



Chapel Hill, Tennessee 37034

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January 14, 2010

Chairperson Sara Kyle
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

10-00012

RE: Petition for Approval of Traffic Exchange Agreement dated October 30, 2009 by and between Level 3 Communications, LLC and United Telephone Company, Inc.

Dear Chairperson Kyle:

Transmitted herewith is a "Petition for Approval of Traffic Exchange Agreement dated October 30, 2009, by and between Level 3 Communications, LLC and United Telephone Company, Inc." ("Petition") by the Tennessee Regulatory Authority. An original and 13 copies of the Petition are enclosed. Also enclosed is an additional copy of the Petition which I would appreciate your office staff stamping as "filed" and returning to me in the enclosed envelope.

A check in the amount of \$50.00 made payable to the Tennessee Regulatory Authority is enclosed as payment of the filing fee.

Please feel free to contact me if there are any questions in regards to this filing.

Sincerely,

Terry M. Wales
General Manager

Enclosures

Before the
TENNESSEE REGULATORY AUTHORITY
Nashville, TN

In Re:

Petition for Approval of Traffic Exchange)
Agreement between Level 3 Communications,
LLC and United Telephone Company, Inc.)

Docket No. 09_____

PETITION FOR APPROVAL OF TRAFFIC EXCHANGE AGREEMENT

United Telephone Company, Inc. ("United") respectfully petitions the Tennessee Regulatory Authority ("Authority") for approval of a "Traffic Exchange Agreement" dated October 30, 2009 (the "Agreement"), negotiated between United and Level 3 Communications, LLC ("Level 3") under Sections 251 and 252 of the Telecommunication Act of 1996 (the "Act").¹

In support of its petition, United states the following:

1. United and Level 3 (jointly "the Parties") have successfully negotiated the Agreement which sets forth the terms and conditions under which the companies agree to exchange Local Traffic (as defined by the Agreement) between their respective networks. The parties agree to exchange Local Traffic and ISP-Bound Traffic through Direct or Indirect Interconnection as described in the Agreement. A copy of the Agreement is attached to this petition and incorporated in this document by reference.

2. In accordance with Section 252(e) of the Act, United submits the Agreement to the Authority for its review and approval. The terms of the Agreement became effective on date of last signature by the Parties.

3. Section 252(e) of the Act provides that the Authority may either approve or reject the Agreement within ninety days of its submission for approval. The Act further provides that the Authority may only reject a negotiated agreement if it finds the agreement or any portion of it discriminates against a telecommunications carrier that is

¹ 47 USC Sections 251 and 252

not a party to the agreement, or that the implementation of the agreement or any portion of the agreement is inconsistent with the public interest, convenience and necessity.

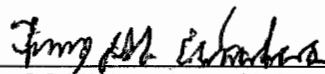
4. United believes that the Agreement meets the standards for approval by the Authority.

5. As required by Section 252(i) of the Act and Section 51.809 of the Federal Communications Commission's rules,² United will make the terms and conditions of the Agreement available to any requesting telecommunications carrier.

In view of the foregoing, United requests that the Authority approve the Agreement negotiated by the Parties.

Respectfully submitted,

UNITED TELEPHONE COMPANY, INC.

By: 
Terry M. Wales, General Manager

120 Taylor Street
Chapel Hill, Tennessee 37034
931/364-2289
November 9, 2009

² 47 CFR Section 51.809

United Telephone Company

Disaster Recovery Plan

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United Telephone Company

1.0 PURPOSE

In the unlikely event of a disaster occurring that affects United Telephone long-term ability to deliver traffic to a competitive Local Exchange Carrier (CLEC), general procedures have been developed to hasten the recovery process. Since each location is different and could be affected by an assortment of potential problems a detailed recovery plan is impractical. However, in the process of reviewing recovery activities for specific locations, some basic procedures emerge that appear to be common in most cases.

These general procedures should apply to any disaster that affects the delivery of traffic for an extended time period. Each CLEC will be given the same consideration during an outage and service will be restored as quickly as possible.

This document will cover the basic recovery procedures that would apply to every CLEC.

2.0 SINGLE POINT OF CONTACT

When a problem is experienced, regardless of the severity, the United Telephone Network Operations Center (NOC) will observe traffic anomalies and begin monitoring the situation. Controls will be appropriately applied to insure the sanity of United Telephone's network; and, in the event that a switch or facility node is lost, the NOC will attempt to circumvent the failure using available reroutes.

United Telephone NOC will remain in control of the restoration efforts until the problem has been identified as being a long-term outage. At that time, the NOC will contact United Telephone Restoration Control Center (RCC) and relinquish control of the recovery efforts. Even though the RCC may take charge of the situation, the NOC will continue to monitor the circumstances and restore traffic as soon as damaged network elements are revitalized.

The telephone number for the United Telephone Network Operations Center is 931-364-2289.

3.0 IDENTIFYING THE PROBLEM

During the early stages of problem detection, the NOC will be able to tell which CLECs are affected by the catastrophe. Further analysis and/or first hand observation will determine if the disaster has affected CLEC equipment only, United Telephone equipment only, or a combination. The initial restoration activity will be largely determined by the equipment that is affected.

Once the nature of the disaster is determined and after verifying the cause of the problem, the NOC will initiate reroutes and/or transfers that are jointly agreed upon by the affected CLEC's Network Management Center and the United Telephone NOC. The type and percentage of controls used will depend upon available network capacity. Controls necessary to stabilize the situation will be invoked and the NOC will attempt to re-establish as much traffic as possible.

For long term outages, recovery efforts will be coordinated by the Restoration Control Center (RCC). Traffic controls will continue to be applied by the NOC until facilities are re-established.

As equipment is made available for service, the RCC will instruct the NOC to begin removing the controls and allow traffic to resume.

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3.1 SITE CONTROL

In the total loss of building use scenario, what likely exists will be a smoking pile of rubble. This rubble will contain many components that could be dangerous. It could also contain any personnel on the premises at the time of the disaster. For these reasons, the local fire marshal with the assistance of the police will control the site until the building is no longer a threat to surrounding properties and the companies have secured the site from the general public.

During this time, the majority owner of the building should be arranging for a demolition contractor to mobilize to the site with the primary objective of reaching the cable entrance facility for a damage assessment. The results of this assessment would then dictate immediate plans for restoration, both short term and permanent.

In a less catastrophic event, i.e., the building is still standing and the cable entrance facility is usable, the situation is more complex. Local authorities will initially control the site until the threat to adjacent property has diminished. Once the site is returned to the control of the companies, the following events should occur.

An initial assessment of the main building infrastructure systems (mechanical, electrical, fire & life safety, elevators, and others) will establish building needs. Once these needs are determined, the majority owner should lead the building restoration efforts. There may be situations where the site will not be totally restored within the confines of the building. The companies must individually determine their needs and jointly assess the cost of permanent restoration to determine the overall plan of action.

Multiple restoration trailers from each company will result in the need for designated space and installation order. This layout and control is required to maximize the amount of restoration equipment that can be placed at the site, and the priority of placements.

Care must be taken in this planning to insure other restoration efforts have logistical access to the building. Major components of telephone and building equipment will need to be removed and replaced. A priority for this equipment must also be jointly established to facilitate overall site restoration (Example: If the AC power system has sustained damage, this would be of the highest priority in order to regain power, lighting, and HVAC throughout the building.)

If the site will not accommodate the required restoration equipment, the companies would then need to quickly arrange with local authorities for street closures, rights of way or other possible options available.

3.2 ENVIRONMENTAL CONCERNS

In the worse case scenario, many environmental concerns must be addressed. Along with the police and fire marshal, the state environmental protection department will be on site to monitor the situation.

Items to be concerned with in a large central office building could include:

United Telephone Company

1. **Emergency engine fuel supply.** Damage to the standby equipment and the fuel handling equipment could have created "spill" conditions that have to be handled within state and federal regulations.
2. **Asbestos containing materials** that may be spread throughout the wreckage. Asbestos could be in many components of building, electrical, mechanical, outside plant distribution, and telephone systems.
3. **Lead and acid.** These materials could be present in potentially large quantities depending upon the extent of drainage to the power room.
4. **Mercury and other regulated compounds** resident in telephone equipment.
5. **Other compounds** produced by the fire or heat.

Once a total loss event occurs at a large site, local authorities will control immediate clean up (water placed on the wreckage by the fire department) and site access.

At some point, the companies will become involved with local authorities in the overall planning associated with site clean up and restoration. Depending on the clean up approach taken, delays in the restoration of several hours to several days may occur.

In a less severe disaster, items listed above are more defined and can be addressed individually depending on the damage.

In each case, the majority owner should coordinate building and environmental restoration and well as maintain proper planning and site control.

4.0 RESTORATION CONTROL CENTER (RCC)

The Restoration Control Center will be activated in the event of a disaster. The RCC is chaired by the GM Tennessee. It is the GMs responsibility to declare the activation of the RCC and classification of the outage.

In the event of a major service interruption, the GM Tennessee will notify the RCC staff which will establish a conference bridge to be used for the communication link for the emergency restoral.

The RCC staff will assess the service outage or natural disaster and direct the appropriate staff functional task force groups to provide the necessary personnel and supplies based on review of outage reports, nature of outage and restoral estimate times.

The RCC will continuously monitor the progress and needs of functional work groups which will in turn issue information to the various state and local government agencies as to the status of restoring service.

United Telephone Company

The Tennessee RCC includes the following departments and is supported by the functional staff as indicated below:

1. Field Operations
2. Network Operations Center (NOC)
3. Engineering (Outside Plant)
4. Administration Support/ Customer Contact
5. Public and External Affairs

The RCC is supported by the functional staff from the following departments:

1. Human Resources
2. Supply
3. Security
4. Building / Vehicles / Energy
5. Planning
6. External / Public Affairs
7. Engineering - OSP
8. Finance
9. Field Operations Supervisors
10. Sales / Business Services

Annually, the RCC will meet to review the United Telephone Company of Tennessee Emergency Program to ensure its functionality is in accordance with current United Policies and Practices.

Each member of the RCC will have a United Telephone call out manual for the state and their area of responsibility that will contain the following:

1. Names and telephone numbers of their support personnel.
2. Names of contacts for materials.
3. List of emergency equipment locations such as generators.
4. Any specialized information needed for them to perform their mission.

5.0 RECOVERY PROCEDURES

The nature and security of any disaster will influence the recovery procedures. One crucial factor in determining how United Telephone will proceed with restoration is whether or not United Telephone equipment is incapacitated. Regardless of whose equipment is out of service, United Telephone will move as quickly as possible to aid with service recovery; however, the approach that will be taken may differ depending upon the location of the problem.

United Telephone Company

5.1 CLEC OUTAGE

For a problem limited to One CLEC (or a building with multiple CLECs), United Telephone has several options available for restoring service quickly. For those CLECs that have agreements with other CLECs, United Telephone can immediately start directing traffic to a provisional CLEC for completion. This alternative is dependent upon United Telephone having concurrence from the affected CLECs.

Whether or not the affected CLECs have requested a traffic transfer to another CLEC will not impact United Telephone resolve to re-establish traffic to the original destination as quickly as possible.

5.2 UNITED TELEPHONES OUTAGE

Because United Telephones' equipment has varying degrees of impact on the service provided to the CLECs, restoring service from damaged United Telephones equipment is different. The outage will probably impact a number of Carriers simultaneously. However, the RCC will be able to initiate immediate actions to correct the problem.

A disaster involving any of United Telephones' equipment locations could impact the CLECs, some more than others. A disaster at a Central Office (CO) would only impact the delivery of traffic to and from that one location, but the incident could affect many Carriers. If the Central Office is a Serving Wire Center (SWC), then traffic from the entire area to those Carriers served from that switch would also be impacted. If the switch functions as an Access Tandem, or there is a tandem in the building, traffic from every CO to every CLEC could be interrupted. A disaster that destroys a facility hub could disrupt various traffic flows, even though the switching equipment may be unaffected.

The NOC would be the first group to observe a problem involving United Telephones' equipment. Shortly after a disaster, the NOC will begin applying controls and finding re-routes for the completion of as much traffic as possible. These reroutes may involve delivering traffic to alternate Carriers upon receiving approval from the CLECs involved. In some cases, changes in translations will be required. If the outage is caused by the destruction of equipment, then the RCC will assume control of the restoration

5.2.1 Loss of a Central Office

When United Telephone loses a Central Office, the RCC will

- a) Place specialists and emergency equipment on notice;
- b) Inventory the damage to determine what equipment and /or functions are lost;
- c) Move containerized emergency equipment and facility equipment to the stricken area, if necessary;
- d) Begin reconnecting service for Hospitals, Police, and other emergency agencies; and
- e) Begin restoring service to CLECs and other customers.

United Telephone Company

5.2.2 Loss of a Central Office with Serving Wire Center Functions

The loss of a Central Office that also serves as a Serving Wire Center (SWC) will be restored as described in section

5.2.1.

5.2.3 Loss of a Central Office with Tandem Functions

When United Telephone loses a Central Office building that serves as an Access Tandem and as a SWC, the RCC will:

- a) Place specialists and emergency equipment on notice;
- b) Inventory the damage to determine what equipment and/or functions are lost;
- c) Move containerized emergency equipment and facility equipment to the stricken area, if necessary;
- d) Begin reconnecting service for Hospitals, Police, and other emergency agencies;
- e) Re-direct as much traffic as possible to the alternate access tandem (if available) for delivery to those CLECs utilizing a different location as a SWC;
- f) Begin aggregating traffic to a location near the damaged building. From this location begin reestablishing trunk groups to the CLECs for the delivery of traffic normally found on the direct trunk groups. (This aggregation point may be the alternate access tandem location or another CO on a primary facility route.)
- g) Begin restoring service to CLECs and other customers

5.2.4 Loss of a Facility Hub

In the event that United Telephone loses a facility hub, the recovery process is much the same as above. Once the NOC has observed the problem and administered the appropriate controls, the RCC will assume authority for the repairs. The recovery effort will include

- a) Placing specialists and emergency equipment on notice;
- b) Inventorying the damage to determine what equipment and/or functions are lost;
- c) Moving containerized emergency equipment to the stricken area, if necessary;
- d) Reconnecting service for Hospitals, Police, and other emergency agencies; and
- e) Restoring service to CLEC; and other customers. If necessary, United Telephone will aggregate the traffic at another location and build temporary facilities, when available. This alternative would be viable for a location that is destroyed and building repairs are required.

United Telephone Company

5.3 COMBINED OUTAGE (CLEC AND UNITED TELEPHONES' EQUIPMENT)

In some instances, a disaster may impact United Telephones' equipment as well as the CLECs'. This situation will be handled in much the same way as described in section 5.2.3. Since United Telephone and the CLECs will be utilizing temporary equipment, close coordination will be required.

6.0 T1 IDENTIFICATION PROCEDURES

During the restoration of service after a disaster, United Telephone may be forced to aggregate traffic for delivery to a CLEC. During this process, T1 traffic may be consolidated onto DS3s and may become unidentifiable to the Carrier. Because resources will be limited, United Telephone may be forced to "package" this traffic entirely differently than normally received by the CLECs. Therefore, a method for identifying the TI traffic on the DS3s and providing the information to the Carriers is required.

7.0 ACRONYMS

CO	Central Office (United Telephone Company)
DS3	Facility that carries 28 T1s (672 Circuits)
CLEC	Competitive Local Exchange Carrier
NOC	Network Operations Center
RCC	Restoration Control Center
SWC	Serving Wire Center (United Telephone switch)
T 1	Facility that carries 24 circuits

8.0 HURRICANE INFORMATION

During a hurricane, United Telephone will make every effort to keep CLECs updated on the status of our network. Information centers will be set up throughout United Telephone. These centers are not intended to be used for escalations, but rather to keep the CLEC informed of network related issues, area damages, and dispatch conditions, etc.

9.0 UNITED TELEPHONE DISASTER MANAGEMENT PLAN

United Telephone maintenance centers have geographical and redundant communication capabilities. In the event of a disaster removing any maintenance center from service another geographical center would assume maintenance responsibilities. The contact numbers will not change and the transfer will be transparent to the CLEC.

TRAFFIC EXCHANGE AGREEMENT

Dated as of October 30, 2009

by and between

LEVEL 3 COMMUNICATIONS, LLC

and

UNITED TELEPHONE COMPANY, INC.

TRAFFIC EXCHANGE AGREEMENT

THIS TRAFFIC EXCHANGE AGREEMENT ("Agreement"), is effective when executed by both Parties (the "Effective Date") by and between United Telephone Company, Inc. with offices located at 120 Taylor Street, Chapel Hill, TN 37034 ("United"), and Level 3 Communications, LLC (and its LEC affiliates listed in with offices located at 1025 Eldorado Blvd., Broomfield, CO 80021 ("Level 3") (collectively the "Parties").

WHEREAS, Sections 251 of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the "Act"), has specific standards and procedures for interconnection, and the Parties intend that this Agreement meets those standards and procedures;

WHEREAS, the Parties desire to either indirectly or directly interconnect their respective networks for the purpose of delivery of Traffic (as defined below) for transport and termination on the other Party's network;

WHEREAS, United and TelCove Operations, Inc. are parties to that certain Mutual Traffic Exchange Agreement effective November 15, 2006, which the Parties intend to be superseded by this Agreement;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

Capitalized terms used in this Agreement shall have the meanings specified below in this Section, or as defined elsewhere within this Agreement. Any term used in this Agreement that is not specifically defined shall have the meaning ascribed to such term in the Act. If no meaning is specified in this Agreement or in the Act, then normal usage in the telecommunications industry shall apply.

- 1.1 "Act" means the Communications Act of 1934 (47 U.S.C. § 151 et seq.), as amended by the Telecommunications Act of 1996.
- 1.2 "Commission" means the applicable state regulatory authority.
- 1.3 "Customer" means a purchaser of telecommunications services or telecommunications services combined with information services.
- 1.4 "DS1" is a digital signal rate of 1.544 Megabits per Second ("Mbps").
- 1.5 "EAS " or "Extended Area Service " shall be as defined for all purposes under this Agreement as a telecommunication service arrangement whereby Customers in a specific local Exchange service area are provided the ability to place and receive interexchange calls to Customers in another mutually exclusive specific local Exchange service area without the incurrence of message toll charges. EAS

calls are usually able to be completed by dialing only seven (7) or ten (10) digits and appears to the customer to be the same as any other local Exchange service area call.

- 1.6** “EAS Traffic” means two-way traffic that falls within the definition of “EAS” that is exchanged between the Parties. EAS Traffic may include IP-Enabled Traffic for purposes of this Agreement, but does not include ISP-Bound Traffic. The local Exchange service areas in which EAS Traffic may be exchanged pursuant to this Agreement are described in Appendix B to this Agreement. The terms Exchange and EAS are defined and specified in United’s General Subscriber Services Tariff.
- 1.7** “IP-Enabled Traffic” means any IP-Enabled, real-time, multidirectional voice call, including, but not limited to, service that mimics traditional telephony. IP-Enabled Traffic includes: (i) voice traffic originating on an Internet Protocol Connection (IPC), and terminating on the Public Switched Telephone Network (PSTN); and (ii) voice traffic originating on the PSTN and terminating on an IPC. For purposes of this Agreement, the jurisdiction of IP-Enabled Traffic will be determined based on the NPA-NXX of the dialed-from and dialed-to numbers.
- 1.8** “Internet Protocol Connection” (“IPC”) is the connection between the IP-Enabled service provider and the customer where end user information is originated or terminated utilizing Internet Protocol.
- 1.9** “ISP-Bound Traffic” is defined for purposes of this Agreement as calls to a provider of Internet Services or information services and which, for purposes of inter-carrier compensation, is subject to the FCC’s Order on Remand and Report Order, FCC 01-131, CC Docket Nos. 96-98 and 99-68 as modified or amended. ISP-bound Traffic does not include IP-enabled Traffic.
- 1.10** “Jurisdictional Indicator Parameter” (“JIP”) is an existing six (6) digit (NPA-NXX) field in the SS7 message which designates the first point of switching.
- 1.11** “Local Service Calling Areas” means one or more exchanges, as specified in LEC’s tariff or as established by the Commission, within which any end user customer of United or of another Local Exchange Carrier (LEC) may, on a non-optional basis, make a call to another such end user without incurring a toll charge.
- 1.12** “Local Traffic” means, regardless of the transport protocol that may be used, two-way telephone exchange traffic exchanged between the Parties that originates and terminates with the same United Exchange and includes any other traffic mandated by the Commission or the FCC to be treated as non-toll traffic. For purposes of this Agreement, Local Traffic includes locally-dialed IP-Enabled Traffic.

- 1.13** “Originating Party” shall mean a Party whose Customer either directly or indirectly initiated a communication that results in Traffic being delivered to the Terminating Party.
- 1.14** “Point of Interconnection” (“POI”) means the physical location within United’s service territory, at which the Parties’ networks meet for the purpose of exchanging Traffic.
- 1.15** “Rate Center” means the specific geographic point and corresponding geographic area or Exchange that is associated with one or more NPA-NXX codes that have been assigned to an Incumbent Local Exchange Carrier (“ILEC”) for its provision of telecommunications service.
- 1.16** “Traffic” means all traffic exchanged by the Parties under this Agreement, including, but not limited to, Local Traffic, EAS Traffic and ISP-Bound Traffic.
- 1.17** “Terminating Party” shall mean a Party receiving Traffic from the Customers of the Originating Party.

2. INTERCONNECTION

- 2.1** The Parties shall use best efforts to install and maintain a reliable interconnection architecture. The Parties may: (i) complete calls through the switch of a transit provider with whom both Parties are interconnected (“Indirect Interconnection”); or (ii) establish direct interconnection of the Parties’ networks (“Direct Interconnection”). As of the effective date of this Agreement each Party shall, at its own cost, program and update its own switches and network systems in a timely fashion to recognize and route traffic to and from the other Party’s assigned NXX codes within the EAS area. An NXX assigned to Level 3 in United’s exchanges, or in a Rate Center that is EAS from United, shall be included in any local dialing plan or EAS dialing scope, or similar program to the same extent as any other NXX in the same Rate Center. Neither Party will block the telephone numbers or Traffic of the other Party, and appropriately load in the LERG such numbers as are associated with a Party’s local calling area or mandatory EAS. Each Party will transport and terminate any and all Traffic received from the other Party.
- 2.2** Indirect Interconnection. Each Party will honor the other Party’s arrangements with a third party tandem switch service provider for the delivery of Traffic for termination to the other Party. Each Party shall be responsible for all costs and arrangements associated with Traffic originating on their network and sent through a third party network.
- 2.3** Direct Interconnection. When the total amount of Traffic indirectly exchanged between the Parties equals or exceeds 6 DS-1s in a LATA, as measured at the busy hour for three consecutive months (the “Threshold”), after written notification to Level 3 the Parties agree to negotiate in good faith to promptly establish and implement arrangements for direct interconnection of their respective networks at a

single point of interconnection ("POI") per LATA at one switch within the borders of United's exchange areas, or at an alternative location mutually agreed to by both Parties and as specified in Appendix B of this Agreement.

- 2.3.1.** Each Party shall bear full operational and financial responsibility for establishing and maintaining its network on its side of the POI. Such interconnection may be achieved by the use of either Party's facilities or the leasing of facilities from a third party carrier. The capacity of interconnection facilities provided by each Party will be based on mutual forecasts and sound engineering practices. Any interconnection trunks established under this Section shall be two-way in nature, and the Parties agree to employ SS7 signaling parameters in routing Traffic over these facilities.
- 2.3.2** To optimize direct interconnection under this Agreement, the Parties agree to designate network planning points of contact that will meet within thirty (30) days once the Traffic Threshold is met (or within thirty days of the Effective Date, whichever is later) to develop and identify the standards and specifications for implementation of direct interconnection in compliance with the Act.
- 2.3.3** In the event the total amount of Traffic exchanged between the Parties in a LATA falls below the Threshold, as measured at the busy hour for three consecutive months, the Parties agree to reduce the quantity of direct interconnection facilities established pursuant to Section 2.3 preceding as follows:

 - 2.3.3.1 If the amount of Traffic remains above the 3 DS1 level required to exchange traffic, the Parties agree to negotiate in good faith to promptly reduce the quantity of DS1s as may be appropriate to avoid excess direct interconnection facilities.
 - 2.3.3.2 If the amount of Traffic falls below 3 DS1s, Level 3 may, upon 3 months' advance written notice, disconnect any remaining DS1 facilities and Traffic will be routed indirectly pursuant to Section 2.2 above. Notwithstanding the preceding sentence, should the amount of Traffic remain above 1 DS1, the Parties will renegotiate the location of the POI. If the Parties agree to move the POI to the transiting carrier's tandem location, United may request that Level 3 continue to use arrangements for direct interconnection at such location for the exchange of Traffic, and Level 3 agrees to consider such request in good faith, but failure to reach an agreement shall not prevent Level 3 from disconnecting the trunks at issue.

- 2.4** Intercarrier Compensation. All Traffic exchanged between the Parties will be compensated on a bill and keep basis. Compensation for InterLATA and IntraLATA toll traffic will be in accordance with each Party's appropriate access tariff.
- 2.5** Call Records. Each Party shall pass industry standard call record information on each call delivered to the other Party to the extent technically feasible. Neither Party shall knowingly strip or alter call records to disguise the jurisdiction of a call or permit third parties to do so for traffic that Party delivers to the other Party.

3. GENERAL RESPONSIBILITIES OF THE PARTIES.

- 3.1** Upon request by the other Party, thirty (30) days after the Effective Date of this Agreement, and no more than once in each six month period thereafter, each Party shall provide the other Party with a rolling, six (6) calendar month, non-binding good faith forecast of its volume of originated Traffic. The Parties agree that each forecast provided shall be deemed "Proprietary Information" under this Agreement.
- 3.2** Neither Party shall use any service provided pursuant this Agreement or related thereto in any manner that interferes with third parties in the use of their service, prevents third parties from using their service, impairs the quality of service to other Carriers or to either Party's Customers, or causes electrical hazards to either Party's personnel, damage to either Party's equipment, or malfunction of either Party's billing, transit or service equipment (individually and collectively, ("Network Harm")). If Network Harm shall occur or if a Party reasonably determines that Network Harm is imminent, such Party shall, where practicable, notify the other Party that temporary discontinuance or refusal of service may be required; provided, however, wherever prior notice is not practicable, such Party may temporarily discontinue or refuse service immediately, if such action is reasonable under the circumstances. In case of such temporary discontinuance or refusal, such Party shall: promptly notify the other Party of such temporary discontinuance or refusal; and afford the other Party the opportunity to correct the situation which gave rise to such temporary discontinuance or refusal.
- 3.3** The Parties shall implement local number portability as described in the attached Appendix A.

4. DISPUTE RESOLUTION

Should a dispute arise between the Parties with respect to implementation or enforcement of this Agreement, or with respect to the billing of and payment for services or facilities under this Agreement, either Party may give written notice of its intent to seek dispute resolution pursuant to this Section 4. Upon receipt of notice, representatives of the Parties with primary responsibility for the area(s) of dispute shall first meet and confer as often as they deem reasonably necessary to resolve the dispute. If these initial negotiations fail to be successfully concluded within 60 days from receipt of the notice, either Party may request in writing that the dispute be escalated to the Vice President who is responsible for either the revenue or cost of the item(s) in dispute. If these negotiations fail to resolve the dispute within sixty (60)

calendar days after the matter has been escalated, either Party may seek relief from the applicable Commission or any other regulatory body or court of competent jurisdiction. Notwithstanding the foregoing, in the event that a dispute impairs the service a Party provides to its Customers, the affected Party may seek immediate relief from the applicable Commission or any other regulatory body or court of competent jurisdiction. Pending resolution of the dispute, each Party shall continue to perform its obligations under this Agreement as it had performed in advance of submission of the dispute. In the case of billing disputes, the Parties agree that all amounts that are undisputed shall be paid in a timely manner.

5. TERM AND TERMINATION.

- 5.1** The initial term of this Agreement shall be 2 years from the Effective Date of this Agreement (“Initial Term” or “Term”). Upon expiration of the Initial Term, this Agreement shall automatically be renewed for successive and additional one (1) year periods (each, a “Renewal Term” or “Term”). Either Party may, no later than ninety (90) days in advance of the expiration of the Initial Term or Renewal Term, deliver to the other Party written notice to renegotiate this Agreement, in which event the Parties shall commence in good faith and in a timely manner such negotiations. In the event such negotiations are not successfully concluded prior to the expiration of the Initial Term or Renewal Term or such date as the Parties may otherwise agree, the Parties agree to take such steps as are necessary and prudent to transition the arrangements hereunder in order to prevent any service disruptions to Customers (the “Transition Period”). During the pendency of the preceding referenced negotiations and/or Transition Period, this Agreement shall remain in full force and effect.
- 5.2** If a Party fails to observe or perform any material term or condition of this Agreement and such failure does not materially and adversely affect the operation or reliability of the non-defaulting Party’s network or the Customers of either Party, the Parties shall initiate the dispute resolution procedure set forth in Section 4 of this Agreement (and neither Party shall have the right to terminate this Agreement as a result of such breach). If a Party fails to observe or perform any material term or condition of this Agreement and such failure materially and adversely affects the operation or reliability of the non-defaulting Party’s network or impacts a Party’s ability to fulfill Customer commitments, then (a) the non-defaulting Party may deliver written notice of such default to the other Party (which notice shall specify that the default materially and adversely affects the operation and reliability of the non-defaulting Party’s network and (b) which notice shall contain comprehensive, specific detail as to the foundation of the asserted violation and why it is considered material). If the default is not remedied within thirty (30) days after receipt of written notice, then the non-defaulting Party may discontinue its performance and terminate this Agreement, and pursue any other remedies available at law or in equity. A Party’s failure to exercise any of its rights hereunder shall not constitute or be construed by the as a waiver of any past, present, or future right or remedy.

6. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

NEITHER PARTY MAKES ANY WARRANTIES, REPRESENTATIONS OR AGREEMENTS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, AS TO THE SERVICES AND MATTERS ADDRESSED IN THIS AGREEMENT, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT.

7. INDEMNIFICATION

Subject to the limitations set forth in Section 8, each Party (the "Indemnifying Party") shall release, defend, indemnify and save harmless the other Party, its directors, officers, employees, servants, agents, affiliates, subsidiaries and parent (collectively, the "Indemnified Party"), from and against any and all Losses which are proximately caused by:

- (a) any breach or non-fulfillment of any representation, covenant, term, condition or agreement on the part of the Indemnifying Party under this Agreement;
- (b) the gross negligence or willful misconduct of the Indemnifying Party or any of its directors, officers, employees, servants, agents, affiliates, subsidiaries and parent, regardless of the form of action;
- (c) the installation, maintenance, repair, replacement, presence, engineering, use or removal of the Indemnifying Party's equipment; or
- (d) the violation or alleged violation by the Indemnifying Party or any of its directors, officers, employees, servants, agents, affiliates, subsidiaries and parent of any federal, state, or local law, regulation, permit, or agency requirement.

"Loss" or "Losses" means any and all losses, costs (including court costs), claims, damages (including fines, penalties, and criminal or civil judgments and settlements), injuries, liabilities and expenses (including attorneys' fees). To the extent the Indemnified Party pays for a Loss in satisfaction of, or arising out of or related to any claim for indemnification hereunder, the Indemnifying Party shall also be liable to the Indemnified Party for interest on such payments from the date that the Indemnified Party makes such payments. The obligations of this Section shall survive the termination, cancellation, modification or rescission of this Agreement, without limit as to time.

8. LIMITATION OF LIABILITY

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 IN CONNECTION WITH OR ARISING FROM ITS

PERFORMANCE OR FAILURE TO PERFORM HEREUNDER (COLLECTIVELY, "CONSEQUENTIAL DAMAGES"), EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; PROVIDED, THAT THE FOREGOING SHALL NOT LIMIT A PARTY'S OBLIGATION UNDER THIS AGREEMENT TO INDEMNIFY, DEFEND AND HOLD THE OTHER PARTY HARMLESS AGAINST ANY AMOUNTS PAYABLE TO A THIRD PARTY, INCLUDING ANY LOSSES AND CONSEQUENTIAL DAMAGES CLAIMED BY SUCH THIRD PARTY.

9. MISCELLANEOUS

- 9.1** Both Parties reserve their rights to take advocacy positions before the Commission, other state commissions, the FCC and in any other state or federal regulatory, legislative, or judicial forum that differ from the compromises reached in this Agreement. This Agreement does not affect, and United does not waive, any rights including, but not limited to, the rights afforded United under 47 USC 251 (f). Except as specifically provided for in this Agreement, neither Party waives any rights it may have under the Act and the rules and regulations promulgated thereunder by the FCC and/or the Commission.
- 9.2** Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control 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, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers (individually or collectively, a "Force Majeure").
- 9.3** Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data (including without limitation call detail data, usage information in any form, customer account data and Customer Proprietary Network Information ["CPNI"] as that term is defined by the Act), 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 such other Party's employees, contractors, agents or affiliates ("Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. 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, it (a) shall be held in confidence by each Receiving Party; (b) shall be disclosed to only those representatives who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used only for such purposes; and (c) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of use in writing by the Parties. If any Receiving Party

is required by any governmental authority or by applicable law to disclose any Proprietary Information, then such Receiving Party may disclose Proprietary Information; provided, however, that the Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible. The Disclosing Party may then either seek appropriate protective relief from all or part of such requirement. In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or certify as destroyed all Proprietary Information. obtained from the other Party.

- 9.4** This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and permitted assigns. Notwithstanding the foregoing, upon written notice either Party may assign this Agreement or any rights and obligations hereunder without the other Party's consent to any LEC entity that the assigning Party controls, is controlled by, or is under common control with, or to any entity which acquires or succeeds to all or substantially all of the business or assets of the assigning Party.
- 9.5** No release, discharge or waiver of any provision hereof shall be enforceable against or binding upon either Party unless in writing and executed by the other Party. Neither the failure of either Party to insist upon a strict performance of any of this Agreement, nor the acceptance of any payments from either Party with knowledge of a breach of this Agreement by the other Party in the performance of its obligations hereunder, shall be deemed a waiver of any rights or remedies.
- 9.6** Notices given by one Party to the other Party under this Agreement shall be in writing and shall be (a) delivered personally, (b) delivered by express delivery service, or (c) mailed, certified mail or first class U.S. mail postage prepaid, return receipt requested to the following addresses of the Parties:

UNITED	LEVEL 3
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United Telephone Company, Inc. 120 Taylor Street Chapel Hill, TN 37034 Attention: General Manager Contact Phone: (931)364-4322 Facisimile: (931)364-7202	Level 3 Communications, LLC 1025 Eldorado Boulevard Broomfield, CO 80021 Attention: Legal – Interconnection Services Contact Phone Number: (720) 888-2620 Facsimile: (720) 888-5134 And: Level 3 Communications, LLC 1025 Eldorado Boulevard Broomfield, CO 80021 Attention: Director – Interconnection Services
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Or to such other address as either Party shall designate by written notice. For operational issues, repair matters or other network assistance, the Parties agree to establish a designated contact and escalation process to resolve network or client issues.

- 9.7** 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.
- 9.8** The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.
- 9.9** If any part of this Agreement is held to be invalid for any reason, such invalidity shall affect only the portion of the Agreement which has been held invalid. In all other respects this Agreement shall stand as if such invalid provision had not been a part thereof, and the remainder of the Agreement shall remain in full force and effect.
- 9.10** This Agreement is governed by, and shall be interpreted in accordance with, all applicable federal and state law. Each Party shall comply with all applicable federal, state, and local laws, rules and regulations applicable to its performance under this Agreement,. Without limiting the foregoing, each Party agrees to keep and maintain in full force and effect all permits, licenses, certificates, and other authorities needed to perform their respective obligations hereunder.

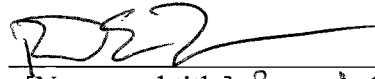
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed.

United Telephone Company, Inc.

By: 
[Name and title]
Terry Wales
[Print name above]
General Manager
[Print title above]

Dated: _____

Level 3 Communications, LLC

By: 
[Name and title] Richard E. Moyer, for
Jamie Moyer
[Print name above]
Sr Director – Interconnection Services
[Print title above]

Dated: _____

APPENDIX A

LOCAL NUMBER PORTABILITY

1. General Terms and Conditions

The Parties agree that the industry has established local routing number (LRN) technology as the method by which permanent number portability (PNP) will be provided in response to FCC Orders in FCC 95-116 (i.e., First Report and Order and subsequent Orders issued to the date this agreement was signed). As such, the parties agree to provide PNP via LRN to each other as required by such FCC Orders or Industry agreed upon practices.

1.1 The Parties shall provide for the requesting of End Office PNP capability on a reciprocal basis through a written request process; disclose, upon request, any technical limitations that would prevent PNP implementation in a particular switching office; and provide PNP services and facilities only where technically feasible, subject to the availability of facilities, and only from properly equipped central office(s).

1.2. The Parties acknowledge that each can determine the PNP capable End Offices of the other through the Local Exchange Routing Guide (LERG).

2. Obligations of LEVEL 3

2.1. LEVEL 3 is responsible for advising the Number Portability Administration Center (NPAC) of telephone numbers that it imports and the associated data as identified in industry forums as being required for PNP.

2.2. For PNP orders, both Parties shall adhere to industry standards for Local Service Request (LSR) format and PNP due date intervals. Should LEVEL 3 request a coordinated port, the due date interval will be negotiated between LEVEL 3 and United.

2.3. Complex ports require project management and will require negotiation of due date intervals. Complex ports include:

- 2.3.1. Port requests of 51 or more numbers;
- 2.3.2. Porting of 15 or more access lines for the same customer at the same location;
- 2.3.3. Porting associated with complex services including but not limited to Centrex and ISDN.

2.4. LEVEL 3 shall adhere to reserved number standards as set by the FCC.

3. Obligations of Both Parties

3.1. The Parties shall cooperate in performing activities required to port end user telephone number(s). The primary responsibility for the coordination of such activities will be assumed by the Party acquiring the end user (porting in the end user telephone number(s)).

3.2. When a ported telephone number becomes "vacant" (meaning a ported telephone number has been vacated by the original end user and removed from service), the ported telephone number will be released back to the carrier owning the switch in which the telephone number's NXX is native after appropriate time has elapsed for intercept notification.

3.3. Each Party has the right to block default routed calls from entering a network in order to protect the public switched network from overload, congestion, or failure propagation.

3.4. Industry guidelines shall be followed regarding all aspects of porting numbers from one network to another.

3.5. Each Party shall become responsible for the end user's other telecommunications related items, e.g. E911, Directory Listings, Operator Services, Line Information Database (LIDB), when they port the end user's telephone number to their switch.

3.6. The Parties will provide a 10-digit trigger on all LNP orders unless a coordinated conversion of numbers is requested on the PNP order.

4. Limitations of Service

4.1. Telephone numbers can be ported only within United rate centers or rate districts, which ever is a smaller geographic area, as approved by the State Commission. If geographic number portability is ordered by the FCC or the Commission during the term of this Agreement, the Parties will promptly negotiate any necessary revisions to this appendix to accommodate geographic number portability. In the event the Parties are unable to negotiate such changes within thirty (30) days or such other timeframe as the Parties may agree, either Party may invoke the dispute resolution procedures under this Agreement.

4.2. Telephone numbers with NXXs dedicated to choke/High Volume Call-In (HVCI) networks are not portable via LRN. Such numbers will be ported on an ICB basis upon request.

4.3. The Parties do not offer PNP services and facilities for NXX codes 555, 976, 950.

5. NP Queries

5.1. The N-1 carrier (N carrier is the responsible Party for terminating call to the end user) has the responsibility to determine if a query is required, to launch the query, and to route the call to the switch or network in which the telephone number resides.

5.2. If a Party chooses not to fulfill its N-1 carrier responsibility, the other Party will perform queries on calls to telephone numbers with portable NXXs received from the N-1 carrier and route the call to the switch or network in which the telephone number resides. United will perform LNP Query Service for LEVEL 3 pursuant to the terms and conditions set forth in National Exchange Carrier Association (NECA) Tariff FCC No. 5. LEVEL 3 will perform N-1 responsibilities on the same terms as United provides for in its applicable tariff.

5.3. A Party shall be responsible for payment of charges to the other Party for any queries made on the N-1 carrier's behalf when one or more telephone numbers have been ported in the called telephone number's NXX. Charges by each Party will be at the rate set forth in United's tariff.

5.4. Both Parties shall populate the Jurisdictional Identification Parameter (JIP) field with the first six (6) digits (NPA NXX format) of the appropriate LRN of the originating switch.

6. Pricing

6.1. The price of PNP queries shall be the same as those in NECA's FCC No. 5 Access Services Tariff in which United is a concurring carrier.

6.2. Other than standard Service Order charges for processing Local Service Requests (LSRs) as specified below, the Parties agree not to charge each other, or any of the other Party's end users for the provisioning or conversion of ported telephone numbers during regular working hours. To the extent LEVEL 3 requests porting to be performed outside of United's regular working hours, or the work requires United technicians or project managers to work outside of regular working hours, additional time and material charges shall apply.

Local Service Order:

Initial	\$20.00 per order
Supplemental	\$ 5.00 per order

Additional Labor – each half hour or fraction thereof:

Overtime per employee	\$34.97 per ½ hour
Premium Time per employee (weekends and holidays)	\$46.63 per ½ hour

APPENDIX B

This Appendix specifies the Local Service Areas referenced in Section 1.6 of this Agreement with which the parties will exchange Traffic as follows:

1. The Local Service Calling Areas are the geographic areas described in United's tariff within which United Customers may place a call on a seven-digit or ten-digit dialed basis and without a toll charge.
2. United will treat NPA-NXXs utilized by Level 3 in parity with respect to the treatment afforded to other carriers with which United exchanges traffic in accordance with its applicable tariffs.
3. Level 3 will provide United notice and associated LERG related information to identify those Level 3 NPA-NXXs that it reasonably believes should be treated as numbers that may be called by a United customer on a seven-digit or ten-digit dialed basis and without a toll charge.
4. The intent of this Agreement is to apply the terms and conditions set forth in the Agreement to traffic between the Parties that are similar to those terms and conditions applied to traffic between the exchanges of United and those operated by AT&T or any other incumbent ILEC within the Local Service Calling Area as defined in 1 above.
5. With respect to traffic delivered by one Party for termination on the network of the other Party that does not qualify as EAS Traffic as defined in Section 1.6 of this Agreement, ISP-Bound Traffic, as defined in Section 1.9 of this Agreement, or Local Traffic, as defined in Section 1.12 of this Agreement, the terminating Party will charge the other Party for termination in accordance with its established intrastate access charges as set forth in Section 2.4 of this Agreement, except as follows. Consistent with the network architecture pursuant to which intracounty calling is provided in Tennessee, each Party will participate in the TAR database. Each Party's obligation to treat the termination of the call as intracounty non-toll is predicated upon the input of the originating customer's number and terminating customer's number into the TAR database in order to identify the call as qualifying for treatment as toll free.
6. Designation of Points of Interconnection for the delivery of Traffic pursuant to this Agreement.

For the delivery of Traffic between United and Level 3, the Parties agree, subject to facility availability, to connect facilities at the same meet-point

utilized between United and AT&T, located at V=07106, H=02644,
subject to subsequent mutual agreement between the Parties to establish a
different POI in the United service area.

APPENDIX C
Level 3 LEC Affiliates

TelCove Operations, LLC