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May 18, 2006

Hon. Ron Jones, Chairman
Tennessee Regulatory Authority
Attn: Sharla Dillon, Dockets
460 James Robertson Parkway
Nashville, TN 37238

Filed Electronically 5/18/2006

RE: *Joint Petition for Arbitration of NewSouth Communications Corp., et al. of an
Interconnection Agreement with BellSouth Telecommunications, Inc. Pursuant to
Section 252(b) of the Communications Act of 1934, as Amended; Docket No. 04-00046*

Dear Chairman Jones:

Enclosed are the original and four copies of NuVox Communication, Inc.'s Final Best Offer.
(NuVox was granted a one day extension from the May 17 deadline within which to file the
enclosed.) If you have any questions, please do not hesitate to contact me.

Very truly yours,



H. LaDon Baltimore
Counsel for NuVox Communications, Inc.

LDB/dcg

Enclosures

cc: Guy Hicks, Esq. (via e-mail)

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

In the Matter of)	
)	
Joint Petition for Arbitration of)	
)	
NUVOX COMMUNICATIONS, INC. and)	
XSPEDIUS COMMUNICATIONS, LLC, on)	
Behalf of its Operating Subsidiaries,)	Docket No. 04-00046
XSPEDIUS MANAGEMENT CO. SWITCHED)	
SERVICES, LLC and XSPEDIUS MANAGEMENT)	
CO. OF CHATTANOOGA, LLC, of an)	
Interconnection Agreement with BellSouth)	
Telecommunications, Inc. Pursuant to)	
Section 252(b) of the Communications Act)	
of 1934, as Amended.)	

FINAL BEST OFFER OF
NUVOX COMMUNICATIONS, INC.

I. INTRODUCTION

At the April 17, 2006 Directors' Conference, the Tennessee Regulatory Authority ("Authority"), acting as arbitrators under the Telecommunications Act of 1996 ("Act") directed NuVox Communications, Inc. ("NuVox"), Xspedius Communications, LLC, on behalf of its operating subsidiaries Xspedius Management Co. Switched Services, LLC and Xspedius Management Co. of Chattanooga, LLC ("Xspedius"), and BellSouth Telecommunications, Inc. ("BellSouth") to submit Final Best Offers on Items 6 (Issue G-6) and 65 (Issue 3-6). **Items 6 and 88 (Issue 6-5) have been settled by all parties. Item 65 has been settled by Xspedius and BellSouth, but not by NuVox and BellSouth.** Thus, only NuVox is submitting a Final

Best Offer with respect to an interim transit intermediary charge (“TIC”) that would be applied subject to true-up pending approval of a TELRIC-based rate by the Authority. NuVox’s Final Best Offer includes the specific contract language, proposed interim rate (subject to tracking and true-up), and NuVox’s rationale for its Final Best Offer.

II. DISCUSSION

A. Should BellSouth be allowed to charge the CLEC a Transit Intermediary Charge for the transport and termination of Local Transit Traffic and ISP-Bound Transit Traffic?

1. NuVox’s proposed language:

10.8.1 Each Party shall provide tandem switching and transport services for the other Party’s Transit Traffic. Rates for Local Transit Traffic and ISP-Bound Transit Traffic shall be applicable Call Transport and Termination charges (i.e., common transport and tandem switching charge; end office switching charge is not applicable) as set forth in Exhibit A to this Attachment. Rates for Switched Access Transit Traffic shall be applicable charges as set forth in the applicable Party’s Commission approved Interstate or Intrastate Switched Access tariffs as filed and effective with the FCC or Commission, or reasonable and non-discriminatory web-posted listing if the FCC or Commission does not require a tariff. Billing associated with all Transit Traffic shall be pursuant to the MECAB guidelines.¹

2. NuVox’s proposed rate:

NuVox proposes to *preserve the status quo* by applying a TIC of \$0.0000 (zero) per minute of use, *subject to tracking of minutes and a true-up to a TELRIC-compliant rate approved by the TRA in a subsequent docket.*

3. NuVox’s rationale:

NuVox’s proposal preserves the *status quo* by continuing to apply the TRA-approved charges for the functionalities utilized when BellSouth transits a call for NuVox: tandem switching, and to the extent used, common transport. Thus, until the TRA has an opportunity to review and approve a TELRIC-compliant TIC, the interconnection agreement should not include and NuVox should not need to pay

¹ This language has been agreed to by the Parties. It differs from BellSouth’s proposed language only in that it does not include a reference to a “tandem intermediary charge”.

a rate that has not been proven to be appropriately charged to NuVox (as opposed to the terminating third party) or compliant with Section 252. As demonstrated at the Hearing and in the briefing that followed, BellSouth provided ***no cost justification*** for its proposed rate or for imposing ***any*** TIC rate on NuVox. BellSouth's witness asserted that the charge was to recover costs for sending billing records ***to third parties***. See Joint Petitioners' Post-Hearing Brief, at 43-48 (especially at 45-46 and footnotes 17-19). If that is the case, then *the TIC is a charge that should be imposed on a per-record basis on the third party that requests such records.*² NuVox does not request such records or request that BellSouth serve any billing intermediary functions. Per the already agreed-upon terms of the interconnection agreement, NuVox expects that it will settle any applicable charges for third-party termination of transit traffic directly with those third parties that terminate such traffic.

III. CONCLUSION

The Final Best offer described herein and presented hereto represents a practical and sound resolution of Item 65, Issue 3-6. The Authority should adopt NuVox's Final Best Offer.

Respectfully submitted this the 18th day of May, 2006.



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² Notably, the issue identified for arbitration by the Authority is whether BellSouth can charge a TIC for the "transport and termination" of local traffic. The Parties already have agreed to pay TELRIC rates for those functionalities. The issue of what charge, if any, BellSouth should charge to third party carriers for billing records requested by them was not teed-up and BellSouth should not be able to charge a "billing intermediary charge" or "BIC" to NuVox for services it neither requests nor receives. Nor should BellSouth be able to fold such charge into a composite TIC such as the \$0.002 NuVox understands that BellSouth will offer in its Final Best Offer filing. Finally, NuVox respectfully notes that the interim rate of \$0.0025 initially proposed by Chairman Jones (see Excerpt of Transcript of Authority Conference April 17, 2006, TRA Docket No. 04-00046, at 26-27) is inappropriate here as the Parties already agreed on a different rate structure that applies the Authority-approved TELRIC rates for the functionality performed and isolates the TIC as a separate element. Composite rate proposals, such as BellSouth's \$0.002 and the \$0.0025 found in certain other agreements incorporate the TELRIC rates into a larger sum so as to disguise somewhat the premium BellSouth seeks to extract from NuVox for performing services that NuVox neither requests nor from which it receives any benefit.


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Counsel for NuVox Communications, Inc.

Certificate of Service

The undersigned hereby certifies that a true and correct copy of the foregoing has been forwarded via electronic transmission, overnight delivery, hand delivery, or U. S. Mail, first class postage prepaid, to the following, this the 18th day of May, 2006.

Guy Hicks, Esq.
BellSouth Telecommunications, Inc.
333 Commerce Street, Suite 2101
Nashville, TN 37201


H. LaDon Baltimore