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# FARRIS BOBANGO PLC

ATTORNEYS AT LAW

Nashville · Memphis

HISTORIC CASTNER-KNOTT BUILDING 618 CHURCH STREET, SUITE 300 NASHVILLE, TENNESSEE 37219

(615) 726-1200 telephone · (615) 726-1776 facsimile

H. LaDon Baltimore dbaltimore@farrismathews.com Direct Dial: (615) 687-4243

July 29, 2014

Chairman Herbert Hilliard Tennessee Regulatory Authority 502 Deaderick Street Fourth Floor Nashville, TN 37243

In Re: Petition of Cellco Partnership d/b/a Verizon Wireless for Arbitration under the Telecommunications Act; Petition for Arbitration of BellSouth Mobility, LLC, BellSouth Personal Communications, LLC and Chattanooga MSA Limited Partnership, collectively dba Cingular Wireless; Petition for Arbitration of AT&T Wireless PCS, LLC dba AT&T Wireless; Petition for Arbitration of T-Mobile, USA, Inc., Petition for Arbitration of Sprint Spectrum LP d/b/a Sprint PCS

Docket No. 03-00585

#### Dear Chairman Hilliard:

We are writing jointly on behalf of AT&T Mobility ("AT&T") and the Tennessee Rural Coalition ("RLECs") in connection with the Authority's Motion adopted on July 22, 2014 that the parties file interconnection agreements ("ICAs") conforming with and incorporating the arbitration awards previously issued in this docket.

AT&T Mobility and the RLECs wish to submit such ICAs expeditiously for the Authority's review pursuant to section 252(e)(2) of the Telecommunications Act of 1996. However, while the parties have been able to reach agreement on contract language reflecting almost all of the Authority's resolutions of the issues in those arbitration awards, the parties have not been able to agree on language for one provision in their ICAs, namely, section 5.1.3, and the parties must ask the Authority to resolve this remaining disagreement before they can submit final, complete, ICAs for the Authority's review pursuant to section 252(e)(2).

Accordingly, AT&T Mobility and the RLECs are submitting today briefs explaining their remaining disagreement about contract language, with each side urging the Authority to rule, expeditiously, that its proposed language should be included in the ICAs. The parties have agreed to file reply briefs one week from today. Then, after the Authority has ruled on the disagreement that is the subject of these briefs, the parties will submit ICAs for the Authority's review under section 252(e)(2). The parties have agreed to use their best efforts to file those

ICAs, which will reflect the Authority's decision on the remaining contract language dispute, within seven days, but in no event more than 10 days, after the Authority's ruling on the disputed contract language.

For the avoidance of doubt, the parties note that while the RLECs are filing the entire ICA today as an attachment to their brief in order to provide context for resolution of the remaining disagreement, the RLECs are not asking the Authority to approve that ICA at this time.

Thank you for your consideration.

Very truly yours,

H. LaDon Baltimore

Local Counsel for the Tennessee Rural Coalition

# BEFORE THE TENNESSEE REGULATORY AUTHORITY

Petition of Cellco Partnership d/b/a Verizon Wireless For Arbitration under the Telecommunications Act; Petition for Arbitration of Bell South Mobility, LLC, Bell South Personal Communications, LLC and Chattanooga MSA Limited Partnership, collectively d/b/a Cingular Wireless; Petition for Arbitration of A T& T Wireless PCS, LLC d/b/a AT&T Wireless; Petition for Arbitration of T-Mobile, USA Inc., Petition for Arbitration of Sprint Spectrum LP d/b/a Sprint PCS

Docket No. 03-00585

# TENNESSEE RURAL COALITION INTERCONNECTION AGREEMENT BRIEF IN SUPPORT OF RLEC LANGUAGE

Ardmore Telephone Company
Concord Telephone Exchange, Inc.
Crockett Telephone Company, Inc.
DeKalb Telephone Cooperative
Humphreys County Telephone Company
Loretto Telephone Company, Inc.
North Central Telephone Cooperative
Peoples Telephone Company
Tellico Telephone Company
Tennessee Telephone Company
United Telephone Company
West Tennessee Telephone Company, Inc.
Yorkville Telephone Cooperative, Inc.

H. LaDon Baltimore, BPR #003836 FARRIS BOBANGO PLC 618 Church Street, Suite 300 Nashville, TN 37219

Patricia Armstrong, Pa. ID No. 23725 Charles E. Thomas III, Pa ID No. 201014 THOMAS, NIESEN & THOMAS 212 Locust Street, Suite 600 Harrisburg, PA 17101

Pursuant to the Tennessee Regulatory Authority's ("Authority" or "TRA") action on July 22, 2014 directing the Parties herein to file a conforming interconnection agreement ("ICA") for review or, as is the case here - to submit competing language proposals for the Authority's consideration, the Tennessee Rural Coalition (as listed on the cover page and referred to herein as "RLECs" or "Coalition") respectfully submits to the Authority its proposed language for Section 5.1.3 of the Interconnection Agreement. The Parties have been able to reach agreement on final conforming interconnection agreement language for all sections except for Section 5.1.3 as relates to the payment of reciprocal compensation and the interpretation and application of the TRA's Final Order of Arbitration Award, issued February 13, 2014, in this docket ("2014 Award"), and the Order of Arbitration Award the Authority issued on January 12, 2006 ("2006 Award") in respect thereto (The 2014 Award and the 2006 Award collectively referred to as "Awards"). The RLEC's submit that the entirety of this proceeding has been about the determination of and payment of a reciprocal compensation rate. The RLEC's submit that their language for Section 5.1.3 of the Interconnection Agreement relating to Reciprocal Compensation for the Historic Period is in full conformity with the TRA's various orders and is the only way to make sure that this 10 year prolonged proceeding is finally brought to an end.

#### BACKGROUND OF PROCEEDINGS BEFORE THE TRA

This matter and docket involve petitions, brought more than ten years ago by various CMRS carriers, now just AT&T Mobility remaining, for arbitration of terms and conditions for an ICA pursuant to section 252(b) of the Telecommunications Act of 1996 ("1996 Act"). As AT&T Mobility recognized in its February 27, 2014 Motion for Clarification, the decisions the

Authority made in the 2006 Award and in the 2014 Award are decisions about what the parties' interconnection agreement should include – including the rate for reciprocal compensation.

The history of this case has been set forth in a multitude of pleadings and awards or orders and will not be duplicated in detail here.

It is important however, to recall that the CMRS carriers, now only AT&T Mobility, <sup>1</sup> initiated the instant proceeding in 2003 for the very purpose of determining, under the 1996 Act, the contents of the ICAs, including the rates, terms and conditions on which, among other things, the carriers networks are interconnected so that traffic can flow between them, 47 USC Section 251(c)(2), and to make arrangements for the payment of reciprocal compensation ( Id 251 (b)(5)) for the transport and termination of telecommunications traffic that originates on one carrier's networks and terminates on the others. Id 252(d)(2). It is this latter subject – making arrangements for the payment of reciprocal compensation which has been and continues to be at the heart of this now decade old matter.

Under the 1996 Act if the Parties are unable to arrive at a complete agreement, either party may petition the state utility commission to arbitrate the parties' disagreement (Id Section 252(b)(1)) - in which case the state regulatory commission resolves the disputed issues in accordance with the law. AT&T Mobility petitioned the state commission - the Authority - to arbitrate and resolve the issues. The Authority in this case has resolved all issues which the Parties had not resolved. Thus all that remains in this case is the submission of an ICA to the Authority in compliance with the Authority's Orders. However, the Parties seem to disagree as to what those Awards mean and what language for Section 5.1.3 properly reflects those orders and

<sup>&</sup>lt;sup>1</sup> The TN RLECS have successfully negotiated and filed and had approved ICAs with all the other CMRS carriers and all Historic Period rate true-ups were finalized prior to submission of the ICAs for approval.

provides for the payment of reciprocal compensation without further delay. The remaining dispute focuses on the right to payment of reciprocal compensation.

The Parties hereto, had, as recognized in AT&T Mobility's 2013 Brief, resolved all issues but the issues of reciprocal compensation. As AT&T previously stated, the sole remaining issue was "whether the interim compensation authorized by the TRA's previous order can be trued up to any permanent rate other than bill and keep" (AT&T Mobility 2013 Brief at page 1). The Authority answered this question very clearly in its 2014 Award and established a permanent reciprocal compensation rate. Now AT&T wants to limit and negate the Coalitions' right to payment of reciprocal compensation.

The 2014 Award stated (at page 25) "the panel voted unanimously that the interim rates previously established in this docket **should be trued up to the proposed RLEC** compensation rates of \$0.012 (indirect) and \$0.008 (direct) for Traffic terminated between October 2004 and June 2012" (Emphasis added). While the 2014 Award did not adopt specific language to be included in the parties' ICA, the RLECs and we believe any legal analysis of said Award, would find the language and intent of the TRA to be straight forward – that the RLECs are entitled to be paid reciprocal compensation at the rates set forth in the 2014 Award. Now many months later the RLECs submit that it is well past time for AT&T to step up and comply with the TRA's Awards.<sup>2</sup> The language proposed by the RLECs clearly is in compliance with said Awards and implements the findings of the TRA and assures that AT&T Mobility cannot further delay payment for the Historic Period and argue that the RLECs are not entitled to payment of the

<sup>&</sup>lt;sup>2</sup> While the RLECs have submitted bills to AT&T Mobility in accordance with the 2014 Award, AT&T Mobility has taken the position that "AT&T is not obligated to pay any charges until the parties have a final and approved interconnection agreement." On the contrary, the RLECs believe that the 2014 Award, which was actually decided on September 9, 2013, was the Authority's judgment and imposed the duty on AT&T to pay the specified reciprocal compensation for the Historic Period.

reciprocal compensation set forth in the Awards - due to some AT&T conjured caveat or condition.

#### INSTANT FILING

In an effort to implement the TRA 2014 Award, the RLECs submitted to AT&T Mobility at various times - language options to finalize the ICA. Following a series of AT&T imposed prolonged delays (including AT&T needed to file a Motion for Clarification; AT&T would not respond to the RLECs proposed language until after the Clarification pleadings were filed, etc.) - ultimately language was exchanged. However AT&T Mobility is not willing to acknowledge the RLEC's absolute right to payment of reciprocal compensation and has raised various preconditions to the implementation of any true ups and has refused to accept the RLEC's language. AT&T continues to fabricate issues and arguments which in the long run will merely further delay payment of the compensation the Authority found was due to the RLECs for the Historic Period.

The Parties competing Section 5.1.3 language is as follows (the disputed language proposed by the RLECs is highlighted and explained, *infra*)<sup>3</sup>:

# RLEC language:

Section 5.1.3 Notwithstanding anything else contained in this Agreement, including but not limited to (Section) 5.3.1, and in accordance with the Tennessee Regulatory Authority's finding

<sup>&</sup>lt;sup>3</sup> The RLECs would point out that they have endeavored to isolate all disputed language to section 5.1.3. However, given the enormous significance to the RLECs of compensation for the Historic Period, the RLECs want it clear that payment for the Historic Period is an absolute right under the Awards and language relating to billing or effective date or other language in the ICA is not the basis to otherwise deprive the RLECs of their long overdue payment. Thus while the details and clarity required in the AT&T ICA may not have been in the ICAs with the other CMRS carriers; it was not needed in those other instances because compensation for the Historic Period had been made. A copy of an ICA, in accord with the template as agreed to by the Parties, except for Section 5.1.3, is attached as Exhibit 1 for purposes of putting the disputed language in context.

that "based on these findings and the record in this docket, the panel voted unanimously that the interim rates previously established in this docket should be trued-up to the proposed RLEC compensation rates of \$0.012 (indirect) and \$0.008 cents (direct) for traffic terminated between October 2004 and June 2012" the following rates are applicable to traffic exchanged between TN RLEC and AT&T during the Historic Period (October 2004 through June 2012) and are to be trued up to the interim rates paid by AT&T. If AT&T has not paid anything to the TN RLEC, whether or not TN RLEC billed AT&T during the Historic Period, then the full reciprocal compensation rate is to be charged reciprocally for the Historic Period and the Effective date has no affect on payment to the Parties' of reciprocal compensation for the Historic Period:

- (a) The rate for Reciprocal Compensation for Local Telecommunications Traffic exchanged via Direct Interconnection shall be \$0.008 per minute; and
- (b) The rate for Reciprocal Compensation for Local Telecommunications Traffic exchanged via Indirect Interconnection shall be \$0.012 per minute.

The following Traffic Ratio Factors shall be used to estimate the proportion of total Traffic exchanged between the Parties' networks during the Historic Period:

Mobile-to-Land 70%

Land-to-Mobile 30%.

# **AT&T language:**

Section 5.1.3 In accordance with the Tennessee Regulatory Authority's finding that "based on these findings and the record in this docket, the panel voted unanimously that the interim rates previously established in this docket should be trued-up to the proposed RLEC compensation rates of \$0.012 (indirect) and \$0.008 cents (direct) for traffic terminated between October 2004

and June 2012" the following rates are applicable to traffic exchanged between TN RLEC and AT&T during the Historic Period (October 2004 through June 2012) and are to be trued up to the interim rates paid by AT&T and the Effective Date has no affect on payment to the Parties' of reciprocal compensation for the Historic Period:

- (a) The rate for Reciprocal Compensation for Local Telecommunications Traffic exchanged via Direct Interconnection shall be \$0.008 per minute; and
- (b) The rate for Reciprocal Compensation for Local Telecommunications Traffic exchanged via Indirect Interconnection shall be \$0.012 per minute.
- (c) The following Traffic Ratio Factors shall be used to estimate the proportion of total Traffic exchanged between the Parties' networks during the Historic Period:

Mobile-to-Land

70%

Land-to-Mobile

30%

All language except the Section 5.1.3 reciprocal compensation language for the Historic Period has been agreed to by the parties<sup>4</sup>. A review of the somewhat similar Section 5.1.3 language indicates that the only difference in the offered language options (as highlighted in yellow) relates to the terms and conditions of the true up for the Historic Period. But as the Authority knows the devil is in the details. The RLECs' language makes it clear that the right of the RLECs to compensation for the Historic Period is absolute and unconditional. AT&T's refusal to agree to the RLEC's language is an inherent concession on AT&T's part that AT&T views there to be conditions to payment and AT&T believes the RLECs do not have an absolute right to the reciprocal compensation as awarded by the Authority. The RLECs have included the highlighted language in Section 5.1.3 to make it clear that they are entitled to the reciprocal

<sup>&</sup>lt;sup>4</sup> In response to the RLEC's presentation of Appendix C in its Reply Brief, AT&T Mobility then agreed in its April 2013 Reply Brief (at page 3) that: "The sole remaining arbitrated issue for the TRA to decide in this proceeding is the permanent reciprocal compensation rate for IntraMTA traffic exchanged between the parties…"

compensation – as the RLECs do not want to litigate another 10 plus years over AT&T latter imposed conditions resulting in AT&T's refusal to make payment. A contract (ICA) should not be entered into when it is already read by the parties thereto with competing interpretations and thus posed for litigation even prior to its execution.

That the purpose of the Authority's latest 2014 Award was to set the permanent reciprocal compensation rate and true up for the traffic exchanged during the Historical Period should be beyond argument. The Hearing Officer had reported that the Parties had agreed that the TRA had adopted an interim rate for reciprocal compensation, subject to true up, and that the remaining issue to be resolved was a determination of a permanent reciprocal compensation rate and true up. (2014 Award at 9). The TRA noted that it was required "to establish a permanent rate for transport and termination of calls between AT&T Mobility and the Coalition for the interim period "(Id at 10) and the remaining issue to be resolved was "a determination of a permanent reciprocal compensation rate and true up" (Id at 9 - Emphasis added). AT&T Mobility stated in its April 2013 Reply Brief (page 3) that: "The sole remaining arbitrated issue for the TRA to decide in this proceeding is the permanent reciprocal compensation rate for IntraMTA traffic exchanged between the parties..." (Emphasis added) The permanent reciprocal compensation rate has been determined by the Authority and the ICA should make it clear that the rate shall be paid to the Parties on a reciprocal basis.

AT&T Mobility had originally petitioned under the 1996 Act for a determination of a reciprocal compensation rate and the TRA in its 2014 Award made such a determination. The TRA Award held as follows: "based on these findings and the record in this docket, the panel voted unanimously that the interim rates previously established in this docket should be trued-up to the proposed RLEC compensation rates of \$0.012 (indirect) and \$0.008 cents (direct) for

traffic terminated between October 2004 and June 2012." Both Parties' Section 5.1.3 language quotes the order and sets forth the rates. HOWEVER, AT&T by its rejection of the RLEC language makes it clear it has already conjured up caveats and conditions of true up and does not believe that the RLECs have an absolute right to payment of reciprocal compensation.

The very purpose of the Petition filed by the CMRS carriers was to inter alia set rates. In the CMRS carriers Main Brief in 2004 the CMRS carriers clearly indicated "The FCC has determined and reiterated on numerous occasions that a call between an incumbent local exchange carrier and a wireless carrier is considered Telecommunications Traffic - and thus subject to reciprocal compensation." (AT&T Main Brief filed Sept 10, 2004 at page 2 (Emphasis added)). The CMRS carriers went on to state "In brief, section 252(d)(2) mandates that compliance with the obligations of 252(b)(5) requires the mutual and reciprocal recovery by each carrier...on the basis of a reasonable recovery by each carrier...on the basis of a reasonable approximation of the additional cost of terminating such calls. The methodologies for establishing the 'reasonable approximation of the additional cost,' i.e., forward looking costs, proxy rates and bill and keep were set forth by the FCC in the Local Competition Order and in the accompanying Federal regulations." (Id at page14) In its February 13, 2014 Order the TRA resolved the remaining issue and established a permanent reciprocal compensation rate to be paid for traffic exchanged during the Historical Period. As noted, AT&T Mobility had asked for such a determination and the TRA made such a determination. AT&T now tries to back away from the very basis of its original Petition - that the traffic IS subject to reciprocal compensation and that the 1996 Act requires mutual and reciprocal compensation<sup>5</sup>.

<sup>&</sup>lt;sup>5</sup> The TRA recognized AT&T's historic position in its May 6, 2004 Order at Docket No 00-00523 at page 14 when it stated "of particular importance is the fact that CMRS carriers have now come to the Authority and have identified themselves as the **originating provider responsible for compensating the carriers** on whose network calls are terminated." (Emphasis added)

The difference in the competing verbiage for Section 5.1.3 is AT&T's perceived argument that the 2 year back billing language in 5.3.1 which provides "5.3.1 Neither Party shall bill the other for traffic that is more than two (2) years old" somehow can apply or control the right of the RLEC to true up under the TRA Awards. In order to assure that there is no question as to the absolute right of the RLECs to the true up, the RLECs have inserted the phrase in the beginning of Section 5.1.3. "Notwithstanding anything else contained in this Agreement, including but not limited to 5.3.1..." The RLECs' right to true-up has no conditions and it should be clear in the ICA that there are no such conditions. <sup>6</sup> By refusing to make the language clear that the RLECs have an absolute right to true up using the reciprocal compensation rate ordered by the TRA - AT&T is backing off its obligation to true up as promised throughout this proceeding, raising one caveat after another and essentially dismissing the TRA's 2014 Award. By refusing to make the right to true up absolute – AT&T is essentially paving the way for its self imposed caveats and conditions - all of which are irrelevant and inappropriate. The expectation throughout this proceeding has been that there would be a true up for all members of the RLEC coalition for the entire Historic Period at the rates set by the Authority. The fact that the matter has taken so long to be resolved does not limit the RLECs right to reciprocal compensation to a two year back window for billing for the Historic Period. In fact the Historic Period ended more than 2 years ago.

The second item of language in dispute in Section 5.1.3 is the RLECs clarifying language -- "If AT&T has not paid anything to the TN RLEC, whether or not TN RLEC billed AT&T during the Historic Period, then the full reciprocal compensation rate is to be charged reciprocally for the Historic Period."

<sup>&</sup>lt;sup>6</sup> Every other CMRS carrier entered into an ICA with the RLECs and simultaneously resolved payment for the Historic Period without the obfuscating issues raised by AT&T

The RLECs submit that this language is not only in conformity with the TRA Awards, and required under the Federal Law, but essential to avoid AT&T denying all billings submitted where AT&T wants to challenge the right to true up, because a particular carrier may not have submitted bills all along the way or may not have submitted them at the then presumed interim rate or may not have submitted bills in accord with some AT&T perceived condition. There are no conditions – the only thing that is required as recognized by AT&T in its September 10, 2004 Brief at page 2 is "a call between an incumbent local exchange carrier and a wireless carrier [which] is considered Telecommunications Traffic – and thus subject to reciprocal compensation."

From the 2006 Order to now the TRA has recognized that the rates in the interim were subject to true up and in its 2006 Award (page 41) held "First the interim rate will be subject to true up, thus mitigating the risk that either the ICO members or the CMRS providers will be unduly enriched or left inadequately compensated once the final rate is established." AT&T Mobility's own witness Dr. Chris Klein appeared cognizant of the financial ramifications of these payments to the RLECs stating that the Coalition members "can expect their financial status to improve once a rate is set" (June 8, 2007 CMRS Suspension Brief at 8). In fact, the CMRS carriers clearly stated in that brief: "Put simply, to the extent CMRS providers send traffic to Coalition members, these Members will be allowed to charge the CMRS Providers a rate that compensates the Coalition Members..."

More recently AT&T in its 2013 Brief likewise recognized the applicability of true up for the Historic Period noting on page 1, "the Sole remaining issue ... is whether the interim compensation authorized by the TRA's previous order can be trued up to any permanent rate

<sup>&</sup>lt;sup>7</sup> CMRS Suspension Brief at 8 (Emphasis added).

other than bill and keep." The litigation was about the permanent rate – there was no question but that true up to the permanent rate was to occur. AT&T went on to note: "By previous order, the TRA established an interim rate to be billed by both the Rural Local Exchange Carriers ("RLECs") that comprise the Tennessee Rural Independent Coalition and AT&T Mobility until a permanent rate was established, at which time **all** interim payments would be trued up to the permanent rate." AT&T 2014 Main Brief at page 1 (Emphasis added). Clearly AT&T viewed the rate to be set by the TRA to be a Permanent rate which would apply AND expected there to be a true up.<sup>9</sup>

We are confident that the Authority did not think they were conducting an exercise in futility to set a rate which was of no consequence under the arguments and conditions espoused now by AT&T. Rather, the TRA in its February 13, 2014 order recognized that in fact it was this permanent rate and true up which were the essence of the order. The order quoted AT&T Mobility's December 3, 2012 filing as noting that there was agreement as to the interconnection agreements but for compensation for the Historic Period. (Page 7). It was and is an absolute right to (mutual and reciprocal) compensation for the Historic Period – not some contingent right.

The TRA in disposing of the case stated of its own actions on page 21 of its 2014 Award – "The difference between the interim rate and final rate would then be trued up, meaning the parties would owe each other the final rate retroactively" (Emphasis added). The Award then concluded by holding against AT&T Mobility's argument stating: "... the panel ... find(s) that the RLECs proposed compensation rates of \$0.012 for indirect traffic and \$0.08 for direct

<sup>8</sup> The TRA rejected AT&T's bill and keep argument. However, AT&T's attempt to deny payment for the Historic Period based on some conjured condition is no more than another attempt to force bill and keep – a conclusion the Authority has already rejected.

<sup>&</sup>lt;sup>9</sup> AT&T never challenged the true up mandate and in fact in numerous filings recognized it. Further – given that all other CMRS carriers resolved the Historic Period payments and finalized ICAs evidences the clear understanding that true up was contemplated.

traffic are just, reasonable and nondiscriminatory. Accordingly, based on these findings and the

record in this docket, the panel voted unanimously that the interim rates previously established in

this docket should be trued-up to the proposed RLEC compensation rates of \$0.012 (indirect)

and \$0.008 cents (direct) for traffic terminated between October 2004 and June 2012." These

were the rates the Parties would owe each other retroactively – it did not say might owe if certain

conditions were met.

For AT&T Mobility to refuse to accept the RLEC language in Section 5.1.3 and thus

contend that rates set by the TRA do not apply if the RLEC did not bill historically at the interim

rate set by the TRA in its January 12, 2006 order, is unjustifiable in every sense. Nowhere does

the TRA require billing throughout the Historic period as a precondition to the right to true up -

nor should it have.

AT&T also clearly and conveniently fails to recognize the hurdles it threw up to the

RLECs when the RLECs did attempt to bill at the interim rate and to negotiate an ICA. Just as

AT&T refuses to pay today until there is an executed ICA as referenced in footnote 2, supra,

Cingular (AT&T Mobility's predecessor) argued more than 8 years ago that under 47 C.F.R.

51.715 that an executed interim arrangement was required PRIOR to AT&T Mobility/Cingular

making ANY payment. While many of the RLECs started down a path of entering into AT&T's

proffered formal agreements, for some it was an unnecessary hurdle, since it would be resolved

upon entry of a final TRA order and was unnecessary.

A sample email on this issue is included below:

----Original Message----

From: Quay, Linda [mailto:linda.quay@cingular.com]

Sent: Friday, May 12, 2006 1:30 PM

To: Datka, Denise

Cc: Patrick, Lee; Weese, Sean; Ogundele, Ola; Larsson, Jesper; Riley, Susan

Subject: RE: TDS Telecom-Open Invoices

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Denise, the below listed vendors do not have a Tennessee usage contract with Cingular Wireless at this time. We can not pay any of these usage bills until contract(s) are signed between the TDS vendors and Cingular Wireless. We show these contracts in arbitration at this time.

CONCORD TELEPHONE EXCHANGE INC. - TN TENNESSEE TELEPHONE COMPANY - TN TELLICO TELEPHONE COMPANY - TN HUMPHREYS COUNTY TELEPHONE CO - TN

AT&T's predecessor, Cingular Wireless admitted this in its filing with the TRA on its interim accounting stating in its April 19, 2007 submission at Docket 06-00228 (a copy of which is attached as Exhibit 2):

As a general response, Cingular does not pay invoices for usage received from companies with which it does not have interconnection agreements. However it establishes an accrual at the time such an invoice for usage is received. Generally, the accruals will be for the full billed amount of the usage charges — not an admission that such charges are correct, but for accounting purposes.

The filing went on however to note that even those companies such as the North Central Telephone Cooperative who had billed at what AT&T referred to as "a rate above the interim rate" – "With no interconnection agreement with this company those bills were disputed, and Cingular established accruals. The bills have not been paid" Similar entries were made relating to other RLECs.

AT&T itself recognizes that even without invoicing along the way the right to true up is clear. As, AT&T's predecessor, Cingular Wireless stated on page 4 in its filing with the TRA on its interim accounting in April 19, 2007 submission at Docket 06-00228 – "Pending the establishment of final, TELRIC-based rates for each of the above carriers, Cingular has not invoiced any carriers. Cingular reserves its right to invoice each of the above carriers for all traffic exchanged and payments due during the pendency of the proceeding to establish

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**permanent...rates for each carrier**, ...." (Emphasis added) AT&T clearly identified its right to be paid the permanent reciprocal compensation rate for traffic during the pendency of the proceeding – even though they had not issued any invoices during the period – a right they are now seeking to deny the RLECs. This hypocrisy cannot be countenanced.<sup>11</sup>

The RLECs did not, and do not, believe that regulations at 47 CFR Section 51.715 required a signed agreement during the interim. The interim "arrangement" which we submit need not have been a formal written arrangement was intended to assure that traffic was in fact transported and terminated in the interim. The facts in this matter, however, were that the RLECs had been transporting and terminating AT&T Non Access Telecommunications traffic even prior to 2003. What the regulations at 47 CFR Section 51.715(d) do however clearly require is retroactive true up as follows:

(d) If the rates for transport and termination of Non-Access Telecommunications Traffic in an interim arrangement differ from the rates established by a state commission pursuant to § 51.705, the state commission shall require carriers to make adjustments to past compensation. Such adjustments to past compensation shall allow each carrier to receive the level of compensation it would have received had the rates in the interim arrangement equaled the rates later established by the state commission pursuant to § 51.705. 12

The regulations leave no doubt and contain none of the caveats or nuances raised by AT&T and inherent in their rejection of the RLEC's language. Rather, it says the "state commission shall require carriers to make adjustments to past compensation" and "shall allow

<sup>&</sup>lt;sup>10</sup> Verizon Wireless in its interim accounting statement at the time stated "consistent with conservative accounting principles, Verizon Wireless does not accrue revenue that is due from these members of the Rural Coalition with whom it does not have interconnection agreements or interim agreements. <u>Still, future payment is expected.</u>"(Emphasis added). Verizon Wireless also went on to note it did accrue a liability based upon detail provided by BellSouth as part of its billing of transit charges. Verizon Wireless April 12, 2007 letter to TRA at Docket 06-00228 on its interim accounting at 5. Note BellSouth is an AT&T affiliate.

<sup>&</sup>lt;sup>11</sup> This hypocrisy is also evident in AT&T's December 3, 2012 status report in footnote 3 where in pursuit of their bill and keep compensation argument, AT&T notes that "had the RLECs billed and received interim compensation directed by the TRA, the RLECs would be obligated to return it to the CMRS providers under FCC True-up rules. However, because the parties have operated at bill and keep, there is simply no need for "true up"."

<sup>&</sup>lt;sup>12</sup> Upheld by the 8<sup>th</sup> Circuit Ct of Appeals in Iowa Utilities Board v FCC (July 18, 1997).

each carrier to receive the level of compensation it would have received had the rates in the interim arrangement equaled the rates later established..." (Emphasis added)

These are the very rates and section cited by the CMRS providers as the basis for the Authority's establishment of the Reciprocal Compensation rate (initial proceeding) and cited by the Authority (page 39 of the 2006 Award).

For AT&T to now attempt to contend that only those RLECS who billed throughout the Historic Period at the interim rate are entitled to true up and that the two year back billing provision included in the ICA for routine prospective billings should apply to the Historic Period, a matter obviously not conceded by the RLECs, is to have sent the TRA and all parties on an unnecessary 10 year goose chase. The proceeding was a very prolonged proceeding but ultimately the 2014 Award did address what AT&T stated in its April 2013 Reply Brief (p 3) was the sole remaining issue for Arbitration – it set the "permanent Reciprocal Compensation Rates for intra MTA Traffic exchanged between the Parties." The TRA did not say the reciprocal compensation rate and true-up was dependent on anything or conditional or required certain historic billings in a form acceptable to AT&T - and since the CMRS carriers had originally petitioned for the TRA to set the reciprocal compensation rate one would not have expected any conditions. Thus, we submit that all of the language that AT&T is now objecting to and the caveats it is trying to impose and the factual nuances they are using to parse the 2014 Award are wholly irrelevant and their refusal to accept the RLEC's language evidences AT&T's intended action.

This docket can and should be resolved immediately and brought to an end. The RLECs language should be approved – there is nothing in that language that is not consistent with the disposition of this docket and is in fact required if this docket is to be closed once and for all in

accordance with this Authority's Awards and applicable law. To do otherwise merely encourages AT&T to continue stalling in its payment of monies due for the traffic exchanged over the Historic Period.

The RLEC's Section 5.1.3 language relating to reciprocal compensation for the Historic Period is in full compliance with and conforms to the TRA Awards. The TRA should expeditiously approve the RLEC language and order the parties to execute the ICAs within 7 - 10 days of action approving the RLECs filing and direct AT&T to pay all the monies due in full to all of the RLECs **immediately (in ten days or less)** for the Historic Period.<sup>13</sup>

As the TRA noted in its 2008 Order at page 19 – "Contentious and protracted litigation diverts valuable resources and distracts managements from the operation of the utility, and is not consistent with the interests of the citizens of Tennessee or the general public". We submit that this ICA language should be approved, bills paid and this docket can and should be resolved quickly. The continued stalling by AT&T Mobility in finalizing a complying ICA and paying the RLECs their due compensation should not be countenanced and is contrary to the interests of the citizens of Tennessee. The Award is clear. All AT&T Mobility's refusal to agree to the RLEC's ICA language accomplishes is to further protract the litigation and further extend this period of free service. The time for payment is long past due. As the RLEC's stated more than a year ago: "By refusing to pay or set a reasonable price, this telecommunications giant (AT&T) has had use of the much smaller phone companies' money, forcing them to become involuntary lenders - without interest." (April 22, 2013 Brief at page 28) While this refusal to pay may arguably improve AT&T's cash flow (in a very miniscule amount) compared to their expenditure of gargantuan amounts of monies (\$49+billion) for other purposes - such as their recently

<sup>&</sup>lt;sup>13</sup> As set forth in the Parties Joint cover letter, the Parties have, in fact, agreed that once the TRA takes action to act on the competing language for Section 5.1.3, the Parties will finalize, execute and file the ICAs with the Authority within seven to 10 days.

proposed acquisition of Direct TV; for the RLECs it is a significant forced loan - exacerbated each and every day until the ICAs are finalized and all the RLECs paid for the entire Historic Period in accordance with the holdings of the TRA.

WHEREFORE, the Tennessee Rural Coalition respectfully requests that the TRA find the RLEC submitted language for Section 5.1.3 in full compliance with the TRA awards and orders, and approve it in its entirety expeditiously, and order the parties to finalize ICAs, including the RLEC's Section 5.1.3 language within 7 days of the TRA's action on the Section 5.1.3 language and direct AT&T to pay the RLECs the monies due for the Historic Period with interest from September 9, 2013 in no more than 10 days after execution of the ICAs.

Respectfully submitted,

H. LaDon Baltimore, BPR #003836

FARRIS BOBANGO PLC 610 Church Street, Suite 300

Nashville, TN 37219

Telephone:

(615) 726-1200

Facsimile:

(615) 726-1776

dbaltimore@farris-law.com

Patricia Armstrong, Pa. ID No. 23725

Charles E. Thomas III, PA ID No. 201014

THOMAS, NIESEN & THOMAS, LLC

212 Locust Street, Suite 600

Harrisburg, PA 17101

Telephone: (717) 255-7600

Facsimile: (717) 236-8278

parmstrong@tntlawfirm.com

cet3@tntlawfirm.com

# **EXHIBIT 1**

# TRAFFIC EXCHANGE AGREEMENT BY AND BETWEEN

NORTH CENTRAL TELEPHONE COOPERATIVE, INC.

AND

NEW CINGULAR WIRELESS PCS, LLC

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Appendix A

#### I. Article I

#### 1. INTRODUCTION

This traffic exchange and compensation agreement ("Agreement") is effective as of the date of approval by the TRA (the "Effective Date"), by and between North Central Telephone Cooperative, Inc. ("NCTC"), with offices at 872 Highway 52 Bypass East, Lafayette, Tennessee, 37083, and New Cingular Wireless PCS, LLC, d/b/a AT&T Mobility ("AT&T").

#### 2. RECITALS

WHEREAS, NCTC is an incumbent Rural Local Exchange Carrier and a Rate of Return Carrier which provides Local Exchange Services in the State of Tennessee; and

WHEREAS, AT&T is a Commercial Mobile Radio Service provider of two-way mobile communications services operating within the State of Tennessee; and

WHEREAS, NCTC's entry into this Agreement does not waive its right to maintain that it is a rural telephone company exempt from § 251(c) under 47 U.S.C. 251 (f) of the Communications Act of 1934, as amended; and

WHEREAS, NCTC and AT&T respectively terminate traffic that is originated on the other's network and wish to establish traffic exchange and compensation arrangements for exchanging traffic as specified below.

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, NCTC and AT&T hereby agree as follows:

#### II. Article II

# 1. DEFINITIONS

Certain terms used in this Agreement shall have the meanings as otherwise defined throughout this Agreement. Other terms used but not defined herein will have the meanings ascribed to them in the Act or in the rules and regulations of the FCC or Authority. The Parties acknowledge that other terms appear in this Agreement, which are not defined or ascribed as stated above. The Parties agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the Effective Date of this Agreement, as an exception to the general rule of contract interpretation that words are to be understood in their ordinary and popular sense. In addition to this rule of interpretation, the following terms used in this Agreement shall have the meanings as specified below:

- 1.1 "Act" means the Communications Act of 1934, as amended.
- "Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than ten percent (10%).
- 1.3 "Authority" means the Tennessee Regulatory Authority.
- 1.4 "Central Office Switch" means a switch used to provide Telecommunications services, including, but not limited to:
  - (a) "End Office Switch" is a switch in which the subscriber station loops are terminated for connection to either lines or trunks. The subscriber receives terminating, switching, signaling, transmission, and related functions for a defined geographic area by means of an End Office Switch.
  - (b) "Remote End Office Switch" is a switch in which the subscriber station loops are terminated. The control equipment providing terminating, switching, signaling, transmission, and related functions would reside in a host office. Local switching capabilities may be resident in a Remote End Office Switch.
  - (c) "Host Office Switch" is a switch with centralized control over the functions of one or more Remote End Office Switches. A Host Office Switch can serve as an end office as well as providing services to other remote end offices requiring terminating, signaling, transmission, and related functions including local switching.
  - (d) "Tandem Office Switch" is a switching system that establishes trunk-to-trunk connections. A Tandem Office Switch can provide host office or end office switching functions as well as the tandem functions. A Central Office Switch may also be employed as a combination End Office/Tandem Office Switch.
- 1.5 "Commercial Mobile Radio Services" or "CMRS" has the same meaning as defined at 47 USC § 332(d). The FCC's ruling at FCC 11-161 (¶¶ 1003-1008) shall apply to the determination of whether a call originates/terminates as a CMRS call.
- 1.6 "End User" or "Customer" means the residence or business subscriber involved in dialing or accepting a call.

- 1.7 "Effective Date" means the date of approval by the TRA.
- 1.8 "FCC" means the Federal Communications Commission.
- 1.9 "Jurisdiction Information Parameter" ("JIP") is the required signaling that should be provided to the terminating Party in the case of Direct Trunking and to the Tandem carrier for Indirect Trunking in order to determine appropriate terminating billing records.
- 1.10 "Local Routing Number" ("LRN") means local routing number and should be provided to the terminating Party in the case of Direct Trunking and to the Tandem carrier for Indirect Trunking in order to determine appropriate terminating billing records. Signaled JIP becomes an LRN when recorded
- 1.11 "Interconnection" for purposes of this Agreement is the indirect or direct linking of NCTC and AT&T networks for the exchange of Local Telecommunications Traffic described in this Agreement.
- 1.12 "Intermediary Traffic" is traffic that is delivered from a third-party Local Exchange Carrier or other telecommunications carrier such as a CMRS provider, through the network of either Party as an intermediate carrier to an end user of the other Party. In the event that "Intermediary Traffic" which is subject to tariffed access charges under the FCC's Inter-carrier compensation rules is routed over interconnection service facilities covered under this Agreement for any reason, each Party agrees that it will pay the applicable access compensation to the terminating Party for any and all such traffic it sends as an intermediate carrier.
- 1.13 "InterMTA Traffic" is Telecommunications traffic, which, at the beginning of the call, originates in one MTA and terminates in another MTA.
- 1.14 "Local Exchange Routing Guide" or "LERG" shall mean the Telcordia Technologies reference containing NPA/NXX routing and homing
- 1.15 "Local Service Area" means the Major Trading Area identified in Appendix A.
- 1.16 "Local Telecommunications Traffic" is defined for reciprocal compensation purposes under this Agreement, as Telecommunications traffic that is originated by an End User on one Party's network, and terminated to an End User on the other Party's network within the same MTA (Local Service Area) at the beginning of the call as determined by the originating and terminating points of the call. For purposes of determining originating and terminating points, the originating or

- terminating point for NCTC shall be the end office serving the calling or called End User, and for AT&T shall be the cell site location which services the calling or called End User at the beginning of the call.
- 1.17 "Local Exchange Carrier" or "LEC" has the same meaning as defined in 47 U.S.C. § 153(26).
- 1.18 "Major Trading Area" or "MTA" means the Major Trading Areas as designated by the FCC in 47 C.F.R. § 24.202(a).
- 1.19 "Mobile Switching Center" or "MSC" is a switching facility that is an essential element of the AT&T network which performs the switching for the routing of calls between and among AT&T subscribers and subscribers in other mobile or landline networks. The MSC is used to interconnect trunk circuits between and among End Office Switches and Tandem Switches, aggregation points, points of termination, or points of presence and also coordinates inter-cell and inter-system call hand-offs and records all system traffic for analysis and billing.
- 1.20 "NPA" or the "Number Plan Area" also referred to as an "area code" refers to the three-digit code which precedes the NXX in a dialing sequence within the North American Numbering Plan (i.e., NPA/NXX-XXXX).
- 1.21 "NXX" means the three-digit code, which appears as the first three digits of a seven-digit telephone number within a valid NPA or area code.
- 1.22 "Party" means either NCTC or AT&T, and "Parties" means NCTC and AT&T.
- 1.23 "Point of Interconnection" ("POI") and "Meet Point" mean the location where an originating Party's traffic is deemed to be handed off to the terminating Party's network as specified in Appendix A.
- 1.24 "Rate Center" means a geographic area that is associated with one or more NPA-NXX codes that have been assigned to a Telecommunications Carrier for its provision of Telecommunications services.
- 1.25 "Reciprocal Compensation" means an arrangement between two carriers in which each receives compensation from the other for the Transport and Termination on each carrier's network of Local Telecommunications Traffic that originates on the network facilities of the other carrier. For the purposes of this Agreement, such compensation, regardless of the Party that receives it, is symmetrical.

- 1.26 "Telecommunications" has the same meaning as defined in 47 U.S.C. § 153(43).
- 1.27 "Telecommunications Carrier" has the same meaning as defined in 47 U.S.C. § 153(44).
- 1.28 "Telecommunications services" has the same meaning as defined in 47 U.S.C. § 153(46).
- 1.29 "Termination" means the switching of Local Telecommunications Traffic at the terminating carrier's End Office Switch, or equivalent facility, and delivery of such traffic to the called End User's premises or mobile handset.
- 1.30 "Transport" means the transmission and any necessary tandem switching of Local Telecommunications Traffic from the Point of Interconnection between the two carriers to the terminating carrier's End Office Switch that directly serves the called End User, or equivalent facility provided by a carrier other than an incumbent LEC.

#### 2.0 INTERPRETATION AND CONSTRUCTION

All references to Sections, Exhibits and Schedules shall be deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. The headings of the Sections and the terms are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require, any reference to any agreement, other instrument or other third party offering, guide or practice, statute, regulation, rule or tariff is for convenience of reference only and is not intended to be a part of or to affect the meaning of a rule or tariff as amended and supplemented from time-to-time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).

#### 3.0 SCOPE

This Agreement relates to exchange of Local Telecommunications Traffic originated on the Parties' respective networks. This Agreement sets forth the terms, conditions, and rates under which the Parties agree to interconnect the CMRS network of AT&T and the ILEC network of NCTC for purpose of exchanging Local Telecommunications Traffic, provided that the service provided by AT&T to its Customer is a two-way CMRS. This Agreement does not obligate either Party to provide arrangements not specifically provided for herein. This Agreement does not address either fixed wireless or WiMax traffic and no right to deliver such traffic is conveyed by the Agreement. The Parties shall not pass Intermediary Traffic to one another.

- 3.2 AT&T represents that it is a CMRS provider of Telecommunications services to End Users in Tennessee. Additions or changes to AT&T's NPA/NXXs will be as listed in Telcordia's LERG. AT&T's NPA/NXX(s) are listed in the LERG under the OCN(s) set forth in Appendix A. With respect to wireless-to-landline traffic, AT&T shall not deliver traffic to NCTC that originates on a non-Party carrier's network.
- 3.3 NCTC represents that it is an incumbent Rural Local Exchange Carrier and a Rate of Return Carrier, under FCC regulatory classifications, which provides Local Exchange Services in the State of Tennessee. NCTC's NPA/NXX(s) are listed in the LERG under the OCN(s) set forth in Appendix A. With respect to landline-to-wireless traffic, this Agreement is limited to NCTC end user customers' traffic for which NCTC has authority to carry.
- 3.5 Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party.

#### 4.0 SERVICE AGREEMENT

This Agreement provides for the following Interconnection and arrangements between the networks of NCTC and AT&T. Additional arrangements that may be mutually agreed to by the Parties in the future will be documented in a separate written amendment to this Agreement.

4.1 <u>Indirect Interconnection</u>. Unless otherwise specified in Appendix A and subject to Section 4.2 below, the Parties shall exchange all Local Telecommunications Traffic indirectly. AT&T shall be responsible for all transport obligations under 47 CFR Section 51.709(c). NCTC will be responsible for transport of NCTC's originating traffic within the scope of §51.701(b)(2) to an interconnection meet point located within NCTC's incumbent service area specified in Appendix A.

When the interconnection point is not located within NCTC's incumbent service, area, NCTC's responsibility for transport of NCTC's originating traffic within the scope of §51.701(b)(2) shall be no more than transport to its meet point at the border of its incumbent service area. For transport obligations and costs that may arise beyond such meet point, the Parties will work cooperatively to consider and if mutually agreeable, to implement, interconnection arrangements that minimize transport costs to both parties, provided that NCTC has no responsibility for any costs related to such alternative arrangements, unless NCTC specifically agrees to such responsibility.

If NCTC's originated intraMTA traffic, being routed through a third-party

transit provider, cannot be distinguished from NCTC's originated interMTA traffic, and any other NCTC-originated, non-intraMTA traffic, being routed through a third-party transit provider, NCTC shall cooperate with the third-party transit provider and AT&T to develop a mutually agreeable traffic study that identifies the percentage of NCTC-originated, intraMTA traffic being routed to AT&T through the third-party transit provider, compared to the total, NCTC-originated traffic being routed through that transit provider. Company and AT&T will use all reasonable efforts to complete and implement the initial traffic study no later than six months after the initial request for the study by AT&T. Upon request, such study may be updated annually.

- 4.2 <u>Direct Interconnection</u>. If the combined Local Telecommunications Traffic between the Parties equals 200,000 or more minutes of use per month, for three consecutive months, then the Parties will establish appropriate size, two-way, direct interconnection trunks with the POI designated at a technically feasible meet point on NCTC's network as specified in Appendix A. Each Party shall be responsible for one hundred percent (100%) of all the transport facility costs both to (a) deliver traffic originating on its network to and (b) receive traffic originated on the other Party's network from, the meet point POI. This Agreement shall not preclude NCTC and AT&T from entering into additional mutually agreed upon direct interconnection arrangements in the future.
  - 4.2.1 If or when established, both Parties will use best efforts to route Local Service Area calls to the other Party over the direct interconnection facilities except in the case of an emergency or temporary equipment failure. Should either Party determine that the other Party is routing its originated Local Service Area calls indirectly, the originating Party agrees to update its routing and translations tables to move such traffic to the direct interconnection facilities within five (5) business days.
  - 4.2.2 Where direct interconnection has been established, each Party will only route traffic over the direct interconnection facilities to the extent the terminating number, based upon NPA-NXXs, has been assigned to the other Party in the originating Party's Local Service Area.

#### 5.0 COMPENSATION

- 5.1 Traffic Subject to Reciprocal Compensation:
  - 5.1.1 Pursuant to the FCC's Report and Order and Further Notice of Proposed Rulemaking in CC Docket Nos. 96-45 and 01-92; GN

Docket No. 09-51; WC Docket Nos. 03-109, 05-337, 07-135 and 10-90; and WT Docket No. 10-208, adopted October 27, 2011 and released November 18, 2011 (FCC 11-161), and as amended by the FCC (the "USF/ICC Reform Order"), effective for traffic exchanged on and after July 1, 2012, bill-and-keep shall be the compensation methodology for Local Telecommunications Traffic exchanged between NCTC and AT&T. Under bill-and-keep, neither Party bills the other Party for Transport and Termination of Local Telecommunications Traffic.

- Notwithstanding the foregoing, if as a result of any decision, order or determination of any judicial or regulatory authority with jurisdiction over the subject matter hereof, the FCC's provisions, in the USF/ICC Reform Order, regarding the bill-and-keep arrangements for Local Telecommunications Traffic are reversed or, remanded, then the Parties agree to comply with all requirements of the applicable decision, order or determination and if appropriate to resubmit the matter to the Authority for resolution.
- Notwithstanding anything else contained in this Agreement, 5.1.3 including but not limited to 5.3.1, and in accordance with the Tennessee Regulatory Authority's finding that "based on these findings and the record in this docket, the panel voted unanimously that the interim rates previously established in this docket should be trued-up to the proposed RLEC compensation rates of \$0.012 (indirect) and \$0.008 cents (direct) for traffic terminated between October 2004 and June 2012," the following rates are applicable to traffic exchanged between NCTC and AT&T during the Historic Period (October 2004 through June 2012) and are to be trued up to the interim rates paid by AT&T. If AT&T has not paid anything to the TN RLEC, whether or not TN RLEC billed AT&T during the Historic Period, then the full reciprocal compensation rate is to be charged reciprocally for the Historic Period and the Effective Date has no affect on payment to the Parties of reciprocal compensation for the Historic Period.
  - (a) The rate for Reciprocal Compensation for Local Telecommunications Traffic exchanged via Direct Interconnection shall be \$0.008 per minute; and
  - (b) The rate for Reciprocal Compensation for Local Telecommunications Traffic exchanged via Indirect Interconnection shall be \$0.012 per minute.

The following Traffic Ratio Factors shall be used to estimate the proportion

of total Traffic exchanged between the Parties' networks during the Historic Period:

Mobile-to-Land Land-to-Mobile 70% 30%.

#### 5.2 InterMTA Traffic:

- 5.2.1 The Parties agree that traffic that is directly or indirectly delivered, may be rated and recorded as Local Telecommunications Traffic, but may have originated and terminated in different MTAs and therefore, is InterMTA Traffic and not Local Telecommunications Traffic. Recognizing that neither Party currently has a way of accurately measuring this InterMTA Traffic, the Parties agree, for the purposes of this Agreement, to a factor of 3% as an estimate of InterMTA Traffic sent by AT&T (NCTC will have no InterMTA traffic being sent by it) and that such traffic will be compensated at NCTC's switched access rates as set forth in Appendix A split evenly (i.e. 50%) between intrastate and interstate tariffed switched access rates.
- 5.2.2 At any time after this Agreement is approved by the Authority, but not more often than once every twelve months, either Party may request the creation of joint traffic studies to determine if the percentage of interMTA traffic sent by AT&T to NCTC over local interconnection trunks has changed. If those joint studies demonstrate a change from the current applicable interMTA factor in this agreement, the Parties will amend the agreement to reflect the changed factor.
- 5.3 Calculation of Payments and Billing:
  - 5.3.1 Neither Party shall bill the other for traffic that is more than two (2) years old.
  - 5.3.2 The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:
    - 5.3.2.1 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall, within thirty (30) days of its receipt of the invoice containing such disputed amount, give written notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due all undisputed

amounts to the Billing Party. The Parties will work together in good faith to resolve issues relating to the disputed amounts. If the dispute is resolved such that payment of the disputed amount is required, whether for the original full amount or for the settlement amount, the Non-Paying Party shall pay the full disputed or settlement amounts with interest at the lesser of (i) one and one-half percent (1½%) per month or (ii) the highest rate of interest that may be charged under Tennessee applicable law. In addition, the Billing Party may initiate a complaint proceeding with the appropriate regulatory or judicial entity, if unpaid undisputed amounts become more than ninety (90) days past due, provided the Billing Party gives an additional thirty (30) days' notice and opportunity to cure the default.

- 5.3.2.2 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of: (i) one and one-half percent (1½%) per month; or (ii) the highest rate of interest that may be charged under Tennessee applicable law.
- 5.3.2.3 Undisputed amounts shall be paid within thirty (30) days of receipt of invoice from the Billing Party.

## 5.3.3 All invoices under this Agreement shall be sent to:

AT&T		North Central Telephone Cooperative,
		Inc.
Name:	C/O TEOCO	Name: North Central Telephone
Re:	Xtrak	Cooperative, Inc.
Address:	12150 Monument Drive	Attn: Nancy White
	Suite 700, Fairfax, VA 22033	Address: Post Office Box 70
Phone:		Lafayette, TN 37083
		Phone: 615-666-2151

## 6.0 NOTICE OF CHANGES

If a Party contemplates a change in its network, which it believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party, provided, however, that this provision shall not apply to changes necessitated by emergencies or other circumstances outside the control of the party modifying its network.

#### 7.0 GENERAL RESPONSIBILITIES OF THE PARTIES

- 7.1 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting and, consistent with § 5, measuring and billing traffic from the other Party's network and subject to Section 4 for delivering such traffic to the other Party's network in an acceptable industry standard format, and to terminate the traffic it receives in that acceptable industry standard format to the proper address on its network. The Parties are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan. Neither Party shall use any service related to or use any of the services provided in this Agreement in any manner that prevents other persons from using their service or destroys the normal quality of service to other carriers or to either Party's customers, and subject to notice and a reasonable opportunity of the offending Party to cure any violation, either Party may discontinue or refuse service if the other Party violates this provision.
- 7.2 Each Party is solely responsible for the services it provides to its customers and to other Telecommunications Carriers.
- 7.3 Each Party is responsible for managing NXX codes assigned to it.
- 7.4 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of the Common Language Location Identifier ("CLLI") assigned to its switches.
- 7.5 Each Party agrees to adhere to the blocking requirements for interconnection (P.01) as provided in Telcordia documentation GR145 Core Compatibility for Interconnection of a Wireless Services Provider and a Local Exchange Company Network.
- 7.6 SS7 Out of Band Signaling (CCS/SS7) shall be the signaling of choice for interconnecting trunks where technically feasible for both Parties. Use of a third-party provider of SS7 trunks for connecting AT&T to the NCTC SS7 systems is permitted. Such connections will meet generally accepted industry technical standards. Each Party is responsible for its own SS7 signaling and therefore, neither Party will bill the other SS7 signaling charges.
- 7.7 The originating party will be responsible for providing the terminating party with JIP, LRN or other data reasonably agreeable to the terminating party and consistent with industry standards. The terminating party may bill the originating party using the tandem operator's transit reports, or any other data reasonably available to the terminating party.
- 7.8 Each Party shall be responsible for its own independent connections to the 911/E911 network.

- 7.9 All originating traffic shall contain basic call information within the Initial Address Message (IAM) such as the calling number and will meet generally accepted industry technical standards. Altering of data parameters within the IAM shall not be permitted.
- 7.9 The Parties will offer service provider local number portability (LNP) in accordance with FCC rules and regulations. Service provider portability is the ability of users of Telecommunications services to retain, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one Telecommunications Carrier to another.
- 7.10 The Parties shall provide LNP query, routing, and transport services in accordance with rules and regulations as prescribed by the FCC and guidelines set forth by the North American Number Council ("NANC").

#### 8.0 TERM AND TERMINATION

- 8.1 Subject to the provisions of § 14, the initial term of this Agreement shall be for a two-year term ("Term"), which shall commence on the Effective Date. Absent the receipt by a Party of written notice from the other Party at least ninety (90) days prior to the expiration of the Initial Term to the effect that such Party does not intend to extend the Initial Term of this Agreement, this Agreement shall automatically renew and remain in full force and effect on and after the expiration of the Initial Term. If this Agreement continues in full force and effect after the expiration of the Initial Term, either Party may terminate this Agreement ninety (90) days after delivering written notice to the other Party of its intention to terminate this Agreement.
- 8.2 If prior to termination other than for default, either Party has requested the negotiation of a successor agreement, then during the period of negotiation of the successor agreement, each Party shall continue to perform its obligations and provide the services described herein until such time as the successor agreement becomes effective. The rates, terms and conditions applying during the interim period between the end of the then-current term of this Agreement and when the successor agreement is executed shall be trued-up to be consistent with the rates, terms and conditions of the successor agreement reached through negotiation or arbitration. The negotiation of such successor agreement shall follow the procedures set forth in Section 252 of the Act, with the date of "request for negotiation" under Section 252 being the date upon which the notice of intention to terminate is submitted.
- 8.3 If the Parties are unable to negotiate a successor agreement within the statutory time frame set for negotiations under the Act, then either Party

has the right to submit this matter to the Authority for resolution pursuant to the arbitration procedures under the Act. If the Parties are unable to negotiate a successor agreement by the end of the statutory time frame, or any mutually agreed upon extension thereof, and neither Party submits this matter to the Authority for arbitration, then the Agreement shall terminate at the conclusion of the statutory time frame or at the end of the extension to the statutory time frame.

- 8.4 Upon termination or expiration of this Agreement in accordance with this Section:
  - (a) Each Party shall comply immediately with its obligations as set forth in this Agreement;
  - (b) Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement;
  - (c) The provisions of § 11.0 and § 12.0 shall survive termination or expiration of this Agreement.
- 8.6 Either Party may terminate this Agreement in whole or in part in the event of a material default of the other Party, provided, however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and the defaulting Party does not implement mutually acceptable steps to remedy such alleged default within thirty (30) days after receipt of written notice thereof.

#### 9.0 CANCELLATION CHARGES

Except as provided herein, no cancellation charges shall apply.

#### 10.0 SEVERABILITY

10.1 The services, arrangements, terms and conditions of this Agreement were mutually negotiated by the Parties as a total arrangement and are intended to be non-severable. However, if any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language. If replacement language cannot be agreed upon within a reasonable time period, either Party may invoke dispute resolution procedures as set forth in this Agreement.

#### 11.0 INDEMNIFICATION

- Each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party ("Indemnified Party") from and against loss, cost, claim liability, damage, and expense (including reasonable attorney's fees) to customers and other third parties for:
  - (1) damage to tangible personal property or for personal injury proximately caused by the negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;
  - (2) claims for libel, slander, or infringement of copyright arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's customers; and
  - (3) claims for infringement of patents arising from combining the Indemnified Party's facilities or services with, or the using of the Indemnified Party's services or facilities in connection with, facilities of the Indemnifying Party.

Notwithstanding this indemnification provision or any other provision in the Agreement, neither Party, nor its parent, partners, subsidiaries, affiliates, agents, servants, or employees, shall be liable to the other for Consequential Damages (as defined in § 12.3).

11.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by customers or other third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section, and, if requested by the

Indemnifying Party, will tender the defense of such claim, lawsuit or demand.

- (1) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost liability, damage and expense.
- (2) In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.
- (3) The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

#### 12.0 LIMITATION OF LIABILITY

- 12.1 No liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants, employees, officers, directors, or partners for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, terminating, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.
- 12.2 Except as otherwise provided in § 11.0, no Party shall be liable to the other Party for any loss, defect or equipment failure caused by the conduct of the first Party, its agents, servants, contractors or others acting in aid or concert with that Party, except in the case of gross negligence or willful misconduct.
- 12.3 In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages.

#### 13.0 DISCLAIMER

EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO

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MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD-PARTY.

#### 14.0 REGULATORY APPROVAL

The Parties understand and agree that this Agreement will be filed with the Authority, and to the extent required by FCC rules may thereafter be filed with the FCC. Each Party covenants and agrees to fully support approval of this Agreement by the Authority or the FCC under § 252(e) of the Act without modification. The Parties, however, reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Authority or FCC rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the rejected portion(s). Further, this Agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction.

The Parties agree that their entrance into this Agreement is without prejudice to any positions they may have taken previously, or may take in future, in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related to the same types of arrangements covered in this Agreement.

#### 15.0 CHANGE IN LAW

The Parties acknowledge that the respective rights and obligations of each Party as set forth in this Agreement are based on the text of the Act and the rules and regulations promulgated thereunder by the FCC and the Authority as of the Effective Date ("Applicable Rules"). In the event of any amendment to the Act, any effective legislative action or any effective regulatory or judicial order, rule, regulation, arbitration award, dispute resolution procedures under this Agreement or other legal action purporting to apply the provisions of the Act to the Parties or in which the FCC or the Authority makes a generic determination that is generally applicable which revises, modifies or reverses the Applicable Rules (individually and collectively, Amended Rules), either Party may, by providing written notice to the other party, require that the affected provisions of this Agreement be renegotiated in good faith and this Agreement shall be amended accordingly to reflect the pricing, terms and conditions of each such Amended Rules relating to any of the provisions in this Agreement.

If any subsequent regulatory, judicial or other governmental decision, order, determination or action interprets, clarifies, reconsiders, modifies, augments, reverses or vacates the USF/ICC Reform Order, as modified from time to time, either Party make invoke this Section with respect to such subsequent regulatory, judicial or other governmental decision, order, determination or action. If such subsequent regulatory, judicial or other governmental decision, order, determination or action states that it does not abrogate existing commercial contracts or interconnection agreements or otherwise require an automatic "fresh look" at such agreements, such statement shall not, by itself, bar either Party from invoking this Section.

#### 16.0 MOST FAVORED NATION PROVISION

To the extent required by § 252(i) of the Act and 47 C.F.R. § 51.809, AT&T shall be entitled to adopt from NCTC any entire Interconnection/Compensation agreement provided by NCTC that has been filed and approved by the Authority, for services described in such agreement, on the same terms and conditions. The term of the adopted agreement shall expire on the same date as set forth in the agreement that was adopted.

#### 17.0 DISPUTE RESOLUTION

Except as provided under § 252 of the Act with respect to the approval of this Agreement by the Authority, the Parties desire to resolve disputes arising out of or relating to this Agreement without, to the extent possible, litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following dispute resolution procedures with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

#### 17.1 Informal Resolution of Disputes:

At the written request of a Party, each Party will, within thirty (30) days of such request, appoint a knowledgeable, responsible representative, empowered to resolve such dispute, to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The Parties intend that non-lawyer, business representatives conduct these negotiations. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as Confidential Information developed for purposes of settlement, exempt from discovery, and shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such

communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit.

#### 17.2 Formal Dispute Resolution:

If negotiations fail to produce an agreeable resolution within ninety (90) days, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. In the case of an arbitration, each Party shall bear its own costs. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.

#### 17.3 Continuous Service:

The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their payment obligations including making payments in accordance with this Agreement.

#### 18.0 MISCELLANEOUS

#### 18.1 Authorization:

- 18.1.1 NCTC is a corporation duly organized, validly existing and in good standing under the laws of the State of Tennessee and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.
- 18.1.2 AT&T is duly organized, validly existing and in good standing under all applicable laws and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

#### 18.2 Compliance:

Each Party shall comply with all applicable federal, state, and local laws, rules, and regulations applicable to its performance under this Agreement. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of federal or state law, or any regulations or orders adopted pursuant to such law.

#### 18.3 Independent Contractors:

Neither this Agreement, nor any actions taken by AT&T or NCTC in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between AT&T and NCTC, or any relationship other than that of co-carriers. Neither this Agreement, nor any actions taken by AT&T or NCTC in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between AT&T and NCTC end users or others.

#### 18.4 Force Majeure:

Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions or any other circumstances beyond the reasonable control and without fault or negligence of the Party affected (collectively, a "Force Majeure Event"). If any Force Majeure Event occurs, the Party delayed or unable to perform shall give immediate notice to the other Party and shall take all reasonable steps to correct the Force Majeure Event. During the pendency of the Force Majeure Event, the duties of the Parties under this Agreement affected by the Force Majeure Event shall be abated and shall resume without liability thereafter.

#### 18.5 Confidentiality:

18.5.1 Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs and other software and documentation of one Party (a "Disclosing Party") that is furnished or made available or otherwise disclosed to the other Party or any of its employees, contractors, or agents (its "Representatives" and with a Party, a "Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be clearly and conspicuously marked "Confidential" or "Proprietary" or other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure. Unless Proprietary Information was previously known by the Receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by an act not attributable to the Receiving Party, or is explicitly agreed in writing not to be

regarded as confidential, such information: (i) shall be held in confidence by each Receiving Party; (ii) shall be disclosed to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used by those persons only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of such use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law, upon advice of counsel, only in accordance with § 18.5.2 of this Agreement.

- 18.5.2 If any Receiving Party is required by any governmental authority or by applicable law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. The Disclosing Party may then seek appropriate protective relief from all or part of such requirement. The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief, which such Disclosing Party chooses to obtain.
- 18.5.3 In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement and shall use all reasonable efforts, including instructing its employees and others who have had access to such information, to keep confidential and not to use any such information, unless such information is now, or is hereafter disclosed, through no act, omission or fault of such Party, in any manner making it available to the general public.

#### 18.6 Governing Law:

This Agreement shall be governed by Federal law, where applicable, and otherwise by the domestic laws of the State of Tennessee without reference to conflict of law provisions. Notwithstanding the foregoing, the Parties may seek resolution of disputes under this Agreement by the FCC, the Authority, or the Tennessee state court, or federal court, as appropriate.

#### 18.7 Taxes:

Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide such sale for resale tax exemption certificate may result in no exemption being available to the purchasing Party.

## 18.8 Assignment:

This Agreement shall be binding upon the Parties and shall continue to be binding upon all such entities regardless of any subsequent change in their ownership. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a non-affiliated party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

#### 18.9 Non-Waiver:

Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege.

#### 18.10 Notices:

Notices given by one Party to the other Party under this Agreement shall be in writing and shall be: (i) delivered personally; or (ii) delivered by overnight express delivery service; or (iii) mailed, certified mail, return receipt requested to the following addresses of the Parties:

To: AT&T MOBILITY

To: North Central Telephone

Cooperative, Inc.

Name:	AT&T Mobility	Name:	North Central Telephone
Address	1 AT&T Way, Room 4A105,		Cooperative, Inc.
	Bedminster, NJ 07921	Address	: Post Office Box 70,
Phone:	908-234-3707		Lafayette, TN 37083
Attn:	Director Financial Analysis	Phone:	615-666-2151
Email:	dh6491@att.com	Attn:	Nancy White
With a copy to:		With a c	copy to:
Name:	AT&T Services, Inc	Name:	
	Legal Department	Address	:
Address:	675 West Peachtree St,	Phone:	
1	Atlanta, GA 30308	Attn:	
Phone: 4	404-335-0710		
Attn:	Interconnection Agreement Counsel		To the state of th
	<u>-</u>		

or to such other address as either Party shall designate by proper notice. Notices will be deemed given as of the date of actual receipt.

#### 18.11 Publicity and Use of Trademarks or Service Marks:

Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.

#### 18.12 Joint Work Product:

This Agreement is the joint work product of the Parties and has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms. In the event of any ambiguities, no inferences shall be drawn against either Party.

## 18.13 No Third Party Beneficiaries; Disclaimer of Agency:

This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any third-party beneficiary rights hereunder. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a party as a legal representative or agent of the other Party; nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, in the name of, or on behalf of the other Party, unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to

assume any responsibility for the management of the other Party's business.

#### 18.14 No License:

No license under patents, copyrights, or any other intellectual property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either Party, or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

#### 18.15 Technology Upgrades:

Nothing in this Agreement shall limit either Party's ability to upgrade its network through the incorporation of new equipment, new software or otherwise, provided it is to industry standards, and that the Party initiating the upgrade shall provide the other Party written notice at least ninety (90) days prior to the incorporation of any such upgrade in its network which will materially impact the other Party's service. Each Party shall be solely responsible for the cost and effort of accommodating such changes in its own network.

#### 18.16 Trouble Reporting:

In order to facilitate trouble reporting and to coordinate the repair of Interconnection Facilities, trunks, and other interconnection arrangements provided by the Parties under this Agreement, each Party has established contact(s) available 24 hours per day, seven days per week, at telephone numbers to be provided by the Parties. Each Party shall call the other at these respective telephone numbers to report trouble with connection facilities, trunks, and other interconnection arrangements, to inquire as to the status of trouble ticket numbers in progress, and to escalate trouble resolution.

For North Cer NOC/Repair:	tral Telephone	Cooperative,	Inc.
Fax:			
For AT&T:			
NOC/Repair:	800-638-2822	Option 1	

24-Hour Network Management Contact:

Before either party reports a trouble condition, it must first use its reasonable efforts to isolate the trouble to the other Party's facilities,

service, and arrangements. Each Party will advise the other of any critical nature of the inoperative facilities, service, and arrangements and any need for expedited clearance of trouble. In cases where a Party has indicated the essential or critical need for restoration of the facilities, services or arrangements, the other party shall use its best efforts to expedite the clearance of trouble.

#### 18.17 Entire Agreement:

The terms contained in this Agreement and any Schedules, Exhibits, tariffs and other documents or instruments referred to herein are hereby incorporated into this Agreement by reference as if set forth fully herein, and constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications. This Agreement may only be modified by writing signed by an officer of each Party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the dates listed below.

AT&T Wireless	North Central Telephone Cooperative, Inc.
By:	Ву:
Name:	Name:
Title:	Title:
Date:	Date:

## TRAFFIC EXCHANGE AGREEMENT BETWEEN NORTH CENTRAL TELEPHONE COOPERATIVE, INC. AND AT&T

#### APPENDIX A

Indirect Point of Interconnection (Meet Point):	The Parties
shall/shall not indirectly interconnect subject to the terms of Section 4 of this	Agreement.

- 2. Direct Point of Interconnection (Meet Point): ATT/BellSouth at Gallatin, Tennessee and/or Lebanon Tennessee. The exchange boundary meet point between BellSouth (AT&T Tennessee) and North Central Telephone Cooperative, Inc. is a technically feasible point of interconnection.
- 3. North Central Telephone Cooperative, Inc. OCN: 0573, including successor OCNs.
- 4. AT&T OCNs: 4036, 6534, 6214 and 6010, including successor OCNs.
- 5. Local MTA: Nashville MTA
- 6. Switched Access Rates: Switched access charges shall apply to all traffic that is not Local Telecommunications Traffic and be billed and administered pursuant to the rates, terms and conditions specified in the state and federal tariffs of the Parties. Neither Party shall bill the other for traffic that is more than two (2) years old.
- 7. Service Order Processing Charges. The Parties shall reciprocally compensate each other for Service Order Processing at the rates provided below. When a Party (the Requesting Party) receives an End User request to change service from the other Party, the Requesting Party will submit a LSR to the other Party to commence the process to effect the service change. Service Order Processing Charges associated with the processing of a LSR order are:
- (a) Basic Initial Service Order Processing Charge equal to \$25.00 (Manual) and \$3.50 (Electronic) per each initial request by the Requesting Party to the other Party per End User. To be billed to and paid by the Requesting Party. The Service Order Processing Charge, for an LSR will be billed, regardless of whether that LSR is later supplemented, clarified or cancelled.

(b) Basic Subsequent Service Order Processing Charge equal to \$12.50 (Manual) and \$3.50 (Electronic) per each time the Requesting Party submits a revised LSR per End User. To be billed to and paid by the Requesting Party.		

# **EXHIBIT 2**



1200 ONE NASHVILLE PLACE 150 FOURTH AVENUE, NORTH NASHVILLE, TENNESSEE 37219-2433 (615) 244-9270 FAX (615) 256-8197 OR (615) 744-8466

Melvin J. Malone

Direct Dial (615) 744-8572 mmalone@millermartin.com

April 12, 2007

Honorable Sara Kyle, Chairman c/o Sharla Dillon, Docket & Records Manager Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

RE: In the Matter of: Tennessee Rural Independent Coalition Petition for Suspension and Modification Pursuant to 47 U.S.C. Section 251(f)(2) TRA Docket No. 06-00228

Dear Chairman Kyle:

Pursuant to the Procedural Schedule in the above-captioned matter, enclosed please find the following:

- 1. An original and thirteen (13) copies of the Response of Verizon Wireless With Respect To The Interim Rate Established By The Presiding Panel In TRA Consolidated Docket No. 03-00585 and the Interim Rate Accounting For Sprint PCS; and
- 2. Fourteen (14) copies of the Interim Rate Accounting For T-Mobile USA, Inc. and the Interim Rate Accounting for Cingular Wireless. An original of each of these two (2) documents will be filed at a later time.

An additional copy of each filing is enclosed to be "File Stamped" for our records.

If you have any questions or require additional information, please let me know.

Very truly yours,

Melvin J. Malon

cc: Parties of Record

## BEFORE THE TENNESSEE REGULATORY AUTHORITY

In the Matter of:

Tennessee Rural Independent Coalition Petition for Suspension and Modification Pursuant to 47 U.S.C. Section 251(f)(2) Docket No. 06-00228

## INTERIM RATE ACCOUNTING FOR CINGULAR WIRELESS1

New Cingular Wireless PCS, LLC a subsidiary of AT&T Mobility LLC, d/b/a Cingular Wireless, ("Cingular") respectfully responds to the Authority's request for an interim rate accounting per the procedural schedule adopted in this proceeding dated February 26, 2007. As a general response, Cingular does not pay usage invoices received from companies with which it does not have interconnection agreements. However it establishes an accrual at the time such an invoice for usage is received. Generally, the accruals will be for the billed amount of the usage charges – not as an admission that such charges are correct, but for accounting purposes. If Cingular is not invoiced by a carrier, then generally Cingular will not establish an accrual. Regarding the specific carriers involved in this cause, Cingular responds as follows:

1. Ardmore Telephone Company – Cingular has received no bills from Ardmore and has made no accrual.

On December 29, 2006, AT&T Inc. and BellSouth Corporation, the parent companies of Cingular Wireless LLC, merged and subsequently renamed Cingular Wireless LLC as AT&T Mobility LLC. Cingular Wireless is now a d/b/a of AT&T Mobility LLC a wholly owned subsidiary of AT&T Inc.

- 2. Ben Lomand Rural Telephone Coop, Inc. Cingular and Ben Lomand have reached agreement to settle all reciprocal compensation billing disputes.
- 3. Bledsoe Telephone Cooperative, Inc. Cingular has received no bills from Bledsoe and has made no accrual.
- 4. CenturyTel Companies (Claiborne, Adamsville and Ooltewah-Collegedale) Cingular has a current interconnection agreement with these three companies and has paid all bills received. Cingular has given notice to terminate this agreement and intends that the replacement interconnection agreement conform to the terms and rates established in Docket No. 03-00585.

## 5. TDS Companies<sup>2</sup>

- a. Concord Cingular has received bills that appear to be at a rate above the interim rate established by the TRA. Cingular has not paid the bills and has made accruals.
- b. Humphreys Cingular has received bills that appear to be at a rate above the interim rate established by the TRA. Cingular has not paid the bills and has made accruals.
- c. Tennessee Telephone Cingular has received bills that appear to be at a rate above the interim rate established by the TRA. Cingular has not paid the bills and has made accruals.
- d. Tellico Cingular has received bills that appear to be at a rate above the interim rate established by the TRA. Cingular has not paid the bills and has made accruals.
- 6. Dekalb Telephone Cooperative Cingular has received bills from Dekalb. Cingular believes Dekalb has billed at the rate of 1.5 cents per MOU, a rate above the interim rate established by the TRA. With no interconnection agreement with this company, those bills were disputed, and Cingular established accruals.

<sup>&</sup>lt;sup>2</sup> Cingular has recently reached agreement with these companies that the TRA-ordered interim rates will apply retroactively and going forward until this agreement is replaced by final TRA-ordered interconnection agreements. The paid amounts will then be trued up. The interim agreement is effective when signed, and is currently being circulated for signature.

- 7. Highland Telephone Cooperative Cingular has an interconnection agreement with Highland and has paid all bills received for traffic exchanged through direct interconnection trunks. Cingular has given notice to terminate this agreement and intends that the replacement interconnection agreement conform to the terms and rates established in Docket No. 03-00585. Cingular has received no bills for traffic exchanged indirectly, and Cingular has made no accrual for such traffic.
  - 8. Telephone Electronic Corporation Companies<sup>3</sup>:
    - a. Crocket Cingular has received bills at what appears to be a rate of 1.5 cents per MOU, a rate above the interim rate established by the TRA. Cingular has not paid the bills and has made accruals.
    - b. Peoples Cingular has received bills at what appears to be a rate of 1.5 cents per MOU, a rate above the interim rate established by the TRA. Cingular has not paid the bills and has made accruals.
    - c. West Tenn. Cingular has received bills at what appears to be a rate of 1.5 cents per MOU, a rate above the interim rate established by the TRA.. Cingular has not paid the bills and has made accruals.
- 9. Loretto Telephone Company Cingular has received no bills and made no accrual.
- 10. Millington Telephone Company Cingular received usage bills from Millington, through August 2006, that appear to be at a rate above the interim rate established by the TRA. With no interconnection agreement with this company, those bills were disputed, and Cingular established accruals. No other usage bills have been received, and no further accrual has been made.
- 11. North Central Telephone Cooperative Cingular has received bills at what appears to be a rate of 1.5 cents per MOU, a rate above the interim rate established by the TRA.

<sup>&</sup>lt;sup>3</sup> With no interconnection agreement with these companies, those bills were disputed, and Cingular established accruals.

With no interconnection agreement with this company, those bills were disputed, and Cingular established accruals. The bills have not been paid.

12. Twin Lakes Telephone Cooperative Corporation – Cingular has entered into an interim arrangement with Twin Lakes, subject to true-up (to the final TELRIC-based rate established by the TRA for Twin Lakes), and has made payments pursuant to that interim agreement. Cingular has given notice to terminate this interim arrangement, such termination to apply when final rates and terms are established in Docket No. 03-00585. The replacement permanent interconnection agreement will contain those rates and terms established in Docket No. 03-00585.

13. United Telephone Company - Cingular has received no billing from United and has made no accrual.

14. Yorkville – It appears that West Kentucky Telephone Company has taken over the Yorkville billing. The Yorkville bills appear to be at a rate above the interim rate established by the TRA. With no interconnection agreement with this company, those bills were disputed, and Cingular established accruals.

Pending the establishment of final, TELRIC-based rates for each of the above carriers, Cingular has not invoiced any carriers. Cingular reserves its right to invoice each of the above carriers for all traffic exchanged and payments due during the pendency of the proceeding to establish permanent, TELRIC-based rates for each carrier, including the previously negotiated intraMTA traffic ratio and interMTA factor.

Respectfully submitted April 12, 2007.

mar Tohly

Mark J. Ashby Senior Attorney AT&T Mobility 5565 Glenridge Connector Suite 1700 Atlanta, GA 30342

Paul Walters, Jr. 15 E. First St. Edmond, OK 73034 405-359-1718

Attorneys for Cingular

## CERTIFICATE OF SERVICE

[][][][][][][][][][][][][][][][][][][][]	Hand Mail Facsimile Overnight Electronically	Stephen G. Kraskin Kraskin, Lesse & Cosson, LLC 2120 L Street NW, Suite 520 Washington, D.C. 20037
[] []	Hand Mail Facsimile Overnight Electronically	William T. Ramsey Neal & Harwell, PLC 2000 One Nashville Place 150 Fourth Avenue North Nashville, TN 37219
	Hand Mail Facsimile Overnight Electronically	Melvin Malone Miller & Martin PLLC 1200 One Nashville Place 150 Fourth Avenue North Nashville, TN 37219
	Hand Mail Facsimile Overnight Electronically	Bill Atkinson  Doug Nelson Sprint Spectrum L.P. d/b/a Sprint PCS 3065 Cumberland Cir., SE Mailstop GAATLD0602 Atlanta, GA 30339
	Hand Mail Facsimile Overnight Electronically	Elaine D. Critides Verizon Wireless 1300 I Street, NW, Suite 400 West Washington, DC 20005
[ ]	Hand Mail Facsimile Overnight Electronically	Paul Walters, Jr. 15 East First Street Edmond, OK 73034

[]	Hand Mail Facsimile Overnight Electronically	Mark J. Ashby Cingular Wireless 5565 Glennridge Connector, Suite 1700 Atlanta, GA 30342
[]	Hand Mail Facsimile Overnight Electronically	Dan Menser, Sr. Corp. Counsel Marin Fettman, Corp. Counsel Reg. Affairs T-Mobile USA, Inc. 12920 Southeast 38 <sup>th</sup> Street Bellevue, WA 98006
	Hand Mail Facsimile Overnight Electronically	Leon M. Bloomfield Wilson & Bloomfield, LLP 1901 Harrison Street, Suite 1630 Oakland, CA 94612
	Hand Mail Facsimile Overnight Electronically	Joe Chiarelli Spring 6450 Spring Parkway Mailstop: KSOPHN0212-2A671 Overland Park, KS 66251

Melvin J. Malone

#### CERTIFICATE OF SERVICE

I hereby certify that on this the 29th day of July, 2014, a true and correct copy of the foregoing document was served by U.S. Mail or e-mail to:

Hillary Glassman, Esquire Frontier Communications Corp. 3 High Ridge Park Stamford, CT 06905 hglassman@ftr.com

Mark J. Ashby, Esquire Cingular Wireless 5565 Glenridge Connector, #1700 Atlanta, GA 30342 mark.ashby@cingular.com

Dan Williams, Esquire T-Mobile, USA, Inc. 12920 SE 38<sup>th</sup> Street Bellevue, WA 98006 Dan.williams@t-mobile.com

James L. Murphy, III, Esquire Bradley, Arrant, et al. 1600 Division Street #700 Nashville, TN 37203 jmurphy@babc.com

Henry Walker, Esquire Bradley, Arrant, et al. 1600 Division Street #700 Nashville, TN 37203 hwalker@babc.com

Sue Benedek, Esquire CenturyLink 14111 Capitol Blvd. Wake Forest, NC 27587 sue.benedek@centurylink.com Donald L. Scholes, Esquire Bransletter, Kilgore, et al. 227 Second Ave., N Nashville, TN 37219 dscholes@bransletterlaw.com

Vance Broemel, Esquire
Office of Tennessee Attorney General
P. O. Box 20207
Nashville, TN 37202
vance.broemel@ag.tn.gov

Bill Ramsey, Esquire
Neal & Harwell, PLC
150 Fourth Avenue North, #2000
Nashville, TN 37219-4298
ramseywt@nealharwell.com

Norman J. Kennard, Esquire Thomas, Long, Niesen & Kennard 212 Locust Street, Suite 500 Harrisburg, PA 17101 nkennard@thomaslonglaw.com

Melvin Malone, Esquire Butler, Snow, et al. 150 Fourth Ave., N. #1200 Nashville, TN 37219-4233 melvin.malone@butlersnow.com

Dulaney O'Roark, Esquire Verizon 5055 North Point Parkway Atlanta, GA 30022 de.oroark@verizon.com Paul Walters, Jr., Esquire 15 E. 1<sup>st</sup> Street Edmond, OK 73034 pwalters@sbcglobal.net

Bill Atkinson, Esquire Sprint 3065 Akers Mill Road, SE MailStop GAATLD0704 Atlanta, GA 30339 bill.atkinson@sprint.com

Mr. Tom Sams ClearTalk 1600 Ute Avenue Grand Junction, CO 81501 toms@cleartalk.net

Leon Bloomfield, Esquire 1901 Harrison Street, Suite 1620 Oakland, CA 94612 <a href="mailto:lmb@wblaw.net">lmb@wblaw.net</a>

Joelle Phillips, Esquire AT&T Tennessee 333 Commerce Street, Suite 2101 Nashville, TN 37201-1800 jp3881@att.com

Patricia Armstrong, Esquire Thomas, Long, Niesen & Kennard 212 Locust Street, Suite 604 Harrisburg, PA 17101 parmstrong@thomaslonglaw.com

Charles E. Thomas, III., Esquire Thomas, Long, Niesen & Kennard 212 Locust Street, Suite 604 Harrisburg, PA 17101 cet3@thomaslonglaw.com Robert G. Norred, Jr.
Logan-Thompson, P.C.
30 2<sup>nd</sup> Street NW
Cleveland, TN 37311
rnorred@loganthompsonlaw.com

H. LaDon Baltimore