains express provisions specifically in conflict therewith (in which case the express provisions of this Agreement shall control to the extent permitted by applicable law.)
- 4.2 Telepak Networks acknowledges that BellSouth may be required to file and obtain approval of the V&T Agreement in certain states prior to implementation of a V&T Agreement in certain states. BellSouth agrees to begin any necessary filings within 30 days after the execution of a V&T Agreement between BellSouth and Telepak Networks.
- 5.0 COMMITMENT REVISION
- 5.1 Telepak Networks agrees that if it fails to meet its Annual Revenue Commitment during a given Contract Year, BellSouth shall bill and Telepak Networks agrees to pay the difference between the Annual Revenue Commitment and the actual billed revenue discounted in accordance with the actual realized Tier Level as set forth in Appendix II. BellSouth will issue Telepak Networks a bill for any such resulting amount which shall be payable

thirty (30) days after receipt thereof by the Customer. If Telepak Networks exceeds the Annual Revenue Commitment, BellSouth agrees to credit the difference to Telepak Networks in accordance with Appendix II.

**6.0 PROVISION FOR DISCOUNTING ADDITIONAL AND NEW SERVICES UNDER V&T**

6.1 For the purposes of this Agreement an Additional Service is an intraLATA service that is tariffed by BellSouth on the effective date of this Agreement and is not considered a Discount Eligible intraLATA Service. A New Service is an intraLATA service that has been tariffed by BellSouth after the effective date of the V&T Agreement. Telepak Networks may submit a request to BellSouth to obtain a discount on the Additional Service or New Service under the Agreement. If the New Service or Additional Service is added to the Discount Eligible Services listed in Appendix I, BellSouth and Telepak Networks may choose to renegotiate the Annual Revenue Commitment and Discount based upon the impact of the Additional Service or New Service.

**7.0 ACQUISITION OF NEW BUSINESSES AND MERGER**

7.1 In the event Telepak Networks acquires a new business or operation within the BellSouth service area during the term of this Agreement and desires to include the services under this Agreement, BellSouth shall review such request and in the event it determines the inclusion of these services is appropriate, BellSouth and Telepak Networks mutually agree to negotiate in good faith to amend this Agreement, the Annual Revenue Commitment levels in Appendix II, and the associated discounts, as appropriate to include such services in the V&T Agreement. Any revisions due to acquisition will be made during the V&T Annual True-Up at the end of the year in which the acquisition occurred, and will affect the Annual Revenue Commitment for the years following the True-Up.

7.2 In the event Telepak Networks merges with another entity, BellSouth, Telepak Networks, and the newly merged entity may mutually decide to, but Telepak Networks and/or the newly merged entity is under no obligation to, negotiate a new V & T Agreement. If this Agreement is renegotiated, it will not be considered a termination under Section 9 and no penalty will be assessed.

**8.0 OTHER NEW BUSINESS OPPORTUNITIES**

8.1 Further, in the event BellSouth offers services currently included in this Agreement or new services outside of its existing franchised territory and Telepak Networks subscribes to such services, BellSouth shall review with Telepak Networks such instances to determine the feasibility and/or criteria for including any of the subscribed services in the V&T Agreement.



**9.0 TERMINATION LIABILITY**

9.1 Notwithstanding anything to the contrary in the General Terms and Conditions, Telepak Networks shall have the right to terminate amendment, prior to expiration by providing BellSouth written notice of such termination 60 days prior to the effective date of the termination.

9.1.1 Notwithstanding anything to the contrary in the General Terms and Conditions, BellSouth shall have the right to terminate amendment, prior to expiration by providing Telepak Networks written notice of such termination 60 days prior to the effective date of termination, when the following condition applies:

- (1) If the Telepak Networks fails to meet the minimum Annual Revenue Commitment for the corresponding Contract Year as set forth in Tier 1 of Appendix II.

9.1.2 In the event Telepak Networks or BellSouth terminates the Amendment, Telepak Networks will be charged a termination charge equal to the accumulated V&T credits received during the Contract Year in which termination is effective.

9.2 The application of termination charges pursuant to this Section shall not affect the application of termination charges pursuant to any BellSouth tariff or any other agreement for services not covered by this V&T Agreement.

**10.0 TARIFF CHANGES**

10.1 If during the term of this Agreement, BellSouth requests and receives regulatory approval for price reductions on tariff services ("Tariff Change") purchased by Telepak Networks and such price reductions cause Telepak Networks to be unable to meet its Annual Revenue Commitment under this Agreement, then the discounts for which Telepak Networks will be eligible under this agreement will be determined based on the revenue that Telepak Networks would have achieved at the rates applicable prior to the Tariff Change and at the volume of service actually achieved.

**11.0 ANNUAL TRUE-UP**

11.1 Within 90 days of the end of each Contract Year, BellSouth will conduct a review of Telepak Networks' revenue to BellSouth to determine if Telepak Networks achieved or exceeded its Annual Revenue Commitment ("Annual True-Up"). During the Annual True-Up, BellSouth will calculate any adjustment in accordance with Section 5. Telepak Networks may commit to higher levels of spending and negotiate a future discount commensurate with this higher commitment level for subsequent years. During the Annual True-

Up, BellSouth may conduct any necessary audits of Telepak Networks to verify that the services included in this Agreement were used by Telepak Networks in accordance with the terms of the applicable tariffs to the extent such audit rights and procedures are set forth in the applicable tariff or the Interconnection Agreement.

Telepak Networks and BellSouth agree that any credit resulting from the Annual True-Up will be distributed to Telepak Networks as a credit on its bill for V&T Eligible Services within thirty (30) days of the Annual True-up in accordance with Section 5 and Appendix II.

Further, any debit resulting from the Annual True-up for failure to meet the Annual Revenue Commitment or Termination Liability will be billed directly to Telepak Networks and shall be payable to BellSouth within thirty (30) days of the bill date.

## 12.0 BILLING

12.1 The Parties agree that the billing information currently being provided by BellSouth to Telepak Networks for the resale of General Subscriber Services Tariff (GSST) and Private Line services is acceptable for use under this Amendment in order to calculate the discount level set forth in Appendix II. In the event that any billing question or issue arises, the matter will be subject to the billing dispute provisions of the Interconnection Agreement.

12.2 The Parties agree to place all V&T eligible services under one Q account for each State in which Telepak Networks obtains services from BellSouth and that each such account will be designated as the V&T Q Account for the relevant State. The resale recurring revenue associated with the V&T Eligible services billed under the V&T Q account will be used to calculate V&T credits each month.

12.3 The V&T Discount Levels will be administered and applied using BellSouth's Customer Billing Relationships (CBR) system. CBR will apply the total discounts achieved based on the Annual Revenue Commitment one month in arrears. The reward will be applied to the Other Charges & Credits (OC&C) section of Telepak Networks' bill. The phrase assigned to identify the V&T credits in the OC&C section will be entitled "Rewards under Telepak Networks Resale V&T."

## 13.0 MISCELLANEOUS

13.1 Telepak Networks will be solely responsible for the identification of Telepak Networks accounts that are V&T eligible. Telepak Networks and BellSouth agree that BellSouth will not be responsible for failure to apply a discount to a V&T eligible account if such failure results from Telepak Network's failure to properly identify such account, unless the account is identified in the manner

directed by BellSouth. Additional V&T eligible accounts may be added only by mutual agreement of the parties.

- 13.2 This Agreement shall be construed in accordance with the laws of the State of Georgia.
- 13.3 Except as otherwise provided in this Agreement, notices required to be given pursuant to this Agreement shall be effective when received and shall be sufficient if given in writing, delivered by hand, facsimile, overnight mail delivery, or United States mail, postage prepaid, addressed to the appropriate party at the address set forth below. Either party hereto may change the name and address to whom all notices or other documents required under this Agreement must be sent at any time by giving written notice to the other party. Current addresses are:

BellSouth

Attn: Resale Product Manager  
675 W. Peachtree St., NE  
Mail Stop 34A51  
Atlanta, GA 30375

Telepak Networks

Attn: Operations Manager  
125 South Congress Street  
Suite 1100  
Jackson, MS 39201-3304

- 13.4 All of the other provisions of the Interconnection Agreement shall remain in full force and effect.
- 13.5 Either or both of the Parties is authorized to submit this Amendment to the appropriate Commission or other regulatory body having jurisdiction over the subject matter of this Amendment, for approval subject to Section 252(e) of the federal Telecommunications Act of 1996.

A handwritten signature or set of initials, possibly 'JA', written in black ink.

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

**Telepak Networks, Inc.**

Gregg Logan  
Signature

Gregg Logan  
Printed Name

Vice President  
Title

6-7-02  
Date

**BellSouth Telecommunications, Inc.**

[Signature]  
Signature

Larry D. Hendrix  
Printed Name

Asst. Vice President  
Title

5/31/02  
Date

[Signature]

## Appendix I V&T Eligible Services

This Agreement covers GSST and Private Line network transport services and other regulated business services that Telepak Networks may order pursuant to the applicable BellSouth tariff.

These services are:

1. Business Services in A.3:
  - Single-line Business Service as defined in A3.7.2
  - Multi-line Service as defined in A3.7.4
  - Business Plus Service<sup>®</sup> as defined in A3.43
  - Complete Choice<sup>®</sup> for Business Package as defined in A3.45
2. Services in A40.1:
  - Customer Connection to Frame Relay Service
  - Back-up Capability
  - Frame Relay Service Feature Charges
3. Services in A.42:
  - ISDN Business Service as defined in A42.1
  - ISDN Residential Service as defined in A42.2
  - Primary Rate ISDN as defined in A42.3
4. Special Assembly SONET Rings
5. Private Line Services in B7:
  - MegaLink<sup>®</sup>
  - MegaLink<sup>®</sup> Channel Service
  - LightGate<sup>®</sup>
  - SMARTRing<sup>®</sup> Services
  - SyncroNet<sup>®</sup> Service
  - SMARTPath<sup>®</sup> Service
  - MegaLink<sup>®</sup> Plus Service
  - MegaLink<sup>®</sup> Light Service

If BellSouth changes the name of a particular service listed above, the newly-named service will continue to be offered under this Agreement. However, if BellSouth makes substantive changes in the service offerings listed above or offers a similar product not included in the list above, the Parties will negotiate in good faith an amendment to this V&T Agreement upon request of a Party.

## Appendix II Annual Revenue Commitment

### 4 Year Agreement

#### Resale Revenue Achieved

	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tier 7	
1	\$4,554,000	\$5,692,500	\$7,400,250	\$9,620,325	\$12,506,423	\$16,258,349	\$21,135,854	\$41,269,217
2	\$5,009,400	\$6,261,750	\$8,140,275	\$10,582,358	\$13,757,065	\$17,884,184	\$23,249,439	\$45,396,139
3	\$5,510,340	\$6,887,925	\$8,954,303	\$11,640,593	\$15,132,771	\$19,672,603	\$25,574,383	\$49,935,753
4	\$6,061,374	\$7,576,718	\$9,849,733	\$12,804,653	\$16,646,048	\$21,639,863	\$28,131,822	\$54,929,328
Discount	6.50%	9.0%	10.5%	13.0%	15.5%	18.0%	19.50%	

The Minimum Annual Revenue Commitment for each year is listed in Tier 1. In the first year of the agreement the Discount level received each month by Telepak Networks will be reflected in the Tier which Telepak Networks selects. At the Annual True-Up, the actual tier achieved by Telepak Networks will be determined and any adjustment to the correct Discount received for that Contract Year will be made. Any additional Discounts will be distributed to Telepak Networks in the form of a credit on its bill. Any reduction in the actual Discount will be billed by BellSouth to Telepak Networks. At each Annual True-Up, Telepak Networks will select the Tier to be used for billing in the following Contract Year, but the Tier selected may not be below the Tier actually achieved in the prior Contract Year. BellSouth will continue to verify the accuracy of the discount each year at the Annual True-Up throughout the life of the Agreement. The maximum Discount Level provided for in this agreement is 19.50%. No higher Discount Level is available in the event that Telepak Networks exceeds Tier 7 in any Contract Year. The maximum revenue eligible for discounts under this Agreement in each contract term year is shown in the Table above. Further, the annual revenues from the Business Services identified in enumerated Item 1 of Appendix 1 can be used to satisfy no more than 10% of the Annual Revenue Commitment in a Contract Year.