John A. Ruscilli

BELLSOUTH TELECOMMUNICATIONS, INC.

DIRECT TESTIMONY OF JOHN A. RUSCILLI

BEFORE THE TENNESSEE REGULATORY AUTHORITY

DOCKET NO. 97-00309

April 26, 2002

PART I: INTRODUCTION

Q. PLEASE STATE YOUR NAME, YOUR POSITION WITH BELLSOUTH TELECOMMUNICATIONS, INC. ("BELLSOUTH") AND YOUR BUSINESS ADDRESS.

A. My name is John A. Ruscilli. I am employed by BellSouth as Senior Director for State Regulatory for the nine-state BellSouth region. My business address is 675 West Peachtree Street, Atlanta, Georgia 30375.

Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND EXPERIENCE.

A. I attended the University of Alabama in Birmingham where I earned a Bachelor of Science Degree in 1979 and a Master of Business Administration in 1982. After graduation I began employment with South Central Bell as an Account Executive in Marketing, transferring to AT&T in 1983. I joined BellSouth in late 1984 as an analyst in Market Research, and in late 1985 moved into the Pricing and Economics organization with various responsibilities for business

case analysis, tariffing, demand analysis and price regulation. I served as a subject matter expert on Integrated Services Digital Network ("ISDN") tariffing in various public service commission staff meetings in Tennessee, Florida, Alabama and Georgia. I later moved into the State Regulatory and External Affairs organization with responsibility for implementing both state price regulation requirements and the provisions of the Telecommunications Act of 1996 ("the Act"), through arbitration and 271 hearing support. In July 1997, I became Director of Regulatory and Legislative Affairs for BellSouth Long Distance, Inc., with responsibilities that included obtaining the necessary certificates of public convenience and necessity, testifying, Federal Communications Commission ("FCC") and commission support, federal and state compliance reporting and tariffing for all 50 states and the FCC. I assumed my current position in July 2000.

PART II: EXECUTIVE SUMMARY

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony in this proceeding is to demonstrate to the Tennessee Regulatory Authority (hereinafter referred to as the "Authority") that BellSouth has met the requirements of the Telecommunications Act of 1996 ("Act") for entry into the interLATA services market. Specifically, I address items 1, 6, 12, 13, and 14 contained in the 14-point competitive checklist found in Section 271(c)(2)(B) of the Act, excluding Operational Support Systems

("OSS") (which will be addressed in Phase II of Docket No. 01-00362 ("the OSS Docket")) and performance data. For each checklist item above, I provide:

1) an explanation of the checklist item;
2) a discussion of the FCC's findings on previous BellSouth 271 applications;
3) a demonstration of BellSouth's compliance with the checklist items.

Finally, pursuant to the Authority's order in Docket No. 97-00309, dated September 10, 2001, I will address public interest considerations related to BellSouth's entry into long distance competition, as well as BellSouth's compliance with Section 272 of the Act.

Q. WHAT ARE THE REQUIREMENTS OF THE ACT IN ORDER FOR A BELL OPERATING COMPANY ("BOC") TO OBTAIN IN-REGION INTERLATA AUTHORIZATION?

A. Section 271 of the Act provides a clear path that a BOC must follow in order to obtain authorization to provide in-region interLATA authority. The BOC must demonstrate to the FCC that it has met the following:

1) The requirements of either Section 271(c)(1)(A) (also known as Track A) or 271(c)(1)(B) (also known as Track B);
2) A BOC has fully implemented the competitive checklist, or that the Statement of Generally Available Terms and Conditions ("SGAT") approved by the state in Section 252 satisfies the competitive checklist, contained in Section 271(c)(2)(B);

3) the requested authorization will be carried out in accordance with the Section 272 requirements; and

4) the requested authorization is consistent with the public interest, convenience, and necessity.

Q. WHAT ARE THE STANDARDS OF THE FCC IN ASSESSING A BOC'S COMPLIANCE WITH THE REQUIREMENTS OF SECTION 271?

A. In its *Bell Atlantic New York Order*[1], the FCC stated that "[t]o make a *prima facie* case that the BOC is meeting the requirements of a particular checklist item under section 271(c)(1)(A), the BOC must demonstrate that it is providing access or interconnection pursuant to the terms of that checklist item." (¶ 52). The FCC further stated that, "a BOC must demonstrate that it has a concrete and specific legal obligation to furnish the item upon request pursuant to state-approved interconnection agreements that set forth prices and other terms and conditions for each checklist item, and that it is currently furnishing, or is ready to furnish, the checklist item in quantities that competitors may reasonably demand and at an acceptable level of quality." (*Id*.).

Q. WHAT IS THE FCC's POSITION RELATIVE TO A BOC's DEMONSTRATION THAT IT SATISFIES THE REQUIREMENTS OF TRACK A?

[1] *Application of Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region InterLATA Service in the State of New York*, CC Docket No. 99-295, Memorandum Opinion and Order (Released December 22, 1999) ("*Bell Atlantic New York Order*").

A. In its *Bell Atlantic New York Order*, the FCC concluded that to qualify for Track A, "a BOC must have interconnection agreements with one or more competing providers of 'telephone exchange service…to residential and business subscribers.'" (¶ 61). The FCC went on to cite the Act, which states that, "such telephone service may be offered…either exclusively over [the competitor's] own telephone exchange service facilities or predominantly over [the competitor's] own telephone exchange facilities in combination with the resale of the telecommunications services of another carrier." (*Id*.). Finally, the FCC reiterates its conclusion in the *Ameritech Michigan Order*[2] that, "when a BOC relies upon more than one competing provider to satisfy section 271(c)(1)(A), each carrier need not provide service to both residential and business customers." (*Id.*).

Q. WHAT IS BELLSOUTH REQUESTING OF THE AUTHORITY IN THIS PROCEEDING?

A. At the conclusion of this proceeding, BellSouth will ask the Authority to do four things:

1) rule that BellSouth has met the requirements of Track A;
2) adopt BellSouth's interim performance measures and penalty plan proposal until such time as the Authority's permanent plan is implemented;

[2] *Application of Ameritech Michigan Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services In Michigan,* CC Docket No. 97-137, 12 FCC Rcd at 20589, (1997) ("*Ameritech Michigan Order"*).

3) affirm that BellSouth has met the requirements of the fourteen-point competitive checklist through agreements BellSouth has with competitive local exchange carriers ("CLECs") operating in Tennessee and through BellSouth's SGAT; and

4) find that BellSouth's SGAT meets the requirements of the Act.

In this proceeding, BellSouth provides evidence that it satisfies the Track A requirements and demonstrates its compliance with the fourteen-point checklist items. The evidence demonstrating BellSouth's compliance with all checklist items is discussed in Part IV of my testimony and in more detail throughout the testimony of BellSouth's other witnesses.

Q. WHY SHOULD THE AUTHORITY ACT NOW?

A. On April 17, 2002, the FCC approved Verizon Communications' 271 application to provide long distance service in Vermont ("*Verizon Vermont Order").*[3] The FCC has previously approved 271 applications for New York, Texas, Kansas, Oklahoma, Massachusetts, Connecticut, Pennsylvania, Arkansas, Missouri and Rhode Island. It is clear by this recent *Verizon Vermont Order* that the FCC recognizes that the Bell Operating Companies ("BOCs") are demonstrating compliance with the requirements of the Act, and that in-region interLATA competition is in the public interest. In fact, in its *Verizon Vermont*

[3] *Memorandum Opinion and Order, Application of Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions), Verizon Global Networks Inc. and Verizon Select Services Inc., for Authorization to Provide In-Region, InterLATA Services in Vermont,* CC Docket No. 02-7, Released April 17, 2002. ("*Verizon Vermont Order*").

Order, the FCC found that "the record confirms our view, as noted in prior section 271 orders, that BOC entry into the long distance market will benefit consumers and competition if the relevant local exchange market is open to competition consistent with the competitive checklist." (¶ 62).

The time is right for the Authority to act. The procedural schedule to be established by the Authority will allow all parties a meaningful opportunity to present their case. As discussed throughout my testimony, and other BellSouth witnesses' testimony, BellSouth fully demonstrates its compliance with the requirements of the Act,[4] and demonstrates that the local market in Tennessee is fully open to competition. As of February, 2002, CLECs served over 12% of the total lines and over 32% of the business lines in BellSouth's area in Tennessee. As I demonstrate later in my testimony, this competitive market share is comparable to the market share figures of the BOCs who have obtained long distance relief from the FCC.

The Authority has done a significant amount of work to implement the Act and to propel local competition forward; therefore, it is now time for the Authority to examine BellSouth's evidence so that 271 approval can be obtained and the consumers in Tennessee can benefit from increased interLATA competition, as well as from local competition.

[4] As ordered by the Authority, BellSouth will present evidence of its provision of nondiscriminatory access to OSS in Phase II of the OSS Docket. As BellSouth will demonstrate in that docket, BellSouth is in compliance with all of its Section 271 OSS obligations.

Q. HOW DOES BELLSOUTH MEET ITS LEGAL OBLIGATION FOR COMPLIANCE WITH THE FOURTEEN-POINT CHECKLIST ITEMS?

A. According to Section 271(c)(1)(A) of the Act, "[a] Bell operating company meets the requirements of this subparagraph if it has entered into one or more binding agreements that have been approved under Section 252 specifying the terms and conditions under which the Bell operating company is providing access and interconnection to its network facilities for the network facilities of one or more unaffiliated competing providers of telephone exchange service (as defined in Section 3(47)(A), but excluding exchange access) to residential and business subscribers."

BellSouth has successfully negotiated or has arbitrated, and the Authority has approved, approximately 324 interconnection, collocation and/or resale agreements with CLECs in Tennessee. Additionally, BellSouth has developed a legally binding SGAT, included in this filing as Exhibit JAR-4, for the Authority's approval.

Q. HOW WILL BELLSOUTH DEMONSTRATE ITS COMPLIANCE WITH THE REQUIREMENTS OF THE ACT AND THE FCC's RULES?

A. As I stated previously, my testimony demonstrates BellSouth's compliance with the requirements of Track A. Additionally, my testimony and the testimony of various other BellSouth witnesses provide the Authority with evidence of BellSouth's demonstrated compliance with each of the fourteen-point

competitive checklist items. Below is a summary of BellSouth's compliance with each checklist item and the BellSouth witnesses that provide more details of BellSouth's compliance.

For checklist item 1, BellSouth witness Mr. Keith Milner demonstrates that BellSouth provides CLECs with access or interconnection at all technically feasible points in BellSouth's network. I address certain specific issues raised by CLECs in various arbitrations that relate to compliance with checklist item 1.

For checklist item 2, BellSouth witness Mr. Milner discusses BellSouth's compliance with the FCC's and the Authority's orders to provide unbundled network elements ("UNEs") and UNE combinations. In addition, Mr. Ron Pate, Mr. Ken Ainsworth, Mr. David Scollard and Mr. Milton McElroy will discuss in their testimony filed in Docket No. 01-00362, BellSouth's compliance in providing nondiscriminatory access to its OSS.

For checklist item 3, Mr. Milner's testimony describes BellSouth's compliance with the requirement to provide nondiscriminatory access to poles, ducts, and conduits, and rights-of-way offerings.

For checklist item 4, Mr. Milner provides testimony concerning unbundled loops. In addition, Mr. Jerry Latham and Mr. Thomas Williams provide evidence in their testimonies that BellSouth demonstrates compliance with checklist item 4. Mr. Milner demonstrates that BellSouth makes loop transmission available on an unbundled basis in compliance with the FCC's

rules, and that BellSouth provides access to loops at any technically feasible point with access to all features, functions, and capabilities unbundled from other UNEs, without any restrictions that would impair use by the CLECs. Mr. Latham demonstrates BellSouth's nondiscriminatory processes and procedures through which CLECs pre-order and order BellSouth's xDSL-capable (Digital Subscriber Line) loops. Finally, Mr. Williams provides evidence that BellSouth is in compliance with the FCC's line-sharing and line splitting requirements.

For checklist item 5, Mr. Milner demonstrates that BellSouth offers unbundled local transport on the trunk side of a wireline local exchange carrier switch unbundled from switching or other services. Mr. Milner also demonstrates that BellSouth offers both dedicated and shared transport.

For checklist item 6, Mr. Milner demonstrates that BellSouth provides CLECs with local circuit switching on a UNE basis. My testimony addresses certain specific issues related to compliance with checklist item 6. Mr. Milner further demonstrates that BellSouth is providing the proper provisioning of line-side and trunk-side facilities; basic switching functions; vertical features; customized routing; shared trunk ports; unbundled tandem switching; usage information for billing exchange access; and usage information for billing reciprocal compensation and local usage. Mr. Scollard's testimony demonstrates that BellSouth is providing the required billing information.

For checklist item 7, Mr. Milner's testimony demonstrates that BellSouth provides CLECs with nondiscriminatory access to 911/E911 services, operator

call completion services, and directory assistance services as required in the FCC's Rules and the Act.

Mr. Milner's testimony demonstrates that BellSouth's terms and conditions, procedures and processes for providing white pages listings are in compliance with checklist item 8.

For checklist item 9, Mr. Milner provides evidence that BellSouth offers nondiscriminatory access to telephone numbers to CLECs on terms and conditions that are compliant with the requirements of the Act and the FCC's Rules.

Mr. Milner's testimony demonstrates that BellSouth provides nondiscriminatory access to BellSouth's signaling networks and call-related databases used for call routing and completion, and is therefore in compliance with checklist item 10.

Mr. Milner's testimony demonstrates that BellSouth is compliant with checklist item 11 by providing interim local number portability ("INP") and permanent Local Number Portability ("LNP") consistent with the Act and the FCC's regulations.

My testimony provides evidence to demonstrate that BellSouth provides local dialing parity to competing providers as required by the Act, and is therefore in compliance with checklist item 12.

Additionally, my testimony demonstrates that BellSouth complies with checklist item 13 by providing for reciprocal compensation arrangements and making all required payments.

For checklist item 14, my testimony will demonstrate that BellSouth offers CLECs services for resale that are identical to the services that BellSouth provides to its own retail customers.

In addition, through Mr. Varner's testimony, BellSouth provides the Authority with a description of the set of performance measures adopted by the Georgia Public Service Commission. Until such time as the Authority's permanent performance measurements for BellSouth in Tennessee are implemented, BellSouth requests that the Authority rely upon the Georgia set of performance measurements to assess BellSouth's performance. This will further demonstrate BellSouth's compliance with providing CLECs nondiscriminatory access to BellSouth's OSS, as well as nondiscriminatory access to interconnection, UNEs and resale. The Authority will then have at its disposal all of the evidence necessary to render a thorough and reasoned recommendation on BellSouth's 271 application.

Q. HOW IS THE REMAINDER OF YOUR TESTIMONY ORGANIZED?

A. The remainder of my testimony is arranged into the following sections: Part III demonstrates BellSouth's compliance with the Track A requirements of the Act; Part IV demonstrates BellSouth's compliance with each of the fourteen-point

competitive checklist items; Part V, pursuant to the Authority's direction, demonstrates that approval of BellSouth's requested application is in the public interest; Part VI, pursuant to the Authority's direction, demonstrates that BellSouth's requested application will be carried out in accordance with the requirements of Section 272; and Part VII summarizes and concludes my testimony. In addition, there are 16 exhibits attached to my testimony.

Q. PLEASE DESCRIBE THE EXHIBITS ATTACHED TO YOUR TESTIMONY.

A. Attached to my testimony is a series of exhibits that are referenced at various points within my testimony. These exhibits are as follows:

JAR-1 Glossary of Terms – A list of the acronyms, and their definitions, that are contained within my testimony.

JAR-2 Authority Proceedings – Description of the key proceedings undertaken by the Authority on resale and unbundling, interLATA relief, UNE cost (including geographic deaveraging), and various interconnection and resale agreement arbitration proceedings.

JAR-3 Checklist Compliance Matrix – This chart provides a representative sample of agreements that BellSouth has entered into with CLECs and identifies where the agreement evidences BellSouth's obligation to provide each of the fourteen-point competitive checklist items. For each checklist item, this matrix includes citations to BellSouth's SGAT, attached as Exhibit JAR-5.

JAR-4 BellSouth's SGAT - The SGAT enables CLECs to interconnect with BellSouth, purchase UNEs, and/or resell BellSouth services without negotiating an individual agreement with BellSouth.

Competition Exhibits

JAR-5 "Tennessee Competing Telecommunications Services Provider" Summary and "Resellers of Tennessee BST Services" Summary

JAR-6 "CLEC Agreements: Interconnection, Collocation, and Resale" as of March 12, 2002

JAR-7 "CLECs with Over 10 Lines in Bellsouth Tennessee Area, METHOD ONE" (Public and Proprietary Versions)

JAR-8 "CLECs with Over 10 Lines in BellSouth Tennessee Area, METHOD TWO" (Public and Proprietary Versions)

JAR-9 "CLEC Completed Collocations – Tennessee – March 2002" (Public and Proprietary Versions)

JAR-10 "Facilities-Based Line Estimate Methodology

JAR-11 FCC Report: "Local Telephone Competition: Status as of June 30, 2001" (Released February 2002)

JAR-12 Facilities-Based CLECs' Web Site Information

Checklist Item 14

JAR-13 Tennessee Calculation of Resale Discount Rate

JAR-14 BellSouth's DSL Products and Services

Attachment A: Sales Material – BellSouth DSL for ISPs

Attachment B: Sales Material – BellSouth DSL Solutions

Public Interest

JAR-15 BellSouth Win Back Activities Review

Section 272

JAR-16 BellSouth's Compliance with Section 272

Exhibit JAR-16 – Attachments:

Attachment A: BellSouth Telecommunications' Articles of Incorporation

Attachment B: BellSouth Telecommunications' Accounting Systems Flowchart

Attachment C: BellSouth Telecommunications' 2001 ARMIS Joint Cost Report

Attachment D: BellSouth Corporation's 2001 10K

Attachment E: BellSouth Telecommunications' Officers

Attachment F: BellSouth's Corporate Policy on Affiliate Transactions

Attachment G: Format for Section 272(e)(1) Information Disclosures

Attachment H: Telescope 2/5/97

Attachment I: Competitive Alert 3/26/97

Attachment J: Competitive Alert 4/9/97

Attachment K: C*onnections* 6/9/00

Attachment L: Telescope 4/15/98

Attachment M: Telescope 9/30/98

Attachment N: *Connections* 8/3/01

Attachment O: Officer Letter regarding Section 272 Compliance

Attachment P: Electronic Briefing 6/2/00

Attachment Q: Electronic Briefing 4/13/98

Attachment R: Electronic Briefing 9/30/98

Attachment S: Criteria for Long Distance Compliance Training

Attachment T: Long Distance Compliance Training Packet

Attachment U: Finance Training – Affiliate Transactions & Section 272

Attachment V: Finance Training – Section 272

Q. WHAT CURRENT TENNESSEE PROCEEDINGS WILL IMPACT THE FCC's APPPROVAL OF BELLSOUTH's 271 PETITION?

A. The following open proceedings in Tennessee have relevance to BellSouth's 271 application. A brief explanation of each of these proceedings is also provided:

Docket No. 97-01262 ***(Petition to Convene a Contested Case Proceeding to Establish "Permanent Prices" for Interconnection and Unbundled Network Elements)*** – The Authority has established permanent cost-based prices for unbundled network elements in this docket. These approved prices are reflected in BellSouth's Attachment 2, Exhibit B to the SGAT, filed as Exhibit JAR-4 to my testimony.

Docket No. 00-00544 ***(Generic Docket to Establish UNE Prices for Line Sharing Per FCC 99-355, and Riser Cable and Terminating Wire as Ordered in Docket 98-00123)* –** Although the Authority established many permanent UNE rates in Docket No. 97-01262, rates for various UNEs required by the FCC's UNE Remand Order and Line Sharing Order[5] are being addressed by the

[5] *In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Capability and Implementation of Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order CC Docket No. 98-147 and Fourth Report and Order CC docket No. 96-98, 14 FCC Rcd 20,912 (1999) ("*Line-Sharing Order*")

Authority in this docket**.** The Authority issued its First Initial Order on April 3, 2002, ordering various adjustments to the cost studies filed by BellSouth and Sprint.[6] Revised cost studies are to be filed within 30 days of the Authority's order. In the meantime, the Authority has approved interim rates for several elements still under consideration in this docket. These interim rates are reflected in BellSouth's SGAT (Exhibit JAR-4). The permanent rates established in Docket No. 00-00544 will be incorporated into the SGAT price list (see Exhibit JAR-4, Attachment 2, Exhibit B), upon approval by the Authority. Upon request, BellSouth will negotiate amendments to incorporate these rates into existing agreements.

Docket No. 01-00362 ***(Compliance of BellSouth's OSS with State and Federal Regulations)*** – This docket was established by the Authority to determine whether BellSouth's OSS comply with applicable law. This proceeding was split into two phases. A hearing on Phase I, which focused on whether BellSouth's OSS are regional, was conducted December 3-7, 2001. BellSouth filed its Proposed Revised Phase II Issues on January 10, 2002, following a Prehearing Conference on Phase II. BellSouth will file evidence demonstrating its provision of nondiscriminatory access to OSS in Phase II of this docket.

[6] On April 10, 2002, BellSouth filed a Petition for Stay of that portion of the First Initial Order that addressed the subject matter of Issue 20, in which the Authority ordered BellSouth to install dual purpose line cards for the CLECs' use in BellSouth's Next Generation Digital Line Carrier ("NGDLC") systems, ordered the production, within 30 days, of cost studies for the installation of such NGDLC dual purpose line cards, and ordered that BellSouth provide such installation on non-discriminatory terms and at just and reasonable rates. COVAD has filed in Opposition to BellSouth's Petition for Stay. In addition, BellSouth filed a Motion for Reconsideration of certain portions of the Authority's First Initial Order, and United Telephone – Southeast, Inc. and Sprint Communications Company have filed a Petition for Reconsideration and Clarification of that Order.

Docket No. 01-00526 ***(Generic Docket to Establish Generally Available Terms and Conditions for Interconnection)*** – This docket was established on July 13, 2001 for the purpose of resolving issues frequently arbitrated and to produce generally available interconnection terms and conditions that would benefit competition. Pursuant to the Pre-Hearing Officer's Report and Recommendation in this docket, dated March 15, 2002, BellSouth will file a Second Amended Modified Interconnection Agreement as directed by the Authority upon its ruling on the Pre-Hearing Officer's Report and Recommendation. The Pre-Hearing Officer also identified issues to be addressed in a hearing in this docket.

Dockets 01-00339 and 02-00434 (*In re: Generic Docket to Consider Technology Advances and Geographic Deaveraging*) – Docket 01-00339 was opened pursuant to the Final Order in Docket 97-01262 to address both geographic deaveraging and technology advances. On April 16, 2002, the Authority approved the March 13, 2002 Report and Recommendation of the Pre-Hearing Officer, recommending that this docket be retained to address geographic deaveraging and that a new docket be opened to address technology advances. The purpose of Docket 01-00339 will be the adoption of a permanent geographic deaveraging methodology for BellSouth UNE loop rates and the application of that methodology to BellSouth UNE loop rates. The purpose of Docket 02-00434 will be to establish rates for those BellSouth UNEs on which technology advances have had an impact.

PART III: COMPLIANCE WITH TRACK A

Q. WHAT IS YOUR UNDERSTANDING OF THE GOAL OF THE ACT AND OF SECTION 271 IN PARTICULAR?

A. The goal of the Act with respect to telecommunications is to promote the development of competition across all telecommunications markets. Pursuant to Sections 251 and 252 of the Act, BellSouth has opened the local exchange market to competition on both a facilities and resale basis through interconnection agreements with competitors. Section 271 of the Act establishes the criteria that the BOCs must meet in order to enter the in-region interLATA services market as defined in the Act. Section 271 also outlines the roles that the FCC, the State commissions and the Department of Justice ("DOJ") play in the process.

Q. WHAT IS YOUR UNDERSTANDING OF THE REQUIREMENTS OF TRACK A?

A. The following excerpt from Section 271(c)(1)(A) of the Act states the Track A requirements:

> A Bell operating company meets the requirements of this subparagraph if it has entered into one or more binding agreements that have been approved under Section 252 specifying the terms and conditions under which the Bell operating company is providing access and interconnection to its network facilities for the network facilities of one or more unaffiliated competing providers of telephone exchange service (as defined in Section 3(47)(A),

> but excluding exchange access) to residential and business subscribers. For the purpose of this subparagraph, such telephone exchange service may be offered by such competing providers either exclusively over their own telephone exchange service facilities or predominately over their own telephone exchange service facilities in combination with the resale of the telecommunications services of another carrier. For the purpose of this subparagraph, services provided pursuant to Subpart K of Part 22 of the Commission's regulations (47 CFR §22.901 et seq.) shall not be considered to be telephone exchange services.

Q. DOES BELLSOUTH PLAN TO FILE ITS TENNESSEE APPLICATION FOR IN-REGION INTERLATA RELIEF WITH THE FCC UNDER TRACK A (BASED ON THE PRESENCE OF A QUALIFYING CARRIER)?

A. Yes. BellSouth will file its Tennessee 271 application with the FCC under the Track A provisions of the Act. BellSouth has successfully negotiated or has arbitrated, and the Authority has approved, approximately 324 agreements with CLECs in Tennessee.

Attached to my testimony, as Exhibit JAR-3, is a matrix showing a representative sample of agreements that BellSouth has entered into with CLECs operating in Tennessee. This matrix provides the CLEC name and the location within the agreement where BellSouth demonstrates its legal obligation to provide access and interconnection that meets the requirements of the competitive checklist.

Q. WHAT IS THE STATUS OF LOCAL COMPETITION IN TENNESSEE?

A. Local competition is a reality in Tennessee. CLECs are taking advantage of all three modes of entry---using their own facilities, unbundled network elements (including UNE Loops and UNE-Ps) and resale. Utilizing these three entry modes, CLECs offer a full range of residential and business services including complete packages of voice and data services across BellSouth's Tennessee service area. As evidence, Exhibit JAR-5, "*Tennessee Competing Telecommunications Services Provider"* Summary and "*Resellers of Tennessee BST Services"* Summary, contains information on CLECs operating in Tennessee as of March 2002. Exhibit JAR-6 lists competitors with signed BellSouth interconnection agreements as of March 12, 2002. In Exhibits JAR-7 and JAR-8[7], BellSouth identifies over 80 CLECS that are providing service in Tennessee as of the end of February 2002. BellSouth estimates that these CLECs are serving approximately 377,000 to 419,000 local lines in BellSouth's service area. BellSouth uses two methods for estimating the local lines that CLECs serve in its area. These methods assimilate BellSouth's data and generate two conservative estimates of the number of lines CLECs serve on a facilities-basis.[8]

Q. PLEASE EXPLAIN BELLSOUTH'S FIRST ESTIMATE, METHOD ONE.

[7] Exhibits JAR-7, 8, and 9 contain confidential and sensitive competitive proprietary information regarding individual CLECs in Tennessee. In the public filing, these exhibits are filed with the confidential information redacted. In addition, the complete exhibits containing confidential information will be filed with the Authority but not served on other parties.

[8] The actual count of resold local access lines does not need to be estimated because it is available directly from BellSouth's billing systems.

A. In Method One, BellSouth identifies, from various reliable sources, [9] the number of CLEC E911 Listings, Unbundled Network Elements ("UNE") including UNE loops and UNE platforms ("UNE-Ps"), and interconnection trunks ("IC Trunks"), whenever data were available. *See* Exhibit JAR-10. These data are organized into three categories. The three categories considered to estimate each CLEC's total facilities-based lines are first, the E911 Listings category -- the sum of residence and business E911 listings; second, the UNE category -- the total of UNE loops and UNE-Ps (loop/port combinations); and third, the IC Trunk category -- the total number of interconnection trunks. These categories contain data that provide a reasonable basis to estimate facilities-based CLEC lines.

Data do not exist for every category for every CLEC because CLECs are competing with a variety of approaches. CLECs pursue different mixes of target markets, e.g., large business, small/medium business, residential and small business. Diversity in target markets translates to different network approaches, e.g., traditional switched service or data-centric, either alone or in various combinations. Because Method One utilizes CLEC loop and trunk data, it tends to present a more robust picture of the competitive landscape in terms of the number of competitive providers and the types of services they offer in that it captures CLEC data-centric services. This is appropriate because data services are the most lucrative and fastest growing component of the local market.[10] And as is discussed more fully on pages 32-34, many CLECs

[9] See Facilities-based Line Estimate Methodology, Exhibit JAR-10.

[10] "We believe the market for local data will grow on average 22% annually through 2006. We expect the consumer side of [local data] to drive about one-third of local data growth, or about 36% per year on

operating in Tennessee have business strategies that are based on offering integrated voice and data services.

BellSouth's estimation approach is conservative in at least two major ways. First, BellSouth does not increase its estimate of total lines by adding across data categories although it would be reasonable to do so in certain cases. Second, when IC trunks are the basis for the estimate of total facilities-based lines, BellSouth assumes a very conservative 1-line-to-1-trunk ratio. BellSouth's estimates are also conservative with regards to the residential facilities-based share of total CLEC lines. For example, some CLECs focus on providing high-speed Internet access over DSL using UNE loops. BellSouth's systems do not identify residence or business UNE loops separately. Absent clear indications from the data of the number of residential lines, all of the UNE loops are treated as business class.

Within this conservative approach, BellSouth first selects the highest total from among the three categories as its estimate of <u>total</u> facilities-based lines for each CLEC. In many cases, no further analysis is necessary to create that estimate because the category itself breaks down the CLEC line total by business and residential lines, e.g., E911 Listings and UNE–Ps. *See* Exhibits JAR-7 or JAR-8. When the category selected shows only total lines, i.e., unbundled local loops or local interconnection trunks, BellSouth determines the number of business lines by subtracting from the total the number of residential lines in

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the backs of both cable modem and xDSL." *See* JPMorgan: "*Telecom Services 2001, A Comprehensive Long-Term Forecast of the U.S. Telecom Services Industry.*" November 2, 2001 at 25.

service, when available. If no evidence of residential lines for a CLEC is present, all the lines are treated as business. This approach acknowledges the fact that CLECs, in general, target the business market first. Exhibit JAR-10 contains additional information on the indicators of facilities-based lines.

Q. PLEASE EXLAIN BELLSOUTH'S SECOND ESTIMATE, METHOD TWO.

A. BellSouth's Method Two is the same as one approach presented in the joint Kansas and Oklahoma 271 filings.[11] This estimate is based on just two categories – facilities-based CLECs' E911 Listings and UNE-Ps. *See* Exhibit JAR-10. Facilities-based carriers themselves are responsible for making entries in the E911 database. Because facilities-based carriers make these entries themselves and because these entries are critical to the purposes served by the maintenance of the database, BellSouth has every reason to believe that an E911 listing represents a facilities-based line. However, the E911 database does not capture all lines served by competing carriers on a facilities-basis. For example, when a facilities-based CLEC provides service over the UNE-P, BellSouth provides switching and maintains the E911 listing just as BellSouth does for resold lines. (*See* Testimony of Keith Milner under Checklist Item 7.) Therefore, the number of CLEC UNE-Ps needs to be added to the CLEC E911 Listings for a more complete estimate of total lines. In addition, E911 listings understate the number of lines used by many businesses, such as when a

[11] Joint Affidavit of J. Gary Smith and Mark Johnson, Application of SBC Communications, Inc. for Provision of In-Region, InterLATA Services in Kansas and Oklahoma, Tables 2 and 3 at pp. 6-7. See also Affidavits of J. Gary Smith for Arkansas and David R. Tebeau for Missouri, Joint Application by SBC Communications, Inc. for Provision of In-Region, InterLATA Services in Arkansas and Missouri.

business uses a PBX and lists only a single number in the database or for in-dial only service. An estimate of facilities-based lines for 33 CLECs under Method Two appears in Table 2 below.

Q. WHAT ARE THE RESULTS OF BELLSOUTH'S ESTIMATES OF LOCAL COMPETITION IN TENNESSEE?

A. Data from BellSouth's information systems indicate that, as of February 2002**,** 82 CLECs were each serving 10 or more local lines in BellSouth's service area. *See* Exhibit JAR-7. Using Method One, BellSouth estimates that these 82 competing carriers provide local service to some 419,280 lines, or 13.8 % of the total lines in BellSouth's area as shown immediately below.

TABLE 1 METHOD 1: CLEC Lines in BellSouth's area of Tennessee

CLEC PROVIDERS	Number Of CLECs	***RESIDENTIAL*** Lines	***BUSINESS*** Lines	***TOTAL*** Lines
FACILITIES-BASED	39	2,823 *Resale* **8,125 *Facilities-Based***	7,057 *Resale* **371,084 *Facilities-Based***	9,880 *Resale* **379,209 *Facilities-Based***
RESALE – ONLY	43	29,296	895	30,191 *Resale*
CLEC TOTAL LINES	82	**40,244**	**379,036**	**419,280**
TOTAL LINES		1,947,225	1,090,044	3,037,269
ESTIMATED CLEC LINE SHARE		**2.1 %**	**34.8 %**	**13.8 %** [12]

[12] CLEC line share % based on CLECs' lines divided by total lines. Total lines equals CLECs' lines plus BellSouth access lines.

Table 1 includes aggregate line totals for 39 carriers that are competing on a facilities-basis. Approximately 90% of the total of nearly 419,280 lines are served by CLECs using their own facilities, either exclusively or in combination with BellSouth UNEs and/or UNE-Ps. A number of facilities-based lines – 8,125 – serve residential customers. Also, as of February 2002, 43 resale-only CLECs (each serving at least 10 lines) were providing a total of 30,191 access lines in BellSouth's Tennessee service area. Table 1 also shows that 29,296 of these were residential lines and 895 were business lines. Exhibit JAR-7, page 2 of 3, lists the 43 resale-only CLECs that each serve at least ten lines in BellSouth's area in Tennessee and their number of lines by residence or business class of service.

Table 2 presents results from Method Two, which relies upon E911 Listings and/or UNE-P data extant for 33 facilities-based CLECs (as compared to the 39 CLECs included in Table 1 when data on UNE loops or interconnection trunks are also considered). Using this data, BellSouth estimates that CLECs are serving 338,721 facilities-based lines. *See* Exhibits JAR-8 and JAR-10. These 33 facilities-based CLECs also serve 8,715 resold lines. When the 30,191 lines from the 43 resale-only CLECs are included, the overall total of CLEC lines becomes 377,627, which translates to 12.6% of the local access lines in BellSouth's area. [13]

[13] The range of estimated CLEC lines for Tennessee, 12.6% to 13.8%, exceeds the range for other 271 applicants using the two most comparable estimation methods. See Table 3 at page 7, *Joint Affidavit of J. Gary Smith and Mark Johnson.*

TABLE 2 Method Two: using E911 Listings and UNE-Ps for facilities-based lines

CLEC PROVIDERS	Number Of CLECs	***RESIDENTIAL*** Lines	***BUSINESS*** Lines	***TOTAL*** Lines
FACILITIES-BASED	33	2,640 *Resale* **8,132 *Facilities-Based***	6,075 *Resale* **330,589 *Facilities-Based***	8,715 *Resale* **338,721 *Facilities-Based***
RESALE – ONLY	43	29,296	895	30,191 *Resale*
CLEC TOTAL LINES	76	**40,068**	**337,559**	**377,627**
TOTAL LINES		1,947,049	1,048,567	2,995,616
ESTIMATED CLEC LINE SHARE		**2.1 %**	**32.2 %**	**12.6%** [14]

Among the many facilities-based CLECs in Tennessee are AT&T, Birch Telecom, XO Communications (NextLink), MCI Metro, NewSouth Communications, and US LEC. Each of these carriers has an approved interconnection agreement with BellSouth, and each provides facilities-based service to either (or both) business and residential customers. *See* Exhibit JAR-8. Indeed, these carriers alone serve over 274,475 business lines and over 4,200 residential lines on a facilities basis. These numbers are expected to increase in the near future in light of MCI WorldCom's announcement on April 16, 2002 that it will immediately begin offering "The Neighborhood", an unlimited calling plan for local and domestic long distance for residential users, in Nashville, Memphis, Knoxville and Chattanooga, Tennessee.

[14] CLEC line share % based on CLECs' lines divided by total lines. Total lines equals CLECs' lines plus BellSouth access lines.

The CLEC line share range evidenced in Tennessee simply reflects the realities of the marketplace. CLECs specifically target customers that generate high levels of traffic and revenues. Thus, the majority of facilities-based CLECs have first targeted the business segments in the larger US markets.[15] As shown in Tables 1 and 2 above, BellSouth conservatively estimates that CLECs are serving just over 2% of the residential lines in BellSouth's area in Tennessee. Although most CLECs are targeting the business segment and deploying the latest technologies to serve metropolitan areas first, the prospects for benefits to residential consumers are very good. Increased choices for consumers are evident from the numerous CLECs offering residential service in Tennessee. The telephone directories, upon CLEC request, are required to include contact information for CLECs serving their areas. For example, the directory for Chattanooga lists 33 different competing residential local service providers, the Jackson directory lists 29, the Memphis directory lists 39, the Nashville directory lists 39, and the Knoxville directory lists 35 competitors.

Q. HOW DOES THE LEVEL OF COMPETITION IN TENNESSEE COMPARE TO OTHER STATES WHERE THE FCC HAS APPROVED 271 APPLICATIONS?

A. In Tennessee, BellSouth is experiencing facilities-based competition levels

[15] The ALTS annual report addresses the current state of competitive development: "The business wireline market is one of the most attractive markets for many CLECs. To raise capital and build their networks, CLECs must target customers that offer the greatest rate of return. This strategy is consistent with how the Bell system originally erected its network, first to serve highly concentrated areas …. Such high-volume clients enable CLECs to take advantage of geographic concentration and network scalability. As the industry matures, we will see a greater push into residential markets further expanding the benefits of competition." (ALTS 2001 at 10.)

comparable to the levels reported by other BOCs that have obtained Section 271 approval. The range of estimated CLEC lines for Tennessee, 12.6% to 13.8%, exceeds the range for Oklahoma of 5.5% to 6.3% using the two most comparable estimation methods. The table below provides a comparison of the competitive market in Tennessee to the markets in Kansas, Oklahoma, and Texas.[16] The competitive data for Kansas, Oklahoma, and Texas were filed as a part of the joint affidavit of Gary J. Smith and Mark Johnson (now public record) in SBC's joint Kansas/Oklahoma 271 application.

COMPETITIVE CLEC LINE SHARE			
Kansas (Aug 2000)	**Oklahoma (Aug 2000)**	**Texas (Jan 2000)**	**Tennessee (Feb 2002)**
9.0% - 9.5%	5.5% - 6.3%	8.1% - 8.4%	12.6 – 13.8%

Although BellSouth includes only three states in the above comparison, the level of competition in Tennessee is also comparable to or greater than the level of competition in several of the states that have received more recent 271 approvals. For example, in *ex partes* filed with the FCC in October 2001 in CC Docket No. 01-277 (BellSouth's First Georgia/Louisiana 271 Application), BellSouth presented the following market share data: Arkansas (August 2001 – approximately 8.5%), Missouri (August 2001 – approximately 10 %), Pennsylvania (April 2001 – approximately 13.5%), and Massachusetts (January 2001 – approximately 15%). This data shows that the level of competition in

[16] The range of percentages in the table is the result of several different methodologies used by the BOCs to calculate market share.

Tennessee is also comparable to, or greater than, the levels of competition in several of the states that have received more recent 271 approval from the FCC.

Q. WHAT EVIDENCE EXISTS AS TO THE EXTENT OF FACILITIES-BASED LOCAL COMPETITION IN BELLSOUTH'S AREA?

A. CLEC collocations arrangements are a powerful indicator of the extent of facilities-based local competition in a given area. Where a CLEC is collocated, it has at least "the potential to serve many more customers through the leasing of UNEs."[17]

As of February 2002 in Tennessee, BellSouth's records show a total of 487 completed collocation arrangements for 32 CLECs. See Exhibit JAR-9. Currently 60 wire centers out of a total of 196 in BellSouth's Tennessee service area have at least one completed collocation arrangement. Not surprisingly, CLECs are collocated heavily in the BellSouth wire centers with the highest densities. As shown in Table 3 below, approximately 67% of the completed CLEC collocations are in just 24 BellSouth wire centers. These top 24 wire centers each have 10 or more completed collocations. These wire centers alone serve approximately 39% of BellSouth's total combined access lines. From these 24 wire centers, different facilities-based CLECs can address 35% and 50% respectively of the residential and business access lines in BellSouth's area. Cumulatively, a total of 60 wire centers have one or more collocations

[17] *Development of Competition in Local Telephone Markets*, Report to the Subcommittee on Antitrust, Business Rights and Competition, Committee on the Judiciary, U.S. Senate, January 2000, GAO/RCED-00-38 at 19.

completed that offer the potential for different facilities-based CLECs to address 71% of the total access lines in BellSouth's service area in Tennessee. Overall, one or more completed collocations in these 60 wire centers enable CLECs to address approximately 68% and 79% respectively of BellSouth's total residence and business access lines. *See* Exhibit JAR-9.

TABLE 3 CLEC collocations and lines addressed in BellSouth Wire Centers

Ranking of Wire Centers by Number of CLEC collocations	***Collocations Complete***	***% of BellSouth Residence Lines In Wire Centers***	***% of BellSouth Business Lines In Wire Centers***
Top 24 Wire Centers (10 or more completed)	**325**	**35%**	**50%**
25th–60th Wire Centers (1 to 9 completed)	**162**	**33%**	**29%**
Total	**487**	**68%**	**79%**

Q. WHAT EXTERNAL INFORMATION EXISTS AS TO CLECS' LINES IN THE LOCAL MARKET?

A. As shown above, local competition is a reality in Tennessee. BellSouth's data demonstrates that CLECs are utilizing all three means of competitive entry, facilities based, UNEs and resale to provide business and residential services.

CLECs themselves have recently reported significant gains in Tennessee. For example, the most recent FCC Local Competition Report showed that the percentage of CLEC lines in Tennessee increased by one third from December

2000 to June 2001.[18] Moreover, the CLEC line estimates reported by the FCC are consistent with BellSouth's estimates. Exhibit JAR-8 (confidential version) identifies 7 CLECs that each served approximately 10,000 lines or more in BellSouth's Tennessee service area as of February, 2002. Collectively these 7 CLECs served approximately 291,246 lines or 10% of BellSouth's service area. As of June 30, 2001, eight months earlier, the CLECs themselves reported serving approximately 272,211 lines statewide or a little over 8.0% of the total Tennessee market.[19] Allowing for eight months of growth, and given that only CLECs serving 10,000 lines or more are required to file data with the FCC, and the fact that BellSouth's territory covers the vast majority of the state, BellSouth's line estimates are roughly equivalent to the switched access lines that the CLECs themselves reported serving.

Q. DOES THE LEVEL OF CLEC INVESTMENT INDICATE THAT COMPETITION IS IRREVERSIBLE?

A. Yes. CLECs have invested millions of dollars in developing fiber access and transport facilities and switching capabilities in Tennessee.[20] For instance, the following CLECs have local voice fiber networks in place in Tennessee: Adelphia (Knoxville and Nashville), AT&T (Chattanooga, Knoxville and Nashville), ITC-Delta Com (Chattanooga, Memphis and Nashville),

[18] *Local Telephone Competition: Status as of June 30, 2001*, released February 2002 (Exhibit JAR-11) Table 7. ("*Local Competition Report*") CLECs serving 10,000 lines or more are required to file data twice a year under the FCC's local competition and broadband gathering program (FCC Form 477). The Form 477 was adopted in March 2000 to assist in implementing the pro-competitive, deregulatory provisions of the Act.

[19] See Table 6 and Table 8 of the *Local Telephone Competition Report*. Table 8 indicates that 9 CLECs reported serving 10,000 lines or more as of June 30, 2001.

[20] See Exhibit JAR-12 for information on selected CLECs.

MCI/WorldCom (Knoxville and Memphis), and XO (Knoxville and Memphis).[21] Moreover, the following CLECs have operational voice and or data networks with at least one operational voice switch and or data switch in many of the major Tennessee markets: US LEC (Chattanooga, Knoxville, Memphis and Nashville), NewSouth (Nashville); AT&T (Chattanooga, Knoxville and Nashville), KMC (Chattanooga), BTI (Knoxville), MCI/WorldCom (Knoxville and Memphis), BTI (Knoxville and Nashville), ICG (Memphis), Nuvox (Memphis and Nashville) and Xspedious (Memphis and Nashville). CLECs themselves report that they can and do use their switches to serve very large geographic areas – as large as an entire LATA, an entire state, or even multiple states.[22]

As shown above, facilities-based CLECs have built high capacity state-of-the-art transmission facilities utilizing fiber optic cable that currently service major Tennessee metropolitan areas. CLECs are increasingly using the newest technologies to offer integrated communications services. For instance, NewSouth, a "broadband switched based integrated communications provider, offers a selection of high-speed Internet access, data, local, long distance and enhanced services" to customers through-out Tennessee. See Exhibit JAR-12. NewSouth's mission statement is "to be the dominant super-regional competitive broadband integrated communications provider (ICP)…" in the Southern U.S.[23] Similarly US LEC notes the importance of providing data

[21] See New Paradigm Resources Group, Inc. ("NPRG") CLEC Report 2002, Competitive Last Mile Providers, 15th Edition, November 2001.
[22] UNE FACT Report 2002, Submitted by BellSouth, SBC, Qwest and Verizon in CC Docket Nos. 01-338, 96-98, 98-147 ("*UNE Triennial Review*"), filed April 5, 2002 (Table 7, p. II-8)
[23] NewSouth Communications mission statement. www.newsouth.com/company/mission.asp

services in addition to local and voice services. "Our customers want the convenience and savings that come from having one carrier that can bundle all voice and data services into one T-1 facility." [24]

Q. WHAT HAPPENED TO LOCAL COMPETITION WHEN VERIZON AND SBC ENTERED THE INTERLATA MARKETS IN NEW YORK AND TEXAS, RESPECTIVELY?

A. The entry of Verizon into the New York long distance market and SBC into the Texas long distance market prompted AT&T, WorldCom and Sprint to offer new local exchange service plans in an attempt to win customers from those BOCs. The *FCC's Local Competition Report*[25] supports the fact that states with long distance approval show the greatest competitive activity.

Published reports, including statistics from the *FCC's Local Competition Report*, reflect that Verizon lost 2.8 million lines in New York, compared to 1.2 million lines the prior year, an increase of over 130%, from the time the FCC granted Verizon's long distance application in New York.

According to the *FCC's Local Competition Report*, CLECs in Texas greatly increased their presence in the local marketplace by capturing 12% of the market, gaining over a half million (644,980) end-user lines. This represents an increase of over 60% in customer lines since June 2000, when the FCC

[24] Exhibit JAR-12.

[25] Federal Communications Commission Local Telephone Competition: Status as of December 31, 2000, Released May 21, 2001 ("FCC's Local Competition Report").

authorized SBC's Texas long distance application.

Also according to the *FCC's Local Competition Report*, CLEC market share in New York and Texas (the two states that had 271 approval during the reporting period ending in December 2000) are over 135% and 45% higher than the national average, respectively.

Further, the FCC's report stated that CLECs provided about 35% of their end-user lines over their own local loop facilities. Incumbent Local Exchange Companies ("ILECs") provide about 6.8 million resale lines as of the end of the year 2000, compared to about 5.7 million lines six months earlier, and they provided about 5.3 million UNE loops as of the end of the year 2000, an increase of 62% during the six months. At least one CLEC was serving customers in 56% of the nation's zip codes at the end of the year 2000.

Q. WHAT RELEVANCE DOES INCREASED LOCAL COMPETITION HAVE IN THIS PROCEEDING, OR ANY 271 PROCEEDING, FOR THAT MATTER?

A. The goal of the Act was to increase competitive options to customers in all segments of the telecommunications market. Immediately following the enactment of the Act, only BOCs were precluded from offering a full complement of telecommunications services. Congress developed the requirements that a BOC must meet before being allowed to offer in-region, interLATA service. These requirements were determined as necessary to allow

companies to compete in the local service market.

As discussed above, the significant increase in the level of local competition after Verizon and SBC were allowed entry in the interLATA market provides clear evidence that approval of a BOC's 271 application fosters competition in the relevant telecommunications markets and, therefore, benefits the consumers, the providers and the overall economy.

Q. IN SUMMARY, WHAT ARE YOUR CONCLUSIONS AS TO COMPETITION IN THE TELECOMMUNICATIONS INDUSTRY IN TENNESSEE?

A. This testimony demonstrates that the Tennessee Regulatory Authority, the FCC, BellSouth, and the CLEC industry have been successful in bringing competitive choices to the people of Tennessee. The level of competition demonstrates that BellSouth has provided CLECs access to its network facilities and services in order to enable them to deliver services over their own network facilities; over their own network facilities in combination with elements of BellSouth's network; and through the resale of BellSouth-provided service offerings. CLECs have invested, and continue to invest, millions of dollars in their own facilities. The level of CLEC investment in local competition in Tennessee provides additional assurance that state-of-the-art alternatives for ILECs' local exchange service will continue. Competition is well established, broadly based and irreversible.

PART IV: COMPLIANCE WITH THE COMPETITIVE CHECKLIST

Q. SECTION 271(c)(2)(B) OF THE ACT REFERS TO A "COMPETITIVE CHECKLIST." WHAT IS THE COMPETITIVE CHECKLIST?

A. The competitive checklist is a list of fourteen requirements (often called "points") related to "access or interconnection provided or generally offered" to other telecommunications carriers with which a BOC must comply in order to meet the requirements of Section 271(c)(2)(B). The checklist identifies the necessary functions of interconnection, access to UNEs and resale of telecommunications services that Congress determined should be made available to fully open the local exchange market to competition. The fourteen (14) requirements address the following:

(1) Interconnection;

(2) Nondiscriminatory Access to Network Elements;

(3) Nondiscriminatory Access to Poles, Ducts, Conduits and Rights-of-way;

(4) Unbundled Local Loops;

(5) Unbundled Local Transport;

(6) Unbundled Local Switching;

(7) Nondiscriminatory Access to:

I. E911/911 services

II. Directory Assistance

III. Operator Call Completion Services;

(8) White Pages Directory Listings;

(9) Nondiscriminatory Access to Telephone Numbers;

(10) Nondiscriminatory Access to Databases and Signaling;

(11) Number Portability;

(12) Local Dialing Parity;

(13) Reciprocal Compensation Arrangements; and

(14) Resale.

Q. WHAT HAS BELLSOUTH LEARNED AS A RESULT OF ITS LAST ORDER FROM THE FCC IN A 271 FILING?

A. On October 13, 1998, the FCC released its Memorandum Opinion and Order in CC Docket 98-121 denying BellSouth's application to provide interLATA services originating in *Louisiana*.[26] In its Second BellSouth Louisiana Order (at ¶ 8), the FCC found that BellSouth satisfied the following checklist items:

(3) Nondiscriminatory Access to Poles, Ducts, Conduits and Rights-of-way;

(7) (I) E911/911 Services;

(8) White Pages Directory Listings;

(9) Nondiscriminatory Access to Telephone Numbers;

(10) Nondiscriminatory Access to Databases and Signaling;

(12) Local Dialing Parity; and

(13) Reciprocal Compensation Arrangements.

[26] *Application of BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., for Provision of In-Region, Inter-LATA Services in Louisiana,* CC Docket No. 98-121 Memorandum Opinion and Order (Released October 13, 1998) ("*Second BellSouth Louisiana Order*").

In those areas where the FCC determined that BellSouth's application failed to demonstrate compliance (checklist items 1, 2, 4, 5, 6, 7 (II) and (III), 11 and 14), the FCC provided guidance as to what BellSouth must do to comply with the statute. In addition, the FCC concluded, "the next time BellSouth files for section 271 approval in Louisiana, BellSouth may incorporate by reference its prior showing for these checklist items. BellSouth must, however, certify in the application that its actions and performance at the time are consistent with the showing upon which we base our determination that the statutory requirements for these checklist items have been met." (Second BellSouth Louisiana Order, at ¶ 8). The FCC further ruled that, in future proceedings, any arguments from commenters that BellSouth fails to satisfy a checklist item must relate to new information.

Q. WHAT ARE BELLSOUTH's GENERAL PRICING POLICIES FOR CHECKLIST ITEMS CONCERNING INTERCONNECTION, UNEs, TRANSPORT AND TERMINATION?

A. It is BellSouth's policy to adhere to the pricing requirements set forth in the Act and in the FCC's pricing rules. Section 252(d)(1) of the Act states that interconnection and network element charges must be just and reasonable. Such just and reasonable charges shall be based on the cost (determined without reference to a rate of return or other rate-based proceeding) of providing the interconnection or network element (whichever is applicable). The prices must be nondiscriminatory, and may include a reasonable profit. Section 252(d)(2)(A) of the Act requires that charges for transport and termination of

traffic shall be mutual and reciprocal and be based on a reasonable approximation of the additional costs of terminating such calls. For all checklist items to which Section 252(d) is applicable, BellSouth provides prices that meet the criteria of Section 252(d) of the Act.

Q. WHAT PRICES WILL BELLSOUTH CHARGE FOR INTERCONNECTION, UNEs AND RESALE?

A. The prices that CLECs will be charged for interconnection and UNEs are contained in Attachment 2, Exhibit B to BellSouth's SGAT. (*See* Exhibit JAR-4). The prices for interconnection and UNEs are based on total element long run incremental cost ("TELRIC") methodology, consistent with the requirements of Section 252(d) of the Act and the FCC's pricing rules. The prices contained in Attachment 2, Exhibit B of the SGAT are the same as those approved by the Authority in Docket No. 97-01262 and the rates established in Docket No. 00-00544 in the following orders: (1) Order Adopting Interim Rates, dated November 7, 2000; (2) Second Order Adopting Interim Rates, dated February 5, 2001; and (3) First Initial Order, dated April 3, 2002. Attachment 2, Exhibit B of the SGAT also includes BellSouth's proposed rates that are being considered by the Authority in Docket No. 00-00544. Pursuant to the First Initial Order, BellSouth will file revised cost studies for certain elements. The prices included in Attachment 2, Exhibit B of BellSouth's SGAT will be modified to conform to the final prices that will be established by the Authority.

Regarding resale, in its Final Order dated January 17, 1997 in Docket No. 96-01331 the Authority established a residential and business discount of 16% that applies to resold services. In those situations where the CLEC provides its own operator services functionality, and does not utilize BellSouth's operator services, in Docket No. 96-01152, the Authority established that a wholesale discount of 21.56% would apply instead of the 16% discount. Resale discounts are contained in Attachment 1 to BellSouth's resale and interconnection agreements (*See* Exhibit JAR-3) and in Attachment H of BellSouth's SGAT (*See* Exhibit JAR-4).

Q. WILL BELLSOUTH PROVIDE THE AUTHORITY WITH PERFORMANCE DATA THAT WILL DEMONSTRATE THAT IT IS PROVIDING CLECs ACCESS TO UNEs AND INTERCONNECTION ON A NONDISCRIMINATORY BASIS?

A. Yes. In the testimony of Mr. Varner, BellSouth provides Tennessee performance data based on an interim set of service quality measurements that BellSouth proposes the Authority use to assess BellSouth's compliance with Section 271.

Q. DOES THE ACT ALLOW BELLSOUTH TO DEMONSTRATE COMPLIANCE WITH THE FOURTEEN-POINT COMPETITIVE CHECKLIST THROUGH ITS AGREEMENTS AND/OR ITS SGAT?

A. Yes. BellSouth may demonstrate compliance with the checklist through

agreements approved by the Authority or through an SGAT approved by the Authority.

BellSouth can show checklist compliance through a single interconnection agreement with a new entrant that offers facilities-based local exchange service to both residential and business customers. BellSouth also can combine multiple agreements, which collectively cover the fourteen-point checklist. In addition, the FCC's interpretation of Section 271(d)(3) provides that a combination of agreements in conjunction with the SGAT can be used to meet the checklist requirements.

Q. HOW IS THE REMAINDER OF THIS PART OF YOUR TESTIMONY ORGANIZED?

This part of my testimony discusses and demonstrates the requirements for each checklist item, how BellSouth has met the requirements of each of the individual fourteen-point checklist items, and how BellSouth has addressed the issues identified by the FCC in its Second BellSouth Louisiana Order. Additional demonstration of compliance and analysis regarding the ordering, provisioning, and billing of checklist items are included in the testimony of other BellSouth witnesses.

CHECKLIST ITEM NO. 1: INTERCONNECTION

Q. PLEASE DESCRIBE INTERCONNECTION AS COVERED BY THIS

CHECKLIST ITEM.

A. In accordance with Sections 251(c)(2) and 252(d)(1) of the Act, interconnection allows for the exchange of local traffic between BellSouth and a CLEC over trunks terminated at specified interconnection points.

Q. WHAT ARE THE REQUIREMENTS OF SECTIONS 251(c)(2) AND 252(d)(1) OF THE ACT REGARDING INTERCONNECTION?

A. Section 251(c)(2) of the Act outlines the obligations of ILECs regarding interconnection. Specifically, an ILEC such as BellSouth has the duty to provide interconnection of requesting telecommunications carriers' facilities and equipment with BellSouth's network for the purposes of transmission and routing of telephone exchange service and exchange access. This interconnection must be provided at any technically feasible point and must be at least equal in quality to that provided by the ILEC to itself or any other party to which the ILEC provides interconnection. Section 252(d)(1) of the Act specifies the pricing standards for such interconnection.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING INTERCONNECTION?

A. FCC Rule 51.305 requires that an ILEC must provide, for the facilities and equipment of any requesting telecommunications carrier, interconnection with the ILEC's network. This interconnection is for the transmission and routing of

telephone exchange service and exchange access service at any technically feasible point within the ILEC's network. The points of interconnection within the ILEC's network will include, at a minimum, the line-side of a local switch, the trunk-side of a local switch, the trunk interconnection points for a tandem switch, central office cross-connect points, out-of-band signaling transfer points and access to call-related databases, and the points of access to UNEs. The FCC's *Bell Atlantic New York Order* confirmed that technically feasible methods of interconnection include ILEC provision of interconnection trunking, physical and virtual collocation and meet point arrangements. (¶ 66).

In its *SWBT Order-TX*[27] the FCC stated that,

> [s]ection 251 contains three requirements for the provision of interconnection. First, an incumbent LEC must provide interconnection at any technically feasible point within the carrier's network. Second, an incumbent LEC must provide interconnection that is at least equal in quality to that provided by the local exchange carrier to itself. Finally, the incumbent LEC must provide interconnection on rates, terms, and conditions that are just, reasonable and nondiscriminatory, in accordance with the terms of the agreement and the requirements of [section 251] and section 252. (¶ 61).

Further, the FCC restated that "[t]o implement the equal-in-quality requirement in section 251, the Commission's rules require an incumbent LEC to design and operate its interconnection facilities to meet the same technical criteria and

[27] *Application by SBC Communications, Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communication Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Texas,* CC Docket No. 00-65, Memorandum Opinion and Order, Released June 30, 2000) ("*SWBT Order-TX*").

service standards that are used for the interoffice trunks within the incumbent LEC's network." (*Id.* at ¶ 62). The FCC also concluded that "the requirement to provide interconnection on terms and conditions that are 'just, reasonable, and nondiscriminatory' means that an incumbent LEC must provide interconnection to a competitor in a manner no less efficient than the way in which the incumbent LEC provides the comparable function to its own retail operations." (*Id.* at ¶ 63). In the *SWBT Order-KS/OK*, the FCC concluded that "SWBT provides interconnection at all technically feasible points, including a single point of interconnection, and therefore demonstrates compliance with the checklist item." (¶ 232).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH'S COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that BellSouth failed to make an adequate showing that its collocation offering satisfies the requirements of sections 271 and 251 of the Act stating, "[s]pecifically, we find that BellSouth's SGAT fails to provide new entrants with sufficiently definite terms and conditions for collocation." (¶ 66). Further, the FCC concluded that because BellSouth failed to include specific provisions regarding the terms and conditions for certain aspects of collocation in a legally binding document, BellSouth did not demonstrate that it provides interconnection on rates, terms, and conditions that are just, reasonable, and nondiscriminatory. (*Id.*).

Q. HAS BELLSOUTH ADDRESSED THE FCC's CONCERNS?

A. Yes. The terms and conditions for BellSouth's collocation offering, including installation intervals, are defined clearly and are in conformance with the decisions of the FCC. Through BellSouth's interconnection agreements, as well as through its SGAT and FCC tariff, CLECs can obtain access to BellSouth's physical and/or virtual collocation offerings at legally binding terms and conditions that are just, reasonable and nondiscriminatory. The testimony of BellSouth witnesses Mr. Milner and Mr. Gray describe BellSouth's collocation offerings in detail. BellSouth's performance data, included in this filing, shows that BellSouth provides CLECs with nondiscriminatory performance.

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth's interconnection agreements, as well as its SGAT, provide for interconnection in compliance with the requirements set forth by the FCC. Exhibit JAR-3, attached to my testimony, provides the Authority with a reference tool to review selected agreements that demonstrate BellSouth's compliance with this checklist item.

Q. PLEASE EXPLAIN THE POINT OF INTERCONNECTION ISSUE RAISED BY CLECS.

A. The issue of Point of Interconnection ("POI") designation and the associated financial responsibility has been addressed in numerous recent arbitration cases.

CLECs have argued, incorrectly, that BellSouth is not in compliance with checklist item 1 because of BellSouth's position on this issue. BellSouth agrees that a CLEC has the right to choose as few as one POI per LATA for both the CLEC's originating traffic and BellSouth's originating traffic. BellSouth, however, asserts that a CLEC should be financially responsible for the cost of transporting BellSouth originated traffic outside the local calling area to the CLEC's POI, when the call originates and terminates in the same local calling area.

Q. HOW HAS THE AUTHORITY RULED ON THE POINT OF INTERCONNECTION ISSUE?

A. The Authority addressed the POI issue in the WorldCom arbitration case, Docket No. 00-00309. The Authority's Order, issued April 3, 2002, found as follows: (1) WorldCom has the right to designate the Point(s) of interconnection; (2) WorldCom shall be responsible for delivering calls to the point of interconnection with BellSouth and when WorldCom does not have facilities to transport the call to its own end user then WorldCom should be required to compensate BellSouth for use of BellSouth's network to complete the call and; (3) BellSouth shall be responsible for delivering calls to the POI, as they would with any other LEC, whether it happens to be an ILEC or CLEC. BellSouth will abide by the orders of the Authority on the POI issue.

Q. WHAT HAS THE FCC ORDERED REGARDING THE POINT OF INTERCONNECTION ISSUE?

A. In its *Verizon Pennsylvania Order*,[28] the FCC also addressed this issue. In parargraph 100, the FCC states: "Verizon states that it does not restrict the ability of competitors to choose a single point of interconnection per LATA because it permits carriers to *physically* interconnect at a single point of interconnection ("POI"). Verizon acknowledges that its policies distinguish between the physical POI and the point at which Verizon and an interconnecting competitive LEC are responsible for the cost of interconnection facilities. The issue of allocation of financial responsibility for interconnection facilities is an open issue in our *Intercarrier Compensation NPRM*. We find, therefore, that Verizon complies with the clear requirement of our rules, i.e., that incumbent LECs provide for a single *physical* point of interconnection per LATA. Because the issue is open in our *Intercarrier Compensation NPRM*, we cannot find that Verizon's policies in regard to the financial responsibility for interconnection facilities fail to comply with its obligations under the Act." BellSouth, therefore, also is in compliance with the 1996 Act and the FCC's rules.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 1?

[28] *Application of Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc. for Authorization To Provide In-Region, InterLATA Services in Pennsylvania*, (CC Docket No. 01-138, Memorandum Opinion and Order, Released September 19, 2001) ("*Verizon Pennsylvania Order*").

A. BellSouth requests that the Authority find that BellSouth, as demonstrated by BellSouth's filings in this proceeding, is in compliance with checklist item 1. The access BellSouth provides CLECs to points of interconnection is equal in quality to what BellSouth provides to itself, and it meets the same technical criteria and standards used in BellSouth's network for a comparable arrangement, except where a CLEC requests otherwise. Therefore, the Authority should find BellSouth in compliance with checklist item 1.

CHECKLIST ITEM NO. 2: ACCESS TO NETWORK ELEMENTS

Q. WHAT NETWORK ELEMENTS IS BELLSOUTH ADDRESSING IN ITS DISCUSSION OF CHECKLIST ITEM NO. 2?

A. Access to many of the UNEs that BellSouth offers are included elsewhere in the fourteen-point competitive checklist and are, therefore, discussed with the applicable checklist item. As the FCC noted in its *Second BellSouth Louisiana Order*, for example, checklist item 4 addresses local loop transmission from the central office to the customer's premises, unbundled from local switching or other services; checklist item 5 addresses local transport from the trunk side of a wireline local exchange carrier switch unbundled from switching or other services; and checklist item 6 addresses local switching unbundled from transport, local loop transmission, or other services. (¶¶ 184, 201, 207). As noted by the FCC in its *SWBT Order-TX*, the FCC focused its discussion of this checklist item on "whether SWBT provides access to OSS and to combinations of UNEs in accordance with section 251(c)(3) and our rules." (¶ 91). The FCC

further stated that, "[a]side from OSS, the other UNEs that SWBT must make available under section 251(c)(3) are also listed as separate items on the competitive checklist, and are addressed below in separate sections for each checklist item." (*Id*.).

Q. WHAT ARE THE REQUIREMENTS OF THE ACT REGARDING NONDISCRIMINATORY ACCESS TO NETWORK ELEMENTS?

A. Section 251(c)(3) obligates BellSouth to provide nondiscriminatory access to network elements on an unbundled basis at any technically feasible point under rates, terms and conditions that are just and reasonable. Requesting carriers are allowed to combine elements in order to provide telecommunications services. Section 252(d)(1) of the Act specifies the pricing standard for unbundled network elements. In essence, rates for network elements are considered just and reasonable when they are based on the cost of providing the element, are nondiscriminatory and may include a reasonable profit.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THE COMPONENTS OF THIS CHECKLIST ITEM?

A. In determining whether an ILEC meets the nondiscriminatory standard for each OSS function, the FCC utilizes a two-step process. First, the FCC determines "whether the BOC has deployed the necessary systems and personnel to provide sufficient access to each of the necessary OSS functions and whether the BOC is adequately assisting competing carriers to understand how to implement and

use all of the OSS functions available to them." (*Bell Atlantic New York Order*, at ¶ 87). Next, the FCC evaluates "whether the OSS functions that the BOC has deployed are operationally ready, as a practical matter." (*Id*.).

For OSS functions with a retail analogue, "[t]he BOC must provide access that permits competing carriers to perform these functions in 'substantially the same time and manner' as the BOC." (*SWBT Order-TX*, at ¶ 94). For OSS functions without a retail analogue, "the BOC must offer access 'sufficient to allow an efficient competitor a meaningful opportunity to compete.'" (*Id.* at ¶ 95). A "meaningful opportunity to compete" is assessed by a review of applicable performance standards. (*Id*.). As previously discussed, BellSouth will address this aspect of Checklist Item 2 in Phase II of the OSS docket.

For UNE combinations and access to UNEs, the FCC concluded that, "SWBT provides access to UNEs in a manner that allows requesting carriers to combine those elements, and that SWBT provides access to preexisting combinations of network elements." (*SWBT Order-TX*, at ¶ 216). The FCC based its conclusion on SWBT's evidence of actual commercial usage, and also on SWBT's legal obligation to provide such access. (*Id.*). In its *SWBT Order-KS/OK*, the FCC reaffirmed its position on OSS and UNE combinations as established in the *Bell Atlantic New York Order* and in the *SWBT Order-TX* as referenced above.

In its *Verizon Massachusetts Order*, the FCC concluded that "[i]n at least one interconnection agreement, Verizon offers 'any technically feasible method to access unbundled [n]etwork [e]lements.' Although Verizon has not provided

evidence of a standardized offering for noncollocation methods of combining UNEs, this commitment in an interconnection agreement satisfies the obligation to make available noncollocation options for competing carriers wanting to combine UNEs." (¶ 119).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that BellSouth did not satisfy the requirements of checklist item 2. The FCC concluded that, although BellSouth had made progress in addressing its OSS deficiencies, BellSouth did not demonstrate that it is providing nondiscriminatory access to its OSS. (¶¶ 91-92). The FCC also found that collocation cannot be the only method for combining UNEs provided to CLECs. (*Id.* at ¶¶ 167-168).

Q. HAS BELLSOUTH ADDRESSED THE FCC's CONCERNS?

A. Yes. Access to OSS will be addressed in the testimony of Mr. Pate, Mr. Ainsworth, Mr. Scollard and Mr. McElroy filed in Docket No. 01-00362. Later in my testimony, I discuss BellSouth's provision of UNE combinations.

Q. WHAT NETWORK ELEMENTS DOES BELLSOUTH OFFER TO CLECs ON AN UNBUNDLED BASIS?

A. BellSouth provides CLECs with access to all required network elements and

sub-elements on an unbundled basis, and on standardized terms. Standard offerings include access to local loops and sub-loops, network interface devices ("NIDs"), switching capability, interoffice transmission facilities, signaling networks and call-related databases, OSS functions, high-capacity loops, and dark fiber. As will be discussed under checklist item 7, operator services/directory assistance ("OS/DA") is currently offered in Tennessee as a UNE at TELRIC rates. Details concerning each of these offerings are provided in either the testimony of Mr. Milner in this docket or will be provided by Mr. Pate in Docket No. 01-00362. BellSouth also provides Digital Subscriber Line ("DSL") capable loops, line-conditioning and line-sharing, and BellSouth facilitates line splitting. The testimonies of Mr. Milner, Mr. Latham and Mr. Williams provide more details regarding these offerings.

Q. DOES BELLSOUTH HAVE A LEGALLY BINDING OBLIGATION TO PROVIDE CLECS WITH ACCESS TO UNES SUCH THAT CLECS MAY COMBINE UNES?

A. Yes. The methods used and the terms governing the provision of UNEs for combining by CLECs are contained in BellSouth's interconnection agreements, as well as in the SGAT. There is no difference between BellSouth's provision of UNEs, or associated methods and procedures, to a CLEC for use with the CLEC's own facilities and BellSouth's provision of UNEs that the CLEC may combine. BellSouth does not determine how a CLEC will use the UNEs that BellSouth delivers to the CLEC.

In other words, whether a CLEC uses UNEs in isolation or combines them, access to the UNEs will be provided in the same way. If a CLEC desires additional facilities or services to facilitate its ability to combine UNEs, it may make a request through the Bona Fide Request ("BFR") process. The BFR process will be discussed in greater detail later in my testimony.

Q. PLEASE DESCRIBE THE MEANS BY WHICH A CLEC MAY COMBINE UNES.

A. Pursuant to the Act, FCC rules and the Authority's orders, BellSouth provides CLECs with access to UNEs such that a CLEC may combine the UNEs. In order to combine UNEs, the CLEC may choose virtual or physical collocation or an assembly point arrangement. BellSouth will extend UNEs to a CLEC's virtual or physical collocation arrangement and will terminate those UNEs in such a way as to allow the CLEC to provide cross-connections or other required wiring within the CLEC's collocation arrangement in order to effect the combination. In addition, BellSouth offers an assembly point option for CLECs to combine UNEs. Mr. Milner discusses in greater detail in his testimony the means by which CLECs can combine UNEs.

Q. DOES BELLSOUTH OFFER CURRENTLY COMBINED NETWORK ELEMENTS TO CLECs AT COST-BASED RATES?

A. Yes. BellSouth provides to CLECs, at cost-based rates, network elements that are, in fact, combined in BellSouth's network to the particular location the

CLEC wishes to serve. That is, BellSouth makes combinations of UNEs available to CLECs consistent with BellSouth's obligations under the Act and applicable FCC and the Authority's rules.

Q. PLEASE ADDRESS THE CURRENT STATUS OF THE ILECS' LEGAL OBLIGATION REGARDING COMBINATIONS.

A. In its *UNE Remand Order*[29], the FCC reaffirmed that ILECs presently have no obligation to combine network elements for CLECs when those elements are not currently combined in the ILEC's network. FCC Rules 51.315(c)-(f) that purported to require ILECs to combine UNEs were vacated by the Eighth Circuit Court, and those rules were neither appealed to nor reinstated by the Supreme Court. On July 18, 2000, the Eighth Circuit Court reaffirmed its ruling that FCC Rules 51.315(c)-(f) are vacated.

As the FCC made clear in its UNE Remand Order, Rule 51.315(b) applies to elements that are "in fact" combined, stating that "[t]o the extent an unbundled loop is <u>in fact</u> connected to unbundled dedicated transport, the statute and our rule 51.315(b) require the incumbent to provide such elements to requesting carriers in combined form." (¶ 480, emphasis added). The FCC further declined to adopt a definition of "currently combines," that would include all elements "ordinarily combined" in the incumbent's network (declining to "interpret rule 51.315(b) as requiring incumbents to combine unbundled network elements that

[29] *In the Matter of Implementation of Local Competition Provisions of the Telecommunications Act of 1996*, Third Report and Order CC Docket No. 96-98, FCC 99-238, released November 5, 1999 ("*UNE Remand Order*")

are 'ordinarily combined'…"). (*Id.*).

Q. DOES BELLSOUTH OFFER ORDINARILY COMBINED NETWORK ELEMENTS TO CLECS AT COST –BASED RATES?

A. Yes. Although BellSouth disagrees with the Authority's rulings in Docket Nos. 97-01262 and 99-00430, BellSouth makes available to CLECs in Tennessee network element combinations that are ordinarily combined in its network at cost-based rates.

Q. CAN A CLEC CONVERT SPECIAL ACCESS FACILITIES TO UNBUNDLED NETWORK ELEMENTS?

A. Yes. A CLEC must self-certify that it is providing a significant amount of local exchange service over special access facilities in order to convert these special access facilities to a combination of unbundled loops and unbundled transport as determined by the FCC in its *UNE Remand Order*, and in its *Supplemental Clarification Order* in CC Docket No. 96-98, released June 2, 2000. BellSouth does not require an audit as a precondition to converting special access to UNEs; however, BellSouth may audit a CLEC's records in order to verify the type of traffic being transmitted over this arrangement, which is typically referred to as Enhanced Extended Links ("EELs"). If, based on its audit, BellSouth concludes that a CLEC is not providing a significant amount of local exchange traffic over the facilities, BellSouth may file a complaint with the appropriate regulatory authority.

Q. WHAT ARE BELLSOUTH's PRICES FOR COMBINATIONS OF UNEs?

A. Prices for various combinations of UNEs are set out in Attachment 2, Exhibit B to BellSouth's SGAT (Exhibit JAR-4). To the extent a CLEC seeks to obtain combinations of UNEs that are not listed in their combined form in Attachment 2, Exhibit B of the SGAT, the CLEC may purchase such UNE combinations at the sum of the stand-alone prices of the elements that make up the combination until such time as the Authority establishes permanent rates for these combinations.

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

BellSouth's interconnection agreements, as well as its SGAT, provide for access to network elements in compliance with the requirements set forth by the FCC. Exhibit JAR-3 provides a representative sample of the agreements that BellSouth has entered into with CLECs in Tennessee.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 2?

A. BellSouth requests that the Authority find that BellSouth, as demonstrated by BellSouth's filings in this proceeding, is in compliance with checklist item 2. BellSouth provides access to UNEs and UNE combinations in compliance with

the FCC's rules and the Authority's orders. Therefore, the Authority should find BellSouth in compliance with checklist item 2.

CHECKLIST ITEM NO. 3: POLES, DUCTS, CONDUITS, AND RIGHTS-OF-WAY

Q. WHAT ARE THE REQUIREMENTS OF SECTION 224 OF THE ACT REGARDING THIS CHECKLIST ITEM?

A. Section 224 of the Act outlines the state and federal jurisdiction over the regulation of access to poles, ducts, conduits and rights-of-way and describes the standard for just and reasonable rates for such access.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. Under Rule 1.1403, a utility shall provide any carrier with nondiscriminatory access to any pole, duct, conduit, or right-of-way owned or controlled by it. Notwithstanding this obligation, a utility may deny any telecommunications carrier access to its poles, ducts, conduits, or rights-of-way where there is insufficient capacity or for reasons of safety, reliability and generally applicable engineering purposes.

Q. WHAT DID THE FCC PREVIOUSLY RULE REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that, "BellSouth demonstrates that it is providing nondiscriminatory access to its poles, ducts, conduits, and rights-of-way at just and reasonable rates, terms and conditions in accordance with the requirements of section 224, and thus has satisfied the requirements of checklist item (iii)." (¶ 174).

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth offers through its interconnection agreements, and through its SGAT, nondiscriminatory access to poles, ducts, conduits and rights-of-way at rates that are just and reasonable. Such access is provided via the Standard License Agreement (*see* Exhibit JAR-4, SGAT Attachment D) which complies with Section 224, as amended by the Act, and conforms to the Authority's and the FCC's requirements. See Exhibit JAR-3 for applicable agreement references.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM 3?

A. In the *Second BellSouth Louisiana Order*, the FCC previously found BellSouth to be in compliance with this checklist item. BellSouth's actions and performance are consistent with its previous showing, and nothing material has changed since 1998 that should cause the Authority to reach a different conclusion than the FCC reached in its *Second BellSouth Louisiana Order*.

Additional details concerning BellSouth's poles, ducts, conduits, and rights-of-way offerings can be found in Mr. Milner's testimony. BellSouth provides nondiscriminatory access to poles, ducts and conduits to CLECs at rates, terms and conditions that are the same for Tennessee as those found by the FCC to be compliant in Louisiana. For these and other reasons, BellSouth requests that the Authority find BellSouth compliant with checklist item 3.

CHECKLIST ITEM NO. 4: LOCAL LOOP

Q. DESCRIBE THE TYPES OF LOOPS THAT BELLSOUTH CURRENTLY PROVIDES IN COMPLIANCE WITH CHECKLIST ITEM NO. 4.

A. BellSouth provides CLECs with access to unbundled loops at any technically feasible point with access given to all features, functions and capabilities of the loop; without any restrictions that impair their use; for a CLEC's exclusive use; and in a manner that enables the CLEC to combine loops with other UNEs.

BellSouth makes available to CLECs, on an unbundled basis, all of its loops, including those loops served by Integrated Digital Loop Carrier ("IDLC"). Mr. Milner's testimony provides greater detail regarding loops served by IDLC.

BellSouth provides nondiscriminatory access to the following loop types through its SGAT and interconnection agreements: SL1 voice grade analog lines, SL2 voice grade analog lines, 2-wire ISDN digital grade lines, 2-wire Asymmetrical Digital Subscriber Lines ("ADSL"), 2-wire and 4-wire High-bit-

rate Digital Subscriber Lines ("HDSL"), 4-wire DS1 digital grade lines; 4-wire 56 or 64 Kbps digital grade lines, unbundled copper loops, and higher-capacity unbundled loops.

Q. WHAT ARE THE REQUIREMENTS OF THE ACT REGARDING THIS CHECKLIST ITEM?

A. Section 271(c)(2)(B)(iv) of the Act requires that BellSouth provide local loop transmission from the central office to the customer's premises, unbundled from local switching or other services.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. FCC Rule 51.319(a) requires an ILEC to provide nondiscriminatory access to the local loop. The local loop network element is defined as a transmission facility between the distribution frame in an ILEC central office and the end user's premises (for example, a cable pair from the customer's premises to the main distribution frame of the serving central office).

In its *Bell Atlantic New York Order*, the FCC concluded that in order for a BOC to be found in compliance with this checklist item, it must demonstrate a concrete and specific legal obligation to provide unbundled local loops in accordance with Section 271 requirements. (¶ 273).

Additionally, in its *SWBT Order-TX*, the FCC determined that "the BOC must provide access to any functionality of the loop requested by a competing carrier unless it is not technically feasible to condition the loop facility to support the particular functionality requested." (¶ 248). In order to provide such loops, the BOC may have to perform conditioning on the loop for which it can recover its costs. (*Id*.).

In its *SWBT Order-KS/OK*,[30] the FCC reaffirmed its requirement that a BOC must demonstrate a concrete and specific legal obligation to provide unbundled local loops in order to meet the requirements of this checklist item. Additionally, the FCC concluded that a BOC must also demonstrate that it is currently providing local loops in the quantities that competitors demand and at acceptable quality levels. (¶ 178).

Finally, in its *Verizon Massachusetts Order*,[31] the FCC, in evaluating Verizon's overall performance in providing unbundled local loops in Massachusetts, examined Verizon's performance "in the aggregate (i.e., by all loop types) as well as its performance for specific loop types (i.e., by voice grade, xDSL-capable, line-shared and DS-1 types)." (¶ 122). The FCC further concluded that Verizon provides access to loop make-up information in compliance with the UNE Remand Order, and that Verizon also provides nondiscriminatory access

[30] *Joint Application by SBC Communications, Inc., d/b/a Southwestern Bell Long Distance for Provision of In-Region, InterLATA Services in Kansas and Oklahoma,* CC Docket No. 00-217, Memorandum Report and Order (Released January 22, 2001) ("*SWBT Order-KS/OK*").

[31] *Application of Verizon New England Inc., Bell Atlantic Communications, Inc. (d/b/a Verizon Long Distance), NYNEX Long Distance Company (d/b/a Verizon Enterprise Solutions) And Verizon Global Networks Inc., For Authorization to Provide In-Region, InterLATA Services in Massachusetts,* (CC Docket No. 01-9, Memorandum Opinion and Order, Released April 16, 2001) ("*Verizon Massachusetts Order").*

to stand alone xDSL-capable loops and high-capacity loops. (¶ 124).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC concluded that BellSouth had not provided sufficient persuasive evidence (in the form of performance data) that it meets the requirements of this checklist item. (¶ 189). Specifically, the FCC desired performance data and explanations of that performance data in sufficient detail to demonstrate that BellSouth met the nondiscrimination standard. (¶ 194).

Q. HAS BELLSOUTH ADDRESSED THE FCC's CONCERNS?

A. Yes. As BellSouth demonstrates through its performance data provided in this proceeding, the Authority and the FCC will be able to determine that BellSouth is providing nondiscriminatory access to local loops.

Q. DOES BELLSOUTH OFFER ANY ADDITIONAL COMPONENTS OF LOCAL LOOP TRANSMISSION?

A. Yes. In addition to the unbundled loop, BellSouth provides CLECs with access to unbundled subloop components, as well as loop cross-connects and loop concentration and channelization. Mr. Milner's testimony provides details concerning how a CLEC gains access to subloop elements. BellSouth also

provides CLECs with access to loop make-up information as is required by the FCC in its *UNE Remand Order*. In that order, the FCC clarified that "an incumbent LEC must provide the requesting carrier with nondiscriminatory access to the same detailed information about the loop that is available to the incumbent, so that the requesting carrier can make an independent judgment about whether the loop is capable of supporting the advanced services equipment the requesting carrier intends to install." (¶ 427).

Q. DOES BELLSOUTH PROVIDE LOOP MODIFICATION TO CLECs UPON REQUEST?

A. Yes. BellSouth's Unbundled Loop Modification ("ULM") process provides CLECs with the ability to request that BellSouth modify any existing loop to be compatible with the CLEC's hardware requirements. The ULM process is discussed in more detail in Mr. Latham's testimony. As provided by the FCC in its *UNE Remand Order*, ILECs are allowed to recover the cost of such loop modification. BellSouth's proposed prices for this function are pending before the Authority in Docket 00-00544. An interim rate is set forth in BellSouth's SGAT (see Exhibit JAR-4).

Q. DOES BELLSOUTH PROVIDE CLECs WITH ACCESS TO THE HIGH FREQUENCY PORTION OF THE LOOP?

A. Yes. Consistent with the FCC's *Line-Sharing Order*,[32] where BellSouth is the voice provider, BellSouth provides CLECs with access to the frequency range above the voice band on a copper loop facility. This function is referred to as "line-sharing." As explained in Mr. Williams' testimony, BellSouth allows CLECs to order splitters in two different increments: 96 line unit compliment and 24-line unit compliment. The Authority will establish permanent prices for the line-sharing elements in Docket No. 00-00544. Rates are set forth in BellSouth's SGAT (see Exhibit JAR-4). Mr. Williams' testimony provides additional details of BellSouth's provisioning of line-sharing.

Q. DOES BELLSOUTH FACILITATE LINE SPLITTING?

A. Yes. In its *Line-Sharing Reconsideration Order*,[33] the FCC affirmed that ILECs have an obligation to permit competing carriers to engage in line splitting where the competing carrier purchases the entire loop and provides its own splitter. (¶ 19, emphasis added). When a CLEC is using a UNE-Platform (UNE-P) and wishes to change that to a line splitting arrangement, a splitter has to be inserted between the loop and the port. This means that the loop and the port have to be disconnected from each other, and both the loop and the port then have to be run into the CLEC's collocation space where the loop can be hooked up to the CLEC's splitter.

[32] *Third Report and Order*, CC Docket No. 98-147, *Fourth Report and Order* in CC Docket No. 96-98, Released December 9, 1999 ("*Line-Sharing Order*").
[33] *In the Matter of Deployment of Wireline Services Offering Advanced Telecommunications Capability, Order on Remand*, CC Docket No. 98-147 (Released January 19, 2001) ("*Line-Sharing Reconsideration Order*").

Further, the FCC specifically denied AT&T's request that ILECs be required to continue to provide xDSL services in the event a customer chooses to obtain its voice service from a competing carrier on the same line. (*Id*. at ¶16). In the event a customer terminates its ILEC-provided voice service on a line-shared line, the data CLEC is required to purchase the full stand-alone loop if it wishes to continue providing xDSL service. (*Id.* at ¶ 22). This decision supports BellSouth's position that BellSouth is obligated to provide line-sharing to CLECs only where BellSouth is providing the voice service.

In its *SWBT Order-TX*, the FCC further clarified that:

- Line splitting is defined as a situation where the voice and data service are provided by competing carriers over a single loop, rather than by the incumbent LEC. (¶ 324).
- ILECs have no obligation to furnish the splitter when the CLEC engages in line splitting over the UNE-P. (¶ 327).

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth offers through its agreements, and through its SGAT, nondiscriminatory access to unbundled local loops and subloops. Such access is provided in compliance with the Act, and conforms to the Authority's and the FCC's requirements. See Exhibit JAR-3 for agreement references.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 4?

A. BellSouth requests that the Authority find that BellSouth, as demonstrated by BellSouth's filings in this proceeding, is in compliance with checklist item 4. BellSouth makes local loop transmission available on an unbundled basis in compliance with FCC Rule 51.319(a) and with Section 271(c)(2)(B)(iv) of the Act. For these reasons, the Authority should find BellSouth in compliance with checklist item 4.

CHECKLIST ITEM NO. 5: LOCAL TRANSPORT

Q. PLEASE DESCRIBE UNBUNDLED LOCAL TRANSPORT AS COVERED BY THIS CHECKLIST ITEM.

A. There are two types of local transport, namely dedicated and shared (also called "common"), that are covered by this checklist item**.** Dedicated transport involves transmission facilities dedicated to a specific customer or carrier that provide telecommunications between wire centers owned by the ILEC or requesting telecommunications carriers, or between switches owned by ILECs or requesting telecommunications carriers. Shared transport involves transmission facilities shared by more than one carrier, including the ILEC, between end office switches, between end office switches and tandem switches, and between tandem switches, in the ILEC's network. BellSouth is not

obligated to construct new transport facilities at a CLEC's request where BellSouth has not deployed facilities for its own use.

Q. WHAT ARE THE REQUIREMENTS OF THE ACT REGARDING THIS CHECKLIST ITEM?

A. Section 271(c)(2)(B)(v) of the Act obligates BellSouth to provide local transport from the trunk side of the wireline local exchange carrier switch unbundled from switching or other services.

Q. WHAT DOES THE FCC REQUIRE FOR COMPLIANCE WITH CHECKLIST ITEM NO. 5?

A. FCC Rule 51.319(d) requires a BOC to offer dedicated and shared transport as defined by the FCC. In the *Bell Atlantic New York Order*, the FCC stated that its requirement that "BOCs provide both dedicated and shared transport to requesting carriers." (¶ 337). The FCC further stated that Bell Atlantic's performance data indicated that it was providing transport to CLECs in a nondiscriminatory manner. (¶ 338).

In its *SWBT Order-TX*, the FCC confirmed the obligation to provide dedicated and shared transport and cited SBC's performance data as being indicative of compliance with this checklist item. (¶¶ 331-333).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that BellSouth demonstrated that it provided transport on terms and conditions consistent with the FCC's directives. (¶ 202). However, the FCC did not approve this checklist item on the grounds that BellSouth failed to submit persuasive evidence, such as performance data, specifically measuring the provisioning of dedicated and shared transport facilities. (¶ 206).

Q. HAS BELLSOUTH ADDRESSED THE FCC's CONCERNS?

A. Yes. BellSouth's performance data provides the Authority and the FCC the data necessary to determine that BellSouth is providing nondiscriminatory access to local transport.

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth offers through its interconnection agreements and through its SGAT nondiscriminatory access to unbundled local transport. Such access is provided in compliance with the Act and conforms to the Authority's and the FCC's requirements. See Exhibit JAR-3, attached to my testimony, for agreement and SGAT references.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 5?

A. BellSouth requests that the Authority find that BellSouth, as demonstrated by BellSouth's filings in this proceeding, is in compliance with checklist item 5. BellSouth offers unbundled local transport on the trunk side of a wireline local exchange carrier switch unbundled from switching or other services. BellSouth offers CLECs both dedicated and shared transport, as the FCC has defined it. Further, BellSouth offers dedicated and shared transport to carry originating access traffic from, and terminating access traffic to, customers to whom the CLEC is also providing local exchange service. BellSouth also provides CLECs with the data to bill the associated access charges. Thus, the Authority should find BellSouth in compliance with checklist item 5.

CHECKLIST ITEM NO. 6: LOCAL SWITCHING

Q. PLEASE DESCRIBE LOCAL SWITCHING AS DEFINED BY THIS CHECKLIST ITEM.

A. Local circuit switching is the network element that provides the functionality required to connect the appropriate originating lines or trunks wired to the Main Distribution Frame ("MDF"), or to the digital cross-connect panel, to a desired terminating line or trunk. The most common local circuit switching capability involves the line termination (port) and the line side switching (dial tone) capabilities in the central office. The functionality of BellSouth's local circuit

switching offering includes access to all of the features, functions, and capabilities provided for the particular port type, including features inherent to the switch and the switch software and includes access to vertical features, such as Call Waiting. Local circuit switching also provides access to additional capabilities such as common and dedicated transport, out-of-band signaling, 911, operator services, directory services, and repair service.

The packet switching capability network element is defined as the basic packet switching function of routing or forwarding packets, frames, cells or other data units based on address or other routing information contained in the packets, frames, cells or other data units, and the functions that are performed by Digital Subscriber Line Access Multiplexers ("DSLAMs"), including but not limited to: (1) the ability to terminate copper customer loops (that include both a low-band voice channel and a high-band data channel, or solely a data channel); (2) the ability to forward the voice channels, if present, to a circuit switch or multiple circuit switches; (3) the ability to extract data units from the data channels on the loops; and (4) the ability to combine data units from multiple loops onto one or more trunks connecting to a packet switch or packet switches.

Q. WHAT IS REQUIRED BY THE ACT TO BE IN COMPLIANCE WITH CHECKLIST ITEM NO. 6?

A. Section 271(c)(2)(B)(vi) of the Act requires that BellSouth make available local switching unbundled from local transport, local loop transmission, or other services.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. FCC Rule 51.319(c) requires unbundling of local and tandem switching capabilities. In the *Bell Atlantic New York Order*, the FCC concluded that Bell Atlantic demonstrated compliance with checklist item 6, through its provision of: 1) line-side and trunk-side facilities; 2) basic switching functions; 3) vertical features; 4) customized routing; 5) shared trunk ports; 6) unbundled tandem switching; 7) usage information for billing exchange access, and 8) usage information for billing for reciprocal compensation. (¶ 346; see also *SWBT Order-TX*, at ¶ 339; and *SWBT Order-KS/OK*, at ¶ 242).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC determined that BellSouth must make available all vertical features that the switch is capable of providing, whether or not BellSouth offers a particular feature on a retail basis. (¶¶ 210-211). The FCC also found that BellSouth failed to demonstrate sufficiently that CLECs are able to order customized routing efficiently. As a consequence, the FCC determined that BellSouth did not demonstrate that it is capable of making customized routing practically available in a nondiscriminatory manner. (¶ 223). Another area of concern addressed by the FCC in its *Second BellSouth Louisiana Order* pertains to whether BellSouth had the necessary billing

procedures in place and had demonstrated that CLECs are provided timely and accurate usage information, or a reasonable surrogate for this information, necessary to enable billing for exchange access services. (¶¶ 232-234).

Q. HAS BELLSOUTH ADDRESSED THE FCC's CONCERNS?

A. Yes. As discussed in detail in the testimony of Mr. Milner and Mr. Scollard, BellSouth has resolved the concerns raised by the FCC regarding this checklist item in its *Second BellSouth Louisiana Order*. In summary, BellSouth provides all vertical features that the switch is capable of providing whether or not BellSouth offers a particular feature on a retail basis. BellSouth also makes available two methods of customized routing, as well as required usage data.

Q. WHAT DOES BELLSOUTH PROVIDE IN COMPLIANCE WITH THIS CHECKLIST ITEM?

A. BellSouth provides CLECs with local circuit switching as defined above on an unbundled basis. A CLEC can purchase unbundled switching separately from the other unbundled components needed to complete a local call. BellSouth also offers switch ports and associated usage unbundled from transport, local loop transmission, and other services.

Further, switch ports are offered with access to all available vertical features that are loaded in the software of the switch. A single vertical feature may include more than one switch capability. Pursuant to the BFR process,

BellSouth will work with CLECs to provide features that are loaded in the switch but that are not currently activated, as well as those features not currently loaded in the switch. The testimony of Mr. Milner address BellSouth's local switching offer in more detail.

Q. WHAT DOES BELLSOUTH OFFER WITH REGARD TO SWITCH FEATURES NOT CURRENTLY LOADED IN A SWITCH?

A. Upon request, BellSouth will provide to a CLEC switch features that are not currently loaded in the switch provided that the CLEC is willing to pay the additional costs involved (*e.g.* additional right-to-use fees, programming costs to the manufacturer and internal costs to adapt BellSouth's systems to accept an order for the new feature). In addition to this issue of cost, there may be feature interaction restrictions of which the CLEC needs to be aware. For these reasons, BellSouth requires the CLEC to submit a BFR so that the parties can explore all related issues.

Q. DOES BELLSOUTH LIMIT A CLEC's USE OF LOCAL CIRCUIT SWITCHING TO LOCAL TRAFFIC?

A. No. Requesting carriers may use local circuit switching to carry any type of traffic that the carrier is authorized to carry. The carrier may provide interstate and intrastate exchange access to customers for whom the carrier provides local service. CLECs purchasing unbundled local circuit switching are entitled to

collect the associated switched access charges from interexchange carriers ("IXCs").

Q. PLEASE DESCRIBE BELLSOUTH's PROVISION OF UNBUNDLED PACKET SWITCHING.

A. BellSouth will provide unbundled packet switching in accordance with the FCC's rules. In its *UNE Remand Order*, the FCC expressly declined "to unbundle specific packet switching technologies incumbent LECs may have deployed in their networks." (¶ 311). Consistent with FCC Rule 51.319(c)(5) regarding packet switching, BellSouth is only required to provide unbundled packet switching when all of the following conditions have been satisfied:

1) The incumbent LEC has deployed digital loop carrier systems, including but not limited to, integrated digital carrier or universal digital loop carrier systems; or has deployed any other system in which fiber optic facilities replace copper facilities in the distribution[34] section (*e.g.*, end office to remote terminal, pedestal or environmentally controlled vault);
2) There are no spare copper loops capable of supporting the xDSL services the requesting carrier seeks to offer;
3) The incumbent LEC has not permitted a requesting carrier to deploy a Digital Subscriber Line Access Multiplexer at the remote terminal, pedestal or environmentally controlled vault or other interconnection point, nor has the requesting carrier obtained a virtual collocation

[34] The Rule uses the term "distribution," but then defines distribution using the definition of "feeder."

arrangement at these subloop interconnection points as defined under Section 51.319(b); and,

4) The incumbent LEC has deployed packet switching capability for its own use.

Q. HAS THE AUTHORITY PREVIOUSLY ADDRESSED BELLSOUTH'S OBLIGATIONS REGARDING PROVISION OF UNBUNDLED PACKET SWITCHING?

A. Yes. In the Intermedia Arbitration Case, Docket No. 99-00948, in its Order dated June 25, 2001, the Authority found that BellSouth is required to provide access to packet switching capabilities as an unbundled network element only when the limited circumstances identified in FCC Rule 51.319(c)(5) exist.

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO COMPLY WITH THIS CHECKLIST ITEM?

A. BellSouth offers unbundled local circuit switching through its agreements, as well as its SGAT. Exhibit JAR-3 provides interconnection agreement and SGAT references. If any existing interconnection agreements treat vertical features associated with unbundled switch ports as retail services, those agreements will be amended at the request of the CLEC.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 6?

A. BellSouth requests that the Authority find that BellSouth, as demonstrated by BellSouth's filings in this proceeding, is in compliance with checklist item 6. BellSouth provides CLECs with local circuit switching on an unbundled network element basis in compliance with the Act, and with the FCC's rules and requirements. BellSouth further demonstrates its compliance with this checklist item through its provision of:

1) line-side and trunk-side facilities;
2) basic switching functions;
3) vertical features;
4) customized routing;
5) shared trunk ports;
6) unbundled tandem switching;
7) usage information for billing exchange access; and
8) usage information for billing reciprocal compensation.

For these reasons, the Authority should find BellSouth in compliance with checklist item 6.

CHECKLIST ITEM NO. 7: NONDISCRIMINATORY ACCESS TO:

(I) 911 AND E911 SERVICES;

(II) DIRECTORY ASSISTANCE SERVICES; AND

(III) OPERATOR CALL COMPLETION SERVICES

Q. WHAT ARE THE REQUIREMENTS OF THE ACT REGARDING THIS CHECKLIST ITEM?

A. Section 271(c)(2)(B)(vii) of the Act requires that a BOC provide nondiscriminatory access to (1) 911 and E911 services; (2) directory assistance services to allow the other carrier's customers to obtain telephone numbers; and (3) operator call completion services.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. FCC Rule 51.217 applies to the components required under checklist item 7 and states in relevant part that an ILEC that provides operator services, directory assistance services or directory listings to its customers shall permit competing providers to have nondiscriminatory access to those services or features with no unreasonable dialing delays.

Additionally, in its *Local Competition First Report and Order*,[35] the FCC determined that, for access to 911/E911 services, access to directory assistance, and access to operator call completion services, the ILEC shall provide nondiscriminatory access to switching capability, including customized routing functions. Paragraph 412 of this Order states that the features, functions and capabilities of the local switch include the same basic capabilities that are available to the ILEC's customers, such as access to 911, operator services and

[35] *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996,* CC Docket No. 96-98, 11 FCC Rcd 15499 (1996) ("*Local Competition First Report and Order*").

directory assistance. Footnote 914 in the Order further states "we also note that E911 and operator services are further unbundled from local switching."

In its *UNE Remand Order*, the FCC determined that ILECs need not provide access to their operator services and directory assistance services on an unbundled basis if the ILEC provides customized routing. The FCC, however, determined that all ILECs must continue to provide nondiscriminatory access to their operator services and directory assistance services pursuant to Section 251(b) of the Act. (¶¶ 441, 442).

In its *Bell Atlantic New York Order*, the FCC concluded that "[c]ompeting carriers may provide operator services and directory assistance by either reselling the BOC's services or by using their own personnel and facilities to provide these services." (¶ 353).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that "BellSouth again demonstrates that it is providing nondiscriminatory access to 911/E911 services, and thus satisfies the requirements of checklist item (vii)(I)." (¶ 236).

Regarding access to directory assistance and operator services, the FCC found that "BellSouth makes a *prima facie* showing that it has a concrete legal obligation to provide such access." (¶ 243). The FCC, however, found that

BellSouth failed to show "that it provides nondiscriminatory access: (1) to BellSouth-supplied operator services and directory assistance; and (2) to the directory listings in its directory assistance databases." (*Id.*).

The FCC concluded that although BellSouth submitted performance data demonstrating nondiscriminatory access, "BellSouth has not separated the performance data between itself and competing carriers. It may be that such disaggregation is either not technically feasible or unnecessary given the method by which competing carriers' customers access BellSouth's operator services and directory assistance." (*Id.* at ¶ 245). Finally, the FCC concluded that "[i]n any future application, if BellSouth seeks to rely on such performance data to demonstrate compliance, it should either disaggregate the data or explain why disaggregation is not feasible or is unnecessary to show nondiscrimination." (*Id.*).

Q. HOW HAS BELLSOUTH ADDRESSED THE FCC's CONCERNS?

A. With respect to nondiscriminatory access to OS/DA, Mr. Milner explains in his testimony why performance data regarding such access does not need to be disaggregated between wholesale and retail. In addition, Mr. Milner explains BellSouth's provision of customized routing and discusses the different branding options available to CLECs.

Q. HOW DOES BELLSOUTH COMPLY WITH CHECKLIST ITEM NO. 7 WITH RESPECT TO OFFERINGS FOR DIRECTORY ASSISTANCE ("DA") SERVICES?

A. BellSouth's DA service is available on a nondiscriminatory basis to CLECs providing local exchange service to end user customers in exchanges served by BellSouth. CLECs can provide their end users with the same access to BellSouth's DA service using the same 411 dialing pattern as BellSouth provides its retail customers. BellSouth includes CLECs' listings in BellSouth's DA databases. When a CLEC that is reselling BellSouth service desires to establish a local telephone line with the provisioning of DA, the service is provided in the same time and manner as is done for BellSouth retail customers under BellSouth's retail tariffs. BellSouth will make the telephone numbers of subscribers of facilities-based CLECs available for Intercept Service and will also include those subscribers' telephone numbers and calling card numbers in BellSouth's Line Information Database ("LIDB"). The testimony of Mr. Milner discusses BellSouth's directory assistance offering in more detail and demonstrate BellSouth's compliance with this checklist item.

Q. AT WHAT RATES DOES BELLSOUTH PROVIDE ACCESS TO ITS DIRECTORY ASSISTANCE SERVICES?

A. BellSouth's Directory Assistance Services rates are set out in Attachment 2, Exhibit B to BellSouth's SGAT (*see* Exhibit JAR-4).

Q. HOW DOES BELLSOUTH COMPLY WITH CHECKLIST ITEM NO. 7 WITH RESPECT TO OFFERINGS FOR OPERATOR CALL COMPLETION SERVICES?

A. BellSouth provides CLECs and their subscribers nondiscriminatory access to operator services pursuant to Section 251(b)(3) of the Act. BellSouth's call processing includes: Call Assistance and Call Completion services; Alternate Billing Services such as third number, calling card, and collect; verification and interruption of a busy line; and operator transfer service. Facilities-based CLECs can obtain access to BellSouth's operator call processing by connecting their point of interface via a trunk group to BellSouth's operator services system. Mr. Milner's testimony provides additional detail regarding BellSouth's operator services offerings.

Q. AT WHAT RATES DOES BELLSOUTH PROVIDE ACCESS TO ITS OPERATOR SERVICES?

A. BellSouth's Operator Services rates are set out in Attachment 2, Exhibit B to BellSouth's SGAT (*see* Exhibit JAR-4).

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth offers through its agreements, and through its SGAT, nondiscriminatory access to its 911 and E911 services, directory assistance

services and operator call completion service. Such access is provided in compliance with the Act, and conforms to the Authority's and the FCC's requirements. See Exhibit JAR-3 for agreement and SGAT references.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 7?

A. BellSouth requests that the Authority find that BellSouth, as demonstrated by BellSouth's filings in this proceeding, is in compliance with checklist item 7. BellSouth provides CLECs with nondiscriminatory access to 911/E911 services, operator call completion services, and directory assistance services, as required in the FCC's rules and the Act. Therefore, BellSouth requests that the Authority find that BellSouth meets the requirements of checklist item 7.

CHECKLIST ITEM NO. 8: WHITE PAGES DIRECTORY LISTINGS

Q. WHAT ARE THE REQUIREMENTS OF THE ACT REGARDING THIS CHECKLIST ITEM?

A. Section 271(c)(2)(B)(viii) of the Act requires that a BOC provide or generally offer to other telecommunications carriers access or interconnection to "[w]hite pages directory listings for customers of the other carrier's telephone exchange service."

Section 222(f)(3)(A) and (B) of the Act defines subscriber list information as

any information "(A) identifying the listed names of subscribers of a carrier and such subscribers' telephone numbers, addresses, or primary advertising classifications (as such classifications are assigned at the time of the establishment of such service), or any combinations of such listed names, numbers, addresses, or classifications; and (B) that the carrier or an affiliate has published, caused to be published, or accepted for publication in any directory format."

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. In its *Bell Atlantic New York Order*, the FCC concluded that in order to satisfy the requirements of this checklist item, a BOC must demonstrate that it is providing for customers of competitive LECs white pages directory listings that are nondiscriminatory in appearance and integration. Additionally, these listings must have the same accuracy and reliability that the BOC provides for its own customers. (¶ 360; see also *SWBT Order-TX*, ¶ 354; and *SWBT Order-KS/OK*, ¶ 246).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that BellSouth had demonstrated that it provides white pages directory listings for customers of CLECs' telephone exchange service, and for that reason satisfied the

requirements of checklist item 8. (¶ 253). The FCC further concluded that BellSouth's SGAT and agreements provide a concrete and legal obligation to provide white page listings to competitors' customers. (¶ 254). Finally, the FCC found that for a BOC to be in compliance with this checklist item, the BOC must provide white pages directory listings for a competing carrier's customers with the same accuracy and reliability that it provides for its own customers, "and that BellSouth has submitted sufficient evidence to demonstrate that it is satisfying this requirement." (¶ 257).

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth offers through its agreements, as well as its SGAT, white pages listings (subscriber name, address and telephone number) for customers of CLECs. See Exhibit JAR-3 for agreement and SGAT references.

Q. HOW DOES BELLSOUTH PRICE WHITE PAGES LISTINGS?

A. As evidenced by BellSouth's agreements and SGAT, BellSouth provides in the white pages, free of charge, the primary listing information, in standard format, for customers of resellers or facilities-based carriers. Additional and optional listings are available at rates set out in BellSouth's General Subscriber Service Tariff ("GSST"). If these services are being resold, the state-established wholesale discount applies. BellSouth also includes and maintains CLEC subscriber listings in BellSouth's directory assistance database free of charge.

The testimony of Mr. Milner discusses BellSouth's white pages listings offering in more detail.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 8?

A. The FCC previously found BellSouth to be in compliance with this checklist item. BellSouth's actions and performance are consistent with its previous showing, and nothing material has changed since 1998 that should cause the Authority to reach a different conclusion than the FCC reached in its *Second BellSouth Louisiana Order*. For these reasons, BellSouth requests that the Authority find BellSouth compliant with checklist item 8.

CHECKLIST ITEM NO. 9: NONDISCRIMINATORY ACCESS TO TELEPHONE NUMBERS

Q. WHAT ARE THE REQUIREMENTS OF THE ACT REGARDING THIS CHECKLIST ITEM?

A. Section 271(c)(2)(B)(ix) of the Act provides that, until the date by which telecommunications numbering administration guidelines, plans or rules are established, ILECs must provide nondiscriminatory access to telephone numbers for assignment to the other carrier's telephone exchange service customers.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. In its *Bell Atlantic New York Order*, the FCC restated its previous designation of NeuStar, Inc. ("NeuStar") as the North American Numbering Plan Administrator ("NANPA") and maintained that a BOC cannot assign telephone numbers to itself or to CLECs. Further, the FCC concluded that a BOC must demonstrate that it adheres to these industry numbering administration guidelines, and the FCC's rules, including accurate reporting of data, to be compliant with this checklist item. (¶ 363; see also *SWBT Order-TX*, ¶ 360).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that "BellSouth demonstrates that it has provided nondiscriminatory access to telephone numbers for assignment to other carriers' telephone exchange customers, and thus BellSouth has satisfied the requirements of Checklist Item (ix)." (¶ 262).

Q. HAS ANYTHING CHANGED SINCE THE FCC's FINDINGS WERE MADE?

A. Yes. At the time the FCC found BellSouth to be in compliance with checklist item 9, BellSouth was the code administrator for its region for central office code assignment and Numbering Plan Administration. However, during

February 1998 Lockheed-Martin assumed all NANPA functions. Subsequently, on November 17, 1999, NeuStar assumed all NANPA responsibilities when the FCC approved the transfer of Lockheed-Martin's Communication Industry Service division to NeuStar. The testimony of Mr. Milner explains, in more detail, the evolution of the code administrator responsibility and the ultimate transition from BellSouth to NeuStar.

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth offers through its agreements, as well as its SGAT, nondiscriminatory access to telephone numbers. See Exhibit JAR-3 for interconnection agreement and SGAT references.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 9?

A. The FCC previously found BellSouth to be in compliance with this checklist item. BellSouth's actions and performance are consistent with its previous showing, and nothing material has changed since 1998 that should cause the Authority to reach a different conclusion than the FCC reached in its *Second BellSouth Louisiana Order*. BellSouth adheres to industry guidelines and complies with FCC rules adopted pursuant to Section 251(e) of the Act. For these reasons, BellSouth requests that the Authority find BellSouth compliant with checklist item 9.

CHECKLIST ITEM NO. 10: CALL RELATED DATABASES AND ASSOCIATED SIGNALING

Q. WHAT ARE THE REQUIREMENTS OF THE ACT REGARDING THIS CHECKLIST ITEM?

A. Section 271(c)(2)(B)(x) provides that an ILEC must offer nondiscriminatory access to databases and associated signaling necessary for call routing and completion. Databases and associated signaling refer to call-related databases and signaling systems that are used for billing and collection or for the transmission, or other provision, of a telecommunications service.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. FCC Rule 51.319(e) requires that an ILEC provide CLECs with nondiscriminatory access to signaling networks and call-related databases. When a requesting carrier purchases unbundled switching, the ILEC must provide access to its signaling network from that switch in the same manner in which the ILEC obtains such access itself. For a carrier that has its own switching facilities, the ILEC will provide access to the ILEC's signaling network for each of the carrier's switches in the same manner the ILEC connects one of its own switches. For query and database response, the ILEC will provide access to its call-related databases by means of physical access.

In its *UNE Remand Order*, the FCC clarified that the definition of call-related databases "includes, but is not limited to, the calling name ("CNAM") database, as well as the 911 and E911 databases." (¶ 403).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that BellSouth demonstrated that it is providing nondiscriminatory access to databases and associated signaling necessary for call routing and completion and thus satisfies the requirements of checklist item 10. (¶ 267).

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth's agreements, as well as its SGAT, provide for nondiscriminatory access to BellSouth's signaling networks and call-related databases used for call routing and completion. See Exhibit JAR-3 for interconnection agreements and SGAT references.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 10?

A. The FCC previously found BellSouth to be in compliance with this checklist item. BellSouth's actions and performance are consistent with its previous showing, and nothing material has changed since 1998 that should cause the Authority to reach a different conclusion than the FCC reached in its *Second BellSouth Louisiana Order*. As discussed in detail in Mr. Milner's testimony, BellSouth provides CLECs with nondiscriminatory access to databases and associated signaling at rates, terms and conditions, found to be compliant by the FCC in Louisiana. For these reasons, BellSouth requests that the Authority find BellSouth compliant with checklist item 10.

CHECKLIST ITEM NO. 11: NUMBER PORTABILITY

Q. WHAT IS NUMBER PORTABILITY AS COVERED BY THIS CHECKLIST ITEM?

A. Number portability is a service arrangement that allows end user customers to retain, at the same location (or at a nearby location that is served by the same BellSouth central office), their existing telephone numbers when switching from one telecommunications carrier to another facilities-based telecommunications carrier.

Q. WHAT ARE THE REQUIREMENTS OF THE ACT WITH RESPECT TO CHECKLIST ITEM NO. 11?

A. Section 271(c)(2)(B)(xi) of the Act requires that BOCs provide interim local number portability "[u]ntil the date by which the Commission [FCC] issues regulations pursuant to section 251 to require [permanent] number portability…" and "[a]fter that date, full compliance with such regulations." Section 251(b)(2) of the Act lists number portability as an obligation of all LECs. As a LEC, BellSouth has the duty to provide, to the extent technically feasible, number portability according to requirements prescribed by the FCC. The Act requires that number portability be provided without impairing quality, reliability, or convenience for the customer.

Q. WHAT ARE THE FCC RULES AND REQUIREMENTS WITH REGARD TO NUMBER PORTABILITY?

A. The FCC issued regulations regarding number portability on July 2, 1996.[36] FCC Rule 52.27 provides for the deployment of transitional measures for number portability. FCC Rule 52.23 provides for the deployment of long-term database methods for number portability by LECs, referred to as permanent LNP. LNP must support network services, features and capabilities existing at the time number portability is implemented. LNP must efficiently use number resources and may not require end users to change their phone numbers or telecommunications carriers to rely on databases or other network facilities or services provided by other telecommunications carriers to route calls to the terminating destination. In addition, service quality and network reliability

[36] *First Report and Order and Further Notice of Proposed Rulemaking,* CC Docket No. 95-116, ("*First Number Portability Order*") Issued July 2, 1996.

should be maintained when number portability is implemented and when customers switch carriers.

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that BellSouth failed to provide persuasive evidence that it meets this requirement. (¶ 276). The FCC found that more detailed performance data was required to demonstrate that BellSouth coordinates the provisioning of interim number portability with the provisioning of unbundled loops. (¶ 283).

The FCC also found that "BellSouth is engaging in, and the Louisiana Commission has approved, practices that may not comply with the FCC's pricing rules and competitive neutrality guidelines, such as assessing all the incremental costs of interim number portability on the competitive LEC, and not sharing the terminating access revenue from calls to ported numbers." (*Second BellSouth Louisiana Order*, at ¶ 289).

In its *Second BellSouth Louisiana Order*, the FCC referenced its *Third Number Portability Order*,[37] that instituted rules to allow an ILEC to recover its permanent LNP costs in two federally tariffed charges: 1) a monthly end-user charge to take effect no earlier than February 1, 1999, that lasts no longer than

[37] *Third Report and Order in* CC Docket No. 95-116 ("*Third Number Portability Order*"), Issued May 12, 1998.

five years, and 2) an inter-carrier charge for query-services that ILECs provide other carriers. The FCC found that "BellSouth has recently filed its long-term number portability query tariff, which is the subject of a pending Commission tariff investigation, and any end-user charge it tariffs with the Commission will take effect no earlier than February 1999." (¶ 294).

Finally, the FCC concluded that in any future application for in-region interLATA authority under Section 271, BellSouth must demonstrate that it is complying with the FCC's rules on the pricing of interim and long-term number portability. (*Second BellSouth Louisiana Order*, at ¶¶ 289, 294).

Q. HAS BELLSOUTH ADDRESSED THE FCC's CONCERNS?

A. Yes. BellSouth's performance data will demonstrate nondiscriminatory provisioning and coordination of LNP, and unbundled loop requests. In accordance with the FCC's *Third Number Portability Order*, BellSouth has an approved tariff for the end user line charge and the query charge. The testimony of Mr. Milner provides more detail on BellSouth's compliance with this checklist item.

Q. WHAT HAS CHANGED SINCE THE FCC's 1998 ORDER?

A. The FCC mandated that BellSouth and all facilities-based CLECs implement LNP in designated metropolitan statistical areas ("MSAs") in the BellSouth region. Implementation was completed in BellSouth's share of the top 100

MSAs by December 31, 1998. As of November 19, 2001, 100% of the BellSouth switches in Tennessee and 100% of the access lines served by BellSouth in Tennessee are LNP capable.

Q. WHAT ARE THE FCC's REQUIREMENTS REGARDING CONVERSION FROM INP TO LNP?

A. In its *Second Number Portability Order*[38] (¶ 16) and in Rule 47 CFR 52.27(d), the FCC states, "LECs must discontinue using transitional number portability methods in areas where a long-term number portability method has been implemented." This statement was in response to concerns expressed by GTE that CLECs might want to continue using interim LNP, even after permanent LNP is available (Id., ¶ 15). The FCC made it clear that all telecommunications service providers must convert to permanent LNP, once available.

Q. WAS THERE A TRANSITION PERIOD FOR CONVERSION FROM INP TO LNP?

A. Yes. Through industry committees, agreement was reached between BellSouth and participating CLECs that all interim number portability arrangements in the original 100 MSAs would be targeted to convert to permanent number portability within 90 days after the end date for LNP in a given MSA. This

[38] *Second Memorandum Opinion and Order on Reconsideration in* CC Docket 95-116 ("*Second Number Portability Order*"), Issued October 20, 1998.

conversion period was subsequently extended to 120 days to provide CLECs additional time to convert from INP to LNP.

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth's interconnection agreements and SGAT describe BellSouth's provisioning of number portability. See Exhibit JAR-3 for interconnection agreement and SGAT references.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 11?

A. BellSouth requests that the Authority find that BellSouth, as demonstrated by BellSouth's filings in this proceeding, is in compliance with checklist item 11. BellSouth provides INP and LNP consistent with the Act and the FCC's regulations. Additionally, BellSouth has an approved tariff for the end user line charge and the query charges. Therefore, the Authority should find BellSouth in compliance with checklist item 11.

CHECKLIST ITEM NO. 12: DIALING PARITY

Q. WHAT ARE THE REQUIREMENTS OF THE ACT WITH REGARD TO DIALING PARITY?

A. Section 251(b)(3) of the Act addresses the responsibility of the ILEC to provide dialing parity by defining it as "[t]he duty to provide dialing parity to competing providers of telephone exchange service and telephone toll service, and the duty to permit all such providers to have nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listing, with no unreasonable dialing delays."

Q. WHAT ARE THE FCC RULES REGARDING LOCAL DIALING PARITY?

A. FCC Rule 51.205 requires a LEC to provide local dialing parity to competing providers with no unreasonable dialing delays. Dialing parity shall be provided for all services that require dialing to route a call. Rule 51.207 states that a LEC shall permit telephone exchange service customers within a local calling area to dial the same number of digits to make a local call, notwithstanding the identity of the customer's or the called party's telecommunications service provider.

In its *Bell Atlantic New York Order*, the FCC concluded that "[c]ustomers of competing carriers must be able to dial the same number of digits the BOC's customers dial to complete a local telephone call. Moreover, customers of competing carriers must not otherwise suffer inferior quality service, such as unreasonable dialing delays, compared to the BOC's customers." (¶ 373; see also *SWBT Order-TX*, ¶ 374).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that BellSouth demonstrated that "it provides nondiscriminatory access to such services as are necessary to allow a requesting carrier to implement local dialing parity in accordance with the requirements of section 251(b)(3), and thus satisfies the requirements of checklist item (xii)." (¶ 296).

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. BellSouth's interconnection agreements, as well as its SGAT, provide for local dialing parity. See Exhibit JAR-3 for interconnection agreement and SGAT references. There is no charge for local dialing parity beyond the charges for the facilities and services otherwise used by the CLEC.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 12?

A. The FCC previously found BellSouth to be in compliance with this checklist item. BellSouth's actions and performance are consistent with its previous showing, and nothing material has changed since 1998 that should cause the Authority to reach a different conclusion than the FCC reached in its *Second BellSouth Louisiana Order*. BellSouth provides dialing parity to CLECs in Tennessee on terms and conditions that are the same for Tennessee as those found to be compliant by the FCC in Louisiana. For these reasons, BellSouth

requests that the Authority find BellSouth compliant with checklist item 12.

CHECKLIST ITEM NO. 13: RECIPROCAL COMPENSATION

Q. WHAT DOES THE ACT REQUIRE WITH RESPECT TO RECIPROCAL COMPENSATION?

A. Section 251(b)(5) of the Act requires local exchange carriers to enter into reciprocal compensation arrangements for the transport and termination of telecommunications. Section 252(d)(2) of the Act establishes a standard for just and reasonable prices for reciprocal compensation such that each carrier receives mutual and reciprocal recovery of costs associated with the transport and termination on each carrier's facilities of calls that originate on the network facilities of the other carrier. The rates shall be set on the basis of a reasonable approximation of the additional costs of terminating such calls.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. Reciprocal compensation applies to telecommunications traffic, which is defined by the FCC in its April 27, 2001 Order as:[39]

> (1) Telecommunications traffic exchanged between a LEC and a

[39] *Order on Remand and Report and Order in the matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Intercarrier Compensation for ISP-Bound Traffic,* CC Dockets 96-98 and 99-68, Released April 27, 2001, ("*Intercarrier Compensation Order*").

telecommunications carrier other than a Commercial Mobile Radio Service ("CMRS") provider, except for telecommunications traffic that is interstate or intrastate exchange access, information access, or exchange services for such access (see FCC 01-131, paras. 34, 36, 39, 42-43); or

(2) Telecommunications traffic exchanged between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area, as defined in § 24.202(a) of this chapter. [Amended FCC Rule 51.701(b)(1) and (2)].

Amended FCC Rule 51.701(e) defines a reciprocal compensation arrangement as "one in which each of the two carriers receives compensation from the other carrier for the transport and termination on each carrier's network facilities of telecommunications traffic that originates on the network facilities of the other carrier."

Q. HOW HAS THE FCC ADDRESSED THE AFFECT THAT A CARRIER's POSITION CONCERNING PAYMENT OF RECIPROCAL COMPENSATION ON INTERNET-BOUND TRAFFIC HAS ON ITS COMPLIANCE WITH THIS CHECKLIST REQUIREMENT?

A. The FCC has been clear that intercarrier compensation for traffic bound for Internet Service Providers ("ISPs") is not relevant to demonstrating compliance with this checklist item. For example, in its *Bell Atlantic New York Order*, the FCC noted that "[i]nter-carrier compensation for ISP-bound traffic, however, is

not governed by section 251(b)(5), and, therefore, is not a checklist item." (¶ 377).

Further, in its *SWBT Order-TX*, the FCC, in addressing Allegiance's concerns regarding inter-carrier compensation for ISP-bound traffic, the FCC concluded that "[b]ecause Allegiance does not allege that SWBT fails this checklist item, and also because this issue i[s] before us again due to the court's remand, we do not address it in the context of a 271 application." (¶ 386).

Also, in its *SWBT Order-KS/OK*, the FCC once again confirmed its prior position regarding reciprocal compensation for ISP-bound traffic. The FCC stated that "[u]nder a prior Commission order, ISP-bound traffic is not subject to the reciprocal compensation provisions of section 251(b)(5) and 252(d)(2); therefore, as we stated in our *Bell Atlantic New York Order*, whether a carrier pays such compensation is irrelevant to checklist item 13." (¶ 251).

Finally, as determined by the FCC in its *Intercarrier Compensation Order*, intercarrier compensation for traffic delivered to enhanced service providers (which includes traffic delivered to Internet Service Providers), is not subject to the reciprocal compensation provisions of section 251(b)(5). BellSouth will treat such traffic consistent with the requirements for compensation set forth in the *Intercarrier Compensation Order*.

In its *Intercarrier Compensation Order,* the FCC gave individual ILECs the ability to "opt" into the FCC's phased-in regime that will govern intercarrier

compensation for ISP-bound traffic over the next three year, if the ILEC agrees to exchange all 251(b)(5) traffic at the designated ISP compensation rates. BellSouth has determined that it will "opt" into this plan and pay all 251(b)(5) traffic at the designated ISP compensation rates set forth by the FCC.

Q. HOW ARE CLEC COMPLAINTS REGARDING PAYMENT OF RECIPRICAL COMPENSATION FOR TANDEM SWITCHING RELATED TO CHECKLIST ITEM 13 COMPLIANCE?

A. Some CLECs have raised an issue with regard to the appropriate intercarrier compensation rate to be paid for tandem switching. In compliance with the FCC's requirements, BellSouth will pay the tandem switching rate if the CLEC's switch serves a geographic area comparable to BellSouth's tandem switch. The issue of whether the CLEC's switch actually serves a comparable geographic area, however, is relevant only to the extent that the CLEC declines BellSouth's offer to exchange 251b)(5) traffic at the same rate as ISP traffic.

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC found that BellSouth demonstrated that it (1) has reciprocal compensation arrangements in accordance with section 252(d)(2) in place, and (2) is making all required payments in a timely fashion. (¶ 299).

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. Reciprocal compensation arrangements are provided for in BellSouth's interconnection agreements, as well as through its SGAT. See Exhibit JAR-3 for interconnection agreement and SGAT references.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 13?

A. The FCC previously found BellSouth to be in compliance with this checklist item. According to the FCC, intercarrier compensation for traffic bound for ISPs is not relevant to demonstrating compliance with this checklist item. BellSouth's actions and performance are consistent with its previous showing, and nothing material has changed since 1998 that should cause the Authority to reach a different conclusion than the FCC reached in its *Second BellSouth Louisiana Order*. BellSouth provides reciprocal compensation arrangements to CLECs in Tennessee at terms and conditions that are the same as those found to be compliant by the FCC in Louisiana. For these reasons, BellSouth requests that the Authority find BellSouth compliant with checklist item 13.

CHECKLIST ITEM NO. 14: RESALE

Q. WHAT DOES THE ACT REQUIRE WITH RESPECT TO RESALE?

A. Section 251(c)(4) of the Act requires an ILEC to offer the telecommunications services it provides at retail to subscribers that are not telecommunications carriers for resale at wholesale rates and not to prohibit or impose unreasonable or discriminatory conditions or limitations on such resold services. A State commission, however, can prohibit a reseller from offering a resold service that is available only to one category of subscriber to a different category of subscribers.

Section 252(d)(3) of the Act describes the pricing standard for resold services. The Act describes an "avoided cost" standard such that wholesale rates are determined on the basis of retail rates excluding that portion of marketing, billing, collection and other costs that will be avoided by the local exchange carrier.

Q. WHAT ARE THE FCC's RULES AND REQUIREMENTS REGARDING THIS CHECKLIST ITEM?

A. In its *Bell Atlantic New York Order*, the FCC reiterated its conclusions from the *Local Competition First Report and Order*, stating that "[m]ost significantly, resale restrictions are presumed to be unreasonable unless the LEC 'proves to the state commission that the restriction is reasonable and nondiscriminatory.'" (¶ 379).

In its *SWBT Order-TX*, the FCC found SWBT to be in compliance with this checklist item because it commits to making its retail services, including

customer specific arrangements, available to competing carriers at wholesale rates. (¶ 388). Moreover, according to the FCC, SWBT made such services available to CLECs "without unreasonable or discriminatory conditions or limitations," meaning that SWBT offers CLECs services identical to the services it provides to its retail customers for resale and permits the CLEC to resell those services to the same customer groups in the same manner. (¶ 389).

In its *SWBT Order-KS/OK*, the FCC addressed commenters' claims that the FCC should allow customers in long-term contracts to switch to competing carriers without termination liabilities. The FCC confirmed, "in the *Bell Atlantic New York Order* and the *SWBT Texas Order*, we determined that although termination liabilities could, in certain circumstances, be unreasonable or anticompetitive, they do not on their face cause a carrier to fail checklist item 14." (¶ 253). Indeed, in its UNE Remand Order, the FCC stated that "any substitution of unbundled network elements for special access would require the requesting carrier to pay any appropriate termination penalties required under volume or term contracts." (footnote 985).

Q. WHAT HAS THE FCC PREVIOUSLY RULED REGARDING BELLSOUTH's COMPLIANCE WITH THIS CHECKLIST ITEM?

A. In its *Second BellSouth Louisiana Order*, the FCC concluded that "but for deficiencies in its OSS systems described above, BellSouth demonstrates that it makes telecommunication services available for resale in accordance with sections 251(c)(4) and 252(d)(3). Thus, but for these [OSS] deficiencies,

BellSouth satisfies the requirements of checklist item (xiv)." (¶ 309).

Q. HAS BELLSOUTH ADDRESSED THE FCC's CONCERNS?

A. Yes. As described under checklist item 2, and as will be addressed in Phase II of the OSS docket, BellSouth provides nondiscriminatory access to OSS for resale. Further, BellSouth provides the necessary performance data to allow the Authority and the FCC to determine that BellSouth is offering its tariffed retail telecommunications services to other telecommunications carriers for resale to their end users.

Q. WHERE DOES BELLSOUTH DEMONSTRATE ITS LEGAL OBLIGATION TO PROVIDE THIS CHECKLIST ITEM?

A. Through BellSouth's agreements and SGAT, BellSouth offers its tariffed retail telecommunications services to other telecommunications carriers for resale to their end user customers. A CLEC may resell BellSouth's tariffed retail telecommunications services subject to the terms and conditions specifically set forth in approved agreements and in BellSouth's SGAT. See Exhibit JAR-3 for agreement and SGAT references.

In keeping with the Authority's Second and Final Order of Arbitration Awards,[40] issued January 23, 1997, and with BellSouth's agreements and SGAT, the following terms and conditions apply to the resale of certain services:

1. Promotions. Retail promotions offered for ninety (90) days or less will be excluded from resale. Promotions of more than ninety (90) days will be made available for resale at the stated tariff rate less the wholesale discount, or at the promotional rate. The promotional rate offered by BellSouth will not be discounted further by the wholesale discount rate. These promotions may only be offered to customers who would qualify for the promotion if they received it directly from BellSouth.
2. Grandfathered or Obsoleted. Grandfathered and obsoleted services are available for resale. These services may only be offered to subscribers who have already been grandfathered or currently receive obsoleted services. These services may not be resold to a different group(s) or a new group(s) of subscribers.
3. 911/E911. These services are available for resale.
4. LifeLine or LinkUp. These services are available for resale and may be resold only to subscribers who meet the criteria that BellSouth currently applies to subscribers of these services.

[40] *Before the Tennessee Regulatory Authority, Second and Final Order on Arbitration Awards, In the Matter of the Interconnection Agreement Negotiation Between AT&T Communications of the South Central States, Inc. and BellSouth Telecommunications, Inc.* Docket No. 96-01152, Issued July 23, 1997; and *In the Matter of the Petition of MCI Telecommunications Corporation for Arbitration of Certain Terms and Conditions of a Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection and Resale Under the Telecommunications Act of 1996*, Docket No. 96-01271, Issued July 23, 1997.

5. Contract Service Arrangements ("CSAs"). CSAs are available for resale and may be resold to the specific BellSouth end user for whom the CSA was constructed or to similarly situated end users. End users are similarly situated if their quantity of use and length of contract, and the rates, terms and conditions of service, are the same. If a reseller assumes all of the terms and conditions of a CSA no termination charges will apply to the end user upon the assumption of the CSA.

6. Cross-Class Selling. Cross-class selling is a permissible restriction on the services available for resale.

Q. WHAT WHOLESALE DISCOUNT RATE DOES BELLSOUTH APPLY TO ITS RETAIL SERVICES?

A. In Docket Nos. 96-01152 and 96/01331, the Authority established a resale discount rate of 16% for all services subject to resale. In Docket No. 96-01152, the Authority also established an alternate resale discount rate of 21.56% when operator services and directory assistance are not bundled. The methodology used by the Authority to set the resale discounts employed an avoided cost analysis of expense accounts similar to the methodology (procedure) used by the FCC. A reconstruction of the calculation as described by the Authority is shown as Exhibit JAR-13. The resale discounts also apply to CSAs.

In Attachment 1 of its interconnection agreements and in Attachment H of its SGAT, (*see* Exhibit JAR-4), BellSouth offers the Authority-approved wholesale discount of 16% for residential and business services (or a wholesale discount

of 21.56% when the CLEC provides its own operator services) in Tennessee. Discount rates apply to all tariffed recurring and non-recurring and local and intrastate toll retail (telecommunications) offerings except as discussed previously. Although not required to do so by the Authority, BellSouth will apply the wholesale discount to nonrecurring charges associated with resold services.

Q. IS BELLSOUTH REQUIRED TO OFFER ADVANCED SERVICES FOR RESALE AT A WHOLESALE DISCOUNT?

A. No. The resale obligation is applicable only to telecommunications services offered at retail. (Section 251(c)(4)) In other state 271 proceedings, several CLECs have stated that BellSouth must make its xDSL services available for resale, discounted as required by section 251(c)(4) of the 1996 Act. For example, as support for its claim, SECCA refers to the Court decision in *Association of Communications Enterprises v. FCC.*[41] SECCA's reliance on *ASCENT I* is misplaced and ignores a subsequent decision involving the same parties before the same Court, *Association of Communications Enterprises v. FCC. ("ASCENT II"),* 253 F.3d 29 (D.C. Cir. 2001). Even if the FCC had not made findings on this specific issue, a cursory review of these two *ASCENT* decisions shows that BellSouth does not have to provide ADSL services at a discount in order to satisfy this checklist item.

[41] *Association of Communications Enterprises v. FCC,* 235 F3d 662 (D.C. Cir. 2001*)("ASCENT I").*

Q. HOW HAS THE FCC PREVIOUSLY ADDRESSED THE ISSUE OF RESALE OF ADSL SERVICE?

A. In paragraph 393 of the FCC's *Bell Atlantic New York Order*, addressing Bell Atlantic's ADSL Access Tariff offering, the FCC stated, "we agree with Bell Atlantic that it is not required to provide an avoided-cost discount on its wholesale ADSL offering because it is not a retail service subject to the discount obligations of section 251(c)(4)." BellSouth is in compliance with the FCC's requirements with respect to resale of advanced services. BellSouth's advanced services are available for resale; however, as in the case of Bell Atlantic, an avoided-cost discount is not required because BellSouth's xDSL offering is a wholesale offering, not a retail offering. In addition, BellSouth's interstate tariffed ADSL service is available on lines where CLECs are reselling BellSouth's voice service. Exhibit JAR-14 provides additional detail on BellSouth's ADSL offering.

Also, in the FCC's *Verizon Connecticut Order*,[42] at Footnote 93, the FCC stated, "We are not persuaded by ATG's argument that Verizon should make its bundled offerings that include deregulated CPE and Internet access available for resale. The resale obligation clearly extends only to telecommunications services offered at retail." BellSouth's deregulated Internet service, known as BellSouth® FastAccess® ("FastAccess"), therefore, is not required to be

[42] *Application of Verizon New York Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks Inc., and Verizon Select Services Inc., for Authorization to Provide In-Region, InterLATA Services in Connecticut* (CC Docket No. 01-100, Order FCC01-208, Released July 20, 2001)("*Verizon Connecticut Order*").

offered for resale. Finally, in approving Southwestern Bell's recent application for Section 271 authority in Missouri and Arkansas, the FCC did not require Southwestern Bell to resell its wholesale xDSL service and announced that it will initiate a separate rulemaking proceeding to address the resale of xDSL services under Section 251(c)(4). Thus, the Authority need not address these arguments typically raised by SECCA and other CLECs here. *See Separate Statements of Commissioners Abernathy, Copps and Martin, Joint Application of SBC Communications Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services Inc., d/b/a Southwestern Bell Long Distance Pursuant To Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Arkansas and Missouri*.[43]

Q. PLEASE DISCUSS THE *ASCENT* DECISIONS CITED BY CLECS IN FAVOR OF THEIR POSITION ON RESALE OF ADVANCED SERVICES.

A. The *ASCENT I* decision deals with regulatory relief granted by the FCC regarding resale of advanced services if conducted through the separate affiliate established in the Ameritech and SBC merger. The FCC approved the merger and allowed the new company to offer advanced services through a wholly owned affiliate without a wholesale discount. On appeal, the D.C. Court essentially held that the advanced services sold through the wholly-owned affiliate were "at retail" (one of the resale requirements of the Act), and that the ILEC may not "sideslip §251(c)'s requirements by simply offering telecommunications through a wholly owned affiliate." That is not what is at

[43] Memorandum Opinion and Order, CC Docket No. 01-194, (rel. Nov. 16, 2001).

issue here; the Court's ruling does not require BellSouth to resell its advanced services at a wholesale discount. First, BellSouth has no separate affiliate for the resale of advanced services, and therefore, the decision does not apply to BellSouth.

ASCENT II further substantiates this position. This case involved an FCC Order that ruled that the discount-for-resale provision applies only when an ILEC offers services to an end-user, not when it offers such services to an ISP. The FCC reasoned that the latter offering is not made "at retail" because the ISP then packages the service and ultimately resells the service to end-users. After a thorough analysis, the Court confirmed the FCC's position that xDSL services provided to ISPs are not offered "at retail" and, therefore, are not subject to the discount requirements.

Q. ARE THERE OTHER ISSUES RELATED TO RESALE OBLIGATIONS OF ILECS THAT HAVE BEEN RAISED BY CLECS?

A. Yes. In other state 271 proceedings, SECCA opined that no meaningful competition has emerged for resale because of unattractive economics and because resale does not permit a carrier to innovate or to offer integrated local/long-distance packages. These allegations are based on mistaken assumptions and erroneous data comparisons. SECCA apparently believes that this alleged problem results from BellSouth continuing to assess access charges on its resold lines. As the FCC established in the *FCC's First Report and Order*, at ¶ 980, it is appropriate for BellSouth to charge access charges in this

circumstance. Resale is but one of three options envisioned by Congress for CLECs to enter the local exchange telecommunications market, and there are several CLECs making a business of resale in Tennessee, as shown in Exhibits JAR-5 and JAR-6. If resale is not a viable alternative for some CLECs, however, Congress also provided entry through purchasing network elements from BellSouth or by the CLEC constructing its own facilities. Thus, whether resale permits a carrier to innovate or to offer integrated packages is irrelevant to a determination of BellSouth's compliance with checklist item 14.

Q. WHAT DOES BELLSOUTH REQUEST OF THE AUTHORITY IN REGARD TO CHECKLIST ITEM NO. 14?

A. BellSouth requests that the Authority find that BellSouth, as demonstrated by BellSouth's filings in this proceeding, is in compliance with checklist item 14. Consistent with the Authority's previous rulings, BellSouth provides CLECs with access to its telecommunications services for resale and does not impose unreasonable or discriminatory conditions or limitations on the services. As such, CLECs are able to resell the same services that BellSouth provides to its own retail customers. For these reasons, the Authority should find BellSouth in compliance with checklist item 14.

OTHER ISSUES RELATED TO CHECKLIST ITEMS

Q. BY WHAT MEANS CAN A CLEC OBTAIN UNEs, INTERCONNECTION AND RESALE FROM BELLSOUTH?

A. There are several options available to a CLEC that wishes to interconnect with BellSouth for resale or for access to UNEs. A CLEC may obtain services via BellSouth's SGAT. A CLEC may choose to adopt another CLEC's Authority-approved agreement in its entirety. A CLEC may choose to negotiate specific terms and conditions for certain functions. Finally, BellSouth makes available to CLECs specific provisions of agreements with other telecommunications carriers as required under Section 252(i) of the Act.

In accordance with the FCC's Rule 51.809, BellSouth, through its Most Favored Nations ("MFN") clause (also known as "pick and choose"), makes available to CLECs any individual interconnection, service, or network element contained in any interconnection agreement it has negotiated or arbitrated with another party under the same rates, terms and conditions contained in that agreement. The CLEC must, however, also adopt any rates, terms and conditions that are legitimately related to or were negotiated in exchange for or in conjunction with the portion of the agreement being adopted.

BellSouth is not obligated to provide this "pick and choose" option when it can demonstrate that the costs of providing the interconnection, service or element to a carrier are greater than the costs of providing it to the carrier that originally negotiated the agreement, or when provision of the interconnection, service or element to the requesting carrier is not technically feasible.

Further, BellSouth does not permit a CLEC to adopt an agreement that has less than six months remaining before the agreement is due to expire. BellSouth believes this policy is reasonable given the Act's requirement that a petition for arbitration of unresolved issues must be filed no more than 160 days after a request for negotiation is received. Should a CLEC adopt an agreement with less than six months remaining, there would not be adequate time in which to begin negotiations for a new agreement and to complete the Section 252 process before the agreement the CLEC wishes to adopt expires. BellSouth's policy is consistent with FCC Rule 51.809.

Q. PLEASE ADDRESS THE BFR PROCESS THAT BELLSOUTH PROVIDES IN ADDITION TO ITS AGREEMENTS AND ITS SGAT.

A. To the extent a competitor desires access to a network element, interconnection option, or to the provisioning of any service or product for which specific contractual terms are not already available, the competitor may submit a written BFR to BellSouth. A BFR should identify specifically the requested service date, technical requirements, space requirements and/or such specifications that clearly define the request so that BellSouth has sufficient information to analyze the request and prepare a response. The request should also identify whether it is made pursuant to the Act or solely pursuant to the needs of the CLEC's business plan. If BellSouth is not obligated under the Act to provide the requested element or service, BellSouth will first evaluate whether it will provide the requested capability. If BellSouth decides to offer the capability, the remainder of the Request Process period is used to identify and

communicate the necessary requirements, including an implementation schedule and price.

The BFR process establishes procedures and timeframes for requests so that each party fully understands the progress of each request. For example, the BFR process requires BellSouth to acknowledge in writing, within two business days, its receipt of the BFR, and further requires BellSouth to identify a single point of contact for that request. In most cases, BellSouth will provide a preliminary analysis of the request within 30 days of its receipt. Where this is not possible, BellSouth and the CLEC will agree upon a mutually acceptable date. As soon as feasible, but not more than 90 days after it is authorized by the CLEC to proceed with development of the BFR quote, BellSouth will provide the requesting CLEC a quote that will include at least a description of the item, its availability, the applicable rates and the installation intervals. The requesting party then has 30 days to notify BellSouth of its acceptance or rejection of the proposal.

The BFR process is described in Attachment B of BellSouth's SGAT, (*see* Exhibit JAR-4), and in BellSouth's agreements.

Q. PLEASE DISCUSS THE ISSUES REGARDING SPECIAL ACCESS CONVERSION RAISED BY CLECs IN OTHER 271 PROCEEDINGS.

A. In both state and federal proceedings, several CLECs complained that BellSouth unjustifiably charges tariffed special access rates for interconnection instead of

the cost-based rates in their interconnection agreements. To clarify, in Tennessee, a CLEC must order interconnection trunks and facilities via the Access Service Request ("ASR") process, and would also use the ASR process to order special access services to serve its customer. The same CLEC would use the local service request ("LSR") process to order UNEs to provide local service to its customers. The fact that a CLEC uses the ASR process to order interconnection trunks and facilities, does not result in the CLEC being incorrectly billed access rates instead of local interconnection rates. BellSouth's interconnection agreements specify that in instances where no rate is contained in the agreement, the parties will use rates from the respective access tariffs for billing. Further, in instances where there is a local rate, the billing for interconnection may be apportioned between local and access rates. In a June 1, 2000 letter to all carriers, BellSouth described the billing method and necessary factors to apportion the charges for facilities between jurisdictions. These factors, to be provided by the CLEC, are applied to the interconnection facilities to determine what portion should be billed at local interconnection rates and what portion should be billed at access rates.

Further, CLECs' complaints about paying access tariff rates instead of the lower UNE rates ignore that, in Tennessee, if a CLEC meets the criteria established by the FCC, it can convert its special access service to UNEs and, as a result, pay UNE rates. In June 2000, the FCC released a Supplemental Order Clarification in CC Docket No. 96-98, wherein it stated, in paragraph 8, "[t]herefore, until we resolve the issues in the Fourth FNPRM, IXCs may not substitute an incumbent LEC's unbundled loop-transport combinations for special access services unless

they provide a significant amount of local exchange service, in addition to exchange access service, to a particular customer." Therefore, a CLEC may convert those lines that meet the FCC's restrictions if it so chooses.

Moreover, CLECs have alleged that BellSouth's provision of special access services, should be considered by state commissions and the FCC in a review of BellSouth's 271 applications. Before offering additional explanation, BellSouth would note that the FCC has previously made it clear that provision of special access is not a consideration in the 271 process. As the FCC stated in its *Bell Atlantic New York Order*, "to the extent that parties are experiencing delays in the provisioning of special access services ordered from Bell Atlantic's federal tariffs, we note that these issues are appropriately addressed in the Commission's section 208 complaint process." *Bell Atlantic New York Order* ¶ 341. The FCC's position that special access issues have no relevance in 271 proceedings was reiterated in the FCC's *SWBT Order-TX*. See *SWBT Order-TX* ¶ 335 ("As we found in the *Bell Atlantic New York Order,* we do not consider the provision of special access services pursuant to a tariff for purposes of determining checklist compliance.") The Authority should reach the same result here.

PART V: PUBLIC INTEREST

Q. A NUMBER OF CLECS HAVE CITED AS ANTI-COMPETITIVE BELLSOUTH'S "WIN BACK" CAMPAIGNS. PLEASE RESPOND.

A. Many of the companies that are BellSouth's competitors in the new local service environment are also BellSouth's customers. BellSouth is committed to encouraging competition and presenting a fair environment in which competition may be fostered.

Several CLECs have alleged that BellSouth engages in discriminatory practices with regard to its win back efforts. This is not correct. BellSouth takes any allegations of this nature seriously, and if given sufficient information, endeavors to determine the specific circumstances surrounding each claim. If, however, a CLEC believes that BellSouth has acted inconsistent with its legal obligations, the CLEC is free to raise such allegations with the state public service commissions, the appropriate forum to which such concerns should be brought. Some companies, as discussed briefly below, have chosen to do just that. The allegations with respect to BellSouth's win back policies, however, do not indicate systemic problems and are certainly not grounds for the Authority to find that approval of BellSouth's 271 application is not in the public interest.

It is certainly BellSouth's policy not to condone the disparagement of a competitor or the misuse of wholesale information. Win back efforts, however, are a proper strategy in a competitive market and are an indication of increasing competition and market openness. There would be no need for BellSouth to "win back" customers but for the sizeable number of customers BellSouth has lost to CLECs in each of the states in its region. Furthermore, from a public policy standpoint, win back promotions are a natural outgrowth of the market development contemplated by the Act and supported by the FCC's rules and

requirements. The FCC discussed win back efforts by incumbent local exchange carriers in its September 3, 1999 Order on Reconsideration and Petitions for Forbearance, CC Docket No. 96-149 (Order 99-223). In its Order, the FCC noted that restrictions on win back activities "may deprive customers of the benefits of a competitive market," explaining that:

> Winback facilitates direct competition on price and other terms, for example, by encouraging carriers to "out bid" each other for a customer's business, enabling the customer to select the carrier that best suits the customer's needs. (¶69).
>
> Some commenters argue that ILECs should be restricted from engaging in winback campaigns, as a matter of policy, because of the ILEC's unique historic position as regulated monopolies. Several commenters are concerned that the vast stores of CPNI gathered by the ILECs will chill potential local entrants and thwart competition in the local exchange. We believe that such action by an ILEC is a significant concern during the time subsequent to the customer's placement of an order to change carriers and prior to the change actually taking place. Therefore, we have addressed that situation in Part V.C.3, *infra.* However, once a customer is no longer obtaining service from the ILEC, the ILEC must compete with the new service provider to obtain the customer's business. We believe that such competition is in the best interest of the customer and see no reason to prohibit ILECs from taking part in this practice. (¶70). (Emphasis added.)

During the early part of 2001, BellSouth received complaints from several CLECs related to certain aspects of BellSouth's win back program. In response to such complaints, on April 26, 2001, BellSouth voluntarily suspended all outbound "win back" efforts pending a complete review. The review addressed CLECs' allegations regarding disparagement of competitors and possible misuse of wholesale information by BellSouth's retail units. BellSouth has now completed its investigation and has implemented additional steps to ensure

compliance with all BellSouth internal policies regarding sales and marketing practices as well as applicable statutory and regulatory requirements. Attached as Exhibit JAR/CKC-15 are BellSouth's Comments filed September 7, 2001 and Reply Comments filed September 21, 2001 in Georgia Docket No. 14232-U, Investigation of BellSouth Telecommunications "Win Back" Activities. Attached to the Comments is a report entitled "BellSouth's Win Back Activities Review" that details BellSouth's review and the resulting actions taken.

As a result of rulings in several of BellSouth's states, BellSouth has adopted the use of a 10-day window for refraining from engaging in any Win Back activities in each of its nine states where there is no state commission order that allows something different. This 10-day window begins the date that service has been provided to a customer by a competitive local exchange carrier. During this 10-day window BellSouth does not exchange information within divisions at BellSouth related to notice that certain end users have requested to switch local service providers.

As is discussed in more detail in the 272 Compliance portion of my testimony, BellSouth continues its training efforts with regard to win back. Procedures have been established to assure that both new employees and employees new to affected work groups receive training relative to their obligations under the Act and applicable FCC regulations.

Q. PLEASE DISCUSS THE COMPLAINT RAISED BY XO AND AIN IN TENNESSEE, ASSERTING THAT BELLSOUTH'S MARKETING PRACTICES ARE ANTI-COMPETITIVE.

A. XO Tennessee and Access Integrated Network, Inc. filed complaints in Tennessee concerning BellSouth's Key Business Discount Program and BellSouth's Select Program. The two complaints were consolidated into Docket No. 01-00868[44]. The Initial Order of the Hearing Officer, dated April 16, 2002, found that "BellSouth Telecommunications is fined $169,200 pursuant to Tenn. Code Ann. §65-4-120 for its failure to tariff the Select Program, to charge customer's [sic] the tariff rate, and to provide the Select Program for resale." BellSouth is reviewing the Initial Order and has not yet decided whether to seek reconsideration or appeal of any aspect of the Order. Regardless, the state regulatory authority is the appropriate forum to which such allegations should be brought, not a Section 271 proceeding.

Q. PLEASE DISCUSS THE PRICE SQUEEZE ISSUE THAT AT&T HAS RAISED IN NUMEROUS PREVIOUS 271 APPLICATIONS (INCLUDING THE GEORGIA/LOUISIANA 271 FEDERAL APPLICATION).

A. AT&T alleges that the Bell Operating Company's ("BOC") [in this case BellSouth's] rates effect a price squeeze that prevents UNE-based competitors

[44] *Complaint of XO Tennessee, Inc. against BellSouth Telecommunications, Inc.; Complaint of Access Integrated Networks, Inc. against BellSouth Telecommunications, Inc. ("XO/AIN Complaints).*

from earning sufficient margins to provide local service in competition with the BOC.

In its Order in the *Sprint Decision*[45], the D.C. Circuit Court presented two circumstances when a price squeeze may exist: 1) where an ILEC's UNE rates are above the ILEC's retail rates, or 2) where the margin between the ILEC's UNE rates and the ILEC's retail rates is not sufficient to allow a CLEC to make a profit. The issue addressed in the Court's recent decision involves the appellants' arguments regarding the correlation between UNE rates and low volumes of competitive local residential service. Even broadening AT&T's arguments to encompass both the residential and business markets, a price squeeze inquiry could only be relevant if there is not sufficient local competition in either market in Tennessee. BellSouth's UNE and UNE-P rates certainly offer viable competitors a meaningful opportunity to compete in the local business markets in Tennessee, as demonstrated earlier in this testimony. This testimony here, therefore, addresses only the local residential markets.

Q. IS THE LEVEL OF RESIDENTIAL COMPETITION IN TENNESSEE SUFFICIENT TO PRECLUDE THE AUTHORITY FROM REVIEWING AT&T'S CLAIM FURTHER?

A. Yes, there is residential competition in Tennessee. Using BellSouth's Methods One and Two for estimating CLEC lines, Exhibits JAR-7 and JAR-8 show that CLECs serve approximately 2.1% of the total residential lines in BellSouth's

[45] *Sprint Communications Co. v. FCC*, 274 F.3d 553 (D.C. Cir. 2001) ("*Sprint Decision*").

service area in Tennessee. In the *Sprint Decision*, the Court confined its price squeeze discussion to local markets that "[I]n contrast to . . . New York and Texas," are "characterized by relatively low volumes of residential competition." Because the residential market in Tennessee is somewhat less competitive than these states at the time of their applications, although not conclusive evidence that a price squeeze exists, it may warrant further review by the Authority. As is discussed below, however, viable CLECS have an opportunity to provide residential service in Tennessee with a meaningful profit margin. Therefore, the fact that, in Tennessee, CLECs serve a lower percent of total residential lines, is apparently a business decision based on factors other than BellSouth's wholesale rates.

Q. PART OF THE ARGUMENT IN THE SUGGESTION OF A PRICE SQUEEZE IS THAT BELLSOUTH'S UNE RATES ARE UNREASONABLY HIGH. PLEASE DISCUSS.

A. As the Authority has found, and as is discussed below, BellSouth's UNE rates are cost-based in compliance with the FCC's TELRIC methodology. In Dockets 97-01262 and 00-00544, the Authority has evaluated, and continues to evaluate, not only the cost methodology, but also the inputs, proposed by BellSouth. In some instances, the Authority modified the inputs, which resulted in substantially lower UNE rates than those proposed by BellSouth. As a result, UNE rates included in this application are lower in the band of reasonable TELRIC prices than those proposed by BellSouth. Further, the forward-looking

TELRIC methodology results in costs that are, in fact, less than the actual embedded costs BellSouth incurs to provide local exchange service.

Q. PLEASE DISCUSS THE SECOND CIRCUMSTANCE THAT THE D.C. CIRCUIT COURT RAISED WHERE THE POSSIBILITY OF A PRICE SQUEEZE EXISTS.

A. The D.C. Circuit Court also raises the possibility that a price-squeeze may be present because the ILEC's retail rates may be too low. (p. 8) BellSouth acknowledges that, historically, state regulatory authorities have set relatively low residential rates, especially in rural areas, even though the ILEC's cost per access line is generally higher in rural areas than in urban areas. This is referred to as social pricing – insuring that all consumers have access to basic telecommunications service while allowing the ILEC to make up for the shortfall that results from low rural and residential rates by charging higher rates in other aspects of its business. For example, business local exchange rates have traditionally been set at levels that provide an implicit subsidy to residential rates, and urban local exchange rates often provide implicit subsidy for rural rates. Further, rates for vertical services, access and intraLATA toll have also been set at levels to provide a subsidy to residential local exchange rates.

The social pricing structure discussed above exposes the ILECs' arbitrage vulnerability. To take advantage of this structure, CLECs fully supported (in fact, demanded) deaveraging of rates for UNEs, particularly for the local loop.

Deaveraged UNE rates exhibit an inverse relationship to the retail rates established under "social pricing." Where retail rates are highest in the urban markets, the cost-based TELRIC rates for UNEs are lowest in urban markets. Likewise, where retail rates are lowest in the rural markets, cost-based UNE rates are highest. Deaveraging results in increased profit margins for CLECs in the urban areas where they have primarily chosen to compete. Therefore, it is truly disingenuous for the CLECs to now complain that deaveraged UNE rates in Zones 2 and 3 often exceed the retail rates in those areas.

Because UNE rates are cost-based, the process of deaveraging UNE loops and loop/port combinations (UNE-P) results in lower costs in urban areas (Zone 1) and higher costs in outlying areas (Zones 2 and 3). This deaveraging allows CLECs to pay the lowest UNE rates in the urban areas where BellSouth's retail rates are highest, while either electing not to serve, or to serve via resale, the rural areas where BellSouth's retail rates are lowest. In fact, if CLECs were truly interested in serving all areas of a given state via UNEs, there would have been no reason for the CLECs to request that UNE rates be geographically deaveraged. Simply put, the CLECs wanted (and got) an improved competitive situation in Zone 1 at the expense of Zones 2 and 3.

Q. IS PROVISIONING WITH UNE-P THE ONLY OPTION THAT A CLEC HAS FOR SERVING THE LOCAL RESIDENTIAL TELECOMMUNICATIONS MARKET?

A. No, CLECs have other choices for providing service. If CLECs choose not to provide service by purchasing UNEs, they can buy BellSouth's tariffed services at the resale discounted rate and charge customers at some higher rate. Because the resale rate is calculated as a discount off the retail rate, use of resale provides CLECs a guaranteed margin. Additionally, as the FCC recognized in ¶334 of the First Report and Order in CC Docket 96-98, "some markets may never support new entry through the use of unbundled elements because new entrants seeking to offer services in such markets will be unable to stimulate sufficient demand to recoup their investment in unbundled elements. Accordingly, in these markets carriers will enter through the resale of incumbent LEC services, irrespective of the fact that they could enter exclusively through the use of unbundled elements."

The Act also envisioned CLECs having the option of building their own facilities rather than, or in addition to, purchasing UNEs from BellSouth. As the FCC has stated, the widespread availability of UNEs is intended to be only a "transitional arrangement until fledgling competitors . . . develop a customer base and complete the construction of their own networks." UNE Remand Order ¶6.[46] Further, as Chairman Powell has stated, "I believe that other methods of entry are useful interim steps to competing for local service, but Commission policy should provide incentives for competitors to ultimately offer more of their own facilities."[47] Excessive lowering of UNE rates provides

[46] Third Report and Order and Fourth Further Notice of Proposed Rulemaking, *Implementation of the Local Competition Provisions of the Telecommunications Act of 1996*, 15 FCC Rcd 3696 (1999).

[47] *"Digital Broadband Migration, Part II"*, p. 4, October 23, 2001 Press Conference by Michael Powell, Federal Communications Commission Chairman.

disincentive for CLECs to build their own facilities. Further, lowering UNE rates below cost will not advance the deployment of alternative networks and technologies; it merely allows the CLECs more profit to utilize the existing ILEC network.

Q. DO BELLSOUTH'S UNE-P RATES ALLOW A VIABLE COMPETITOR A MEANINGFUL OPPORTUNITY TO COMPETE?

A. Yes. Table 3 below presents a margin analysis for Tennessee, which demonstrates that a price squeeze is not present in this state. BellSouth's analysis includes revenue for BellSouth's state specific Complete Choice® Offering, which is the appropriate comparison to the cost associated with the UNE-P offering with features. BellSouth's Complete Choice® Service offering is found in Section A3 of BellSouth's GSST, and includes an exchange service access line, plus the following features: Custom Calling Services except Three-Way Calling with Transfer, TouchStar® Service excluding Calling Number Delivery Blocking-Permanent**,** Customized Code Restriction, RingMaster® Service, and Message Waiting Indication. BellSouth's Complete Choice® Service is comparable to Verizon's Unlimited Local Calling Offer used in developing the Rhode Island margin analysis that the FCC found acceptable.[48]

[48] In its *Verizon Rhode Island Order (*CC Docket No. 01-324, Released February 22, 2002), the FCC noted that "[T]he Rhode Island Commission relied on a showing by AT&T that the new rates would result in a wholesale cost of $25.45 for the UNE-Platform, which is lower than the $28.95 price of Verizon's Unlimited Local Calling Offer." Obviously, the FCC found a margin of approximately $3.50 to be acceptable. Verizon's Unlimited Local Calling Offer is comparable to BellSouth's Complete Choice® Service offering.

Table 4 Estimated Connectivity Margin for BellSouth – Tennessee

Costs	**Zone 1**	**Zone 2**	**Zone 3**	**Statewide Average**	
UNE-P (loop/port combo)	$14.18	$18.01	$ 23.02	$ 15.82	
Usage	$ 3.23	$ 3.23	$ 3.23	$ 3.23	Note 1
Features	-	-	-	-	
DUF	$ 1.55	$ 1.55	$ 1.55	$ 1.55	Note 2
Platform-Recurring Cost	**$18.96**	**$22.79**	**$ 27.80**	**$ 20.60**	
Estimated Revenues					
BST's Complete Choice Rate – TN	$29.00	$29.00	$29.00	$ 29.00	
Subscriber Line Charge	$ 5.00	$ 5.00	$ 5.00	$ 5.00	
Access	$ 0.90	$ 0.90	$ 0.90	$ 0.90	Note 2
Total	**$34.90**	**$34.90**	**$34.90**	**$34.90**	
Margin-Complete Choice Residence	**$15.94**	**$12.11**	**$7.10**	**$14.30**	
% (Margin divided by Total Revenue)	**45.7%**	**34.7%**	**20.3%**	**%41%**	
% of BellSouth access lines	**78.9%**	**4.6%**	**16.5%**	**100%**	

Note 1 – BellSouth calculated the average usage cost for TN using the FCC's usage characteristics.

Note 2 - Estimates of ADUF and ODUF messages used in calculation of DUF costs and Access revenues per line per month based on AT&T affiant Lieberman's Affidavit Exhibits D-6 and D-7 filed March 4, 2002 with the FCC in BellSouth's GA/LA Application. ADUF and ODUF rates used are as ordered by the TRA on 2/23/01 in Docket No. 97-01262.

As is demonstrated by the state-specific analysis, Tennessee shows a positive statewide average margin (margin to revenue), as well as a positive margin in Zones 1 and 2 and 3. In each zone, the estimated margin is greater than the margin guaranteed to a CLEC reselling BellSouth's services and availing itself of the Authority ordered wholesale discount.

PART VI: BELLSOUTH TELECOMMUNICATIONS, INC. ("BST") COMPLIANCE WITH SECTION 272 OF THE ACT.

Q. WHERE DO YOU DEMONSTRATE BELLSOUTH'S COMPLIANCE WITH SECTION 272 OF THE ACT?

A. A detailed discussion of BellSouth's compliance with Section 272 of the Act is included in this testimony as Exhibit JAR-16, with Attachments A through V. It is BellSouth's position that the FCC does not look to a state regulatory body to opine as to an ILEC's compliance with Section 272; however, pursuant to the Authority's Order dated September 10, 2001in Docket 97-00309, I am including BellSouth's demonstration of such compliance in my testimony.

PART VII: SUMMARY AND CONCLUSION

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. In my testimony, I have described BellSouth's compliance with the requirements of the Act, with the FCC's Rules, with the Authority's rules and with prior decisions regarding an ILEC's entry into the long distance market.

The fact that CLECs now serve over 377,000 of the total local access lines in BellSouth's Tennessee exchanges proves that BellSouth's markets are open to any CLEC that wishes to provide local service. BellSouth has satisfied the

obligations imposed on it by Congress, the FCC, and the Authority. BellSouth has negotiated agreements in good faith with its competitors to provide equitable local interconnection and wholesale services. BellSouth also makes its agreements and the SGAT available to any competitor who wishes to enter the telecommunications market in Tennessee.

BellSouth has demonstrated that it has a concrete and specific legal obligation to furnish each of the items covered by the fourteen-point competitive checklist. Through Authority-approved agreements, BellSouth is currently furnishing, or is ready to furnish, each checklist item in quantities that competitors may reasonably demand and at an acceptable level of quality. Competition in the local exchange telecommunications market in Tennessee is well established, broad-based and irreversible.

Based on this testimony, the testimony of the other BellSouth witnesses, and BellSouth's performance, BellSouth asks the Authority to do the following:

1) rule that BellSouth has met the requirements of Track A;
2) affirm that BellSouth has met the requirements of the fourteen-point competitive checklist through agreements it has with CLECs operating in Tennessee; and
3) find that BellSouth's SGAT meets the requirements of the Act.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, this concludes my testimony.

AFFIDAVIT

STATE OF: Georgia
COUNTY OF: Fulton

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared John A. Ruscilli –Senior Director – State Regulatory, BellSouth Telecommunications Inc., who, being by me first duly sworn deposed and said that:

He is appearing as a witness before the Tennessee Regulatory Authority in Docket No. 97-00309 on behalf of BellSouth Telecommunications, Inc., and if present before the Authority and duly sworn, his testimony would be set forth in the annexed testimony consisting of 131 pages and 16 exhibit(s).

John A. Ruscilli

Sworn to and subscribed
before me on April 26, 2002

NOTARY PUBLIC

Notary Public, Cobb County, Georgia
My Commission Expires June 19, 2005

JAR-1

Exhibit JAR-1

Glossary

GLOSSARY

ACRONYMN	DEFINITION
ADSL	Asymmetrical Digital Subscriber Line
BFR	Bona-Fide Request
BOC	Bell Operating Carriers
CLEC	Competitive Local Exchange Carrier
CMRS	Commercial Mobile Radio Service
CNAM	Calling Name Database
CSA	Contract Service Arrangements
DA	Directory Assistance
DOJ	Department of Justice
DSL	Digital Subscriber Line
EEL	Enhanced Extended Link
FCC	Federal Communications Commission
GSST	General Subscriber Service Tariff
HDSL	High-Bit-Rate Digital Subscriber Line
IDLC	Integrated Digital Loop Carrier
ILEC	Incumbent Local Exchange Company
INP	Interim Number Portability
ISP	Internet Service Provider
IXCs	Interexchange Carriers
LIDB	Line Information Database
LNP	Long Term Number Portability
MDF	Main Distribution Frame

ACRONYMN	DEFINITION
MFN	Most Favored Nations
MSA	Metropolitan Statistical Area
NANPA	North American Numbering Plan Administrator
NID	Network Interface Device
OS	Operator Services
OSS	Operational Support Systems
SGAT	Statement of Generally Available Terms and Conditions
SWBT or SBC	Southwestern Bell Telecommunications/SBC Communications
TELRIC	Total Element Long Run Incremental Cost
ULM	Ubundled Loop Modification
UNE	Unbundled Network Element
UNE-P	Unbundled Network Element - Platform
XDSL	“X” Digital Subscriber Line

Exhibit JAR-2

Overview of TRA Proceedings

BELLSOUTH PROCEEDINGS BEFORE THE TENNESSEE REGULATORY AUTHORITY

In 1995, the Tennessee General Assembly passed landmark legislation dramatically altering the regulation of the telecommunications industry and opening up that industry to tremendous opportunities for competition. This legislation became effective on June 6, 1995. The Tennessee Regulatory Authority ("TRA" or "Authority") approved its first competing telecommunication services provider certificates in the Fall of 1995 and conducted its first interconnection arbitrations in the Fall of 1996. The TRA has taken its responsibilities under the Telecommunications Act of 1996 and the Tennessee Telecommunications Act of 1995 very seriously and has devoted enormous time and resources to implementing the Acts' requirements in Tennessee. In addition to conducting a number of generic proceedings, the TRA has also conducted numerous interconnection arbitrations between CLECs and BellSouth over the last five years. The following is a description of some of the key proceedings undertaken by the TRA:

I. SECTION 271 PROCEEDING

97-00309	BellSouth Telecommunications, Inc. Entry into Long Distance (IntraLATA) Service in Tennessee Pursuant to § 271 of the Telecommunications Act of 1996.	Section 271 is a critical part of Congress's "pro-competitive, de-regulatory national policy framework" to "open telecommunications markets to competition." Congress intended to create a situation that would allow "everyone to compete in each other's business", which would bring consumers "low cost integrated service with the convenience of having only one vendor and one bill to deal with." Congress set out specific requirements for opening local markets in Sections 251-253 of the Act and made entry into long distance under 271 conditional upon the BOCs doing so. Section 271 was intended to allow a BOC to compete in the interLATA market consistent with the public interest as soon as it had opened the local exchange market. On January 16, 1998, BellSouth filed its Notice of Filing of Statement of Generally Available Terms and Conditions and draft of the application to be filed with the FCC. Thereafter, several pre-hearing conferences and technical workshops were held by the Authority. Following a discovery period and the submission of pre-filed testimony, a hearing on the merits was held on May 5-7, May 11-15, and May 27-28, 1998. On April 8, 1999, BellSouth filed a Notice of Voluntary Dismissal without Prejudice and Withdrawal of Advance Notice of Section 271 Filing ("Notice of Voluntary Dismissal"). On June 1, 1999, the Hearing Officer issued his Initial Order Accepting BellSouth's Notice of Voluntary Dismissal. At the June 8, 1999 Authority Conference, the Directors voted unanimously to accept BellSouth's Notice of Voluntary Dismissal of its Advance Notice and keep the docket open for the original purpose of conducting a formal inquiry to determine BellSouth's compliance with Section 271. On May 30, 2001, BellSouth filed its Preliminary Notice of Filing and Request for Scheduling Conference

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and on July 30, 2001 filed its direct case. A number of additional CLECs intervened in the proceeding. Substantial discovery was propounded to BellSouth. Procedural orders and responses by BellSouth thereto were filed. BellSouth also field a motion to amend the procedural schedule. On March 1, 2002, the TRA entered an Initial Order on BellSouth's Petition to Establish Procedural Schedule.

II. GENERIC PROCEEDINGS

A	00-00544	Petition to Establish UNE prices for line sharing per FCC 99-335 and riser cable and terminating wire as ordered in TRA Docket No. 98-00123	Although the Authority established many permanent UNE rates in Docket 97-01262, rates for various UNEs required by the FCC's UNE Remand Order and Line Sharing Order are currently pending before the TRA in this docket. Hearings have been completed and the parties are awaiting a final rate decision by the TRA. The rates established in Docket No. 00-00544 will be incorporated into the SGAT price list. On May 9, 2000, during a regularly scheduled Authority Conference, the Directors voted unanimously to open a generic docket for the purpose of establishing permanent UNE prices for line sharing per recent orders issued by the Federal Communications Commission. The Authority also requested that all interested parties file cost studies, proposed permanent prices, and proposed terms and conditions for the line sharing, riser cable, and network terminating wire elements by June 30, 2000. Numerous parties sought to intervene in this docket. BellSouth and United/Sprint filed cost studies on June 30, 2000. On July 11, 2000, BlueStar and Covad filed a Motion to Expand Docket No. 00-00544 to Set Rates for Unbundled Copper Loops (UCLs), Loop Conditioning and Access to Loop Make-Up Information. On August 10, 2000, the Pre-Hearing Officer granted BlueStar and Covad's Motion. On August 18, 2000 BellSouth, the Data Coalition (includes BlueStar, Covad, Broadslate and Vectris); MCI and Broadslate collectively filed interim rate proposals. On August 25, 2000, BellSouth, the Data Coalition, MCI, NEXTLINK and Time Warner filed comments on the proposed interim rates. On September 5, 2000, BellSouth filed its supplemental reply. The Data Coalition filed its surrebuttal comments on September 6, 2000, and BellSouth filed its surreply on September 12, 2000. The Authority issued data requests related to the UNE Remand Order elements on September 8, 2000. The Authority first considered interim rates at a regularly scheduled Authority Conference on September

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			26, 2000. During that Conference, the "Directors unanimously adopted interim rates for numerous elements, but declined to adopt interim rates at that time for riser cable, unbundled network terminating wire, and UNE Remand Order elements. In addition, the Authority approved and modified the terms and conditions for line sharing, riser cable, and unbundled network terminating wire proposed by BellSouth. The Authority ordered BellSouth to amend its terms and conditions to allow CLECs to purchase and provide their own splitter, citing the FCC's Line Sharing Order. Lastly, the Authority ordered BellSouth to amend its cost studies. Hearings were held November 27 – December 1, 2000. On February 5, 2001 the Authority issued its Second Order Adopting Interim Rates. The Authority has since issued a number of data requests regarding the studies submitted for consideration. On April 3, 2002, the Authority issued its Final Initial Order instructing BellSouth to make various adjustments to the cost studies filed by BellSouth and Sprint. Revised cost studies are to be filed within 30 days of the order.
B	96-01331	The Avoidable Costs of Providing Bundled Service for Resale by Local Exchange Telephone Companies	The purpose of the Avoidable Costs Hearing was to hear testimony on the issues to be decided in Docket No. 96-01331. At the Status Conference in this matter held on August 28, 1996, and the Pre-Hearing Conferences held in connection with this matter on September 5, 1996 and September 11, 1996, the Directors and the parties determined and agreed that the issues to be decided in Docket No. 96-01331 were 1) what are the appropriate wholesale rates for BellSouth or Sprint-United's retail services for resale? and 2) must appropriate wholesale rates for BellSouth's and/or Sprint-United's services subject to resale equal BellSouth's or Sprint-United's retail rates, less all direct and indirect costs related to retail functions. November 14, 1996, a hearing was held in this matter and the TRA's Final Order was issued on January 17, 1997.
C	01-00193	Establishment of Generic Performance Measurements, Benchmarks and Enforcement Mechanisms for Bellsouth Telecommunications, Inc.	At a regularly scheduled Authority Conference held on February 21, 2001, the Authority voted unanimously to open this docket to develop a common set of performance measurements, benchmarks and enforcement mechanisms to ensure that BellSouth provides nondiscriminatory access to its network elements as required by the Telecommunications Act of 1996. Concurrent with the establishment of this docket, the Authority adopted , as a base, the performance measurements, benchmarks and

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			enforcement mechanisms ordered in the BellSouth/DeltaCom arbitration. On March 1, 2001, the Authority issued a Notice of Filing in which interested parties were invited to submit comments. On May 1, 2001, a Pre-Hearing Conference was held during which the Pre-Hearing Officer with the assistance of the parties established a procedural schedule. Pursuant to this schedule, discovery requests were to be filed by May 7, 2001; objections to discovery requests were to be filed by May 18, 2001; responses to discovery objections were to be filed by May 23, 2001; and responses to discovery requests were to be filed by June 18, 2001. Accordingly AT&T and ATM/Discount filed data requests on May 7, 2001. BellSouth filed its objections to those data requests on May 18, 2001. An Initial Order on Discovery Disputes was issued on June 15, 2001. Direct testimony was filed by all parties on July 20, 2001 and rebuttal testimony was filed August 10, 2001. The hearing was completed the week of August 20-25, 2001. On April 16, 2002, the Authority deliberated the issues in this docket and established a set of performance measures for BellSouth. A written order will be forthcoming.
D	97-01262	Petition to Convene A Contested Case Proceeding to Establish Permanent Prices for Interconnection and Unbundled Network Elements.	The purpose of this docket is to establish cost-based prices for interconnection and unbundled network elements ("UNE's"). The TRA opened this docket as a contested case on July 15, 1997 upon the filing of a petition by BellSouth on June 23, 1997. BellSouth filed its petition as a result of the TRA adopting proxy prices for interconnection and UNEs in the arbitration proceedings between BellSouth and AT&T and BellSouth and MCI. The parties to the arbitration proceedings were to use these proxy prices in the interim period prior to approval of cost-based interconnection and UNE prices. This proceeding was divided into two phases. In Phase I, the Authority determined the adjustments for each cost model presented. The Authority conducted hearings on the issues in Phase I on November 17-21 and 24, 1997 and February 23 and 25-27, 1998. The Directors of the Authority deliberated on the Phase I issues at a regularly scheduled Authority Conference held on June 30, 1998. The Authority issued its First Interim Order on January 25, 1999. In Phase II, the Authority determined the prices for interconnection and UNEs based on the cost studies filed in compliance with the Authority's First Interim Order. The final prices are based on criteria specified by the Federal Telecommunications Act of 1996 and orders issued by the Federal Communications Commission. The Authority's First Interim Order directed the parties

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			to submit modified cost studies. After issuance of the Authority's First Interim Order, on February 4, 1999, BellSouth and MCI filed petitions requesting the Authority to reconsider and clarify specific issues. The parties filed the required cost studies on February 24, 1999. The Authority deliberated on BellSouth's and MCI's petitions at an Authority Conference on April 20, 1999 and modified some of its earlier decisions, as reflected in the Order on Reconsideration. As a part of Phase Two and pursuant to the Authority's First Interim Order and Order on Reconsideration, BellSouth filed its revised TELRIC Calculator Model, and AT&T and MCI filed their revised HAI Model 4.0 on December 1, 1999. On December 13, 1999, the Authority requested comments from the parties on the proposed revised costs studies reflecting the adjustments required by the First Interim Order and the Order on Reconsideration. At a regularly scheduled Authority Conference held on April 25, 2000, the Authority deliberated on and issued its finding regarding the revised cost studies. BellSouth filed its adjusted cost study on June 9, 2000. At the Authority Conference held on August 29, 2000, the Authority considered BellSouth's adjusted cost study and ordered BellSouth to "submit detailed studies showing all the adjustments that it made to comply with the April 25th ruling as it relates to vertical features. On October 2, 2000, BellSouth filed a response to the instructions of the Authority that were provided at the August 29, 2000 Authority Conference. The Authority issued its Final Order on February 23, 2001.
E	01-00362	Docket to Determine the Compliance of BellSouth Telecommunications, Inc.'s Operations Support Systems with State and Federal Regulations	At the regular scheduled Authority Conference held on February 21, 2001, the Authority voted to open this docket to determine the necessity for third party testing, the applicability of testing previously undertaken by Georgia and Florida and BellSouth's ability to demonstrate its compliance with performance measurements through Service Quality Measurements. The Authority split this docket into two phases. The first phase was to address the regionality of BellSouth's OSS and the second phase is to address the reliability of those systems. A hearing on Phase I was conducted on December 3-7, 2001.
F	01-00526	Generic Docket to Establish Generally Available Terms and Conditions for Interconnection	This docket was established on July 13, 2001 for the purpose of resolving issues frequently arbitrated and to produce generally available interconnection terms and conditions that would benefit competition. Pursuant to the Pre-Hearing Officer's Report and Recommendation in this docket, dated March 15, 2002, BellSouth will file

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			a Second Amended Modified Interconnection Agreement as directed by the Authority upon its ruling on the Pre-Hearing Officer's Report and Recommendation. The Pre-Hearing Officer also identified issues to be addressed in a hearing in this docket.
G	01-00339	Generic Docket to Consider Technology Advances and Geographic Deaveraging	This docket was opened pursuant to the Final Order in Docket 97-01262. The Pre-Hearing Officer issued a Report and Recommendation on March 13, 2002, recommending that this docket be retained to address geographic deaveraging and that a new docket be opened to address technology advances. The Recommendation was approved by the Authority on April 16, 2002.

III. INTERCONNECTION ARBITRATIONS

	TRA Dkt. No.	Style of Case	Summary
A	96-01152	Interconnection Agreement Negotiations Between AT&T of the South Central States, Inc. and BellSouth Telecommunications, Inc. Pursuant to 47 U.S.C. § 252.	In its first interconnection arbitration, the TRA issued a 41 page First Order of Arbitration Awards on November 25, 1996 and a 63 page Second and Final Order of Arbitration Awards on January 23, 1997 to resolve some 31 issues. Some of the issues addressed in this Order included: identifying services provided by BellSouth that should be excluded from resale; terms and conditions to be applied to the resale of BellSouth services; standards for performance metrics, service restoration and quality assurance related to services provided by BellSouth for resale and for network elements provided to AT&T by BellSouth; the development of real-time and interactive access via electronic interfaces for unbundled network elements as requested by AT&T to perform pre-ordering, ordering, provisioning, maintenance/repair and billing functions; providing access for AT&T to BellSouth's directory assistance database; identifying what should be considered to be network elements, capabilities or functions and, if so, was it technically feasible for BellSouth to provide these elements to competitive local providers; should AT&T be allowed to combine unbundled network elements in any manner it chooses; must BellSouth make its rights-of-way, poles, ducts and conduits available to AT&T on terms and conditions equal to that which it provides itself; number portability solutions; and interim rates for unbundled network elements. The interconnection agreement between BellSouth and AT&T was submitted to the TRA on February 24, 1997 in accordance with the TRA's Second and Final Order of Arbitration Awards entered on January 23, 1997 and the TRA approved the interconnection agreement on April 29, 1997 to be effective as of February 24, 1997. On March 24, 1997, BellSouth filed an appeal in United States District Court. Ultimately, the Court found that in light of a pending arbitration and other proceedings before the TRA, that action should be closed.

BELLSOUTH PROCEEDINGS BEFORE THE TENNESSEE REGULATORY AUTHORITY

	TRA Dkt. No.	Style of Case	Summary
B	96-01223	Petition of Brooks Fiber Communications of Tennessee, Inc. for Arbitration of the Rates, Terms and Conditions of Interconnection with BellSouth Telecommunications, Inc., Pursuant to Section 252(b) of the Telecommunications Act of 1996	On August 6, 1996 Brooks Fiber filed its Petition for Arbitration with BellSouth consisting of 4 issues. On September 4, 1996 Brooks Fiber filed a Motion to Consolidate the arbitration with the AT&T, MCI and ASCI arbitration. The TRA granted the Motion to Consolidate on September 27, 1996. The Brooks Fiber Interconnection Agreement was approved by the TRA on December 3, 1996 and an Amendment relating to the AT&T arbitration was approved on October 21, 1997.
C	99-00430	Petition of Arbitration of ITC^DeltaCom Communications, Inc. with BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996	On June 11, 1999 ITC^DeltaCom filed its Petition for Arbitration. The petition contained 73 issues, including sub-issues. Several issues were resolved at the Pre-Arbitration Conference held on August 4, 1999, leaving 17 issues open for resolution. The TRA heard testimony related to the issues at a three-day hearing held from November 1, 1999 until November 3, 1999. The Arbitrators resolved most of the issues, but requested final best offers on 4 remaining issues in its Interim Order of Arbitration Award on August 11, 2000. The TRA adopted ITC^DeltaCom's final best offer and requested the parties to resubmit final best offers as to 1 outstanding issue in its Second Interim Order of Arbitration Award dated August 31, 2000. The Arbitrators deliberated all outstanding matters on February 6, 2001 and the TRA issued its Final Order of Arbitration on February 23, 2001. On April 25, 2001 the parties jointly filed a Petition for Approval of the Interconnection Agreement. The TRA's Staff submitted Data Requests on May 25, 2001 and June 6, 2001. The TRA approved this agreement on June 26, 2001.
D	98-00834	Petition by e.spire Communications, Inc. and American Communication Services of Nashville, Inc., for Arbitration of an Interconnection Agreement with BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Telecommunications Act of 1996	On November 25, 1998, e.spire filed a petition for arbitration seeking renegotiation of its existing agreement with BellSouth. On December 11, 1998, e.spire and Intermedia Communications, Inc. ("Intermedia") filed a joint motion seeking to consolidate this arbitration proceeding with the Intermedia arbitration. At the TRA's Conference on January 19, 1999, the TRA approved e.spire's Petition for Arbitration. On April 1, 1999, e.spire filed a letter stating that an agreement had been reached with BellSouth to settle and withdraw its Petition for Arbitration with the TRA. The TRA granted the Withdrawal of the Petition for Arbitration on August 13, 1999. The TRA approved the e.spire Interconnection Agreement on November 7, 2000.

BELLSOUTH PROCEEDINGS BEFORE THE TENNESSEE REGULATORY AUTHORITY

	TRA Dkt. No.	Style of Case	Summary
E	99-00377	Petition by ICG Telecom Group, Inc. For Arbitration of an Interconnection Agreement With BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Telecommunications Act of 1996	On May 27, 1999 ICG filed a Petition for Arbitration with BellSouth. The TRA heard this arbitration on November 22, 1999 and publicly deliberated the matter on March 14, 2000. Prior to the start of the deliberations, the parties informed the Arbitrators that all of the issues raised in the petition had been resolved except for Issue 4, involving the provision of enhanced extended loops and Issue 11, involving BellSouth's reliance on ICG's binding forecasts. On August 4, 2000 the Authority entered a Final Order of Arbitration. The parties were not able to agree on language for Issues 4 and 11 and on August 31, 2000 both parties filed documents containing proposed contract language regarding these two issues. On November 27, 2000 the TRA issued a Clarification of Final Order of Arbitration.
F	99-00948	Petition for Arbitration of the Interconnection Agreement between BellSouth Telecommunications, Inc. and Intermedia Communications, Inc. pursuant to Section 252 (b) of the Telecommunications Act of 1996.	On December 7, 1999, BellSouth filed its Petition for arbitration of the interconnection agreement with Intermedia Communications, Inc. pursuant to Section 252 of the Federal Telecommunications Act of 1996. At the January 26, 2000 Conference, a Pre-hearing Officer was appointed. A Pre-hearing Conference was held on March 2, 2000. The Report and Recommendation of the Pre-Hearing Officer was issued on March 6, 2000. The Directors accepted the Pre-Hearing Officer's Report at the March 14, 2000 Authority Conference. The parties participated in mediation on April 19, 2000. The Arbitrators conducted a hearing in this matter on September 19-20, 2000. As a result of these three events, the parties resolved all but 19 issues. The Arbitrators deliberated the merits of all outstanding issues, except issue 48, which relates to Performance Measurements on February 6, 2001. The TRA issued an Interim Order of Arbitration Award resolving all the remaining issues between the parties with the exception of Issue 48 on June 25, 2001. The parties continued to participate in interconnection negotiations and entered into a Combination Interconnection Agreement so as to allow for the immediate conversion of Intermedia's special access circuits to EELs by BellSouth. The TRA approved the interim Combination Interconnection Agreement on November 21, 2000. On October 9, 2001, the TRA allowed the final interconnection agreement to go into effect in 90 days.
G	96-01271	Petition by MCI for Arbitration of Certain Terms and Conditions of a Proposed Agreement with BellSouth	On August 16, 1996, MCI filed its petition for arbitration with the TRA, pursuant to the Federal Telecommunications Act of 1996. An arbitration hearing was held on October 21-

BELLSOUTH PROCEEDINGS BEFORE THE TENNESSEE REGULATORY AUTHORITY

	TRA Dkt. No.	Style of Case	Summary
		Telecommunications, Inc. concerning Interconnection and Resale under the Telecommunications Act of 1996.	23, 1996, during which time MCI and BellSouth presented testimony in support of their respective positions. On November 14, 1996, the TRA rendered its decision on the issues presented in the arbitration proceedings and directed the parties to submit Final Best Offers on all unresolved issues by November 26, 1996. On November 25, 1996, the TRA issued its written "First Order of Arbitration Awards" memorializing its decision previously announced on November 14, 1996. The TRA, on December 3, 1996, held an arbitration conference to consider the Final Best Offers submitted. On January 23, 1997, the TRA entered its Second and Final Order of Arbitration Awards. On May 6, 1997, the TRA approved the MCI/BellSouth Interconnection Agreement. On June 5, 1997, MCI filed a Complaint for Declaratory and Injunctive Relief in the United States District Court under 47 U.S.C. § 252(e)(6) of the Act. At a status conference held on May 12, 2000 the Court found that in light of pending arbitration and other proceedings before the TRA, the action should be closed.
H	98-00123	Petition of NEXTLINK Tennessee, L.L.C. for Arbitration of an Interconnection Agreement with BellSouth Telecommunications, Inc. Pursuant to 47 U.S.C. § 252.	On February 24, 1998, NEXTLINK filed a petition requesting that the TRA arbitrate certain issues that NEXTLINK and BellSouth had been unable to resolve through voluntary negotiation. After several pre-arbitration conferences, a hearing was held before the Arbitrators on August 24-25, 1998. On October 6, 1998, the Arbitrators deliberated on the merits of this matter and determined that some issues or aspects of those issues should be resolved through the use of Final Best Offers. The parties filed their Final Best Offers on October 21, 1998. BellSouth filed a reply to NEXTLINK's Final Best Offers on October 30, 1998. Hearings were held on August 24-25, 1998. On May 18, 1999, the TRA rendered its Final Order of Arbitration Award. The parties jointly filed the Interconnection Agreement with the TRA on November 5, 1999. At a hearing held on March 28, 2000, the TRA approved the Interconnection Agreement and denied BellSouth's Motion to reject certain provisions of the Interconnection Agreement. On April 24, 2000 BellSouth filed a Motion for Clarification concerning reciprocal compensation for ISP traffic. The TRA issued an order on August 29, 2000 denying BellSouth's Motion for Clarification. On September 28, 2000 BellSouth filed a Complaint and Petition for Judicial Review in the United States District Court. On May 4, 2001 BellSouth filed a Notice of FCC Order and included a notice that the parties settled all remaining issues. On

BELLSOUTH PROCEEDINGS BEFORE THE TENNESSEE REGULATORY AUTHORITY

	TRA Dkt. No.	Style of Case	Summary
			May 31, 2001 the United States District Court issued an Order dismissing the appeal.
I	96-01411	Petition by Sprint Communications Company, L.P. for Arbitration of Interconnection with BellSouth Telecommunications, Inc. Under the Telecommunications Act of 1996	Sprint formally requested interconnection negotiations with BellSouth on April 15, 1996. During the negotiations, the parties identified approximately 250 issues or areas of dispute, and the parties actually resolved the vast majority (about 200) of those issues among themselves. On September 19, 1996, Sprint filed a Petition for Arbitration with the TRA which formally requested arbitration on approximately 50 issues that remained unresolved as of that date. On November 14, 1996, BellSouth and Sprint executed a Stipulation and Agreement whereby Sprint agreed to accept the outcome of AT&T and /or MCI arbitration decisions for its issues which are similar to the AT&T or MCI Issues. The stipulation covers issues such as cost and price, branding, access to unbundled network elements, and electronic system interface requirements. The arbitration conference was held on January 7, 1997. The TRA issued its Final Order of Arbitration Awards on March 26, 1997. Sprint and BellSouth jointly filed their Interconnection Agreement on November 7, 1997. The TRA approved the Interconnection Agreement on December 2, 1997.
J	99-00797	Arbitration of the Interconnection Agreement Between BellSouth Telecommunications, Inc. and Time Warner Telecom of the Mid-South, L.P. Pursuant to Section 252(b) of the Telecommunications Act of 1996	BellSouth filed its Petition for Arbitration with the TRA on October 15, 1999, requesting the TRA to arbitrate one unresolved issue resulting from negotiations between the parties in an effort to enter into a voluntary interconnection agreement. The sole issue presented for arbitration was the appropriate definition of local traffic for the purposes of the parties' reciprocal compensation obligations. The TRA issued its Final Order of Arbitration Award on August 4, 2000. The Interconnection Agreement was filed with the TRA on January 17, 2001. An Amendment to the Interconnection Agreement replacing the local traffic definition was filed with the TRA on April 6, 2001. The TRA approved the Interconnection Agreement and the Amendment thereto by written Order dated April 12, 2001.
K	00-00079	Arbitration of Interconnection Agreement Between AT&T, TCG, and BellSouth	On February 4, 2000, AT&T filed its petition for arbitration. The petition contained 57 issues including sub-issues. At the March 14, 2000 Authority Conference, the Directors accepted the arbitration, appointed themselves as Arbitrators, appointed a Pre-Arbitration Officer, and directed the parties to participate in mediation. On November 21, 2000, the

BELLSOUTH PROCEEDINGS BEFORE THE TENNESSEE REGULATORY AUTHORITY

	TRA Dkt. No.	Style of Case	Summary
			parties filed a joint matrix listing 19 disputed issues. The parties later agreed to resolve one additional issue. On April 9 and 10, 2001, the Directors, acting as arbitrators, conducted a hearing on the unresolved issues. On August 7, 2001, the parties notified the Authority that they had settled two additional issues. The Arbitrators deliberated the merits on all outstanding issues on September 25, 2001 and issued its Final Order of Arbitration Award on November 29, 2001. On December 14, 2001, BellSouth requested reconsideration of six issues and AT&T requested reconsideration of two issues. The Arbitrators issued an order accepting the request on February 26, 2002 and rendered its decision on March 12, 2002.
L	00-00309	MCI and Brooks Fiber Arbitration of Certain Terms and Conditions of Proposed Agreement with BellSouth Concerning Interconnection and Resale	On April 14, 2000, MCI/Brooks Fiber filed its petition for arbitration. The petition contained 12 issues, including sub-issues. At the June 6, 2000 Authority Conference, the Directors accepted the arbitration, appointed themselves as Arbitrators, appointed a Pre-Arbitration Officer, and directed the parties to participate in mediation. On November 13, 2000, the parties filed a joint matrix, and on April 27, 2001, the parties updated the matrix. On May 7 and 8, 2001, the Directors, acting as arbitrators, conducted a hearing on the 28 remaining unresolved issues. The Arbitrators deliberated the merits on all outstanding issues on December 18, 2001, resolving all but three issues and requesting Best and Final Offers to be submitted to the Authority on January 11, 2002. The parties submitted those offers as requested and the Authority deliberated the merits on February 26, 2002. On March 28, 2002, the parties requested permission to submit Best and Final Offers on one additional issue where agreement on contract language could not be reached. The parties submitted the Best and Final for this remaining issue on April 19, 2002.
M	00-00691	Petition of Sprint Communications Company L.P. for Arbitration with BellSouth Telecommunications, Inc. Pursuant to Section 252(b) of the Telecommunications Act of 1996	Sprint filed for arbitration August 7, 2000. BST filed its response on September 9, 2001. The TRA rejected Sprint's Schedule B Issues. Parties agreed that several "Schedule B" issues should be arbitrated. Hearing officer ruled that the performance measurements issues should be moved to the generic docket. All issues were deferred or settled except EELs and new combinations. A Final Order was issued January 24, 2002. On February 26, 2002, the TRA declined to approve negotiated agreement on basis it was inconsistent

**BELLSOUTH PROCEEDINGS BEFORE THE
TENNESSEE REGULATORY AUTHORITY**

TRA Dkt. No.	Style of Case	Summary
		with TRA orders. The agreement was deemed approved on April 24, 2002.

Exhibit JAR-3

Tennessee Checklist

Cross Reference

TENNESSEE CHECKLIST CROSS-REFERENCE

√ List Item	Description	Intermedia	ITC^ DeltaCom	XO (f.k.a NextLink)	COVAD (f.k.a. DIECA)	New South	US LEC	NPCR (CMRS)	SGAT
1 & 13	*Interconnection & Reciprocal Compensation*	Att. 3 Att. 3, Sec. 6	Att. 3 Att. 3, Sec. 6	Att. 3, Sec. 8, as amended in Amendment dated 4/23/01	Att. 3 Att. 3, Sec. 7	Att. 3 Att. 3, Sec. 5	Att. 3 Att. 3, Sec. 8	I-D, p. 4 IV A&B p. 6	Att. 3 Att. 3, Sec. 7
2	*Non-discriminatory Access to Network Elements*	Att. 2	Att. 2	Att. 2 Amendment, 7/17/00	Att. 2	Att. 2	Att. 2, Amendment 7/17/00 & 11/8/00	VII. A,B,&C p. 12	Att. 2
	Collocation	Att. 4	Att. 4	Att. 4	Att. 4	Att. 4	Att. 4	V. p.9	Att. 4
	OSS	Att. 6, Sec. 2	Att. 6, Sec. 1	Att. 6, Sec. 2	Att. 6, Sec. 2	Att. 6, Sec. 2	Att. 6 Sec. 2		Att. 2, Sec. 15 Att. 6
	UNE Combinations	Att. 2, Sec. 18 Att. 2, Sec. 20	Att. 2, Sec. 8	Att. 2, Sec. 1.4 Amendment, 9/8/00	Att. 2, Sec. 4	Att. 2, Sec. 4 Sec. 5	Att. 2, Sec. 1.3, Att. 2, Sec. 1.4, Amendment 9/8/00	VII. p. 12	Att. 2, Sec. 5
	Billing	Att. 7	Att. 7	Att. 7	Att. 7	Att. 7	Att. 7	IV. p.6	Att. 7
	Advanced Services	Att. 2	Att. 2	Att. 2	Att. 2	Att. 2	Att. 2		Att. 2
	Line Sharing			Amendment 7/17/00	Att. 2, Sec. 2.11		Amendment 7/17/00		Att. 2, Sec. 3
	Line Splitting								Att. 2, Sec. 3
	2-Way Trunking	Att. 3, Sec. 2.1	Att. 3, Sec. 3.2.1.2	Att. 3, Sec. 3.9.1, 4	Att. 3, Sec. 4.10.1.3	Att. 3, Sec. 2.10.2.3	Att. 3, Sec. 3.9.1, Sec. 4	IV. A., p. 6 V. D p.10	Att. 3, Sec. 4
	Single Pt. Of Interconnection	Att. 3, Sec. 1.2	Att. 3, Sec. 1.2.1	Att. 3, Sec. 1.2	Att. 3, Sec. 3.2	Att. 3, Sec. 1.1.1	Att. 3, Sec. 1.2		Att. 3, Sec. 3
	Performance Measurements	Att. 9	Att. 10	Att. 11	Att. 9	Att. 9	Att. 11		Att. 9

TENNESSEE CHECKLIST CROSS-REFERENCE

√ List Item	Description	Intermedia	ITC^ DeltaCom	XO (f.k.a NextLink)	COVAD (f.k.a. DIECA)	New South	US LEC	NPCR (CMRS)	SGAT
3	*Non-discriminatory Access to Poles, Ducts, Conduits and Rights-of-Way*	Att. 8	Att. 8	Att. 9	Att. 8	Att. 8	Att. 9	VIII. p. 12	Att. 8
4	*Unbundled Loops*	Att. 2, Sec. 2	Att. 2, Sec. 2	Att. 2, Sec. 2	Att. 2, Sec. 2	Att. 2, Sec. 2	Att. 2 Sec. 2, Amendment 11/8/00		Att. 2, Sec. 2
5	*Local Transport*	Att. 2, Sec. 8	Att. 2, Sec. 10.1	Att. 2, Sec. 11	Att. 2, Sec. 6	Att. 2, Sec. 6	Att. 2 Sec. 11		Att. 2, Sec. 6
	Common	Att. 2, Sec. 8.2	Att. 2, Sec. 10.3	Att. 2, Sec. 11.1	Att. 2, Sec. 6.1.1	Att. 2, Sec. 6.1.1	Att. 2 Sec. 11.1, 11.2		Att. 2, Sec. 6.1
	Dedicated	Att. 2, Sec. 8.3	Att. 2, Sec. 10.4	Att. 2, Sec. 11.3	Att. 2, Sec. 6.3	Att. 2, Sec. 6.3	Att. 2 Sec. 11.3		Att. 2, Sec. 6.2
6	*Unbundled Local Switching*	Att. 2, Sec. 7	Att. 2, Sec. 9.1	Att.2, Sec. 10	Att. 2, Sec. 3	Att. 2, Sec. 3	Att. 2 Sec. 10		Att. 2, Sec. 4
7	*Non-discriminatory Access to 911/E911*	Att. 2, Sec. 16	Att. 2, Sec. 20	Att. 2, Sec. 18	Att. 2, Sec. 12	Att. 2, Sec. 12	Att. 2 Sec. 18	IX., p. 12	Att. 2, Sec. 14
	Directory Assistance	Att. 2, Sec. 10.3	Att. 2, Sec. 12.3	Att. 2, Sec. 12.3	Att. 2, Sec. 10.4,10.5, 10.6	Att. 2, Sec. 10.4, 10.5, 10.6	Att. 2 Sec. 12.3		Att. 2, Sec. 10
	Operator Services	Att. 2, Sec. 10.2	Att. 2, Sec. 12.2	Att. 2, Sec. 12.2	Att. 2, Sec. 10.2,10.3	Att. 2, Sec. 10.2, 10.3	Att. 2 Sec. 12.2		Att. 2, Sec. 10
8	*White Pages Directory Listings*	GT&C, Sec. 4	GT&C, Sec. 4	GT&C Sec. 4	GT&C Sec. 5	GT&C, Sec. 5	GT&C Sec. 4		GT&C, Sec. 5

TENNESSEE CHECKLIST CROSS-REFERENCE

√ List Item	Description	Intermedia	ITC^ DeltaCom	XO (f.k.a NextLink)	COVAD (f.k.a. DIECA)	New South	US LEC	NPCR (CMRS)	SGAT
9	*Non-discriminatory Access to Telephone Numbers*	Att. 5, Sec. 1	Att. 5, Sec. 1	Att. 5 Sec. 1	Att. 5, Sec. 1	Att. 5, Sec. 1	Att. 5 Sec. 1	X., p. 13	Att. 5
10	*Non-discriminatory Access to Databases and Signaling*	Att. 2, Sec. 15 Att. 2, Sec. 11	Att. 2, Sec. 14.2.9 Att. 2, Sec. 13	Att. 2 Sec. 14.2.9 Sec. 13	Att. 2, Sec. 9.4.2.9 Att. 2, Sec. 9	Att. 2, Sec. 9.7 Sec. 9	Att. 2 Sec. 15	XII, A&B, p. 13	Att. 2, Sec. 9
	Signaling Links	Att. 2, Sec. 11.1	Att. 2, Sec. 13.1	Att. 2 Sec. 13	Att. 2, Sec. 9.3	Att. 2, Sec. 9.3	Att. 2 Sec. 13	XII. B., p. 13	Att. 2, Sec. 9.2
	STPs	Att. 2, Sec. 12	Att. 2, Sec. 14	Att. 2 Sec. 14	Att. 2, Sec. 9.4	Att. 2, Sec. 9.4	Att. 2 Sec. 14		Att. 2, Sec. 9.3
	SCPs	Att. 2, Sec. 13	Att. 2, Sec. 15	Att. 2, Sec. 15	Att. 2, Sec. 9.5	Att. 2, Sec. 9.5	Att. 2 Sec. 15		Att. 2, Sec. 9.5
	LIDB	Att. 2, Sec. 13.4	Att. 2, Sec. 15.4 Exh A	Att. 2, Sec. 15.4	Att. 2, Sec. 8	Att. 2, Sec. 8	Att. 2 Sec. 15.4		Att. 2, Sec. 8, Att. 2, Exh. A
	Toll Free Number Database	Att. 2, Sec. 13.5	Att. 2, Sec. 15.5	Att. 2, Sec. 15.5	Att. 2, Sec. 7	Att. 2, Sec. 7	Att. 2 Sec. 15.5		Att. 2, Sec. 7
	ALI/DMS	Att. 2, Sec. 13.6	Att. 2, Sec. 15.6	Att. 2, Sec. 15.6	Att. 2, Sec. 10.7	Att. 2, Sec. 10.7	Att. 2 Sec. 15.6		Att. 2, Sec. 11
	AIN Access	Att. 2, Sec. 13.10	Att. 2, Sec. 18	Att. 2, Sec. 14.2.9	Att. 2, Sec. 9.4.2.9	Att. 2, Sec. 9.4.2.9	Att. 2 Sec. 14.2.9		Att. 2, Sec. 9.4
	Selective Routing (Branding)	Att. 2, Sec. 10.4	Att. 2, Sec. 12.4	Att. 2, Sec. 12.4 as amended in Amendment dated 1/30/02	Att. 2, Sec. 10.4.5	Att. 2, Sec. 10.4.5	Att. 2 Sec. 12.4		Att. 2, Sec. 10.5
	CNAM	Att. 2, Sec. 13.8	Att. 2, Sec. 15.8 Exh B	Att. 2, Sec. 15.8	Att. 2, Sec. 11 Exh B	Att. 2, Sec. 11 Exh B	Att. 2 Sec. 15.8		Att. 2, Sec. 12

TENNESSEE CHECKLIST CROSS-REFERENCE

√ List Item	Description	Intermedia	ITC^ DeltaCom	XO (f.k.a NextLink)	COVAD (f.k.a. DIECA)	New South	US LEC	NPCR (CMRS)	SGAT
11	*Number Portability*	Att. 5, Sec. 2	Att. 5, Sec. 2	Att. 5,	Att. 5, Sec. 2	Att. 5, Sec. 2	Att. 5	XI, p. 13	Att. 5, Sec. 2
12	*Local Dialing Parity*	Att. 3, Sec. 5	Att. 3, Sec. 5.2	Att. 3, Sec. 7	Att. 3, Sec. 6	Att. 3, Sec. 4	Att. 3 Sec. 7		Att. 3, Sec. 6
14	*Resale*	Att. 1	Att. 1	Att. 1	Att. 1	Att. 1	Att. 1		Att. 1

Exhibit JAR-4

Tennessee SGAT and Attachments

	General Terms & Conditions
Attachment 1	Resale
Attachment 2	Network Elements and Other Services
Attachment 3	Network Interconnection
Attachment 4CO	Physical Collocation
Attachment 4RS	Remote Site
Attachment 4MW	Microwave
Attachment 5	Access to Numbers, Number Portability
Attachment 6	Pre-Ordering, Ordering, Provisioning, Maintenance & Repair
Attachment 7	Billing
Attachment 8	Poles, Duct, and Conduit, Rights Of Way
Attachment 9	Performance Measurements
Attachment 10	Implementation Template
Attachment 11	Disaster Recovery Plan
Attachment 12	Bona Fide Request Process

AGREEMENT

THIS AGREEMENT is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and <<customer_name>>, a _____corporation, and shall be deemed effective as of the date of the last signature of both Parties ("Effective Date"). This Agreement may refer to either BellSouth or <<customer_name>> or both as a "Party" or "Parties."

W I T N E S S E T H

WHEREAS, BellSouth is a local exchange telecommunications company authorized to provide telecommunications services in the state of Tennessee; and

WHEREAS, <<customer_name>> is or seeks to become a CLEC authorized to provide telecommunications services in the state of Tennessee; and

WHEREAS, <<customer_name>> wishes to resell BellSouth's telecommunications services and purchase network elements and other services, and the Parties wish to interconnect their facilities and exchange traffic pursuant to sections 251 and 252 of the Act.

NOW THEREFORE, in consideration of the mutual agreements contained herein, BellSouth and <<customer_name>> agree as follows:

Definitions

Affiliate is defined as 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 equivalent thereof) of more than 10 percent.

Authority or TRA is defined as the Tennessee Regulatory Authority .

Competitive Local Exchange Carrier (CLEC) means a telephone company certificated by the Commission to provide local exchange service within BellSouth's incumbent area.

End User means the ultimate user of the Telecommunications Service.

FCC means the Federal Communication Commission.

Telecommunications means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

Telecommunications Service means the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

Telecommunications Act of 1996 ("Act") means Public Law 104-104 of the United States Congress effective February 8, 1996. The Act amended the Communications Act of 1934 (47 U.S.C. Section 1 et. seq.).

1. CLEC Certification

1.1 The certificate numbers for <<customer_name>> for Tennessee is:

Tennessee _____

2. Term of the Agreement

2.1 The term of this Agreement shall be two years, beginning on the Effective Date and shall apply to the BellSouth incumbent territory in Tennessee.

2.2 The Parties agree that by no earlier than two hundred seventy (270) days and no later than one hundred and eighty (180) days prior to the expiration of this Agreement, they shall commence negotiations for a new agreement to be effective beginning on the expiration date of this Agreement ("Subsequent Agreement"). If as of the expiration of this Agreement, a Subsequent Agreement has not been executed by the Parties, then except as set forth in Section 2.3.2 below, this Agreement shall continue on a month-to-month basis while a Subsequent Agreement is being negotiated. The Parties' rights and obligations with respect to this Agreement after expiration shall be as set forth in Section 2.3 below.

2.3 If, within one hundred and thirty-five (135) days of commencing the negotiation referred to in Section 2.2 above, the Parties are unable to negotiate new terms, conditions and prices for a Subsequent Agreement, either Party may petition the TRA to establish appropriate terms, conditions and prices for the Subsequent Agreement pursuant to 47 U.S.C. 252. In the event the TRA does not issue its order prior to the expiration date of this Agreement, or if the Parties continue beyond the expiration date of this Agreement to negotiate the Subsequent Agreement without TRA intervention, the terms, conditions and prices ultimately ordered by the TRA, or negotiated by the Parties, shall be effective as of the date of execution of this agreement.

2.3.1 Except as set forth in Section 2.3.2 below, notwithstanding the foregoing, in the event that as of the date of expiration of this Agreement and conversion of this Agreement to a month-to-month term, the Parties have not entered into a Subsequent Agreement and no arbitration proceeding has been filed in accordance

with Section 2.3 above, then either Party may terminate this Agreement upon sixty (60) days notice to the other Party. In the event that BellSouth terminates this Agreement as provided above, BellSouth shall continue to offer services to <<customer_name>> pursuant to the terms, conditions and rates set forth in BellSouth's then current standard interconnection agreement. In the event that BellSouth's standard interconnection agreement becomes effective as between the Parties, the Parties may continue to negotiate a Subsequent Agreement, and the terms of such Subsequent Agreement shall be effective as of the date of execution.

2.3.2 Notwithstanding Section 2.3 above, in the event that as of the date of expiration of this Agreement the Parties have not entered into a Subsequent Agreement and (1) no arbitration proceeding has been filed in accordance with Section 2.2 above, and (2) <<customer_name>> either is not certified as a CLEC in Tennessee or has not ordered any services under this Agreement as of the date of expiration, then this Agreement shall not continue on a month to month basis but shall be deemed terminated as of the expiration date hereof.

3. Operational Support Systems

3.1 <<customer_name>> shall pay charges for Operational Support Systems (OSS) as set forth in this Agreement in Attachment 1 and/or in Attachments 2, 3 and 5, as applicable.

4. Parity

4.1 When <<customer_name>> purchases, pursuant to Attachment 1 of this Agreement, telecommunications services from BellSouth for the purposes of resale to end users, BellSouth shall provide said services so that the services are equal in quality, subject to the same conditions, and provided within the same provisioning time intervals that BellSouth provides to its affiliates, subsidiaries and end users. To the extent technically feasible, the quality of a Network Element, as well as the quality of the access to such Network Element provided by BellSouth to <<customer_name>> shall be at least equal in quality to that which BellSouth provides to itself, its affiliates or any other telecommunications carrier. The quality of the interconnection between the networks of BellSouth and the network of <<customer_name>> shall be at a level that is equal to that which BellSouth provides itself, a subsidiary, an Affiliate, or any other party. The interconnection facilities shall be designed to meet the same technical criteria and service standards that are used within BellSouth’s network and shall extend to a consideration of service quality as perceived by BellSouth’s end users and service quality as perceived by <<customer_name>>.

5. White Pages Listings

5.1 BellSouth shall provide <<customer_name>> and their customers access to white pages directory listings under the following terms:

5.2 Listings. <<customer_name>> shall provide all new, changed and deleted listings on a timely basis and BellSouth or its agent will include <<customer_name>> residential and business customer listings in the appropriate White Pages (residential and business) or alphabetical directories. Directory listings will make no distinction between <<customer_name>> and BellSouth subscribers.

5.2.1 Rates. So long as <<customer_name>> provides subscriber listing information to BellSouth in accordance with Section 5.3 below, BellSouth shall provide to <<customer_name>> one (1) primary White Pages listing per <<customer_name>> subscriber at no charge other than applicable service order charges as set forth in BellSouth's tariffs.

5.3 Procedures for Submitting <<customer_name>> Subscriber Information are found in The BellSouth Business Rules for Local Ordering, incorporated herein by this reference.

5.3.1 Notwithstanding any provision(s) to the contrary, <<customer_name>> shall provide to BellSouth, and BellSouth shall accept, <<customer_name>>'s Subscriber Listing Information (SLI) relating to <<customer_name>>'s customers in the geographic area(s) covered by this Interconnection Agreement. <<customer_name>> authorizes BellSouth to release all such <<customer_name>> SLI provided to BellSouth by <<customer_name>> to qualifying third parties via either license agreement or BellSouth's Directory Publishers Database Service (DPDS), General Subscriber Services Tariff, Section A38.2, as the same may be amended from time to time. Such <<customer_name>> SLI shall be intermingled with BellSouth's own customer listings and listings of any other CLEC that has authorized a similar release of SLI. Where necessary, BellSouth will use good faith efforts to obtain TRA approval of any necessary modifications to Section A38.2 of its tariff to provide for release of third party directory listings, including modifications regarding listings to be released pursuant to such tariff and BellSouth's liability thereunder. BellSouth's obligation pursuant to this Section shall not arise in any particular state until the TRA has approved modifications to such tariff.

5.3.2 No compensation shall be paid to <<customer_name>> for BellSouth's receipt of <<customer_name>> SLI, or for the subsequent release to third parties of such SLI. In addition, to the extent BellSouth incurs costs to modify its systems to enable the release of <<customer_name>>'s SLI, or costs on an ongoing basis to administer the release of <<customer_name>> SLI, <<customer_name>> shall pay to BellSouth its proportionate share of the reasonable costs associated therewith.

5.3.3 Neither BellSouth nor any agent shall be liable for the content or accuracy of any SLI provided by <<customer_name>> under this Agreement. <<customer_name>> shall indemnify, hold harmless and defend BellSouth and its agents from and against any damages, losses, liabilities, demands claims, suits, judgments, costs and expenses (including but not limited to reasonable attorneys'

fees and expenses) arising from BellSouth's tariff obligations or otherwise and resulting from or arising out of any third party's claim of inaccurate <<customer_name>> listings or use of the SLI provided pursuant to this Agreement. BellSouth may forward to <<customer_name>> any complaints received by BellSouth relating to the accuracy or quality of <<customer_name>> listings.

5.3.4 Listings and subsequent updates will be released consistent with BellSouth system changes and/or update scheduling requirements.

5.4 Unlisted/Non-Published Subscribers. <<customer_name>> will be required to provide to BellSouth the names, addresses and telephone numbers of all <<customer_name>> customers that wish to be omitted from directories.

5.5 Inclusion of <<customer_name>> Customers in Directory Assistance Database. BellSouth will include and maintain <<customer_name>> subscriber listings in BellSouth's Directory Assistance databases at no recurring charge and <<customer_name>> shall provide such Directory Assistance listings at no recurring charge. BellSouth and <<customer_name>> will formulate appropriate procedures regarding lead-time, timeliness, format and content of listing information.

5.6 Listing Information Confidentiality. BellSouth will accord <<customer_name>>'s directory listing information the same level of confidentiality that BellSouth accords its own directory listing information, and BellSouth shall limit access to <<customer_name>>'s customer proprietary confidential directory information to those BellSouth employees or agents who are involved in the preparation of listings or directories.

5.7 Additional and Designer Listings. Additional and designer listings will be offered by BellSouth at tariffed rates as set forth in the General Subscriber Services Tariff.

5.8 Directories. BellSouth or its agent shall make available White Pages directories to <<customer_name>> subscribers at no charge or as specified in a separate BAPCO agreement.

6. Bona Fide Request/New Business Request Process for Further Unbundling

6.1 BellSouth shall, upon request of <<customer_name>>, provide to <<customer_name>> access to its network elements at any technically feasible point for the provision of <<customer_name>>'s telecommunications service where such access is necessary and failure to provide access would impair the ability of <<customer_name>> to provide services that it seeks to offer. Any request by <<customer_name>> for access to a network element, interconnection option, or for the provisioning of any service or product that is not already available shall be treated as a Bona Fide Request/New Business Request (BFR/NBR), and shall be submitted to BellSouth pursuant to the BFR/NBR process as described in Attachment 12 to this Agreement.

6.2 <<customer_name>> shall submit any BFR/NBR in writing to <<customer_name>>'s Account Manager. The BFR/NBR shall specifically identify the requested service date, technical requirements, space requirements and/or such specifications that clearly define the request such that BellSouth has sufficient information to analyze and prepare a response. The BFR/NBR also shall include <<customer_name>>'s designation of the request as being (i) pursuant to the Telecommunications Act of 1996 or (ii) pursuant to the needs of the business.

7. Court Ordered Requests for Call Detail Records and Other Subscriber Information

7.1 Subpoenas Directed to BellSouth. Where BellSouth provides resold services or local switching for <<customer_name>>, BellSouth shall respond to subpoenas and court ordered requests delivered directly to BellSouth for the purpose of providing call detail records when the targeted telephone numbers belong to <<customer_name>> end users. Billing for such requests will be generated by BellSouth and directed to the law enforcement agency initiating the request. BellSouth shall maintain such information for <<customer_name>> end users for the same length of time it maintains such information for its own end users.

7.2 Subpoenas Directed to <<customer_name>>. Where BellSouth is providing to <<customer_name>> telecommunications services for resale or providing to <<customer_name>> the local switching function, then <<customer_name>> agrees that in those cases where <<customer_name>> receives subpoenas or court ordered requests regarding targeted telephone numbers belonging to <<customer_name>> end users, and where <<customer_name>> does not have the requested information, <<customer_name>> will advise the law enforcement agency initiating the request to redirect the subpoena or court ordered request to BellSouth for handling in accordance with 7.1 above.

7.3 In all other instances, where either Party receives a request for information involving the other Party's end user, the Party receiving the request will advise the law enforcement agency initiating the request to redirect such request to the other Party.

8. Liability and Indemnification

8.1 <<customer_name>> Liability. In the event that <<customer_name>> consists of two (2) or more separate entities as set forth in this Agreement and/or any Amendments hereto, all such entities shall be jointly and severally liable for the obligations of <<customer_name>> under this Agreement.

8.2 Liability for Acts or Omissions of Third Parties. BellSouth shall not be liable to <<customer_name>> for any act or omission of another telecommunications company providing services to <<customer_name>>.

8.3 Limitation of Liability

8.3.1 Except for any indemnification obligations of the Parties hereunder, each Party's liability to the other for any loss, cost, claim, injury or liability or expense, including reasonable attorney's fees relating to or arising out of any negligent act or omission in its performance of this Agreement whether in contract or in tort, shall be limited to a credit for the actual cost of the services or functions not performed or improperly performed.

8.3.2 Limitations in Tariffs. A Party may, in its sole discretion, provide in its tariffs and contracts with its End Users and third parties that relate to any service, product or function provided or contemplated under this Agreement, that to the maximum extent permitted by Applicable Law, such Party shall not be liable to the End User or third Party for (i) any loss relating to or arising out of this Agreement, whether in contract, tort or otherwise, that exceeds the amount such Party would have charged that applicable person for the service, product or function that gave rise to such loss and (ii) Consequential Damages. To the extent that a Party elects not to place in its tariffs or contracts such limitations of liability, and the other Party incurs a loss as a result thereof, such Party shall indemnify and reimburse the other Party for that portion of the loss that would have been limited had the first Party included in its tariffs and contracts the limitations of liability that such other Party included in its own tariffs at the time of such loss.

8.3.3 Neither BellSouth nor <<customer_name>> shall be liable for damages to the other Party's terminal location, equipment or End User premises resulting from the furnishing of a service, including, but not limited to, the installation and removal of equipment or associated wiring, except to the extent caused by a Party's negligence or willful misconduct or by a Party's failure to ground properly a local loop after disconnection.

8.3.4 Under no circumstance shall a Party be responsible or liable for indirect, incidental, or consequential damages, including, but not limited to, economic loss or lost business or profits, damages arising from the use or performance of equipment or software, or the loss of use of software or equipment, or accessories attached thereto, delay, error, or loss of data. In connection with this limitation of liability, each Party recognizes that the other Party may, from time to time, provide advice, make recommendations, or supply other analyses related to the Services, or facilities described in this Agreement, and, while each Party shall use diligent efforts in this regard, the Parties acknowledge and agree that this limitation of liability shall apply to provision of such advice, recommendations, and analyses.

8.3.5 To the extent any specific provision of this Agreement purports to impose liability, or limitation of liability, on either Party different from or in conflict with the liability or limitation of liability set forth in this Section, then with respect to any facts or circumstances covered by such specific provisions, the liability or limitation of liability contained in such specific provision shall apply.

8.4 Indemnification for Certain Claims. The Party providing services hereunder, its affiliates and its parent company, shall be indemnified, defended and held harmless by the Party receiving services hereunder against any claim, loss or damage arising from the receiving company's use of the services provided under this Agreement pertaining to (1) claims for libel, slander or invasion of privacy arising from the content of the receiving company's own communications, or (2) any claim, loss or damage claimed by the End User of the Party receiving services arising from such company's use or reliance on the providing company's services, actions, duties, or obligations arising out of this Agreement.

8.5 Disclaimer. EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES TO THE OTHER PARTY CONCERNING THE SPECIFIC QUALITY OF ANY SERVICES, OR FACILITIES PROVIDED UNDER THIS AGREEMENT. THE PARTIES DISCLAIM, WITHOUT LIMITATION, ANY WARRANTY OR GUARANTEE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR FROM USAGES OF TRADE.

9. Intellectual Property Rights and Indemnification

9.1 No License. No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agreement. <<customer_name>> is strictly prohibited from any use, including but not limited to in sales, in marketing or advertising of telecommunications services, of any BellSouth name, service mark or trademark. Notwithstanding the foregoing, <<customer_name>> may use BellSouth's name solely in response to inquiries of customers or potential customers regarding the source of the underlying service or the identity of repair or service technicians under this Agreement.

9.2 Ownership of Intellectual Property. Any intellectual property which originates from or is developed by a Party shall remain the exclusive property of that Party. Except for a limited license to use patents or copyrights to the extent necessary for the Parties to use any facilities or equipment (including software) or to receive any service solely as provided under this Agreement, no license in patent, copyright, trademark or trade secret, or other proprietary or intellectual property right now or hereafter owned, controlled or licensable by a Party, is granted to the other Party or shall be implied or arise by estoppel. It is the responsibility of each Party to ensure at no additional cost to the other Party that it has obtained any necessary licenses in relation to intellectual property of third Parties used in its network that may be required to enable the other Party to use any facilities or equipment (including software), to receive any service, or to perform its respective obligations under this Agreement.

9.3 Indemnification. The Party providing a service pursuant to this Agreement will defend the Party receiving such service or data provided as a result of such service

against claims of infringement arising solely from the use by the receiving Party of such service in the manner contemplated under this Agreement and will indemnify the receiving Party for any damages awarded based solely on such claims in accordance with Section 8 of this Agreement.

9.4 Claim of Infringement. In the event that use of any facilities or equipment (including software), becomes, or in the reasonable judgment of the Party who owns the affected network is likely to become, the subject of a claim, action, suit, or proceeding based on intellectual property infringement, then said Party shall promptly and at its sole expense and sole option, but subject to the limitations of liability set forth below:

9.4.1 modify or replace the applicable facilities or equipment (including software) while maintaining form and function, or

9.4.2 obtain a license sufficient to allow such use to continue.

9.4.3 In the event 9.4.1 or 9.4.2 are commercially unreasonable, then said Party may, terminate, upon reasonable notice, this contract with respect to use of, or services provided through use of, the affected facilities or equipment (including software), but solely to the extent required to avoid the infringement claim.

9.5 Exception to Obligations. Neither Party's obligations under this Section shall apply to the extent the infringement is caused by: (i) modification of the facilities or equipment (including software) by the indemnitee; (ii) use by the indemnitee of the facilities or equipment (including software) in combination with equipment or facilities (including software) not provided or authorized by the indemnitor, provided the facilities or equipment (including software) would not be infringing if used alone; (iii) conformance to specifications of the indemnitee which would necessarily result in infringement; or (iv) continued use by the indemnitee of the affected facilities or equipment (including software) after being placed on notice to discontinue use as set forth herein.

9.6 Exclusive Remedy. The foregoing shall constitute the Parties' sole and exclusive remedies and obligations with respect to a third party claim of intellectual property infringement arising out of the conduct of business under this Agreement.

10. Proprietary and Confidential Information

10.1 Proprietary and Confidential Information. It may be necessary for BellSouth and <<customer_name>>, each as the “Discloser,” to provide to the other Party, as “Recipient,” certain proprietary and confidential information (including trade secret information) including but not limited to technical, financial, marketing, staffing and business plans and information, strategic information, proposals, request for proposals, specifications, drawings, maps, prices, costs, costing methodologies, procedures, processes, business systems, software programs, techniques, customer account data, call detail records and like information

(collectively the "Information"). All such Information conveyed in writing or other tangible form shall be clearly marked with a confidential or proprietary legend. Information conveyed orally by the Discloser to Recipient shall be designated as proprietary and confidential at the time of such oral conveyance, shall be reduced to writing by the Discloser within forty-five (45) days thereafter, and shall be clearly marked with a confidential or proprietary legend.

10.2 Use and Protection of Information. Recipient agrees to protect such Information of the Discloser provided to Recipient from whatever source from distribution, disclosure or dissemination to anyone except employees of Recipient with a need to know such Information solely in conjunction with Recipient's analysis of the Information and for no other purpose except as authorized herein or as otherwise authorized in writing by the Discloser. Recipient will not make any copies of the Information inspected by it.

10.3 Exceptions. Recipient will not have an obligation to protect any portion of the Information which:

10.3.1 (a) is made publicly available by the Discloser or lawfully by a nonparty to this Agreement; (b) is lawfully obtained by Recipient from any source other than Discloser; (c) is previously known to Recipient without an obligation to keep it confidential; or (d) is released from the terms of this Agreement by Discloser upon written notice to Recipient.

10.4 Recipient agrees to use the Information solely for the purposes of negotiations pursuant to 47 U.S.C. 251 or in performing its obligations under this Agreement and for no other entity or purpose, except as may be otherwise agreed to in writing by the Parties. Nothing herein shall prohibit Recipient from providing information requested by the Federal Communications Commission or the TRA , or to support a request for arbitration or an allegation of failure to negotiate in good faith.

10.5 Recipient agrees not to publish or use the Information for any advertising, sales promotions, press releases, or publicity matters that refer either directly or indirectly to the Information or to the Discloser or any of its affiliated companies.

10.6 The disclosure of Information neither grants nor implies any license to the Recipient under any trademark, patent, copyright, or application which is now or may hereafter be owned by the Discloser.

10.7 Survival of Confidentiality Obligations. The Parties' rights and obligations under this Section 10 shall survive and continue in effect until two (2) years after the expiration or termination date of this Agreement with regard to all Information exchanged during the term of this Agreement. Thereafter, the Parties' rights and obligations hereunder survive and continue in effect with respect to any Information that is a trade secret under applicable law.

10.8 Assignments

10.9 Any assignment by either Party to any non-affiliated entity of any right, obligation or duty, or of any other interest hereunder, in whole or in part, without the prior written consent of the other Party shall be void. A Party may assign this Agreement or any right, obligation, duty or other interest hereunder to an Affiliate of the Party without the consent of the other Party; provided, however, that the assigning Party shall notify the other Party in writing of such assignment thirty (30) days prior to the Effective Date thereof and, provided further, if the assignee is an assignee of <<customer_name>>, the assignee must provide evidence of Commission CLEC certification. The Parties shall amend this Agreement to reflect such assignments and shall work cooperatively to implement any changes required due to such assignment. All obligations and duties of any Party under this Agreement shall be binding on all successors in interest and assigns of such Party. No assignment or delegation hereof shall relieve the assignor of its obligations under this Agreement in the event that the assignee fails to perform such obligations.

11. Resolution of Disputes

11.1 Except as otherwise stated in this Agreement, if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, the aggrieved Party shall petition the TRA for a resolution of the dispute. However, each Party reserves any rights it may have to seek judicial review of any ruling made by the TRA concerning this Agreement.

12. Taxes

12.1 Definition. For purposes of this Section, the terms "taxes" and "fees" shall include but not limited to federal, state or local sales, use, excise, gross receipts or other taxes or tax-like fees of whatever nature and however designated (including tariff surcharges and any fees, charges or other payments, contractual or otherwise, for the use of public streets or rights of way, whether designated as franchise fees or otherwise) imposed, or sought to be imposed, on or with respect to the services furnished hereunder or measured by the charges or payments therefore, excluding any taxes levied on income.

12.2 Taxes and Fees Imposed Directly On Either Providing Party or Purchasing Party.

12.2.1 Taxes and fees imposed on the providing Party, which are not permitted or required to be passed on by the providing Party to its customer, shall be borne and paid by the providing Party.

12.2.2 Taxes and fees imposed on the purchasing Party, which are not required to be collected and/or remitted by the providing Party, shall be borne and paid by the purchasing Party.

12.3 Taxes and Fees Imposed on Purchasing Party But Collected And Remitted By Providing Party.

12.3.1 Taxes and fees imposed on the purchasing Party shall be borne by the purchasing Party, even if the obligation to collect and/or remit such taxes or fees is placed on the providing Party.

12.3.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing Party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing Party at the time that the respective service is billed.

12.3.3 If the purchasing Party determines that in its opinion any such taxes or fees are not payable, the providing Party shall not bill such taxes or fees to the purchasing Party if the purchasing Party provides written certification, reasonably satisfactory to the providing Party, stating that it is exempt or otherwise not subject to the tax or fee, setting forth the basis therefor, and satisfying any other requirements under applicable law. If any authority seeks to collect any such tax or fee that the purchasing Party has determined and certified not to be payable, or any such tax or fee that was not billed by the providing Party, the purchasing Party may contest the same in good faith, at its own expense. In any such contest, the purchasing Party shall promptly furnish the providing Party with copies of all filings in any proceeding, protest, or legal challenge, all rulings issued in connection therewith, and all correspondence between the purchasing Party and the taxing authority.

12.3.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing Party during the pendency of such contest, the purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

12.3.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing Party shall pay such additional amount, including any interest and penalties thereon.

12.3.6 Notwithstanding any provision to the contrary, the purchasing Party shall protect, indemnify and hold harmless (and defend at the purchasing Party's expense) the providing Party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing Party in connection with any claim for or contest of any such tax or fee.

12.3.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

12.4 Taxes and Fees Imposed on Providing Party But Passed On To Purchasing Party.

12.4.1 Taxes and fees imposed on the providing Party, which are permitted or required to be passed on by the providing Party to its customer, shall be borne by the purchasing Party.

12.4.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing Party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing Party at the time that the respective service is billed.

12.4.3 If the purchasing Party disagrees with the providing Party's determination as to the application or basis for any such tax or fee, the Parties shall consult with respect to the imposition and billing of such tax or fee. Notwithstanding the foregoing, the providing Party shall retain ultimate responsibility for determining whether and to what extent any such taxes or fees are applicable, and the purchasing Party shall abide by such determination and pay such taxes or fees to the providing Party. The providing Party shall further retain ultimate responsibility for determining whether and how to contest the imposition of such taxes and fees; provided, however, that any such contest undertaken at the request of the purchasing Party shall be at the purchasing Party's expense.

12.4.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing Party during the pendency of such contest, the purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

12.4.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing Party shall pay such additional amount, including any interest and penalties thereon.

12.4.6 Notwithstanding any provision to the contrary, the purchasing Party shall protect indemnify and hold harmless (and defend at the purchasing Party's expense) the providing Party from and against any such tax or fee, interest or penalties thereon, or other reasonable charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing Party in connection with any claim for or contest of any such tax or fee.

12.4.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

12.5 Mutual Cooperation. In any contest of a tax or fee by one Party, the other Party shall cooperate fully by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. Further, the other Party shall be reimbursed for any reasonable and necessary out-of-pocket copying and travel expenses incurred in assisting in such contest.

13. Force Majeure

13.1 In the event performance of this Agreement, or any obligation hereunder, is either directly or indirectly prevented, restricted, or interfered with by reason of fire, flood, earthquake or like acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, unavailability of equipment from vendor, changes requested by Customer, or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected, the Party affected, upon giving prompt notice to the other Party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis until the delay, restriction or interference has ceased); provided however, that the Party so affected shall use diligent efforts to avoid or remove such causes of non-performance and both Parties shall proceed whenever such causes are removed or cease.

14. Adoption of Agreements

14.1 BellSouth shall make available, pursuant to 47 USC § 252 and the FCC rules and regulations regarding such availability, to <<customer_name>> any interconnection, service, or network element provided under any other agreement filed and approved pursuant to 47 USC § 252, provided a minimum of six months remains on the term of such Agreement. The Parties shall adopt all rates, terms and conditions concerning such other interconnection, service or network element and any other rates, terms and conditions that are legitimately related to or were negotiated in exchange for or in conjunction with the interconnection, service or network element being adopted. The adopted interconnection, service, or network element and agreement shall apply to the same states as such other agreement. The term of the adopted agreement or provisions shall expire on the same date as set forth in the agreement which was adopted.

15. Modification of Agreement

15.1 If <<customer_name>> changes its name or makes changes to its company structure or identity due to a merger, acquisition, transfer or any other reason, it is the responsibility of <<customer_name>> to notify BellSouth of said change and request that an amendment to this Agreement, if necessary, be executed to reflect said change.

15.2 No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties.

15.3 In the event that any effective legislative, regulatory, judicial or other legal action materially affects any material terms of this Agreement, or the ability of <<customer_name>> or BellSouth to perform any material terms of this Agreement, <<customer_name>> or BellSouth may, on thirty (30) days' written notice require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within ninety (90) days after such notice, the Dispute shall be referred to the Dispute Resolution procedure set forth in this Agreement.

15.4 Notwithstanding anything to the contrary in this Agreement, this Agreement shall not be amended or modified after the expiration date hereof as set forth in Section 2 above.

16. Non-waiver of Legal Rights

16.1 Execution of this Agreement by either Party does not confirm or infer that the executing Party agrees with any decision(s) issued pursuant to the Telecommunications Act of 1996 and the consequences of those decisions on specific language in this Agreement. Neither Party waives its rights to appeal or otherwise challenge any such decision(s) and each Party reserves all of its rights to pursue any and all legal and/or equitable remedies, including appeals of any such decision(s).

17. Severability

17.1 If any provision of this Agreement, or the application of such provision to either Party or circumstance, shall be held invalid, the remainder of the Agreement, or the application of any such provision to the Parties or circumstances other than those to which it is held invalid, shall not be affected thereby, provided that the Parties shall attempt to reformulate such invalid provision to give effect to such portions thereof as may be valid without defeating the intent of such provision.

18. Waivers

18.1 A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options, and each Party, notwithstanding such failure, shall have the right thereafter to insist upon the performance of any and all of the provisions of this Agreement.

19. Governing Law

This Agreement shall be governed by and construed in accordance with federal and Tennessee substantive telecommunications law, where applicable. In all other respects, this Agreement shall be governed by and construed in accordance with the laws of the state of Georgia.

20. Arm's Length Negotiations

20.1 This Agreement was executed after arm's length negotiations between the undersigned Parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all Parties.

21. Notices

21.1 Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered by hand, by overnight courier or by US mail postage prepaid, address to:

BellSouth Telecommunications, Inc.

Account Team
600 North 19th Street
Birmingham, Alabama 35203

and

General Attorney - COU
Suite 4300
675 W. Peachtree St.
Atlanta, GA 30375

<<customer_name>>

_____
_____
_____

or at such other address as the intended recipient previously shall have designated by written notice to the other Party.

21.2 Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

21.3 Notwithstanding the foregoing, BellSouth may provide <<customer_name>> notice via Internet posting of price changes, changes to the terms and conditions of services available for resale per TRA Orders. BellSouth will also post changes

to business processes and policies, notices of new service offerings, and changes to service offerings not requiring an amendment to this Agreement, notices required to be posted to BellSouth's website, and any other information of general applicability to CLECs.

22. Rule of Construction

22.1 No rule of construction requiring interpretation against the drafting Party hereof shall apply in the interpretation of this Agreement.

23. Headings of No Force or Effect

23.1 The headings of Articles and Sections of this Agreement are for convenience of reference only, and shall in no way define, modify or restrict the meaning or interpretation of the terms or provisions of this Agreement.

24. Multiple Counterparts

24.1 This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall together constitute but one and the same document.

25. Implementation of Agreement

25.1 If <<customer_name>> is a facilities based provider or a facilities based and resale provider, this section shall apply. Within 60 days of the execution of this Agreement, the Parties may adopt a schedule for the implementation of the Agreement. The schedule shall state with specificity time frames for submission of including but not limited to, network design, interconnection points, collocation arrangement requests, pre-sales testing and full operational time frames for the business and residential markets. An implementation template that may be used for the implementation schedule is contained in Attachment 10 of this Agreement.

26. Filing of Agreement

26.1 Upon execution of this Agreement it shall be filed with the TRA pursuant to the requirements of Section 252 of the Act, and the Parties shall share equally any filing fees therefor. If the TRA imposes any filing or public interest notice fees regarding the filing or approval of the Agreement, <<customer_name>> shall be responsible for publishing the required notice and the publication and/or notice costs shall be borne by <<customer_name>>. Notwithstanding the foregoing, this Agreement shall not be submitted for approval by the TRA unless and until such time as <<customer_name>> is duly certified as a local exchange carrier in Tennessee , except as otherwise required by the TRA. .

27. **Compliance with Applicable Law**

27.1 Each Party shall comply at its own expense with Applicable Law.

28. Necessary Approvals

28.1 Each Party shall be responsible for obtaining and keeping in effect all approvals from, and rights granted by, governmental authorities, building and property owners, other carriers, and any other persons that may be required in connection with the performance of its obligations under this Agreement. Each Party shall reasonably cooperate with the other Party in obtaining and maintaining any required approvals and rights for which such Party is responsible.

29. Good Faith Performance

29.1 Each Party shall act in good faith in its performance under this Agreement and, in each case in which a Party's consent or agreement is required or requested hereunder, such Party shall not unreasonably withhold or delay such consent or agreement.

30. Nonexclusive Dealings

30.1 This Agreement does not prevent either Party from providing or purchasing services to or from any other person nor, except as provided in Section 252(i) of the Act, does it obligate either Party to provide or purchase any services (except insofar as the Parties are obligated to provide access to Interconnection, services and Network Elements to <<customer_name>> as a requesting carrier under the Act).

31. Rate True-Up

31.1 This section applies to Local Interconnection and/or Unbundled Network Elements and Other Services rates that are interim or expressly subject to true-up under this Agreement**.**

31.2 The interim prices for Network Elements and Other Services and Local Interconnection shall be subject to true-up according to the following procedures:

31.3 The interim prices shall be trued-up, either up or down, based on final prices determined either by further agreement between the Parties, or by a final order (including any appeals) of the TRA which final order meets the criteria of (3) below. The Parties shall implement the true-up by comparing the actual volumes and demand for each item, together with interim prices for each item, with the final prices determined for each item. Each Party shall keep its own records upon which the true-up can be based, and any final payment from one Party to the other shall be in an amount agreed upon by the Parties based on such records. In the event of any disagreement as between the records or the Parties regarding the amount of such true-up, the Parties agree that the TRA shall be called upon to resolve such differences, or the Parties may mutually agree to submit the matter to the Dispute Resolution process in accordance with the provisions of Section 11 of the General Terms and Conditions and Attachment 1 of this Agreement.

31.4 The Parties may continue to negotiate toward final prices, but in the event that no such Agreement is reached within nine (9) months, either Party may petition the TRA to resolve such disputes and to determine final prices for each item. Alternatively, upon mutual agreement, the Parties may submit the matter to the Dispute Resolution Process set forth in Section 11 of the General Terms and Conditions and Attachment 1 of this Agreement, so long as they file the resulting Agreement with the TRA as a "negotiated Agreement" under Section 252(e) of the Act.

31.5 An effective order of the TRA that forms the basis of a true-up shall be based upon cost studies submitted by either or both Parties to the TRA and shall be binding upon BellSouth and CLEC-1 specifically or upon all carriers generally, such as a generic cost proceeding.

32. Survival

32.1 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.

33. Establishment of Service

If BellSouth is informed that an unauthorized change in local service to <<customer_name>> has occurred, BellSouth will reestablish service with the appropriate local service provider and will assess <<customer_name>> as the CLEC initiating the alleged unauthorized change, the appropriate nonrecurring charges, as set forth in Section A4 of the General Subscriber Service Tariff. In accordance with FCC Slamming Liability Rules, the TRA will determine if an unauthorized change has occurred. Resolution of all relevant issues shall be handled directly with the authorized CLEC and <<customer_name>>.

34. Entire Agreement

34.1 This Agreement and its Attachments, incorporated herein by this reference, sets forth the entire understanding and supersedes prior Agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them. Any orders placed under prior agreements between the Parties shall be governed by the terms of this Agreement. Neither Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

34.2 **This Agreement may include attachments with provisions for the following services:**

Network Elements and Other Services
Local Interconnection

Resale
Collocation

34.3 **The following services are included as options for purchase by <<customer_name>>. <<customer_name>> may elect to purchase said services by written request to its Account Manager if applicable:**

Optional Daily Usage File (ODUF)
Enhanced Optional Daily Usage File (EODUF)
Access Daily Usage File (ADUF)
Line Information Database (LIDB) Storage
Centralized Message Distribution Service (CMDS)
Calling Name (CNAM)
LNP Data Base Query Service

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year written below.

BellSouth Telecommunications, Inc.	**<<customer_name>>**
By:	By:
Name:	Name:
Title:	Title:
Date:	Date:

Attachment 1

Resale

Table of Contents

RESALE

1. Discount Rates

1.1 The discount rates applied to <<customer_name>> purchases of BellSouth Telecommunications Services for the purpose of resale shall be as set forth in Exhibit E. The discount has been determined by the TRA to reflect the costs avoided by BellSouth when selling a service for wholesale purposes.

1.2 The telecommunications services available for purchase by <<customer_name>> for the purposes of resale to <<customer_name>>'s End Users shall be available at BellSouth's tariffed rates less the discount set forth in Exhibit E to this Agreement and subject to the exclusions and limitations set forth in Exhibit A to this Agreement.

2. Definition of Terms

2.1 COMPETITIVE LOCAL EXCHANGE COMPANY (CLEC) means a telephone company certificated by the TRA to provide local exchange service within BellSouth's incumbent area.

2.2 CUSTOMER OF RECORD means the entity responsible for placing application for service; requesting additions, rearrangements, maintenance or discontinuance of service; payment in full of charges incurred such as non-recurring, monthly recurring, toll, directory assistance, etc.

2.3 DEPOSIT means assurance provided by a customer in the form of cash, surety bond or bank letter of credit to be held by BellSouth.

2.4 END USER means the ultimate user of the Telecommunications Service.

2.5 END USER CUSTOMER LOCATION means the physical location of the premises where an End User makes use of the telecommunications services.

2.6 NEW SERVICES means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.

2.7 RESALE means an activity wherein a certificated CLEC, such as <<customer_name>>, subscribes to the telecommunications services of BellSouth and then offers those telecommunications services to the public.

3. General Provisions

3.1 All of the negotiated rates, terms and conditions set forth in this Attachment pertain to the resale of BellSouth's retail telecommunications services and other

services specified in this Attachment. Subject to effective and applicable FCC and Commission rules and orders, BellSouth shall make available to <<customer_name>> for resale those telecommunications services BellSouth makes available, pursuant to its General Subscriber Services Tariff and Private Line Services Tariff, to customer who are not telecommunications carriers.

3.1.1 When <<customer_name>> provides Resale service in a cross boundary area (areas that are part of the local serving area of another state's exchange) the rates, regulations and discounts for the tariffing state will apply. Billing will be from the serving state.

3.1.2 If <<customer_name>> provides its own operator services and directory services, the discount shall be 21.56%. <<customer_name>> must provide written notification to BellSouth within 30 days prior to providing its own operator services and directory services to qualify for the higher discount rate of 21.56%.

3.2 <<customer_name>> may purchase resale services from BellSouth for their own use in operating their business. The resale discount will apply to those services under the following conditions:

3.2.1 <<customer_name>> must resell services to other End Users.

3.2.2 <<customer_name>> must order services through resale interfaces, i.e., the Local Carrier Service Center (LCSC) and/or appropriate Resale Account Teams pursuant this Agreement.

3.2.3 <<customer_name>> cannot be a competitive local exchange telecommunications company for the single purpose of selling to themselves.

3.3 <<customer_name>> will be the customer of record for all services purchased from BellSouth. Except as specified herein, BellSouth will take orders from, bill and receive payment from <<customer_name>> for said services.

3.4 <<customer_name>> will be BellSouth's single point of contact for all services purchased pursuant to this Agreement. BellSouth shall have no contact with the End User except to the extent provided for herein. Each Party shall provide to the other a nation wide (50 states) toll-free contact number for purposes of repair and maintenance.

3.5 BellSouth will continue to bill the End User for any services that the End User specifies it wishes to receive directly from BellSouth. BellSouth maintains the right to serve directly any End User within the service area of <<customer_name>>. BellSouth will continue to market directly its own telecommunications products and services and in doing so may establish independent relationships with End Users of <<customer_name>>. Neither Party shall interfere with the right of any person or entity to obtain service directly from the other Party.

3.5.1 When a subscriber of <<customer_name>> or BellSouth elects to change his/her carrier to the other Party, both Parties agree to release the subscriber's service to the other Party concurrent with the due date of the service order, which shall be established based on the standard interval for the subscriber's requested service as set forth in BellSouth Product and Services Interval Guide, incorporated herein by this reference.

3.5.2 BellSouth and <<customer_name>> will refrain from contacting subscribers who have placed or whose selected carrier has placed on their behalf an order to change his/her service provider from BellSouth or <<customer_name>> to the other Party until such time that the order for service has been completed.

3.6 Current telephone numbers may normally be retained by the End User and are assigned to the service furnished. However, neither Party nor the End User has a property right to the telephone number or any other call number designation associated with services furnished by BellSouth, and no right to the continuance of service through any particular central office. BellSouth reserves the right to change such numbers, or the central office designation associated with such numbers, or both, whenever BellSouth deems it necessary to do so in the conduct of its business and in accordance with BellSouth practices and procedures on a nondiscriminatory basis.

3.7 For the purpose of the resale of BellSouth's telecommunications services by <<customer_name>>, BellSouth will provide <<customer_name>> with on line access to telephone numbers on a first come first served basis. <<customer_name>> acknowledges that there may be instances where there is a shortage of telephone numbers in a particular Common Language Location Identifier Code (CLLIC); and in such instances, <<customer_name>> shall return numbers to BellSouth upon BellSouth's request. BellSouth shall make all such requests on a nondiscriminatory basis.

3.8 Further, upon <<customer_name>>'s request, and for the purpose of the resale of BellSouth's telecommunications services by <<customer_name>>, BellSouth will reserve up to 100 telephone numbers per CLLIC, for <<customer_name>>'s sole use. Assignment, reservation and use of telephone numbers shall be governed by applicable FCC rules and regulations.

3.9 Service is furnished subject to the condition that it will not be used for any unlawful purpose.

3.10 Service will be discontinued if any law enforcement agency advises that the service being used is in violation of the law.

3.11 BellSouth can refuse service when it has grounds to believe that service will be used in violation of the law.

3.12 BellSouth will cooperate with law enforcement agencies with subpoenas and court orders relating to <<customer_name>>'s End Users, pursuant to Section 7 of the General Terms and Conditions.

3.13 If <<customer_name>> or its End Users utilize a BellSouth resold telecommunications service in a manner other than that for which the service was originally intended as described in BellSouth's retail tariffs, <<customer_name>> has the responsibility to notify BellSouth. BellSouth will only provision and maintain said service consistent with the terms and conditions of the tariff describing said service.

3.14 Facilities and/or equipment utilized by BellSouth to provide service to <<customer_name>> remain the property of BellSouth.

3.15 White page directory listings for <<customer_name>> End Users will be provided in accordance with Section 5 of the General Terms and Conditions.

3.16 BellSouth provides electronic access to customer record information. Access is provided through the Local Exchange Navigation System (LENS) and the Telecommunications Access Gateway (TAG). Customer Record Information includes but is not limited to, customer specific information in CRIS and RSAG. In addition, <<customer_name>> shall provide to BellSouth access to customer record information including electronic access where available. Otherwise, upon request by BellSouth <<customer_name>> shall provide paper copies of customer record information within a reasonable period of time. Customer Record Information is equivalent to but not limited to the type of customer specific information contained in CRIS and RSAG. The Parties agree not to view, copy, or otherwise obtain access to the customer record information of any customer without that customer's permission, and further agrees that <<customer_name>> and BellSouth will obtain access to customer record information only in strict compliance with applicable laws, rules, or regulations of the State in which the service is provided.

3.17 Operational Support Systems (OSS)

3.17.1 BellSouth has developed and made available the following mechanized systems by which <<customer_name>> may submit LSRs electronically: Local Exchange Navigation System (LENS), Electronic Data Interchange (EDI) and Telecommunications Access Gateway (TAG). All costs incurred by BellSouth to develop and implement operational interfaces shall be recovered from CLECs who utilize the interfaces.

3.17.2 LSRs submitted by means of one of these interactive interfaces will incur an OSS electronic charge as set forth in Exhibit B of Attachment 2 to this Agreement. An individual LSR will be identified for billing purposes by its Purchase Order Number (PON). LSRs submitted by means other than one of these interactive

interfaces (Mail, fax, courier, etc.) will incur a a manual order charge as set forth in Exhibit E to this Agreement. Supplements or clarifications to a previously billed LSR will not incur another OSS charge.

3.17.3 Denial/Restoral OSS Charge. In the event <<customer_name>>_provides a list of customers to be denied and restored, rather than an LSR , each location on the list will require a separate PON and therefore will be billed as one LSR per location.

3.17.4 Cancellation OSS Charge. <<customer_name>> will incur an OSS charge for an accepted LSR that is later canceled.

3.17.5 Threshold Billing Plan. <<customer_name>> will incur the mechanized rate for all LSRs, both mechanized and manual, if the percentage of mechanized LSRs to total LSRs meets or exceeds the threshold percentage of 90% in the year 2001. The threshold plan will be discontinued in 2002.

3.17.5.1 BellSouth will track the total LSR volume for each CLEC for each quarter. At the end of that time period, a Percent Electronic LSR calculation will be made for that quarter based on the LSR data tracked in the LCSC. If this percentage exceeds the threshold volume, all of that CLEC's future manual LSRs for the following quarter will be billed at the mechanized LSR rate. To allow time for obtaining and analyzing the data and updating the billing system, this billing change will take place on the first day of the second month following the end of the quarter (e.g. May 1 for 1Q, Aug 1 for 2Q, etc.). There will be no adjustments to the amount billed for previously billed LSRs.

3.18 Where available to BellSouth's End Users, BellSouth shall provide the following telecommunications services at a discount to allow for voice mail services**:**

- Message Waiting Indicator ("MWI"), stutter dialtone and message waiting light feature capabilities
- Call Forward Busy Line ("CF/B")
- Call Forward Don't Answer ("CF/DA")

Further, BellSouth messaging services set forth in BellSouth's Messaging Service Information Package shall be made available for resale without the wholesale discount.

3.19 BellSouth shall provide branding for, or shall unbrand, voice mail services for <<customer_name>> per the Bona Fide Request/New Business Request process as set forth in Section 6 of the General Terms and Conditions.

3.20 BellSouth's Inside Wire Maintenance Service Plan is available for resale at rates, terms and conditions as set forth by BellSouth and without the wholesale discount.

3.21 In the event <<customer_name>> acquires an end user whose service is provided pursuant to a BellSouth Special Assembly, BellSouth shall make available to <<customer_name>> that Special Assembly at the wholesale discount at <<customer_name>>'s option. <<customer_name>> shall be responsible for all terms and conditions of such Special Assembly including but not limited to termination liability if applicable.

3.22 BellSouth shall provide 911/E911 for <<customer_name>> customers in the same manner that it is provided to BellSouth customers. BellSouth shall provide and validate <<customer_name>> customer information to the PSAP. BellSouth shall use its service order process to update and maintain, on the same schedule that it uses for its customers, the <<customer_name>> customer service information in the ALI/DMS (Automatic Location Identification/Location Information) databases used to support 911/E911 services.

3.23 BellSouth shall bill, and <<customer_name>> shall pay, the End User line charge associated with implementing Number Portability as set forth in BellSouth's FCC No. 1 tariff. This charge is not subject to the wholesale discount.

3.24 Pursuant to 47 CFR Section 51.617, BellSouth will bill to <<customer_name>>, and <<customer_name>> shall pay, End User common line charges identical to the End User common line charges BellSouth bills its End Users.

3.25 BellSouth shall provide pre-ordering, ordering and provisioning and maintenance and repair services to <<customer_name>> that are equivalent to the pre-ordering, ordering and provisioning and maintenance and repair services BellSouth provides to itself or any other CLEC, where technically feasible. The guidelines for pre-ordering, ordering and provisioning and maintenance and repair are set forth in the various guides and business rules, as appropriate, and as they are amended from time to time during this Agreement. The guides and business rules may be referenced at the following site:

http://www.interconnection.bellsouth.com

and are incorporated herein by this reference.

3.26 Applicable Performance Measurements are set forth in Attachment 9.

4. BellSouth's Provision of Services to <<customer_name>>

4.1 Resale of BellSouth services shall be as follows:

4.1.1 The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.

4.1.2 Hotel and Hospital PBX services are the only telecommunications services available for resale to Hotel/Motel and Hospital End Users, respectively.

Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to Payphone Service Provider (PSP) customers. Shared Tenant Service customers can only be sold those local exchange access services available in BellSouth's A27 Shared Tenant Service Tariff in Tennessee.

4.1.3 BellSouth reserves the right to periodically audit services purchased by <<customer_name>> to establish authenticity of use. Such audit shall not occur more than once in a calendar year. <<customer_name>> shall make any and all records and data available to BellSouth or BellSouth's auditors on a reasonable basis. BellSouth shall bear the cost of said audit. Any information provided by <<customer_name>> for purposes of such audit shall be deemed Confidential Information pursuant to the General Terms and Conditions of this Agreement.

4.2 Subject to Exhibit A hereto, resold services can only be used in the same manner as specified in BellSouth's Tariffs. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual End User of BellSouth in the appropriate section of BellSouth's Tariffs. Specific tariff features (e.g. a usage allowance per month) shall not be aggregated across multiple resold services.

4.3 <<customer_name>> may resell services only within the specific service area as defined in its certificate of operation approved by the TRA..

5. Maintenance of Services

5.1 <<customer_name>> will adopt and adhere to the standards contained in the applicable BellSouth Operational Understanding regarding maintenance of service. The BellSouth Operational Understanding can be accessed via the internet @ http://www.interconnection.bellsouth.com, incorporated herein by this reference.

5.2 Services resold pursuant to this Attachment and BellSouth's General Subscriber Service Tariff and Private Line Service Tariff and facilities and equipment provided by BellSouth shall be maintained by BellSouth.

5.3 <<customer_name>> or its End Users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by BellSouth except with the written consent of BellSouth.

5.4 <<customer_name>> accepts responsibility to notify BellSouth of situations that arise that may result in a service problem.

5.5 <<customer_name>> will contact the appropriate repair centers in accordance with procedures established by BellSouth.

5.6 For all repair requests, <<customer_name>> shall adhere to BellSouth's prescreening guidelines prior to referring the trouble to BellSouth.

5.7 BellSouth will bill <<customer_name>> for handling troubles that are found not to be in BellSouth's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its retail customers for the same services.

5.8 BellSouth reserves the right to contact <<customer_name>>'s End Users, if deemed necessary, for maintenance purposes.

6. Establishment of Service

6.1 After receiving certification as a local exchange company from the TRA , <<customer_name>> will provide the appropriate BellSouth service center the necessary documentation to enable BellSouth to establish a master account for <<customer_name>>'s resold services. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, as described in Section 6.2 below, BellSouth will begin taking orders for the resale of service.

6.1.2 Service orders will be in a standard format designated by BellSouth.

6.1.3 <<customer_name>> shall provide to BellSouth a blanket letter of authorization ("LOA") certifying that <<customer_name>> will have End User authorization prior to viewing the End User's customer service record or switching the End User's service. BellSouth will not require End User confirmation prior to establishing service for <<customer_name>>'s End User customer. <<customer_name>> must, however, be able to demonstrate End User authorization upon request.

6.1.4 BellSouth will accept a request directly from the End User for conversion of the End User's service from <<customer_name>> to BellSouth or will accept a request from another CLEC for conversion of the End User's service from <<customer_name>> to such other CLEC. Upon completion of the conversion BellSouth will notify <<customer_name>> that such conversion has been completed.

6.2 Deposit Policy. When purchasing services from BellSouth, <<customer_name>> will be required to complete the BellSouth Credit Profile and provide information regarding credit worthiness. Based on the results of the credit analysis, BellSouth reserves the right to secure the account with a suitable form of security deposit.

6.2.1 Such security deposit shall take the form of cash, an Irrevocable Letter of Credit (BellSouth form), Surety Bond (BellSouth form) or, in sole discretion, some other form of security.

6.2.2 Such security deposit shall be required prior to the inauguration of service.

6.2.3 Security deposits collected under this Section shall not exceed two months' estimated billing.

6.2.4 The fact that a security deposit has been made in no way relieves <<customer_name>> from complying with BellSouth's regulations as to advance payments. Any such security deposit shall in no way release <<customer_name>> from its obligation to make complete and timely payments of its bills.

6.2.5 If in the sole opinion of BellSouth, circumstances so warrant and/or gross monthly billing has increased beyond the level initially used to determine the level of security, BellSouth reserves the right to request additional security and/or file a Uniform Commercial Code (UCCI) security interest in <<customer_name>>'s "accounts receivables and proceeds.""

6.2.6 In the event <<customer_name>> fails to remit to BellSouth any deposit requested pursuant to this Section, service to <<customer_name>> may be terminated in accordance with the terms of Section 8.2 of this Attachment, and any security deposits will be applied to <<customer_name>>'s account(s).

6.2.7 In the event service to <<customer_name>> is terminated due to <<customer_name>>'s default on its account, any security deposits held will be applied to <<customer_name>>'s account.

6.2.8 Interest on a security deposit, if provided in cash, shall accrue and be paid in accordance with the terms in the appropriate BellSouth tariff.

7. Payment And Billing Arrangements

7.1 Prior to submitting orders to BellSouth for local service, a master account must be established for <<customer_name>>. <<customer_name>> is required to provide the following before a master account is established: proof of TRA certification, the Application for Master Account, an Operating Company Number (“OCN”) assigned by the National Exchange Carriers Association (“NECA”) and a tax exemption certificate, if applicable.

7.2 BellSouth shall bill <<customer_name>> on a current basis all applicable charges and credits.

7.3 Payment of all charges will be the responsibility of <<customer_name>>. <<customer_name>> shall make payment to BellSouth for all services billed. BellSouth is not responsible for payments not received by <<customer_name>> from <<customer_name>>'s End User. BellSouth will not become involved in billing disputes that may arise between <<customer_name>> and its End User. Payments made to BellSouth as payment on account will be credited to an accounts receivable master account and not to an End User's account.

7.4 BellSouth will render bills each month on established bill days for each of <<customer_name>>'s accounts.

7.5 BellSouth will bill <<customer_name>> in advance for all services to be provided during the ensuing billing period except charges associated with service usage, which will be billed in arrears. Charges will be calculated on an individual End User account level, including, if applicable, any charge for usage or usage allowances. BellSouth will also bill <<customer_name>>, and <<customer_name>> will be responsible for and remit to BellSouth, all charges applicable to resold services including but not limited to 911 and E911 charges, End Users common line charges, federal subscriber line charges, telecommunications relay charges (TRS), and franchise fees.

7.6 The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available funds. Payment is considered to have been made when received by BellSouth.

7.6.1 If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment charge, as set forth in Section 7.8 following, shall apply.

7.6.2 If <<customer_name>> requests multiple billing media or additional copies of bills, BellSouth will provide these at an appropriate charge to <<customer_name>>.

7.6.3 Notices. Notwithstanding anything to the contrary in this Agreement, all bills and notices regarding billing matters, including notices relating to security deposits, to rejection of additional orders, from <<customer_name>> and to disconnection of services for nonpayment of charges, shall be forwarded to the individual and/or address provided by <<customer_name>> in establishment of its billing account(s) with BellSouth, or to the individual and/or address subsequently

provided by <<customer_name>> as the contact for billing information. All monthly bills and notices described in this Section shall be forwarded to the same individual and/or address; provided, however, upon written notices from <<customer_name>> to BellSouth's billing organization, a final notice of disconnection of services purchased by <<customer_name>> under this Agreement shall be sent via certified mail to the individuals listed in the Notices provision of the General Terms and Conditions of this Agreement at least 30 days before BellSouth takes any action to terminate such services.

7.6.4 Billing Disputes

7.6.4.1 Each Party agrees to notify the other Party in writing upon the discovery of a billing dispute. In the event of a billing dispute, the Parties will endeavor to resolve the dispute within sixty (60) calendar days of the notification date. If the Parties are unable within the 60 day period to reach resolution, then the aggrieved Party may pursue dispute resolution in accordance with the General Terms and Conditions of this Agreement.

7.6.4.2 For purposes of this Section, a billing dispute means a dispute of a specific amount of money actually billed by BellSouth. The dispute must be clearly explained by the disputing Party and supported by written documentation, which clearly shows the basis for disputing charges. By way of example and not by limitation, a billing dispute will not include the refusal to pay all or part of a bill or bills when no written documentation is provided to support the dispute, nor shall a billing dispute include the refusal to pay other amounts owed by the billed Party until the dispute is resolved. Claims by the billed Party for damages of any kind will not be considered a billing dispute for purposes of this Section. Once the billing dispute is resolved, the disputing Party will make immediate payment of any of the disputed amount owed to the billing Party or the billing Party shall have the right to pursue normal treatment procedures. Any credits due to the disputing Party, pursuant to the billing dispute, will be applied to the disputing Party's account by the billing Party immediately upon resolution of the dispute.

7.6.4.3 If a Party disputes a charge and does not pay such charge by the payment due date, such charges shall be subject to late payment charges as set forth in the Late Payment Charges provision of this Attachment. If a Party disputes charges and the dispute is resolved in favor of such Party, the other Party shall credit the bill of the disputing Party for the amount of the disputed charges along with any late payment charges assessed no later than the second Bill Date after the resolution of the dispute. Accordingly, if a Party disputes charges and the dispute is resolved in favor of the other Party, the disputing Party shall pay the other Party the amount of the disputed charges and any associated late payment charges assessed no later than the second bill payment due date after the resolution of the dispute. BellSouth shall only assess interest on previously assessed late payment charges in a state where it has authority pursuant to its tariffs.

7.7 Upon proof of tax exempt certification from <<customer_name>>, the total amount billed to <<customer_name>> will not include any taxes due from the End User to reflect the tax exempt certification and local tax laws. <<customer_name>> will be solely responsible for the computation, tracking, reporting, and payment of taxes applicable to <<customer_name>>'s End User.

7.8 If any portion of the payment is received by BellSouth after the payment due date as set forth preceding, or if any portion of the payment is received by BellSouth in funds that are not immediately available to BellSouth, then a late payment charge shall be due to BellSouth. The late payment charge shall be the portion of the payment not received by the payment due date times a late factor and will be applied on a per bill basis. The late factor shall be as set forth in Section A2 of the General Subscriber Services Tariff or Section B2 of the Private Line Service Tariff, as applicable. <<customer_name>> will be charged a fee for all returned checks as set forth in Section to A2 of the General Subscriber Services Tariff or in applicable state law.

7.9 Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to, BellSouth.

7.10 BellSouth will not perform billing and collection services for <<customer_name>> as a result of the execution of this Agreement. All requests for billing services should be referred to the appropriate entity or operational group within BellSouth.

7.11 In general, BellSouth will not become involved in disputes between <<customer_name>> and <<customer_name>>'s End User customers relating to resold services. If a dispute does arise that cannot be settled without the involvement of BellSouth, <<customer_name>> shall contact the designated Service Center for resolution. BellSouth will assist in the resolution of the dispute and will work with <<customer_name>> to resolve the matter in as timely a manner as possible. <<customer_name>> may be required to submit documentation to substantiate the claim.

8. Discontinuance of Service

8.1 The procedures for discontinuing service to an End User are as follows:

8.1.1 BellSouth will deny service to <<customer_name>>'s End User on behalf of, and at the request of, <<customer_name>>. Upon restoration of the End User's service, restoral charges will apply and will be the responsibility of <<customer_name>>.

8.1.2 At the request of <<customer_name>>, BellSouth will disconnect a <<customer_name>> End User customer.

8.1.3 All requests by <<customer_name>> for denial or disconnection of an End User for nonpayment must be in writing.

8.1.4 <<customer_name>> will be made solely responsible for notifying the End User of the proposed disconnection of the service.

8.1.5 BellSouth will continue to process calls made to the Annoyance Call Center and will advise <<customer_name>> when it is determined that annoyance calls are originated from one of its End User's locations. BellSouth shall be indemnified, defended and held harmless by <<customer_name>> and/or the End User against any claim, loss or damage arising from providing this information to <<customer_name>>. It is the responsibility of <<customer_name>> to take the corrective action necessary with its End Users who make annoying calls. (Failure to do so will result in BellSouth's disconnecting the End User's service.)

8.1.6 BellSouth may disconnect and reuse facilities when the facility is in a denied state and BellSouth has received an order to establish new service or transfer of service from an End User or an End User's CLEC at the same address served by the denied facility.

8.2 The procedures for discontinuing service to <<customer_name>> are as follows:

8.2.1 BellSouth reserves the right to suspend or terminate service in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any other violation or noncompliance by <<customer_name>> of the rules and regulations of BellSouth's Tariffs.

8.2.2 BellSouth reserves the right to suspend or terminate service for nonpayment. If payment of amounts not subject to a billing dispute, as described in Section 7.6.4, is not received by the bill day in the month after the original bill day, BellSouth may provide written notice to <<customer_name>>, that additional applications for service such as access to the Operational Support Systems for pre-ordering, ordering and provisioning of services will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. In addition BellSouth may, at the same time, provide written notice to the person designated by <<customer_name>> to receive notices of noncompliance that BellSouth may discontinue the provision of existing services to <<customer_name>>, if payment is not received by the thirtieth day following the date of the notice.

8.2.3 In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due.

8.2.4 If BellSouth does not discontinue the provision of the services involved on the date specified in the thirty days notice and <<customer_name>>'s noncompliance continues, nothing contained herein shall preclude BellSouth's right to

discontinue the provision of the services to <<customer_name>> without further notice.

8.2.5 Upon discontinuance of service on a <<customer_name>>'s account, service to <<customer_name>>'s End Users will be denied. BellSouth will also reestablish service at the request of the End User or <<customer_name>> upon payment of the appropriate connection fee and subject to BellSouth's normal application procedures. <<customer_name>> is solely responsible for notifying the End User of the proposed disconnection of the service.

8.2.6 If within fifteen days after an End User's service has been denied no contact has been made in reference to restoring service, the End User's service will be disconnected.

9. Line Information Database (LIDB)

9.1 BellSouth will store in its Line Information Database (LIDB) records relating to service only in the BellSouth region. The LIDB Storage Agreement is included in this Attachment as Exhibit B.

9.2 BellSouth will provide LIDB Storage upon written request to <<customer_name>>'s Account Manager stating a requested activation date.

10. RAO Hosting

10.1 RAO Hosting is not required for resale in the BellSouth region.

11. Optional Daily Usage File (ODUF)

11.1 The Optional Daily Usage File (ODUF) Agreement with terms and conditions is included in this Attachment as Exhibit C. Rates for ODUF are as set forth in Exhibit B of Attachment 2 of this Attachment.

11.2 BellSouth will provide ODUF service upon written request to its Account Manager stating a requested activation date.

12. Enhanced Optional Daily Usage File (EODUF)

12.1 The Enhanced Optional Daily Usage File (EODUF) service Agreement with terms and conditions is included in this Attachment as Exhibit D. Rates for EODUF are as set forth in Exhibit B of Attachment 2 of this Attachment.

12.2 BellSouth will provide EODUF service upon written request to its Account Manager stating a requested activation date.

EXCLUSIONS AND LIMITATIONS ON SERVICES AVAILABLE FOR RESALE (Note 5)

	Type of Service	TN	
		Resale	Discount
1	Grandfathered Services (Note 1)	Yes	Yes
2	Promotions - > 90 Days(Note 2)	Yes	Note 3
3	Promotions - ≤ 90 Days (Note 2)	Yes	No
4	Lifeline/Link Up Services	Yes	Yes
5	911/E911 Services	Yes	Yes
6	N11 Services	Yes	Yes
7	MemoryCall® Service	Yes	No
8	Mobile Services	Yes	No
9	Federal Subscriber Line Charges	Yes	No
10	Non-RecurCharges	Yes	No
11	End User Line Chg-Number Portability	Yes	No
12	Public Telephone Access Svc(PTAS)	Yes	Yes
13	Inside Wire Maint Service Plan	Yes	No

Applicable Notes:

1. **Grandfathered services** can be resold only to existing subscribers of the grandfathered service.
2. Where available for resale, **promotions** will be made available only to End Users who would have qualified for the promotion had it been provided by BellSouth directly.
3. In Tennessee, long-term **promotions** (offered for more than ninety (90) days) may be obtained at one of the following rates:
   (a) the stated tariff rate, less the wholesale discount;
   (b) the promotional rate (the promotional rate offered by BellSouth will not be discounted further by the wholesale discount rate)
4. **Lifeline/Link Up** services may be offered only to those subscribers who meet the criteria that BellSouth currently applies to subscribers of these services as set forth in Sections A3 and A4 of the BellSouth General Subscriber Services Tariff.
5. Some of BellSouth's local exchange and toll telecommunications services are not available in certain central offices and areas.

LINE INFORMATION DATA BASE (LIDB)

RESALE STORAGE AGREEMENT

I. Definitions

A. Billing number - a number used by BellSouth for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.

B. Line number - a ten-digit number assigned by BellSouth that identifies a telephone line associated with a resold local exchange service, or with a SPNP arrangement.

C. Special billing number - a ten-digit number that identifies a billing account established by BellSouth in connection with a resold local exchange service or with a SPNP arrangement.

D. Calling Card number - a billing number plus PIN number assigned by BellSouth.

E. PIN number - a four digit security code assigned by BellSouth which is added to a billing number to compose a fourteen digit calling card number.

F. Toll billing exception indicator - associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by <<customer_name>>.

G. Billed Number Screening - refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.

H. Calling Card Validation - refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.

I. Billing number information - information about billing number or Calling Card number as assigned by BellSouth and toll billing exception indicator provided to BellSouth by <<customer_name>>.

II. General

A. This Agreement sets forth the terms and conditions pursuant to which BellSouth agrees to store in its LIDB certain information at the request of <<customer_name>> and pursuant to which BellSouth, its LIDB customers and <<customer_name>> shall have access to such information. In addition, this Agreement sets forth the terms and conditions for <<customer_name>>'s provision of billing number information to

BellSouth for inclusion in BellSouth's LIDB. <<customer_name>> understands that BellSouth provides access to information in its LIDB to various telecommunications service providers pursuant to applicable tariffs and agrees that information stored at the request of <<customer_name>>, pursuant to this Agreement, shall be available to those telecommunications service providers. The terms and conditions contained herein shall hereby be made a part of this Interconnection/Resale Agreement upon notice to <<customer_name>>'s account team to activate this LIDB Storage Agreement. The General Terms and Conditions of the Interconnection/Resale Agreement shall govern this LIDB Storage Agreement. The terms and conditions contained in the attached Addendum is hereby made a part of this LIDB Storage Agreement as if fully incorporated herein.

B. BellSouth will provide responses to on-line, call-by-call queries to billing number information for the following purposes:

1. Billed Number Screening

   BellSouth is authorized to use the billing number information to determine whether <<customer_name>> has identified the billing number as one that should not be billed for collect or third number calls.

2. Calling Card Validation

   BellSouth is authorized to validate a 14-digit Calling Card number where the first 10 digits are a line number or special billing number assigned by BellSouth, and where the last four digits (PIN) are a security code assigned by BellSouth.

3. Fraud Control

   BellSouth will provide seven days per week, 24-hours per day, fraud monitoring on Calling Cards, bill-to-third and collect calls made to numbers in BellSouth's LIDB, provided that such information is included in the LIDB query. BellSouth will establish fraud alert thresholds and will notify <<customer_name>> of fraud alerts so that <<customer_name>> may take action it deems appropriate.

III. Responsibilities of the Parties

A. BellSouth will administer all data stored in the LIDB, including the data provided by <<customer_name>> pursuant to this Agreement, in the same manner as BellSouth's data for BellSouth's End User customers. BellSouth shall not be responsible to <<customer_name>> for any lost revenue which may result from BellSouth's administration of the LIDB pursuant to its established practices and procedures as they exist and as they may be changed by BellSouth in its sole discretion from time to time.

B. Billing and Collection Customers

BellSouth currently has in effect numerous billing and collection agreements with various interexchange carriers and billing clearing houses and as such these billing and collection customers ("B&C Customers") query BellSouth's LIDB to determine whether to accept various billing options from End Users. Until such time as BellSouth implements in its LIDB and its supporting systems the means to differentiate <<customer_name>>'s data from BellSouth's data, the following shall apply:

(1) <<customer_name>> will accept responsibility for telecommunications services billed by BellSouth for its B&C Customers for <<customer_name>>'s End User accounts which are resident in LIDB pursuant to this Agreement. <<customer_name>> authorizes BellSouth to place such charges on <<customer_name>>'s bill from BellSouth and shall pay all such charges, including, but are not limited to, collect and third number calls.

(2) Charges for such services shall appear on a separate BellSouth bill page identified with the name of the B&C Customers for which BellSouth is billing the charge.

(3) <<customer_name>> shall have the responsibility to render a billing statement to its End Users for these charges, but <<customer_name>> shall pay BellSouth for the charges billed regardless of whether <<customer_name>> collects from <<customer_name>>'s End Users.

(4) BellSouth shall have no obligation to become involved in any disputes between <<customer_name>> and B&C Customers. BellSouth will not issue adjustments for charges billed on behalf of any B&C Customer to <<customer_name>>. It shall be the responsibility of <<customer_name>> and the B&C Customers to negotiate and arrange for any appropriate adjustments.

C. SPNP ARRANGEMENTS

1. BellSouth will include billing number information associated with resold exchange lines or SPNP arrangements in its LIDB. <<customer_name>> will request any toll billing exceptions via the Local Service Request (LSR) form used to order resold exchange lines, or the SPNP service request form used to order SPNP arrangements.

2. Under normal operating conditions, BellSouth shall include the billing number information in its LIDB upon completion of the service order establishing either the resold local exchange service or the SPNP arrangement, provided that BellSouth shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances or conditions beyond BellSouth's reasonable control. BellSouth will store in its LIDB an unlimited volume of the working telephone numbers associated with either the resold local exchange lines or the SPNP arrangements. For resold local exchange lines or for SPNP arrangements, BellSouth will issue line-based calling cards only in the

name of <<customer_name>>. BellSouth will not issue line-based calling cards in the name of <<customer_name>>'s individual End Users. In the event that <<customer_name>> wants to include calling card numbers assigned by <<customer_name>> in the BellSouth LIDB, a separate agreement is required.

IV. Fees for Service and Taxes

A. <<customer_name>> will not be charged a fee for storage services provided by BellSouth to <<customer_name>>, as described in this LIDB Resale Storage Agreement.

B. Sales, use and all other taxes (excluding taxes on BellSouth's income) determined by BellSouth or any taxing authority to be due to any federal, state or local taxing jurisdiction with respect to the provision of the service set forth herein will be paid by <<customer_name>> in accordance with the tax provisions set forth in the General Terms and Conditions of this Agreement.

Optional Daily Usage File

1. Upon written request from <<customer_name>>, BellSouth will provide the Optional Daily Usage File (ODUF) service to <<customer_name>> pursuant to the terms and conditions set forth in this section.

2. <<customer_name>> shall furnish all relevant information required by BellSouth for the provision of the Optional Daily Usage File.

3. The Optional Daily Usage Feed will contain billable messages that were carried over the BellSouth Network and processed in the BellSouth Billing System, but billed to a <<customer_name>> customer.

   Charges for delivery of the Optional Daily Usage File will appear on <<customer_name>>'s monthly bills. The charges are as set forth in Exhibit E to this Attachment.

4. The Optional Daily Usage Feed will contain both rated and unrated messages. All messages will be in the standard Alliance for Telecommunications Industry Solutions (ATIS) EMI record format.

5. Messages that error in <<customer_name>>'s billing system will be the responsibility of <<customer_name>>. If, however, <<customer_name>> should encounter significant volumes of errored messages that prevent processing by <<customer_name>> within its systems, BellSouth will work with <<customer_name>> to determine the source of the errors and the appropriate resolution.

6. The following specifications shall apply to the Optional Daily Usage Feed.

6.1 Usage To Be Transmitted

6.1.1 The following messages recorded by BellSouth will be transmitted to <<customer_name>>:

- Message recording for per use/per activation type services (examples: Three Way Calling, Verify, Interrupt, Call Return, etc.)

- Measured billable Local

- Directory Assistance messages

- IntraLATA Toll

- WATS and 800 Service
- N11
- Information Service Provider Messages
- Operator Services Messages
- Operator Services Message Attempted Calls (UNE only)
- Credit/Cancel Records
- Usage for Voice Mail Message Service

6.1.2 Rated Incollects (originated in BellSouth and from other companies) can also be on Optional Daily Usage File. Rated Incollects will be intermingled with BellSouth recorded rated and unrated usage. Rated Incollects will not be packed separately.

6.1.3 BellSouth will perform duplicate record checks on records processed to Optional Daily Usage File. Any duplicate messages detected will be deleted and not sent to <<customer_name>>.

6.1.4 In the event that <<customer_name>> detects a duplicate on Optional Daily Usage File they receive from BellSouth, <<customer_name>> will drop the duplicate message (<<customer_name>> will not return the duplicate to BellSouth).

6.2 Physical File Characteristics

6.2.1 The Optional Daily Usage File will be distributed to <<customer_name>> via an agreed medium with CONNECT:Direct being the preferred transport method. The Daily Usage Feed will be a variable block format (2476) with an LRECL of 2472. The data on the Daily Usage Feed will be in a non-compacted EMI format (175 byte format plus modules). It will be created on a daily basis (Monday through Friday except holidays). Details such as dataset name and delivery schedule will be addressed during negotiations of the distribution medium. There will be a maximum of one dataset per workday per OCN.

6.2.2 Data circuits (private line or dial-up) will be required between BellSouth and <<customer_name>> for the purpose of data transmission. Where a dedicated line is required, <<customer_name>> will be responsible for ordering the circuit, overseeing its installation and coordinating the installation with BellSouth. <<customer_name>> will also be responsible for any charges associated with this line. Equipment required on the BellSouth end to attach the line to the mainframe computer and to transmit successfully ongoing will be negotiated on a case by case basis. Where a dial-up

facility is required, dial circuits will be installed in the BellSouth data center by BellSouth and the associated charges assessed to <<customer_name>>. Additionally, all message toll charges associated with the use of the dial circuit by <<customer_name>> will be the responsibility of <<customer_name>>. Associated equipment on the BellSouth end, including a modem, will be negotiated on a case by case basis between the Parties. All equipment, including modems and software, that is required on <<customer_name>> end for the purpose of data transmission will be the responsibility of <<customer_name>>.

6.3 Packing Specifications

6.3.1 A pack will contain a minimum of one message record or a maximum of 99,999 message records plus a pack header record and a pack trailer record. One transmission can contain a maximum of 99 packs and a minimum of one pack.

6.3.2 The OCN, From RAO, and Invoice Number will control the invoice sequencing. The From RAO will be used to identify to <<customer_name>> which BellSouth RAO is sending the message. BellSouth and <<customer_name>> will use the invoice sequencing to control data exchange. BellSouth will be notified of sequence failures identified by <<customer_name>> and resend the data as appropriate.

THE DATA WILL BE PACKED USING ATIS EMI RECORDS.

6.4 Pack Rejection

6.4.1 <<customer_name>> will notify BellSouth within one business day of rejected packs (via the mutually agreed medium). Packs could be rejected because of pack sequencing discrepancies or a critical edit failure on the Pack Header or Pack Trailer records (i.e. out-of-balance condition on grand totals, invalid data populated). Standard ATIS EMI Error Codes will be used. <<customer_name>> will not be required to return the actual rejected data to BellSouth. Rejected packs will be corrected and retransmitted to <<customer_name>> by BellSouth.

6.5 Control Data

<<customer_name>> will send one confirmation record per pack that is received from BellSouth. This confirmation record will indicate <<customer_name>> received the pack and the acceptance or rejection of the pack. Pack Status Code(s) will be populated using standard ATIS EMI error codes for packs that were rejected by <<customer_name>> for reasons stated in the above section.

6.6 Testing

6.6.1 Upon request from <<customer_name>>, BellSouth shall send test files to <<customer_name>> for the Optional Daily Usage File. The Parties agree to review and discuss the file's content and/or format. For testing of usage results, BellSouth

shall request that <<customer_name>> set up a production (LIVE) file. The live test may consist of <<customer_name>>'s employees making test calls for the types of services <<customer_name>> requests on the Optional Daily Usage File. These test calls are logged by <<customer_name>>, and the logs are provided to BellSouth. These logs will be used to verify the files. Testing will be completed within 30 calendar days from the date on which the initial test file was sent.

Enhanced Optional Daily Usage File

1. Upon written request from <<customer_name>>, BellSouth will provide the Enhanced Optional Daily Usage File (EODUF) service to <<customer_name>> pursuant to the terms and conditions set forth in this section. EODUF will only be sent to existing ODUF subscribers who request the EODUF option.

2. <<customer_name>> shall furnish all relevant information required by BellSouth for the provision of the Enhanced Optional Daily Usage File.

3. The Enhanced Optional Daily Usage File (EODUF) will provide usage data for local calls originating from resold Flat Rate Business and Residential Lines.

4. Charges for delivery of the Enhanced Optional Daily Usage File will appear on <<customer_name>>'s monthly bills. The charges are as set forth in Exhibit E to this Attachment.

5. All messages will be in the standard Alliance for Telecommunications Industry Solutions (ATIS) EMI record format.

6. Messages that error in the billing system of <<customer_name>> will be the responsibility of <<customer_name>>. If, however, <<customer_name>> should encounter significant volumes of errored messages that prevent processing by <<customer_name>> within its systems, BellSouth will work with <<customer_name>> to determine the source of the errors and the appropriate resolution.

7. The following specifications shall apply to the Optional Daily Usage Feed.

7.1 Usage To Be Transmitted

7.1.1 The following messages recorded by BellSouth will be transmitted to <<customer_name>>:

Customer usage data for flat rated local call originating from <<customer_name>>'s End User lines (1FB or 1FR). The EODUF record for flat rate messages will include:

Date of Call

From Number

To Number

Connect Time

Conversation Time

Method of Recording

From RAO

Rate Class

Message Type

Billing Indicators

Bill to Number

7.1.2 BellSouth will perform duplicate record checks on EODUF records processed to Optional Daily Usage File. Any duplicate messages detected will be deleted and not sent to <<customer_name>>.

7.1.3 In the event that <<customer_name>> detects a duplicate on Enhanced Optional Daily Usage File they receive from BellSouth, <<customer_name>> will drop the duplicate message (<<customer_name>> will not return the duplicate to BellSouth).

7.2 Physical File Characteristics

7.2.1 The Enhanced Optional Daily Usage Feed will be distributed to <<customer_name>> over their existing Optional Daily Usage File (ODUF) feed. The EODUF messages will be intermingled among <<customer_name>>'s Optional Daily Usage File (ODUF) messages. The EODUF will be a variable block format (2476) with an LRECL of 2472. The data on the EODUF will be in a non-compacted EMI format (175 byte format plus modules). It will be created on a daily basis (Monday through Friday except holidays).

7.2.2 Data circuits (private line or dial-up) may be required between BellSouth and <<customer_name>> for the purpose of data transmission. Where a dedicated line is required, <<customer_name>> will be responsible for ordering the circuit, overseeing its installation and coordinating the installation with BellSouth. <<customer_name>> will also be responsible for any charges associated with this line. Equipment required on the BellSouth end to attach the line to the mainframe computer and to transmit successfully ongoing will be negotiated on a case by case basis. Where a dial-up facility is required, dial circuits will be installed in the BellSouth data center by BellSouth and the associated charges assessed to <<customer_name>>. Additionally, all message toll charges associated with the use of the dial circuit by

<<customer_name>> will be the responsibility of <<customer_name>>. Associated equipment on the BellSouth end, including a modem, will be negotiated on a case by case basis between the Parties. All equipment, including modems and software, that is required on <<customer_name>>'s end for the purpose of data transmission will be the responsibility of <<customer_name>>.

7.3 Packing Specifications

7.3.1 A pack will contain a minimum of one message record or a maximum of 99,999 message records plus a pack header record and a pack trailer record. One transmission can contain a maximum of 99 packs and a minimum of one pack.

7.3.2 The Operating Company Number (OCN), From Revenue Accounting Office (RAO), and Invoice Number will control the invoice sequencing. The From RAO will be used to identify to <<customer_name>> which BellSouth RAO is sending the message. BellSouth and <<customer_name>> will use the invoice sequencing to control data exchange. BellSouth will be notified of sequence failures identified by <<customer_name>> and resend the data as appropriate.

THE DATA WILL BE PACKED USING ATIS EMI RECORDS.

Attachment 1
Exhibit E

Wholesale Discount

The following percentage discounts apply to BellSouth retail services as set out in this Attachment.

Residential Services	16.0%
Business Services	16.0%

If the CLEC provides its own operator services and directory services, the discount shall be 21.56%. The CLEC must provide written notification to BellSouth within 30 days prior to providing its own operator services and directory services to quality for the higher discount rate of 21.56%.

Attachment 2

Network Elements and Other Services

TABLE OF CONTENTS

ACCESS TO NETWORK ELEMENTS AND OTHER SERVICES

1. Introduction

1.1 This Attachment sets forth rates, terms and conditions for Network Elements and combinations of Network Elements that BellSouth agrees to offer to <<customer_name>> in accordance with its obligations under Section 251(c)(3) of the Act. Additionally, this Attachment sets forth the rates, terms and conditions for other services BellSouth makes available to <<customer_name>>. The price for each Network Element and combination of Network Elements and other services are set forth in Exhibit B of this Agreement. Additionally, the provision of a particular Network Element or service may require <<customer_name>> to purchase other Network Elements or services.

1.2 For purposes of this Agreement**, "**Network Element**"** is defined to mean a facility or equipment <<customer_name>> used in the provision of a telecommunications service. For purposes of this Agreement, combinations of Network Elements shall be referred to as "Combinations."

1.2.1 Except as otherwise required by law, BellSouth shall not impose limitations, restrictions or requirements on a request for the use of the network elements or combinations that would impair the ability of CLEC-1 to offer telecommunications service in the manner CLEC-1 intends.

1.2.2 Except upon request by CLEC-1, BellSouth shall not separate requested network elements that BellSouth currently combines.

1.2.2.1 BellSouth currently combines network elements when it provides the same combination to itself anywhere in its network. Pursuant to the Authority's orders in Docket No. 97-01262 and Docket No. 99-00430, BellSouth shall provide to CLEC-1 in Tennessee any combination of unbundled network elements that it currently combines. BellSouth does not waive any rights to appeal or otherwise challenge the Authority's directive that BellSouth provide these Combinations.

1.3 BellSouth shall, upon request of <<customer_name>>, and to the extent technically feasible, provide to <<customer_name>> access to its Network Elements for the provision of <<customer_name>>'s telecommunications services. If no rate is identified in this Agreement, the rate for the specific service or function will be as set forth in the applicable BellSouth tariff or as negotiated by the Parties upon request by either Party.

1.4 <<customer_name>> may purchase Network Elements and other services from BellSouth for the purpose of combining such network elements in any manner <<customer_name>> chooses to provide telecommunication services to its intended users, including recreating existing BellSouth services. With the exception of the sub-loop Network Elements which are located outside of the

central office, BellSouth shall deliver the Network Elements purchased by <<customer_name>> to the designated <<customer_name>> collocation space.

1.5 BellSouth shall comply with the requirements as set forth in the technical references within this Attachment 2.

1.6 **Rates**

1.6.1 The prices that <<customer_name>> shall pay to BellSouth for Network Elements and Other Services are set forth in Exhibit B to this Attachment. If <<customer_name>> purchases a service(s) from a tariff, all terms and conditions and rates as set forth in such tariff shall apply.

1.6.2 Cancellation Charges**.** If <<customer_name>> cancels an order for Network Elements, Combination or other services, any costs incurred by BellSouth in conjunction with the provisioning of that order will be recovered in accordance with FCC No. 1 Tariff, Section 5.

1.6.3 Expedite Charges**.** For expedited requests by <<customer_name>>, expedited charges will apply for intervals less than the standard interval as outlined in the BellSouth Product and Services Interval Guide. The charges as outlined in BellSouth's FCC No. 1 Tariff, Section 5, will apply.

1.6.4 Order cancellation and expedite charges will apply in accordance with the terms and conditions specified in Attachment 6.

1.6.5 If <<customer_name>> modifies an order (Order Modification Charge (OMC)) after being sent a Firm Order Confirmation (FOC) from BellSouth, any costs incurred by BellSouth to accommodate the modification will be paid by <<customer_name>> in accordance with FCC No. 1 Tariff, Section 5.

1.6.6 A one-month minimum billing period shall apply to all UNE conversions or new installations.

2. Unbundled Loops

2.1 **General**

2.1.1 The local loop Network Element ("Loop") is defined as a transmission facility between a distribution frame (or its equivalent) in BellSouth's central office and the loop demarcation point at an end-user customer premises, including inside wire owned by BellSouth. The local loop Network Element includes all features, functions, and capabilities of the transmission facilities, including dark fiber and attached electronics (except those used for the provision of advanced services, such as Digital Subscriber Line Access Multiplexers) and line conditioning.

2.1.2 The provisioning of a Loop to <<customer_name>>'s collocation space will require cross-office cabling and cross-connections within the central office to connect the Loop to a local switch or to other transmission equipment. These cross-connects are separate components, that are not considered a part of the Loop, and thus, have a separate charge.

2.1.3 To the extent available within BellSouth's network at a particular location, BellSouth will offer Loops capable of supporting telecommunications services. If a requested loop type is not available, and cannot be made available through BellSouth's Unbundled Loop Modification process, then <<customer_name>> can use the Special Construction process to request that BellSouth place facilities in order to meet <<customer_name>>'s loop requirements. Standard Loop intervals shall not apply to the Special Construction process.

2.1.4 Where facilities are available, BellSouth will install Loops in compliance with BellSouth's Products and Services Interval Guide available at the website at http://www.interconnection.bellsouth.com. For orders of 15 or more Loops, the installation and any applicable Order Coordination as described below will be handled on a project basis, and the intervals will be set by the BellSouth project manager for that order. When Loops require a Service Inquiry (SI) prior to issuing the order to determine if facilities are available, the interval for the SI process is separate from the installation interval.

2.1.5 The Loop shall be provided to <<customer_name>> in accordance with BellSouth's TR73600 Unbundled Local Loop Technical Specification, incorporated herein by this reference and applicable industry standard technical references.

2.1.6 <<customer_name>> may utilize the unbundled Loops to provide any telecommunications service it wishes, so long as such services are consistent with industry standards and BellSouth's TR73600.

2.1.7 BellSouth will only provision, maintain and repair the Loops to the standards that are consistent with the type of Loop ordered. In those cases where <<customer_name>> has requested that BellSouth modify a Loop so that it no longer meets the technical parameters of the original Loop type (e.g., voice grade, ISDN, ADSL, etc.) the resulting Loop will be maintained as an unbundled copper Loop (UCL), and <<customer_name>> shall pay the recurring and non-recurring charges for a UCL. For non-service specific loops (e.g. UCL, Loops modified by <<customer_name>> using the Unbundled Loop Modification (ULM) process), BellSouth will only support that the Loop has copper continuity and balanced tip-and-ring.

2.1.8 **Loop Testing/Trouble Reporting**

2.1.8.1 <<customer_name>> is responsible for testing and isolating troubles on the Loops. <<customer_name>> must test and isolate trouble to the BellSouth portion of a designed unbundled loop (e.g., UVL-SL2, UCL-D, etc.) before reporting repair to the UNE Center. At the time of the trouble report, <<customer_name>> will be required to provide the results of the <<customer_name>> test which indicate a problem on the BellSouth provided loop.

2.1.8.2 Once <<customer_name>> has isolated a trouble to the BellSouth provided Loop, and had issued a trouble report to BellSouth on the Loop, BellSouth will take the actions necessary to repair the Loop if a trouble actually exists. BellSouth will repair these Loops in the same time frames that BellSouth repairs similarly situated Loops to its end users.

2.1.8.3 If <<customer_name>> reports a trouble on a non-designed loop (e.g., UVL-SL1, UCL-ND, etc.) and no trouble actually exists, BellSouth will charge <<customer_name>> for any dispatching and testing (both inside and outside the CO) required by BellSouth in order to confirm the loop's working status.

2.1.9 **Order Coordination and Order Coordination-Time Specific**

2.1.9.1 "Order Coordination" (OC) allows BellSouth and <<customer_name>> to coordinate the installation of the SL2 Loops, Unbundled Digital Loops (UDL) and other Loops where OC may be purchased as an option, to <<customer_name>>'s facilities to limit end user service outage. OC is available when the Loop is provisioned over an existing circuit that is currently providing service to the end user. OC for physical conversions will be scheduled at BellSouth's discretion during normal working hours on the committed due date. OC shall be provided in accordance with the chart set forth below.

2.1.9.2 "Order Coordination – Time Specific" (OC-TS) allows <<customer_name>> to order a specific time for OC to take place. BellSouth will make every effort to accommodate <<customer_name>>'s specific conversion time request. However, BellSouth reserves the right to negotiate with <<customer_name>> a conversion time based on load and appointment control when necessary. This OC-TS is a chargeable option for all Loops except Unbundled Copper Loops (UCL) and Universal Digital Channel (UDC), and is billed in addition to the OC charge. <<customer_name>> may specify a time between 9:00 a.m. and 4:00 p.m. (location time) Monday through Friday (excluding holidays). If <<customer_name>> specifies a time outside this window, or selects a time or quantity of Loops that requires BellSouth technicians to work outside normal work hours, overtime charges will apply in addition to the OC and OC-TS charges. Overtime charges will be applied based on the amount of overtime worked and in accordance with the rates established in the E Access Tariff, Section E13.2, for Tennessee. . The OC-TS charges for an order due on the same

day at the same location will be applied on a per Local Service Request (LSR) basis.

	Order Coordination (OC)	Order Coordination – Time Specific (OC-TS)	Test Points	DLR	Charge for Dispatch and Testing if No Trouble Found
SL-1	Chargeable Option	Chargeable Option	Not available	Chargeable Option – ordered as Engineering Information Document	Charged for Dispatch inside and outside Central Office
UCL-ND	Chargeable Option	Not Available	Not Available	Chargeable Option – ordered as Engineering Information Document	Charged for Dispatch inside and outside Central Office
SL-2	Included	Chargeable Option	Included	Included	Charged for Dispatch outside Central Office
Unbundled Digital Loop	Included	Chargeable Option (except on Universal Digital Channel)	Included (where appropriate)	Included	Charged for Dispatch outside Central Office
Unbundled Copper Loop	Chargeable in accordance with Section 2	Not available	Included	Included	Charged for Dispatch outside Central Office
For UVL-SL1 and UCLs, <<customer_name>> must order and will be billed for both OC and OC-TS if requesting OC-TS.					

2.2 **Unbundled Voice Loops (UVLs)**

2.2.1 BellSouth shall make available the following UVLs:

2.2.1.1 2-wire Analog Voice Grade Loop – SL1

2.2.1.2 2-wire Analog Voice Grade Loop – SL2

2.2.1.3 4-wire Analog Voice Grade Loop

2.2.2 Unbundled Voice Loops (UVL) may be provisioned using any type of facility that will support voice grade services. This may include loaded copper, non-loaded

copper, digital loop carrier systems, fiber or a combination of any of these facilities. BellSouth, in the normal course of maintaining, repairing, and configuring its network, may also change the facilities that are used to provide any given voice grade circuit. This change may occur at any time. In these situations, BellSouth will only ensure that the newly provided facility will support voice grade services. BellSouth will not guarantee that <<customer_name>> will be able to continue to provide any advanced services over the new facility. BellSouth will offer UVL in two different service levels - Service Level One (SL1) and Service Level Two (SL2).

2.2.3 Unbundled Voice Loop - SL1 (UVL-SL1) loops are 2-wire loop start circuits, will be non-designed, and will not have remote access test points. OC will be offered as a chargeable option on SLI loops when reuse of existing facilities is appropriate. . <<customer_name>> may also order OC-TS when a specified conversion time is requested. OC-TS is a chargeable option for any coordinated order and is billed in addition to the OC charge. An Engineering Information (EI) document can be ordered as chargeable option. The EI document provides loop make up information that is similar to the information normally provided in a Design Layout Record. Upon issuance of a non-coordinated order in the service order system, SL1 loops will be activated on the due date in the same manner and time frame that BellSouth normally activates POTS-type loops for its end users.

2.2.4 Unbundled Voice Loop – SL2 (UVL-SL2) loops may be 2-wire or 4-wire circuits, shall have remote access test points, and will be designed with a Design Layout Record provided to <<customer_name>>. SL2 circuits can be provisioned with loop start, ground start or reverse battery signaling. OC is provided as a standard feature on SL2 loops. The OC feature will allow <<customer_name>> to coordinate the installation of the loop with the disconnection of an existing customer's service and/or number portability service. In these cases, BellSouth will perform the order conversion with standard order coordination at its discretion during normal work hours.

2.3 **Unbundled Digital Loops**

2.3.1 BellSouth will offer Unbundled Digital Loops (UDL). UDLs are service specific, will be designed, will be provisioned with test points (where appropriate), and will come standard with OC and a Design Layout Record (DLR). The various UDLs are intended to support a specific digital transmission scheme or service.

2.3.2 BellSouth shall make available the following UDLs:

2.3.2.1 2-wire Unbundled ISDN Digital Loop

2.3.2.2 2-wire Universal Digital Channel (IDSL Compatible)

2.3.2.3 2-wire Unbundled ADSL Compatible Loop

2.3.2.4 2-wire Unbundled HDSL Compatible Loop

2.3.2.5 4-wire Unbundled HDSL Compatible Loop

2.3.2.6 4-wire Unbundled DS1 Digital Loop

2.3.2.7 4-wire Unbundled Digital Loop/DS0 – 64 kbps, 56 kbps and below

2.3.2.8 DS3 Loop

2.3.2.9 STS-1 Loop

2.3.2.10 OC3 Loop

2.3.2.11 OC12 Loop

2.3.2.12 OC48 Loop

2.3.3 2-Wire Unbundled ISDN Digital Loops will be provisioned according to industry standards for 2-Wire Basic Rate ISDN services and will come standard with a test point, Order Coordination, and a DLR. <<customer_name>> will be responsible for providing BellSouth with a Service Profile Identifier (SPID) associated with a particular ISDN-capable loop and end user. With the SPID, BellSouth will be able to adequately test the circuit and ensure that it properly supports ISDN service. BellSouth will not reconfigure its ISDN-capable loop to support IDSL service.

2.3.3.1 The Universal Digital Channel (UDC) (also known as IDSL-compatible Loop) is intended to be compatible with IDSL service and has the same physical characteristics and transmission specifications as BellSouth's ISDN-capable loop. These specifications are listed in BellSouth's TR73600.

2.3.3.2 The UDC may be provisioned on copper or through a Digital Loop Carrier (DLC) system. When UDC Loops are provisioned using a DLC system, the Loops will be provisioned on time slots that are compatible with data-only services such as IDSL.

2.3.4 2-Wire ADSL-Compatible Loop. This is a designed loop that is provisioned according to Revised Resistance Design (RRD) criteria and may be up to 18kft long and may have up to 6kft of bridged tap (inclusive of loop length). The loop is a 2-wire circuit and will come standard with a test point, Order Coordination, and a DLR.

2.3.5 2-Wire or 4-Wire HDSL-Compatible Loop. This is a designed loop that is provisioned according to Carrier Serving Area (CSA) criteria and may be up to 12,000 feet long and may have up to 2,500 feet of bridged tap (inclusive of loop

length). It may be a 2-wire or 4-wire circuit and will come standard with a test point, Order Coordination, and a DLR.

2.3.6 4-Wire Unbundled DS1 Digital Loop. This is a designed 4-wire loop that is provisioned according to industry standards for DS1 or Primary Rate ISDN services and will come standard with a test point, Order Coordination, and a DLR.

2.3.7 4-Wire Unbundled Digital/DS0 Loop. These are designed 4-wire loops that may configured as 64kbps, 56kbps, 19kbps, and other sub-rate speeds associated with digital data services and will come standard with a test point, Order Coordination, and a DLR.

2.3.8 DS3 Loop**.** DS3 Loop is a two-point digital transmission path, which provides for simultaneous two-way transmission of serial, bipolar, return-to-zero isochronous digital electrical signals at a transmission rate of 44.736 megabits per second (Mbps) that is dedicated to the use of the ordering CLEC in its provisioning of local exchange and associated exchange access services. It may provide transport for twenty-eight (28) DS1 channels, each of which provides the digital equivalent of twenty-four analog voice grade channels. The interface to unbundled dedicated DS3 transport is a metallic-based electrical interface.

2.3.9 STS-1 Loop**.** STS-1 Loop is a high-capacity digital transmission path with SONET VT1.5 mapping that is dedicated for the use of the ordering customer for the purpose of provisioning local exchange and associated exchange access services. It is a two-point digital transmission path, which provides for simultaneous two-way transmission of serial bipolar return-to-zero synchronous digital electrical signals at a transmission rate of 51.84 megabits per second (Mbps). It may provide transport for twenty-eight (28) DS1 channels, each of which provides the digital equivalent of twenty-four analog voice grade channels. The interface to unbundled dedicated STS-1 transport is a metallic-based electrical interface.

2.3.10 OC3 Loop/OC12 Loop/OC48 Loop**.** OC3/OC-12/OC-48 Loops are optical two-point transmission paths that are dedicated to the use of the ordering CLEC in its provisioning of local exchange and associated exchange access services. The physical interface for all optical transport is optical fiber. This interface standard allows for transport of many different digital signals using a basic building block or base transmission rate of 51.84 megabits per second (Mbps). Higher rates are direct multiples of the base rate. The following rates are applicable: OC-3 - 155.52 Mbps; OC12 - 622.08 Mbps; and OC-48 - 2488 Mbps.

2.3.11 DS3 and above services come with a test point and a DLR. Mileage is airline miles, rounded up and a minimum of one mile applies. BellSouth TR 73501 LightGate®Service Interface and Performance Specifications, Issue D, June 1995 applies to DS3 and above services.

2.4 **Unbundled Copper Loops (UCL)**

2.4.1 BellSouth shall make available Unbundled Copper Loops (UCLs). The UCL is a copper twisted pair Loop that is unencumbered by any intervening equipment (e.g., filters, load coils, range extenders, digital loop carrier, or repeaters) and is not intended to support any particular telecommunications service. The UCL will be offered in two types – Designed and Non-Designed.

2.4.2 **Unbundled Copper Loop – Designed (UCL-D)**

2.4.2.1 The UCL-D will be provisioned as a dry copper twisted pair loop that is unencumbered by any intervening equipment (e.g., filters, load coils, range extenders, digital loop carrier, or repeaters). The UCL-D will be offered in two versions - Short and Long.

2.4.2.2 A short UCL-D (18,000 feet or less) is provisioned according to Resistance Design parameters, may have up to 6,000 feet of bridged tap and will have up to 1300 ohms of resistance.

2.4.2.3 The long UCL-D (beyond 18,000 feet) is provisioned as a dry copper twisted pair longer than 18,000 feet and may have up to 12,000 feet of bridged tap and up to 2800 ohms of resistance.

2.4.2.4 The UCL-D is a designed circuit, is provisioned with a test point and comes standard with a DLR. OC is required on UCLs where a reuse of existing facilities has been requested by <<customer_name>>.

2.4.2.5 These loops are not intended to support any particular services and may be utilized by <<customer_name>> to provide a wide-range of telecommunications services so long as those services do not adversely affect BellSouth's network. This facility will include a Network Interface Device (NID) at the customer's location for the purpose of connecting the loop to the customer's inside wire.

2.4.2.6 BellSouth will make available the following UCL-Ds:

2.4.2.6.1 2-Wire UCL-D/short

2.4.2.6.2 2-Wire UCL-D/long

2.4.2.6.3 4-Wire UCL-D/short

2.4.2.6.4 4-Wire UCL-D/long

2.4.3 **Unbundled Copper Loop – Non-Designed (UCL-ND)**

2.4.3.1 The UCL–ND is provisioned as a dedicated 2-wire metallic transmission facility from BellSouth's Main Distribution Frame to a customer's premises (including

the NID). The UCL-ND will be a "dry copper" facility in that it will not have any intervening equipment such as load coils, repeaters, or digital access main lines ("DAMLs"), and may have up to 6,000 feet of bridged tap between the end user's premises and the serving wire center. The UCL-ND typically will be 1300 Ohms resistance and in most cases will not exceed 18,000 feet in length, although the UCL-ND will not have a specific length limitation. For loops less than 18,000 feet and with less than 1300 Ohms resistance, the loop will provide a voice grade transmission channel suitable for loop start signaling and the transport of analog voice grade signals. The UCL-ND will not be designed and will not be provisioned with either a DLR or a test point.

2.4.3.2 The UCL-ND facilities may be mechanically assigned using BellSouth's assignment systems. Therefore, the Loop Make Up process is not required to order and provision the UCL-ND. However, <<customer_name>> can request Loop Make Up for which additional charges would apply.

2.4.3.3 At an additional charge, BellSouth also will make available Loop Testing so that <<customer_name>> may request further testing on the UCL-ND.

2.4.3.4 UCL-ND loops are not intended to support any particular service and may be utilized by <<customer_name>> to provide a wide-range of telecommunications services so long as those services do not adversely affect BellSouth's network. The UCL-ND will include a Network Interface Device (NID) at the customer's location for the purpose of connecting the loop to the customer's inside wire.

2.4.3.5 Order Coordination (OC) will be provided as a chargeable option and may be utilized when the UCL-ND provisioning is associated with the reuse of BellSouth facilities. Order Coordination -Time Specific (OC-TS) does not apply to this product.

2.4.3.6 <<customer_name>> may use BellSouth's Unbundled Loop Modification (ULM) offering to remove bridge tap and/or load coils from any loop within the BellSouth network. Therefore, some loops that would not qualify as UCL-ND could be transformed into loops that do qualify, using the ULM process.

2.5 Unbundled Loop Modifications (Line Conditioning)

2.5.1 Line Conditioning is defined as the removal from the Loop of any devices that may diminish the capability of the Loop to deliver high-speed switched wireline telecommunications capability, including xDSL service. Such devices include, but are not limited to, load coils, bridged taps, low pass filters, and range extenders.

2.5.2 BellSouth shall condition Loops, as requested by <<customer_name>>, whether or not BellSouth offers advanced services to the End User on that Loop.

2.5.3 In some instances, <<customer_name>> will require access to a copper twisted pair loop unfettered by any intervening equipment (e.g., filters, load coils, range extenders, etc.), so that <<customer_name>> can use the loop for a variety of services by attaching appropriate terminal equipment at the ends. <<customer_name>> will determine the type of service that will be provided over the loop. BellSouth's Unbundled Loop Modifications (ULM) process will be used to determine the costs and feasibility of conditioning the loops as requested. Rates for ULM are as set forth in Exhibit B of this Attachment.

2.5.4 In those cases where <<customer_name>> has requested that BellSouth modify a Loop so that it no longer meets the technical parameters of the original Loop type (e.g., voice grade, ISDN, ADSL, etc.) the resulting modified Loop will be ordered and maintained as a UCL.

2.5.5 The Unbundled Loop Modifications (ULM) offering provides the following elements: 1) removal of devices on 2-wire or 4-wire Loops equal to or less than 18,000 feet; 2) removal of devices on 2-wire or 4-wire Loops longer than 18,000 feet; and 3) removal of bridged-taps on loops of any length.

2.5.6 <<customer_name>> shall request Loop make up information pursuant to this Attachment prior to submitting a service inquiry and/or a LSR for the Loop type that <<customer_name>> desires BellSouth to condition.

2.6 **Loop Provisioning Involving Integrated Digital Loop Carriers**

2.6.1 If the CLEC requests one or more loops served by an Integrated Digital Loop Carrier system ("IDLC"), BellSouth shall unbundle the IDLC-delivered loop, as soon as practicable, using one of the following alternative arrangements: (1) utilize existing Next Generation Digital Loop Carrier ("NGDLC") facilities; (2) utilize existing Universal Digital Loop Carrier ("UDLC"); (3) utilize existing copper facilities that serve the distribution area or allocate new copper feeder pairs to the distribution area if spare capacity is available in the feeder route or carrier serving area; (4) utilize spare capacity of existing Integrated Network Access system or other existing IDLC that is terminated on a digital cross-connect system; (5) utilize side-door/hairpin capability of switch peripheral if the serving IDLC is terminated on a peripheral with those capabilities, or if spare capacity is available on a switch peripheral; (6) activate new IDLC or NGDLC capacity to the distribution area; or (7) convert some existing IDLC capacity to UDL. These alternative arrangements will be used where available to permit the CLEC to order a Loop and to provide the CLEC with the capability to serve end users at the same level BellSouth provides its retail customers, to the extent technically feasible. Pursuant to the Authority's Order, the rates in Exhibit B assume a network where 70.83% of its loops or its Combinations of loops and ports are delivered via IDLC. When possible, CLEC-1 will be allowed to choose between the available alternative arrangements listed above.

2.7 **Network Interface Device (NID)**

2.7.1 The NID is defined as any means of interconnection of end-user customer premises wiring to BellSouth's distribution plant, such as a cross-connect device used for that purpose. The NID is a single-line termination device or that portion of a multiple-line termination device required to terminate a single line or circuit at the premises. The NID features two independent chambers or divisions that separate the service provider's network from the end user's customer-premises wiring. Each chamber or division contains the appropriate connection points or posts to which the service provider and the end user each make their connections. The NID provides a protective ground connection and is capable of terminating cables such as twisted pair cable.

2.7.1.1 BellSouth shall permit <<customer_name>> to connect <<customer_name>>'s Loop facilities the end-user's customer-premises wiring through the BellSouth NID or at any other technically feasible point.

2.7.2 **Access to NID**

2.7.2.1 <<customer_name>> may access the end user's customer-premises wiring by any of the following means and <<customer_name>> shall not disturb the existing form of electrical protection and shall maintain the physical integrity of the NID:

2.7.2.1.1 1) BellSouth shall allow <<customer_name>> to connect its loops directly to BellSouth's multi-line residential NID enclosures that have additional space and are not used by BellSouth or any other telecommunications carriers to provide service to the premises.

2.7.2.1.2 2) Where an adequate length of the end user's customer premises wiring is present and environmental conditions permit, either Party may remove the customer premises wiring from the other Party's NID and connect such wiring to that Party's own NID;

2.7.2.1.3 3) Enter the subscriber access chamber or dual chamber NID enclosures for the purpose of extending a connect divisioned or spliced jumper wire from the customer premises wiring through a suitable "punch-out" hole of such NID enclosures; or

2.7.2.1.4 4) Request BellSouth to make other rearrangements to the end user customer premises wiring terminations or terminal enclosure on a time and materials cost basis.

2.7.2.2 Upon prior notice to the other Party, either Party may remove or disconnect the other Party's loop facilities from either Party's NIDs, enclosures, or protectors. In such cases, it shall be the responsibility of the Party disconnecting loop facilities to leave undisturbed the existing form of electrical protection and to maintain the physical integrity of the NID. It will be <<customer_name>>'s

responsibility to ensure there is no safety hazard and will hold BellSouth harmless for any liability associated with the removal of the BellSouth loop from the BellSouth NID. Furthermore, it shall be the responsibility of the disconnecting Party, once the other Party's loop has been disconnected from the NID, to reconnect the disconnected loop to a nationally recognized testing laboratory listed station protector, which has been grounded as per Article 800 of the National Electrical Code. If no spare station protector exists in the NID, the disconnected loop must be appropriately cleared, capped and stored.

2.7.2.3 In no case shall either Party remove or disconnect ground wires from BellSouth's NIDs, enclosures, or protectors.

2.7.2.4 In no case shall either Party remove or disconnect NID modules, protectors, or terminals from BellSouth's NID enclosures.

2.7.2.5 Due to the wide variety of NID enclosures and outside plant environments, BellSouth will work with <<customer_name>> to develop specific procedures to establish the most effective means of implementing this section if the procedures set forth herein do not apply to the NID in question.

2.7.3 Technical Requirements

2.7.3.1 The NID shall provide an accessible point of interconnection and shall maintain a connection to ground.

2.7.3.2 If an existing NID is accessed, it shall be capable of transferring electrical analog or digital signals between the end user's customer premises and the Distribution Media and/or cross connect to <<customer_name>>'s NID.

2.7.3.3 Existing BellSouth NIDS will be provided in "as is" condition. <<customer_name>> may request BellSouth do additional work to the NID on a time and material basis. When <<customer_name>> deploys its own local loops with respect to multiple-line termination devices, <<customer_name>> shall specify the quantity of NIDs connections that it requires within such device.

2.8 **Sub-loop Elements**

2.8.1 Where facilities permit, BellSouth shall offer access to its Unbundled Sub Loop (USL) and Unbundled Sub-loop Concentration (USLC) System.

2.8.2 **Unbundled Sub-Loop Distribution**

2.8.2.1 The unbundled sub-loop distribution facility is a dedicated transmission facility that BellSouth provides from an end user's point of demarcation to a BellSouth cross-connect device. The BellSouth cross-connect device may be located within a remote terminal (RT) or a stand-alone cross-box in the field or in the equipment room of a building. The unbundled sub-loop distribution media is a copper twisted

pair that can be provisioned as a 2 Wire or 4 Wire facility. BellSouth will make the following available sub-loop distribution offerings where facilities permit:

Unbundled Sub-Loop Distribution – Voice Grade
Unbundled Copper Sub-Loop
Unbundled Sub-Loop Distribution – Intrabuilding Network Cable (aka riser cable)

2.8.2.2 Unbundled Sub-Loop Distribution – Voice Grade (USLD-VG) is a sub-loop facility from the cross-box in the field up to and including the point of demarcation, at the end user's premises and may have load coils.

2.8.2.3 Unbundled Copper Sub-Loop (UCSL) is a copper facility of any length provided from the cross-box in the field up to and including the end-user's point of demarcation. If available, this facility will not have any intervening equipment such as load coils between the end-user and the cross-box.

2.8.2.4 If <<customer_name>> requests a UCSL and it is not available, <<customer_name>> may request the Sub-Loop facility be modified pursuant to the ULM process request to remove load coils and/or bridged taps. If load coils and/or bridged taps are removed, the facility will be classified as a UCSL.

2.8.2.5 Unbundled Sub-Loop Distribution – Intrabuilding Network Cable (USLD-INC) is the distribution facility inside a building or between buildings on the same continuous property that is not separated by a public street or road. USLD-INC includes the facility from the cross-connect device in the building equipment room up to and including the point of demarcation, at the end user's premises.

2.8.2.6 BellSouth will install a cross connect panel in the building equipment room for the purpose of accessing USLD-INC pairs from a building equipment room. The cross-connect panel will function as a single point of interconnection (SPOI) for USLD-INC and will be accessible by multiple carriers as space permits. BellSouth will place cross-connect blocks in 25-pair increments for <<customer_name>>'s use on this cross-connect panel. <<customer_name>> will be responsible for connecting its facilities to the 25-pair cross-connect block(s).

2.8.2.7 Unbundled Sub-Loop distribution facilities shall support functions associated with provisioning, maintenance and testing of the Unbundled Sub-Loop. For access to Voice Grade USLD and UCSL, <<customer_name>> shall install a cable to the BellSouth cross-box pursuant to the terms and conditions for physical collocation for remote sites set forth in this Agreement. This cable will be connected within the BellSouth cross-box by a BellSouth technician during the set-up process. <<customer_name>>'s cable pairs can then be connected to BellSouth's USL within the BellSouth cross-box by the BellSouth technician.

2.8.2.8 Through the Service Inquiry (SI) process, BellSouth will determine whether access to Unbundled Sub-Loops at the location requested by <<customer_name>> is technically feasible and whether sufficient capacity exists in the cross-box. If existing capacity is sufficient to meet <<customer_name>>'s request, then BellSouth will perform the site set-up as described in Section 2.8.2.9. If any work must be done to modify existing BellSouth facilities or add new facilities (other than adding the cross-connect panel in a building equipment room as noted in Section 2.8.2.9) to accommodate <<customer_name>>'s request for Unbundled Sub-Loops, <<customer_name>> may request BellSouth's Special Construction (SC) process to determine additional costs required to provision the Unbundled Sub-Loops. <<customer_name>> will have the option to proceed under the SC process to modify the BellSouth facilities.

2.8.2.9 The site set-up must be completed before <<customer_name>> can order sub-loop pairs. For the site set-up in a BellSouth cross-connect box in the field, BellSouth will perform the necessary work to splice <<customer_name>>'s cable into the cross-connect box. For the site set-up inside a building equipment room, BellSouth will perform the necessary work to install the cross-connect panel and the connecting block(s) that will be used to provide access to the requested USLs.

2.8.2.10 Once the site set-up is complete, <<customer_name>> will request sub-loop pairs through submission of a Local Service Request (LSR) form to the Local Carrier Service Center (LCSC). Order Coordination is required with USL pair provisioning when <<customer_name>> requests reuse of an existing facility and is in addition to the USL pair rate. For expedite requests by <<customer_name>> for sub-loop pairs, expedite charges will apply for intervals less than 5 days.

2.8.2.11 Unbundled Sub-Loops will be provided in accordance with technical reference TR73600.

2.8.3 **Unbundled Network Terminating Wire (UNTW)**

2.8.3.1 Unbundled Network Terminating Wire (UNTW) is unshielded twisted copper wiring that is used to extend circuits from an intra-building network cable terminal or from a building entrance terminal to an individual customer's point of demarcation. It is the final portion of the Loop which, in multi-subscriber configurations, represents the point at which the network branches out to serve individual subscribers.

2.8.3.2 This element will be provided in Multi-Dwelling Units (MDUs) and/or Multi-Tenants Units (MTUs) where BellSouth owns wiring all the way to the end-users premises. BellSouth will not provide this element in those locations where the property owner provides its own wiring to the end-user's premises, where a third party owns the wiring to the end-user's premises or where the property owner will not allow BellSouth to place its facilities to the end user. The demarcation point

in multiunit premises shall be established consistent with the rules of the FCC promulgated in Docket 88-57.

2.8.3.3 Requirements

2.8.3.3.1 On a multi-unit premises, upon request of the other Party ("Requesting Party"), the Party owning the network terminating wire will provide access to UNTW pairs on an Access Terminal that is suitable for use by multiple carriers at each Garden Terminal or Wiring Closet.

2.8.3.3.2 The Provisioning Party shall not be required to install new or additional NTW beyond existing NTW to provision the services of the Requesting Party.

2.8.3.3.3 Upon receipt of the UNTW Service Inquiry (SI) requesting access to the Provisioning Party's UNTW pairs at a multi-unit premises, representatives of both Parties will participate in a meeting at the site of the requested access. The purpose of the site visit will include discussion of the procedures for installation and location of the Access Terminals. By request of the Requesting Party, an Access Terminal will be installed either adjacent to each Provisioning Party's Garden Terminal or inside each Wiring Closet. Requesting Party will deliver and connect its central office facilities to the UNTW pairs within the Access Terminal. Requesting Party may access any available pair on an Access Terminal. A pair is available when a pair is not being utilized to provide service or where the end user has requested a change in its local service provider to the Requesting Party. Prior to connecting Requesting Party's service on a pair previously used by Provisioning Party, Requesting Party is responsible for ensuring the end-user is no longer using Provisioning Party's service or another CLEC's service before accessing UNTW pairs.

2.8.3.3.4 Access Terminal installation intervals will be established on an individual case basis.

2.8.3.3.5 Requesting Party is responsible for obtaining the property owner's permission for Provisioning Party to install an Access Terminal(s) on behalf of the Requesting Party. The submission of the SI by the Requesting Party will serve as certification by the Requesting Party that such permission has been obtained. If the property owner objects to Access Terminal installations that are in progress or subsequent to completion and demands removal of Access Terminals, Requesting Party will be responsible for costs associated with removing Access Terminals and restoring property to its original state prior to Access Terminals being installed.

2.8.3.3.6 The Requesting Party shall indemnify and hold harmless the Provisioning Party against any claims of any kind that may arise out of the Requesting Party's failure to obtain the property owner's permission. Requesting Party will be billed for non-recurring and recurring charges for accessing UNTW pairs at the time the

Requesting Party activates the pair(s). The Requesting Party will notify the Provisioning Party each time it activates UNTW pairs using the LSR form.

2.8.3.3.7 Requesting Party will isolate and report troubles in the manner specified by the Provisioning Party. Requesting Party must tag the UNTW pair that requires repair. If Provisioning Party dispatches a technician on a reported trouble call and no UNTW trouble is found, Provisioning Party will charge Requesting Party for time spent on the dispatch and testing the UNTW pair(s).

2.8.3.3.8 If Requesting Party initiates the Access Terminal installation and the Requesting Party has not activated at least one pair on the Access Terminal installed pursuant to Requesting Party's request for an Access Terminal within 6 months of installation of the Access Terminal, Provisioning Party will bill Requesting Party a non-recurring charge equal to the actual cost of provisioning the Access Terminal.

2.8.3.3.9 If Provisioning Party determines that Requesting Party is using the UNTW pairs without reporting the activation of the pairs, the following charges shall apply:

2.8.3.3.9.1 If Requesting Party issued a LSR to disconnect an end-user from Provisioning Party in order to use a UNTW pair, Requesting Party will be billed for the use of the pair back to the disconnect order date.

2.8.3.3.9.2 If Requesting Party activated a UNTW pair on which Provisioning Party was not previously providing service, Requesting Party will be billed for the use of that pair back to the date the end-user began receiving service using that pair. Upon request, Requesting Party will provide copies of its billing record to substantiate such date. If Requesting Party fails to provide such records, then Provisioning Party will bill the Requesting Party back to the date of the Access Terminal installation.

2.8.3.3.10 Upon <<customer name's>>written request for identification of the demarcation point or points within a specific, addressed multiunit location, BellSouth must, within 48 hours, provide <<customer name>> with any existing written evidence and documentation stating how the demarcation point was determined and certifying that the demarcation point was established in accordance with the rules of the FCC promulgated in Docket 88-57. Written documentation includes reducing to writing and certifying any oral representations made to BellSouth by building owners concerning demarcation points. If written documentation does not exist, BellSouth should provide a contact name and telephone number of the appropriate BellSouth outside plant staff and building or property owner.

2.8.3.3.11 Should <<customer name>, after receiving BellSouth's response and documentation, believe that the demarcation point for a particular customer location was not established in accordance with applicable FCC rules, <<customer

name>> may petition the TRA or other appropriate regulatory or legal agency for resolution of the complaint.

2.8.3.3.12 BellSouth shall, for all wiring installed or relocated within premises subject to FCC Docket 88-57, maintain documentation describing how demarcation points have been established within the specific premises. The documentation should certify that said demarcation points were established in accordance with applicable FCC rules, and an authorized representative of the property owner shall sign the documentation. Upon request, this documentation shall be provided to <<customer name>> in accordance with subsection 2.8.3.3.10 above.

2.8.3.3.13 Upon establishment of BellSouth's ownership of INC or NTW within a specific multiunit premises, <<customer name>> may submit its written request for access to these items on an unbundled basis. The Parties agree to discuss the appropriate provisioning processes for providing access to INC or NTW and appropriate recurring and nonrecurring charges thereof. Further, the Parties agree to promptly amend this Agreement to implement any mutual agreement of the Parties with regard to provisioning and/or pricing. If within ninety (90) days after submission of a request for access from <<customer name>>, BellSouth and <<customer name>> are unable to reach agreement on provisioning and pricing for access to INC and NTW, either Party may petition the TRA to establish reasonable provisioning processes and to set interim, or depending on the status of pricing proceedings in Tennessee, permanent rates for these items on an unbundled basis. In instances where BellSouth owns the INC or NTW within a multi-unit building, and <<customer name>> has purchased a loop from BellSouth to serve an end user customer in that building, a separate rate need not be established for INC or NTW because they are part of the facilities for which loop rates are established.

2.8.3.3.14 In accordance with the Section 10 of the General Terms and Conditions of this Agreement, all confidential and proprietary information, including but not limited to requests for <<customer name>> for information and/or documentation regarding the location of demarcation points for a specific, addressed location, shall be protected from disclosure or dissemination and specifically shall not be disclosed by BellSouth to its retail arm, including but not limited to sales and marketing personnel.

2.8.4 **Unbundled Sub-Loop Feeder**

2.8.4.1 Unbundled Sub-Loop Feeder (USLF) provides connectivity between BellSouth's central office and cross-box (or other access point) that serves an end user location.

2.8.4.2 USLF utilized for voice traffic can be configured as 2-wire voice (USLF-2W/V) or 4-wire voice (USLF-4W/V).

2.8.4.3 USLF utilized for digital traffic can be configured as 2-wire ISDN (USLF-2W/I); 2-wire Copper (USLF-2W/C); 4-wire Copper (USLF-4W/C); 4-wire DS0 level loop (USLF-4W/D0); or 4-wire DS1 and ISDN (USLF-4W/DI).

2.8.4.4 USLF will provide access to both the equipment and the features in the BellSouth central office and BellSouth cross box necessary to provide a 2W or 4W communications pathway from the BellSouth central office to the BellSouth cross-box. This element will allow for the connection of <<customer_name>>'s loop distribution elements onto BellSouth's feeder system.

2.8.4.5 Requirements

2.8.4.5.1 <<customer_name>> will extend a compatible cable to BellSouth's cross-box. BellSouth will connect the cable to a panel inside the BellSouth cross-box to the requested level of feeder element. In those cases when there is no room in the BellSouth cross-box to accommodate the additional cross-connect panels mentioned above, BellSouth will utilize its Special Construction process to determine the costs to provide the sub-loop feeder element to <<customer_name>>. <<customer_name>> will then have the option of paying the special construction charges or canceling the order.

2.8.4.5.2 USLF will be a designed circuit and BellSouth will provide a Design Layout Record (DLR) for this element.

2.8.4.5.3 BellSouth will provide USLF elements in accordance with applicable industry standards for these types of facilities. Where industry standards do not exist, BellSouth's TR73600 will be used to determine performance parameters.

2.8.5 **Unbundled Loop Concentration (ULC)**

2.8.5.1 BellSouth will provide to <<customer_name>> Unbundled Loop Concentration (ULC). Loop concentration systems in the central office concentrate the signals transmitted over local loops onto a digital loop carrier system. The concentration device is placed inside a BellSouth central office. BellSouth will offer ULC with a TR008 interface or a TR303 interface.

2.8.5.2 ULC will be offered in two system options. System A will allow up to 96 BellSouth loops to be concentrated onto two or more DS1s. The high-speed connection from the concentrator will be at the electrical DS1 level and will connect to <<customer_name>> at <<customer_name>>'s collocation site. System B will allow up to 192 BellSouth loops to be concentrated onto 4 or more DS1s. System A may be upgraded to a System B. A minimum of two DS1s is required for each system (i.e., System A requires two DS1s and System B would require an additional two DS1s or four in total). All DS1 interfaces will terminate to <<customer_name>>'s collocation space. ULC service is offered with concentration (2 DS1s for 96 channels) or without concentration (4 DS1s for 96

channels) and with or without protection. A Loop Interface element will be required for each loop that is terminated onto the ULC system.

2.8.6 **Unbundled Sub-Loop Concentration (USLC)**

2.8.6.1 Where facilities permit, <<customer_name>> may concentrate its sub-loops onto multiple DS1s back to the BellSouth Central Office.

2.8.6.2 USLC, using the Lucent Series 5 equipment, will be offered in two system options. System A will allow up to 96 of <<customer_name>>'s sub-loops to be concentrated onto two or more DS1s. System B will allow an additional 96 of <<customer_name>>'s sub-loops to be concentrated onto two or more additional DS1s. One System A may be supplemented with one System B and they both must be physically located in a single Series 5 dual channel bank. A minimum of two DS1s is required for each system (i.e., System A requires two DS1s and System B would require an additional two DS1s or four in total). The DS1 level facility that connects the Remote Terminal site with the serving wire center is known as a Feeder Interface. All DS1 Feeder Interfaces will terminate to <<customer_name>>'s demarcation point associated with <<customer_name>>'s collocation space within the SWC that serves the remote terminal (RT). USLC service is offered with or without concentration and with or without a protection DS1.

2.8.6.3 <<customer_name>> is required to deliver its sub-loops to its own cross-box, RT, or other similar device and deliver a single cable to the BellSouth RT. This cable shall be connected, by a BellSouth technician, to a cross-connect panel within the BellSouth RT/cross-box and shall allow <<customer_name>>'s sub-loops to be placed on the USLC and transported to <<customer_name>>'s collocation space at a DS1 level.

2.8.7 **Dark Fiber Loop**

2.8.7.1 Dark Fiber Loop is an unused optical transmission facility without attached signal regeneration, multiplexing, aggregation or other electronics that connects two points within BellSouth's network. Dark Fiber Loops may be strands of optical fiber existing in aerial or underground structure. BellSouth will not provide line terminating elements, regeneration or other electronics necessary for <<customer_name>> to utilize Dark Fiber Loops.

2.8.7.2 A Dark Fiber Loop is a point to point arrangement from an end user's premises connected via a cross connect to the demarcation point associated with <<customer_name>>'s collocation space in the end user's serving wire center.

2.8.7.3 Dark Fiber Loop rates are differentiated between Local Channel, Interoffice Channel and Local Loop.

2.8.7.4 Requirements

2.8.7.4.1 BellSouth shall make available Dark Fiber where it exists in BellSouth's network and where, as a result of future building or deployment, it becomes available. BellSouth may reserve a reasonable amount of Dark Fiber for future planned use.

2.8.7.4.2 If the requested dark fiber has any lightwave repeater equipment interspliced to it, BellSouth will remove such equipment at the CLEC's request subject to time and materials charges.

2.8.7.4.3 CLEC may test the quality of the Dark Fiber to confirm its usability and performance specifications. BellSouth shall use its best efforts to provide to the CLEC information regarding the location, availability and performance of Dark Fiber within ten (10) business days for a records based answer and twenty (20) business days for a field based answer, after receiving a request from the CLEC ("Request"). Within such time period, BellSouth shall send written confirmation of availability of the Dark Fiber ("Confirmation"). From the time of the Request to 45 days after Confirmation, BellSouth shall hold such requested Dark Fiber for the CLEC's use and may not allow any other party to use such media, including BellSouth.

2.8.7.4.4 BellSouth shall use its best efforts to make Dark Fiber available to the CLEC within thirty (30) business days after it receives written confirmation from the CLEC that the Dark Fiber previously deemed available by BellSouth is wanted for use by the CLEC. This includes identification of appropriate connection points (e.g., Light Guide Interconnection (LGX) or splice points) to enable the CLEC to connect or splice the CLEC provided transmission media (e.g., optical fiber) or equipment to the Dark Fiber.

2.8.7.4.5 Dark Fiber shall meet the manufacture's design specifications.

2.8.7.4.6 Additional Requirements for Dark Fiber

2.8.7.4.7 The CLEC may splice and test Dark Fiber obtained from BellSouth using the CLEC or CLEC's designated personnel. BellSouth shall provide appropriate interfaces to allow splicing and testing of Dark Fiber. BellSouth shall provide an excess cable length of 25 feet minimum (for fiber in underground conduit) to allow the uncoiled fiber to reach from the manhole to a splicing van.

2.9 **Loop Makeup (LMU)**

2.9.1 Description of Service

2.9.1.1 BellSouth shall make available to <<customer_name>> (LMU) information so that <<customer_name>> can make an independent judgment about whether the Loop is capable of supporting the advanced services equipment <<customer_name>> intends to install and the services <<customer_name>> wishes to provide. This section addresses LMU as a *preordering* transaction,

distinct from <<customer_name>> ordering any other service(s). Loop Makeup *Service Inquiries (LMUSI) for preordering loop makeup* are likewise unique from other preordering functions with associated service inquiries (SI) as described in this Agreement.

2.9.1.2 BellSouth will provide <<customer_name>> LMU information consisting of the composition of the loop material (copper/fiber); the existence, location and type of equipment on the Loop, including but not limited to digital loop carrier or other remote concentration devices, feeder/distribution interfaces, bridged taps, load coils, pair-gain devices; the loop length; the wire gauge and electrical parameters.

2.9.1.3 BellSouth's LMU information is provided to <<customer_name>> as it exists either in BellSouth's databases or in its hard copy facility records. BellSouth does not guarantee accuracy or reliability of the LMU information provided.

2.9.1.4 <<customer_name>> may choose to use equipment that it deems will enable it to provide a certain type and level of service over a particular BellSouth Loop. The determination shall be made solely by <<customer_name>> and BellSouth shall not be liable in any way for the performance of the advanced data services provisioned over said Loop. The specific Loop type (ADSL, HDSL, or otherwise) ordered on the LSR must match the LMU of the loop reserved taking into consideration any requisite line conditioning. The LMU data is provided for informational purposes only and does not guarantee <<customer_name>>'s ability to provide advanced data services over the ordered loop type. Further, if <<customer_name>> orders loops that are not intended to support advanced services (such as UV-SL1, UV-SL2, or ISDN compatible loops) and that are not inventoried as advanced services loops, the LMU information for such loops is subject to change at any time due to modifications and/or upgrades to BellSouth's network. <<customer_name>> is fully responsible for any of its service configurations that may differ from BellSouth's technical standard for the loop type ordered.

2.9.2 **Submitting Loop Makeup Service Inquiries**

2.9.2.1 <<customer_name>> may obtain LMU information by submitting a LMU Service Inquiry (LMUSI) mechanically or manually. Mechanized LMUSIs should be submitted through BellSouth's Operational Support Systems interfaces. After obtaining the Loop information from the mechanized LMUSI process, if <<customer_name>> needs further loop information in order to determine loop service capability, <<customer_name>> may initiate a separate Manual Service Inquiry for a separate nonrecurring charge as set forth in Exhibit B of this Attachment.

2.9.2.2 Manual LMUSIs shall be submitted by electronic mail to BellSouth's Complex Resale Support Group (CRSG)/Account Team utilizing the Preordering Loop Makeup Service Inquiry form. The service interval for the return of a Loop

Makeup Manual Service Inquiry is three business days. Manual LMUSIs are not subject to expedite requests. This service interval is distinct from the interval applied to the subsequent service order.

2.9.3 **Loop Reservations**

2.9.3.1 For a Mechanized LMUSI, <<customer_name>> may reserve up to ten Loop facilities. For a Manual LMUSI, <<customer_name>> may reserve up to three Loop facilities.

2.9.3.2 <<customer_name>> may reserve facilities for up to four (4) business days for each facility requested on a LMUSI from the time the LMU information is returned to <<customer_name>>. During and prior to <<customer_name>> placing an LSR, the reserved facilities are rendered unavailable to other customers, including BellSouth. If <<customer_name>> does not submit an LSR for a UNE service on a reserved facility within the four-day reservation timeframe, the reservation of that spare facility will become invalid and the facility will be released.

2.9.3.3 Charges for preordering LMUSI are separate from any charges associated with ordering other services from BellSouth.

2.9.4 **Ordering of Other UNE Services**

2.9.4.1 All LSRs issued for reserved facilities shall reference the facility reservation number as provided by BellSouth. <<customer_name>> will not be billed any additional LMU charges for the loop ordered on such LSR. If, however, <<customer_name>> does not reserve facilities upon an initial LMUSI, <<customer_name>>'s placement of an order for an advanced data service type facility will incur the appropriate billing charges to include service inquiry and reservation per Exhibit B of this Attachment.

2.9.4.2 Where <<customer_name>> has reserved multiple Loop facilities on a single reservation, <<customer_name>> may not specify which facility shall be provisioned when submitting the LSR. For those occasions, BellSouth will assign to <<customer_name>>, subject to availability, a facility that meets the BellSouth technical standards of the BellSouth type Loop as ordered by <<customer_name>>. If the ordered Loop type is not available, <<customer_name>> may utilize the Unbundled Loop Modification process or the Special Construction process, as applicable, to obtain the Loop type ordered.

3. High Frequency Spectrum Network Element

3.1 General

3.2 BellSouth shall provide <<customer_name>> access to the high frequency spectrum of the local loop as an unbundled network element only where

BellSouth is the voice service provider to the end user at the rates set forth in this Attachment.

3.3 The High Frequency Spectrum is defined as the frequency range above the voiceband on a copper loop facility carrying analog circuit-switched voiceband transmissions. Access to the High Frequency Spectrum is intended to allow <<customer_name>> the ability to provide Digital Subscriber Line ("xDSL") data services to the end user for which BellSouth provides voice services. The High Frequency Spectrum shall be available for any version of xDSL complying with Spectrum Management Class 5 of ANSI T1.417, American National Standard for Telecommunications, Spectrum Management for Loop Transmission Systems. BellSouth will continue to have access to the low frequency portion of the loop spectrum (from 300 Hertz to at least 3000 Hertz, and potentially up to 3400 Hertz, depending on equipment and facilities) for the purposes of providing voice service. <<customer_name>> shall only use xDSL technology that is within the PSD mask for Spectrum Management Class 5 as found in the above-mentioned document.

3.4 Access to the High Frequency Spectrum requires an unloaded, 2-wire copper Loop. An unloaded Loop is a copper Loop with no load coils, low-pass filters, range extenders, DAMLs, or similar devices and minimal bridged taps consistent with ANSI T1.413 and T1.601.

3.5 BellSouth will provide Loop Modification to <<customer_name>> on an existing Loop in accordance with procedures developed in the Line Sharing Collaborative. High Frequency Spectrum (Central Office Based) Unbundled Loop Modification is a separate distinct service from Unbundled Loop Modification set forth in Section 2 of this Attachment. Procedures for High Frequency Spectrum (Central Office Based) Unbundled Loop Modification were developed in the Line Sharing Collaborative and may be found posted to the web at http://www.interconnection.bellsouth.com/html/unes.html. Nonrecurring rates for this UNE offering may be found in Exhibit B of this Attachment. BellSouth is not required to modify a Loop for access to the High Frequency spectrum if modification of that Loop significantly degrades BellSouth's voice service. If <<customer_name>> requests that BellSouth modify a Loop longer than 18,000 ft. and such modification significantly degrades the voice services on the Loop, <<customer_name>> shall pay for the Loop to be restored to its original state.

3.6 **Provisioning of High Frequency Spectrum and Splitter Space**

3.7 BellSouth will provide <<customer_name>> with access to the High Frequency Spectrum as follows:

3.8 To order High Frequency Spectrum on a particular Loop, <<customer_name>> must have a Digital Subscriber Line Access Multiplexer (DSLAM) collocated in the central office that serves the end-user of such Loop.

3.9 <<customer_name>> may provide its own splitters or may order splitters in a central office once it has installed its DSLAM in that central office. BellSouth will install splitters within thirty-six (36) calendar days of <<customer_name>>'s submission of an error free Line Splitter Ordering Document ("LSOD") to the BellSouth Complex Resale Support Group.

3.10 Once a splitter is installed on behalf of <<customer_name>> in a central office in which <<customer_name>> is located, <<customer_name>> shall be entitled to order the High Frequency Spectrum on lines served out of that central office. BellSouth will bill and <<customer_name>> shall pay the electronic or manual ordering charges as applicable when <<customer_name>> orders High Frequency Spectrum for end-user service.

3.11 BellSouth will select, purchase, install, and maintain a central office POTS splitter and provide <<customer_name>> access to data ports on the splitter. The splitter will route the High Frequency Spectrum on the circuit to <<customer_name>>'s xDSL equipment in <<customer_name>>'s collocation space. At least 30 days before making a change in splitter suppliers, BellSouth will provide <<customer_name>> with a carrier notification letter, informing <<customer_name>> of change. <<customer_name>> shall purchase ports on the splitter in increments of 24 or 96 ports.

3.12 BellSouth will install the splitter in (i) a common area close to <<customer_name>>'s collocation area, if possible; or (ii) in a BellSouth relay rack as close to <<customer_name>>'s DS0 termination point as possible. Whenever possible, the splitter will be located within 100 feet of the MDF. <<customer_name>> shall have access to the splitter for test purposes, regardless of where the splitter is placed in the BellSouth premises. For purposes of this section, a common area is defined as an area in the central office in which both Parties have access to a common test access point. A Termination Point is defined as the point of termination for <<customer_name>> on the toll main distributing frame in the central office and is not the demarcation point set forth in Attachment 4 of this Agreement. BellSouth will cross-connect the splitter data ports to a specified <<customer_name>> DS0 at such time that a <<customer_name>> end user's service is established.

3.13 <<customer_name>> may at its option purchase, install and maintain central office POTS splitters in its collocation arrangements. <<customer_name>> may use such splitters for access to its customers and to provide digital line subscriber services to its customers using the High Frequency Spectrum. Existing Collocation rules and procedures shall apply.

3.14 Any splitters installed by <<customer_name>> in its collocation arrangement shall comply with ANSI T1.413, Annex E, or any future ANSI splitter Standards. <<customer_name>> may install any splitters that BellSouth deploys or permits to be deployed for itself or any BellSouth affiliate.

3.15 The High Frequency Spectrum shall only be available on Loops on which BellSouth is also providing, and continues to provide, analog voice service directly to the end user. In the event the end-user terminates its BellSouth provided voice service for any reason, or in the event BellSouth disconnects the end user's voice service pursuant to its tariffs or applicable law, and <<customer_name>> desires to continue providing xDSL service on such Loop, <<customer_name>> shall be required to purchase a full stand-alone Loop unbundled network element. To the extent commercially practicable, BellSouth shall give <<customer_name>> notice in a reasonable time prior to disconnect, which notice shall give <<customer_name>> an adequate opportunity to notify BellSouth of its intent to purchase such Loop. In those cases in which BellSouth no longer provides voice service to the end user and <<customer_name>> purchases the full stand-alone Loop, <<customer_name>> may elect the type of loop it will purchase. <<customer_name>> will pay the appropriate recurring and non-recurring rates for such Loop as set forth in Exhibit B to this Attachment. In the event <<customer_name>> purchases a voice grade Loop, <<customer_name>> acknowledges that such Loop may not remain xDSL compatible.

3.16 Only one competitive local exchange carrier shall be permitted access to the High Frequency Spectrum of any particular loop.

3.17 **Ordering**

3.18 <<customer_name>> shall use BellSouth's Line Splitter Ordering Document ("LSOD") to order splitters from BellSouth and to activate and deactivate DS0 Collocation Connecting Facility Assignments (CFA) for use with High Frequency Spectrum.

3.19 BellSouth will provide <<customer_name>> the Local Service Request ("LSR") format to be used when ordering the High Frequency Spectrum.

3.20 BellSouth will provision High Frequency Spectrum in compliance with BellSouth's Products and Services Interval Guide available at the website at http://www.interconnection.bellsouth.com.

3.21 BellSouth will provide <<customer_name>> access to Preordering Loop Makeup (LMU), in accordance with the terms of this Agreement. BellSouth shall bill and <<customer_name>> shall pay the rates for such services, as described in Exhibit B.

3.22 BellSouth shall test the data portion of the loop to ensure the continuity of the wiring for <<customer_name>>'s data.

3.23 **Maintenance and Repair**

3.24 <<customer_name>> shall have access for repair and maintenance purposes, to any loop for which it has access to the High Frequency Spectrum. If <<customer_name>> is using a BellSouth owned splitter, <<customer_name>> may access the loop at the point where the combined voice and data signal exits the central office splitter via a bantam test jack. If <<customer_name>> provides its own splitter in its collocation space, it may test from the collocation space or the Termination Point.

3.25 BellSouth will be responsible for repairing voice services and the physical line between the network interface device at the customer's premises and the Termination Point. <<customer_name>> will be responsible for repairing data services. Each Party will be responsible for maintaining its own equipment.

3.26 <<customer_name>> shall inform its end users to direct data problems to <<customer_name>>, unless both voice and data services are impaired, in which event the end users should call BellSouth.

3.27 Once a Party has isolated a trouble to the other Party's portion of the loop, the Party isolating the trouble shall notify the end user that the trouble is on the other Party's portion of the Loop.

3.28 Notwithstanding anything else to the contrary in this Agreement, when BellSouth receives a voice trouble and isolates the trouble to the physical collocation arrangement belonging to <<customer_name>>, BellSouth will notify <<customer_name>>. <<customer_name>> will provide no more than two (2) verbal connecting facility assignments (CFA) pair changes to BellSouth in an attempt to resolve the voice trouble. In the event a CFA pair change resolves the voice trouble, <<customer_name>> will provide BellSouth an LSR with the new CFA pair information within 24 hours. If the owner of the collocation space fails to resolve the trouble by providing BellSouth with the verbal CFA pair changes, BellSouth may discontinue <<customer_name>>'s access to the High Frequency Spectrum on such loop. BellSouth will not be responsible for any loss of data as a result of this action.

3.29 **Line Splitting**

3.30 General

3.31 Line Splitting allows a provider of data services (a "Data LEC") and a provider of voice services (a "Voice CLEC") to deliver voice and data service to end users over the same loop. The Voice CLEC and Data LEC may be the same or different carriers. <<customer_name>> shall provide BellSouth with a signed Letter of Authorization ("LOA") between it and the Data LEC or Voice CLEC with which it desires to provision Line Splitting services.

3.32 The splitter may be provided by the Data LEC, Voice CLEC or BellSouth. When <<customer_name>> or its authorized agent owns the splitter, Line Splitting requires the following: a non-designed analog loop from the serving wire center to the network interface device (NID) at the end user's location; a collocation cross connection connecting the loop to the collocation space; a second collocation cross connection from the collocation space connected to a voice port; and the high frequency spectrum line activation. The loop and port cannot be a loop and port combination (i.e. UNE-P), but must be individual stand-alone network elements. When BellSouth owns the splitter, Line Splitting requires the following: a non designed analog loop from the serving wire center to the network interface device (NID) at the end user's location with CFA and splitter port assignments, the high frequency spectrum line activation, and a collocation cross connection from the collocation space connected to a voice port.

3.33 An unloaded 2-wire copper loop must serve the end user. The meet point for the Voice CLEC and the Data LEC is the point of termination on the MDF for the Data LEC's cable and pairs.

3.34 When end users are converted to Line Splitting arrangements by <<customer_name>> or its authorized agent ordering Line Splitting Service, if the CLEC wishes to provide the splitter, the line splitting arrangement will consist of a stand-alone UNE loop, a UNE port, the high frequency spectrum line activation, and two collocation cross connects. If BellSouth owns the splitter, the UNE-P arrangement will be converted to a stand-alone UNE loop, port, and one collocation cross connection.

3.35 If the line splitting arrangement is a migration from line sharing, and no central office wiring is required, the applicable nonrecurring rate to be paid by the Voice CLEC for this line splitting arrangement will be the non-recurring rate for the loop-port combination (switch-as-is). If CO wiring is required (data provider changing) the appropriate charge will be the switch-with-change to change the two collocation cross connections.

3.36 When end users using High Frequency Spectrum CO Based line sharing service convert to Line Splitting, BellSouth will discontinue billing for the upper spectrum. BellSouth will continue to bill the Data LEC for all associated splitter charges if the Data LEC continues to use a BellSouth splitter. It is the responsibility of <<customer_name>> or its authorized agent to determine if the loop is compatible for Line Splitting Service. <<customer_name>> or its authorized agent may use the existing loop unless it is not compatible with the Data LEC's data service and << customer_name>> or its authorized agent submits an LSR to BellSouth to change the loop.

3.37 The foregoing procedures are applicable to migration to Line Splitting Service from a UNE-P arrangement with CLEC splitter, a UNE-P arrangement with BellSouth Owned Splitter, BellSouth Retail Voice, BellSouth High Frequency

Spectrum (CO Based) Line Splitting Service where the Data Provider remains, and BellSouth High Frequency Spectrum (CO Based) Line Splitting Service with the Data Provider changing.

3.38 For other migration scenarios to line splitting, BellSouth will work cooperatively with CLECs to develop methods and procedures to develop a process whereby a Voice CLEC and a Data LEC may provide services over the same loop.

3.39 **Ordering**

3.40 <<customer_name>> shall use BellSouth's Line Splitter Ordering Document ("LSOD") to order splitters from BellSouth and to activate and deactivate DS0 Collocation Connecting Facility Assignments (CFA) for use with Line Splitting.

3.41 BellSouth shall provide <<customer_name>> the Local Service Request ("LSR") format to be used when ordering Line Splitting service.

3.42 BellSouth will provision Line Splitting service in compliance with BellSouth's Products and Services Interval Guide available at the website at http://www.interconnection.bellsouth.com.

3.43 BellSouth will provide <<customer_name>> access to Preordering Loop Makeup (LMU) in accordance with the terms of this Agreement. BellSouth shall bill and <<customer_name>> shall pay the rates for such services as described in Exhibit B.

3.44 BellSouth will provide loop modification to <<customer_name>> on an existing loop in accordance with procedures developed in the Line Sharing Collaborative. High Frequency Spectrum (CO Based) Unbundled Loop Modification is a separate distinct service from Unbundled Loop Modification set forth in Section 2.5 of this Attachment. Procedures for High Frequency Spectrum (CO Based) Unbundled Loop Modification may be found on the web at: HTTP://www.interconnection.bellsouth.com/html/unes.html. Nonrecurring rates for this UNE offering may be found in Exhibit B of this Attachment.

3.45 **Maintenance**

3.46 BellSouth will be responsible for repairing voice services and the physical line between the network interface device at the customer's premises and the Termination Point. <<customer_name>> will be responsible for repairing data services. Each Party will be responsible for maintaining its own equipment.

3.47 <<customer_name>> shall inform its end users to direct data problems to <<customer_name>>, unless both voice and data services are impaired, in which event the end users should call BellSouth.

3.48 Once a Party has isolated a trouble to the other Party's portion of the loop, the Party isolating the trouble shall notify the end user that the trouble is on the other Party's portion of the Loop.

3.49 When BellSouth receives a voice trouble and isolates the trouble to the physical collocation arrangement belonging to owner of the collocation space, BellSouth will notify the owner of the collocation space. The owner of the collocation space will provide no more than two (2) verbal CFA pair changes to BellSouth in an attempt to resolve the voice trouble. In the event the CFA pair is changed, the owner of the collocation space will provide BellSouth an LSR with the new CFA pair information within 24 hours. If the owner of the collocation space fails to resolve the trouble by providing BellSouth with the verbal CFA pair changes, BellSouth may discontinue the owner of the collocation space access to the High Frequency Spectrum on such loop.

3.50 If <<customer_name>> is not the data provider, <<customer_name>> shall indemnify, defend and hold harmless BellSouth from and against any claims, losses, actions, causes of action, suits, demands, damages, injury, and costs including reasonable attorney fees, which arise out of actions, related to the data provider.

3.51 Remote Site High Frequency Spectrum

3.52 **General**

3.53 BellSouth shall provide <<customer_name>> access to the high frequency spectrum of the local sub-loop as an unbundled network element (UNE) only where BellSouth is the voice service provider to the end user at the rates set forth in this Attachment.

3.54 The High Frequency Spectrum is defined as the frequency range above the voiceband on a copper loop facility carrying analog circuit-switched voiceband transmissions. Access to the High Frequency Spectrum is intended to allow <<customer_name>> the ability to provide Digital Subscriber Line ("xDSL") data services to the end user for which BellSouth provides voice services. The High Frequency Spectrum shall be available for any version of xDSL complying with Spectrum Management Class 5 of ANSI T1.417, American National Standard for Telecommunications, Spectrum Management for Loop Transmission Systems. BellSouth will continue to have access to the low frequency portion of the loop spectrum (from 300 Hertz to at least 3000 Hertz, and potentially up to 3400 Hertz, depending on equipment and facilities) for the purposes of providing voice service. <<customer_name>> shall only use xDSL technology that is within the PSD mask for Spectrum Management Class 5 as found in the above-mentioned document.

3.55 Access to the High Frequency Spectrum requires an unloaded, 2-wire (Non-Designed) copper sub-loop. An unloaded copper sub-loop has no load coils, low-pass filters, range extenders, DAMLs, or similar devices and minimal bridged taps consistent with ANSI T1.413 and T1.601.

3.56 BellSouth will provide Loop Modification to <<customer_name>> on an existing Loop in accordance with procedures developed in the Line Sharing Collaborative. Procedures for High Frequency Spectrum (Remote Site) Unbundled Loop Modification were developed in the Line Sharing Collaborative and may be found posted to the web at http://www.interconnection.bellsouth.com/html/unes.html. Nonrecurring rates for this UNE offering may be found in Exhibit B of this Attachment. BellSouth is not required to modify a Loop for access to the High Frequency spectrum if modification of that Loop significantly degrades BellSouth's voice service. If <<customer_name>> requests modifications on a sub loop longer than 18,000 ft. and requested modifications significantly degrades the voice services on the loop, <<customer_name>> shall pay for the loop to be restored to its original state.

3.57 **Provisioning of High Frequency Spectrum and Splitter Space**

3.58 BellSouth will provide <<customer_name>> with access to the High Frequency Spectrum as follows:

3.59 To order High Frequency Spectrum on a particular Loop, <<customer_name>> must have a Digital Subscriber Line Access Multiplexer (DSLAM) collocated at the remote site that serves the end-user of such Loop.

3.60 <<customer_name>> may provide its own splitters or may order splitters in a remote site once the <<customer_name>> has installed its DSLAM at that remote site. BellSouth will install splitters within thirty-six (36) calendar days of <<customer_name>>'s submission of an error free Line Splitter Ordering Document ("LSOD") to the BellSouth Complex Resale Support Group.

3.61 Once a splitter is installed on behalf of <<customer_name>> in a remote site in which <<customer_name>> is located, <<customer_name>> shall be entitled to order the High Frequency Spectrum on lines served out of that remote site. BellSouth will bill and <<customer_name>> shall pay applicable for High Frequency Spectrum end-user activation.

3.62 **BellSouth Owned Splitter**

3.63 BellSouth will select, purchase, install and maintain a splitter at the remote site. The <<customer_name>>'s meet point is at the BellSouth "cross connect" point located at the Feeder Distribution Interface (FDI). The <<customer_name>> will provide a cable facility to the BellSouth FDI. BellSouth will splice the <<customer_name>>'s cable to BellSouth's spare binding post in the FDI and use

"cross connects" to connect the <<customer_name>>'s cable facility to the BellSouth splitter. The splitter will route the high frequency portion of the circuit to the <<customer_name>>'s xDSL equipment in their collocation space. Access to the high frequency spectrum is not compatible with foreign exchange (FX) lines, ISDN, and other services listed in the technical section of this document.

3.64 The BellSouth splitter bifurcates the digital and voice band signals. The low frequency voice band portion of the circuit is routed back to the BellSouth switch. The high frequency digital traffic portion of the circuit is routed to the xDSL equipment in the <<customer_name>>'s Remote Terminal (RT) collocation space and routed back to the <<customer_name>>'s network. At least 30 business days before making a change in splitter suppliers, BellSouth will provide <<customer_name>> with a carrier notification letter, informing <<customer_name>> of change. <<customer_name>> shall purchase ports on the splitter in increments of 24 ports.

3.65 BellSouth will install the splitter in (i) a common area close to <<customer_name>>'s collocation area, if possible; or (ii) in a BellSouth relay rack as close to <<customer_name>>'s DS0 termination point as possible. <<customer_name>> shall have access to the splitter for test purposes, regardless of where the splitter is placed in the BellSouth premises. For purposes of this section, a common area is defined as an area in the remote site in which both Parties have access to a common test access point. BellSouth will cross-connect the splitter data ports to a specified <<customer_name>> DS0 at such time that a <<customer_name>> end user's service is established.

3.66 **CLEC Owned Splitter**

3.67 <<customer_name>> may at its option purchase, install and maintain splitters in its collocation arrangements. <<customer_name>> may use such splitters for access to its customers and to provide digital line subscriber services to its customers using the High Frequency Spectrum. Existing Collocation rules and procedures shall apply. The CLEC will be required to activate cable pairs in no less than 8 (eight) pair increments.

3.68 Any splitters installed by <<customer_name>> in its collocation arrangement shall comply with ANSI T1.413, Annex E, or any future ANSI splitter Standards. <<customer_name>> may install any splitters that BellSouth deploys or permits to be deployed for itself or any BellSouth affiliate.

3.69 The High Frequency Spectrum shall only be available on sub-loops provided by BellSouth that continues to provide, analog voice service directly to the end user. In the event the end-user terminates its BellSouth provided voice service for any reason, or in the event BellSouth disconnects the end user's voice service pursuant to its tariffs or applicable law, and <<customer_name>> desires to continue providing xDSL service on such sub-loop, <<customer_name>> shall be required

to purchase a full stand-alone sub-loop. To the extent commercially practicable, BellSouth shall give <<customer_name>> notice in a reasonable time prior to disconnect, which notice shall give <<customer_name>> an adequate opportunity to notify BellSouth of its intent to purchase such sub-loop. In those cases where BellSouth no longer provides voice service to the end user and <<customer_name>> purchases the full stand-alone sub-loop, <<customer_name>> may elect the type of sub-loop it will purchase. <<customer_name>> will pay the appropriate recurring and non-recurring rates for such sub-loop as set forth in Exhibit B to this Attachment. In the event <<customer_name>> purchases a voice grade Loop, <<customer_name>> acknowledges that such sub-loop may not remain xDSL compatible.

3.70 Only one competitive local exchange carrier shall be permitted access to the High Frequency Spectrum of any particular loop.

3.71 **Ordering**

3.72 <<customer_name>> shall use BellSouth's Remote Splitter Ordering Document ("RSOD") to order and activate splitters from BellSouth or to activate CLEC owned splitters at an RT for use with High Frequency Spectrum.

3.73 BellSouth will provide <<customer_name>> the Local Service Request ("LSR") format to be used when ordering the High Frequency Spectrum.

3.74 BellSouth will provision High Frequency Spectrum in compliance with BellSouth's Products and Services Interval Guide available at the website at http://www.interconnection.bellsouth.com.

3.75 BellSouth will provide <<customer_name>> access to Preordering Loop Makeup (LMU), in accordance with the terms of this Agreement. BellSouth shall bill and <<customer_name>> shall pay the rates for such services, as described in Exhibit B.

3.76 BellSouth shall test the data portion of the loop to ensure the continuity of the wiring for <<customer_name>>'s data.

3.77 **Maintenance and Repair**

3.78 <<customer_name>> shall have access for repair and maintenance purposes, to any loop for which it has access to the High Frequency Spectrum. If <<customer_name>> is using a BellSouth owned splitter, <<customer_name>> may access the loop at the point where the data signal exits. If <<customer_name>> provides its own splitter, it may test from the collocation space or the Termination Point.

3.79 BellSouth will be responsible for repairing voice services and the physical line between the network interface device at the customer's premises and the

Termination Point. <<customer_name>> will be responsible for repairing data services. Each Party will be responsible for maintaining its own equipment.

3.80 <<customer_name>> shall inform its end users to direct data problems to <<customer_name>>, unless both voice and data services are impaired, in which event the end users should call BellSouth.

3.81 Once a Party has isolated a trouble to the other Party's portion of the loop, the Party isolating the trouble shall notify the end user that the trouble is on the other Party's portion of the Loop.

3.82 Notwithstanding anything else to the contrary in this Agreement, when BellSouth receives a voice trouble and isolates the trouble to the physical collocation arrangement belonging to <<customer_name>>, BellSouth will notify <<customer_name>>. <<customer_name>> will provide no more than two (2) verbal connecting facility assignments (CFA) pair changes to BellSouth in an attempt to resolve the voice trouble. In the event a CFA pair change resolves the voice trouble, <<customer_name>> will provide BellSouth an LSR with the new CFA pair information within 24 hours. If the owner of the collocation space fails to resolve the trouble by providing BellSouth with the verbal CFA pair changes, BellSouth may discontinue <<customer_name>>'s access to the High Frequency Spectrum on such loop. BellSouth will not be responsible for any loss of data as a result of this action.

4. Local Switching

4.1 BellSouth shall provide non-discriminatory access to local circuit switching capability and local tandem switching capability on an unbundled basis, except as set forth in the Sections below to <<customer_name>> for the provision of a telecommunications service. BellSouth shall provide non-discriminatory access to packet switching capability on an unbundled basis to <<customer_name>> for the provision of a telecommunications service only in the limited circumstance described below in Section 4.5.

4.2 **Local Circuit Switching Capability, including Tandem Switching Capability**

4.2.1 Local circuit switching capability is defined as: (A) line-side facilities, which include, but are not limited to, the connection between a loop termination at a main distribution frame and a switch line card; (B) trunk-side facilities, which include, but are not limited to, the connection between trunk termination at a trunk-side cross-connect panel and a switch trunk card; (C) switching provided by remote switching modules; and (D) all features, functions, and capabilities of the switch, which include, but are not limited to: (1) the basic switching function of connecting lines to lines, line to trunks, trunks to lines, and trunks to trunks, as well as the same basic capabilities made available to BellSouth's customers, such

as a telephone number, white page listings, and dial tone; and (2) all other features that the switch is capable of providing, including but not limited to customer calling, customer local area signaling service features, and Centrex, as well as any technically feasible customized routing functions provided by the switch. Any features that are not currently available but are technically feasible through the switch can be requested through the BFR/NBR process.

4.2.2 Notwithstanding BellSouth's general duty to unbundle local circuit switching, BellSouth shall not be required to unbundle local circuit switching for <<customer_name>> when <<customer_name>> serves an end-user with four (4) or more voice-grade (DS-0) equivalents or lines served by BellSouth in the following MSA: Nashville, TN, and BellSouth has provided non-discriminatory cost based access to the Enhanced Extended Link (EEL) throughout Density Zone 1 as determined by NECA Tariff No. 4 as in effect on January 1, 1999.

4.2.3 In the event that <<customer_name>> orders local circuit switching for an end user with four (4) or more 2-wire voice-grade loops from a BellSouth central office in the MSA listed above, BellSouth shall charge <<customer_name>> the market based rates in Exhibit B for use of the local circuit switching functionality for the affected facilities.

4.2.4 Unbundled Local Switching consists of three separate unbundled elements: Unbundled Ports, End Office Switching Functionality, and End Office Interoffice Trunk Ports.

4.2.5 Unbundled Local Switching combined with Common Transport and, if necessary, Tandem Switching provides to <<customer_name>>'s end user local calling and the ability to presubscribe to a primary carrier for intraLATA and/or to presubscribe to a primary carrier for interLATA toll service.

4.2.6 Provided that <<customer_name>> purchases unbundled local switching from BellSouth and uses the BellSouth CIC for its end users' LPIC or if a BellSouth local end user selects BellSouth as its LPIC, then the Parties will consider as local any calls originated by an <<customer_name>> local end user, or originated by a BellSouth local end user and terminated to an <<customer_name>> local end user, where such calls originate and terminate in the same LATA, except for those calls originated and terminated through switched access arrangements (i.e., calls that are transported by a party other than BellSouth). For such calls, BellSouth will charge <<customer_name>> the UNE elements for the BellSouth facilities utilized. Neither Party shall bill the other originating or terminating switched access charges for such calls. Intercarrier compensation for local calls between BellSouth and <<customer_name>> shall be as described in BellSouth's UNE Local Call Flows set forth on BellSouth's web site, incorporated herein by this reference.

4.2.7 BellSouth shall assess <<customer_name>> retroactive charges for UNE transport and switching associated with using the BellSouth LPIC if <<customer_name>> has been able to previously select BellSouth as the end user LPIC prior to the option allowing the selection of a BellSouth provided LATA-wide local calling area being offered.

4.2.8 Where <<customer_name>> purchases unbundled local switching from BellSouth but does not use the BellSouth CIC for its end users' LPIC, BellSouth will consider as local those direct dialed telephone calls that originate from an <<customer_name>> end user and terminate within the basic local calling area or within the extended local calling areas and that are dialed using 7 or 10 digits as defined and specified in Section A3 of BellSouth's General Subscriber Services Tariffs. For such local calls, BellSouth will charge <<customer_name>> the UNE elements for the BellSouth facilities utilized. Intercarrier compensation for local calls between BellSouth and <<customer_name>> shall be as described in BellSouth's UNE Local Call Flows set forth on BellSouth's web site.

4.2.9 For any calls that originate and terminate through switched access arrangements (i.e., calls that are transported by a party other than BellSouth), BellSouth shall bill <<customer_name>> the UNE elements for the BellSouth facilities utilized. Each Party may bill the toll provider originating or terminating switched access charges, as appropriate.

4.2.10 Reverse billed toll calls, such as intraLATA 800 calls, calling card calls and third party billed calls, where BellSouth is the carrier shall also be considered as local calls and <<customer_name>> shall not bill BellSouth originating or terminating switched access for such calls.

4.2.11 **Unbundled Port Features**

4.2.11.1 Charges for Unbundled Port are as set forth in Exhibit B, and as specified in such exhibit, may or may not include individual features.

4.2.11.2 Where applicable and available, non-switch-based services may be ordered with the Unbundled Port at BellSouth's retail rates.

4.2.11.3 Any features that are not currently available but are technically feasible through the switch can be requested through the BFR/NBR process.

4.2.11.4 BellSouth will provide to <<customer_name>> selective routing of calls to a requested Operator System platform pursuant to Section 10 of Attachment 2. Any other routing requests by <<customer_name>> will be made pursuant to the BFR/NBR Process as set forth in General Terms and Conditions.

4.2.12 **Provision for Local Switching**

4.2.12.1 BellSouth shall perform routine testing (e.g., Mechanized Loop Tests (MLT) and test calls such as 105, 107 and 108 type calls) and fault isolation on a mutually agreed upon schedule.

4.2.12.2 BellSouth shall control congestion points such as those caused by radio station call-ins, and network routing abnormalities. All traffic shall be restricted in a non-discriminatory manner.

4.2.12.3 BellSouth shall perform manual call trace and permit customer originated call trace. BellSouth shall provide Switching Service Point (SSP) capabilities and signaling software to interconnect the signaling links destined to the Signaling Transfer Point Switch (STPS). These capabilities shall adhere to the technical specifications set forth in the applicable industry standard technical references.

4.2.12.4 BellSouth shall provide interfaces to adjuncts through Telcordia standard interfaces. These adjuncts can include, but are not limited to, the Service Circuit Node and Automatic Call Distributors. BellSouth shall offer to <<customer_name>> all AIN triggers in connection with its SMS/SCE offering.

4.2.12.5 BellSouth shall provide access to SS7 Signaling Network or Multi-Frequency trunking if requested by <<customer_name>>.

4.2.13 **Local Switching Interfaces**.

4.2.13.1 <<customer_name>> shall order ports and associated interfaces compatible with the services it wishes to provide, as listed in Exhibit B. BellSouth shall provide the following local switching interfaces:

4.2.13.1.1 Standard Tip/Ring interface including loopstart or groundstart, on-hook signaling (e.g., for calling number, calling name and message waiting lamp);

4.2.13.1.2 Coin phone signaling;

4.2.13.1.3 Basic Rate Interface ISDN adhering to appropriate Telcordia Technical Requirements;

4.2.13.1.4 Two-wire analog interface to PBX;

4.2.13.1.5 Four-wire analog interface to PBX;

4.2.13.1.6 Four-wire DS1 interface to PBX or customer provided equipment (e.g. computers and voice response systems);

4.2.13.1.7 Primary Rate ISDN to PBX adhering to ANSI standards Q.931, Q.932 and appropriate Telcordia Technical Requirements;

4.2.13.1.8 Switched Fractional DS1 with capabilities to configure Nx64 channels (where N = 1 to 24); and

4.2.13.1.9 Loops adhering to Telcordia TR-NWT-08 and TR-NWT-303 specifications to interconnect Digital Loop Carriers.

4.3 **Tandem Switching**

4.3.1 The Tandem Switching capability Network Element is defined as: (i) trunk-connect facilities, which include, but are not limited to, the connection between trunk termination at a cross connect panel and switch trunk card; (ii) the basic switch trunk function of connecting trunks to trunks; and (iii) the functions that are centralized in the Tandem Switches (as distinguished from separate end office switches), including but not limited to call recording, the routing of calls to operator services and signaling conversion features.

4.3.2 Technical Requirements

4.3.2.1 Tandem Switching shall have the same capabilities or equivalent capabilities as those described in Telcordia TR-TSY-000540 Issue 2R2, Tandem Supplement, 6/1/90. The requirements for Tandem Switching include, but are not limited to the following:

4.3.2.1.1 Tandem Switching shall provide signaling to establish a tandem connection;

4.3.2.1.2 Tandem Switching will provide screening as jointly agreed to by <<customer_name>> and BellSouth;

4.3.2.1.3 Tandem Switching shall provide Advanced Intelligent Network triggers supporting AIN features where such routing is not available from the originating end office switch, to the extent such Tandem switch has such capability;

4.3.2.1.4 Tandem Switching shall provide access to Toll Free number database;

4.3.2.1.5 Tandem Switching shall provide connectivity to PSAPs where 911 solutions are deployed and the tandem is used for 911; and

4.3.2.1.6 Where appropriate, Tandem Switching shall provide connectivity for the purpose of routing transit traffic to and from other carriers.

4.3.2.2 BellSouth may perform testing and fault isolation on the underlying switch that is providing Tandem Switching. Such testing shall be testing routinely performed by BellSouth. The results and reports of the testing shall be made available to <<customer_name>>.

4.3.2.3 BellSouth shall control congestion points and network abnormalities. All traffic will be restricted in a non-discriminatory manner.

4.3.2.4 Tandem Switching shall process originating toll-free traffic received from <<customer_name>>'s local switch.

4.3.2.5 In support of AIN triggers and features, Tandem Switching shall provide SSP capabilities when these capabilities are not available from the Local Switching Network Element, to the extent such Tandem Switch has such capability.

4.3.3 Upon <<customer_name>>'s purchase of overflow trunk groups, Tandem Switching shall provide an alternate routing pattern for <<customer_name>>'s traffic overflowing from direct end office high usage trunk groups.

4.4 **AIN Selective Carrier Routing for Operator Services, Directory Assistance and Repair Centers**

4.4.1 BellSouth will provide AIN Selective Carrier Routing at the request of <<customer_name>>. AIN Selective Carrier Routing will provide <<customer_name>> with the capability of routing operator calls, 0+ and 0- and 0+ NPA (LNPA) 555-1212 directory assistance, 1+411 directory assistance and 611 repair center calls to pre-selected destinations.

4.4.2 <<customer_name>> shall order AIN Selective Carrier Routing through its Account Team. AIN Selective Carrier Routing must first be established regionally and then on a per central office, per state basis.

4.4.3 AIN Selective Carrier Routing is not available in DMS 10 switches.

4.4.4 Where AIN Selective Carrier Routing is utilized by <<customer_name>>, the routing of <<customer_name>>'s end user calls shall be pursuant to information provided by <<customer_name>> and stored in BellSouth's AIN Selective Carrier Routing Service Control Point database. AIN Selective Carrier Routing shall utilize a set of Line Class Codes (LCCs) unique to a basic class of service assigned on an 'as needed' basis. The same LCCs will be assigned in each central office where AIN Selective Carrier Routing is established.

4.4.5 Upon ordering of AIN Selective Carrier Routing Regional Service, <<customer_name>> shall remit to BellSouth the Regional Service Order non-recurring charges set forth in Exhibit B of this Attachment. There shall be a non-recurring End Office Establishment Charge per office due at the addition of each central office where AIN Selective Carrier Routing will be utilized. Said non-recurring charge shall be as set forth in Exhibit B of this Attachment. For each <<customer_name>> end user activated, there shall be a non-recurring End User Establishment charge as set forth in Exhibit B of this Attachment. <<customer_name>> shall pay the AIN Selective Carrier Routing Per Query Charge set forth in Exhibit B of this Attachment.

4.4.6 This Regional Service Order non-recurring charge will be non-refundable and will be paid with 1/2 due up-front with the submission of all fully completed required

forms, including: Regional Selective Carrier Routing (SCR) Order Request-Form A, Central Office AIN Selective Carrier Routing (SCR) Order Request - Form B, AIN_SCR Central Office Identification Form - Form C, AIN_SCR Routing Options Selection Form - Form D, and Routing Combinations Table - Form E. BellSouth has 30 days to respond to <<customer_name>>'s fully completed firm order as a Regional Service Order. With the delivery of this firm order response to <<customer_name>>, BellSouth considers that the delivery schedule of this service commences. The remaining 1/2 of the Regional Service Order payment must be paid when at least 90% of the Central Offices listed on the original order have been turned up for the service.

4.4.7 The non-recurring End Office Establishment Charge will be billed to <<customer_name>> following BellSouth's normal monthly billing cycle for this type of order.

4.4.8 End-User Establishment Orders will not be turned-up until the second payment is received for the Regional Service Order. The non-recurring End-User Establishment Charges will be billed to <<customer_name>> following BellSouth's normal monthly billing cycle for this type of order.

4.4.9 Additionally, the AIN Selective Carrier Routing Per Query Charge will be billed to <<customer_name>> following the normal billing cycle for per query charges.

4.4.10 All other network components needed, for example, unbundled switching and unbundled local transport, etc, will be billed per contracted rates.

4.5 **Packet Switching Capability**

4.5.1 The packet switching capability network element is defined as the function of routing or forwarding packets, frames, cells or other data units based on address or other routing information contained in the packets, frames, cells or other data units.

4.5.2 BellSouth shall be required to provide non-discriminatory access to unbundled packet switching capability only where each of the following conditions are satisfied:

4.5.2.1 BellSouth has deployed digital loop carrier systems, including but not limited to, integrated digital loop carrier or universal digital loop carrier systems; or has deployed any other system in which fiber optic facilities replace copper facilities in the distribution section (e.g., end office to remote terminal, pedestal or environmentally controlled vault);

4.5.2.2 There are no spare copper loops capable of supporting the xDSL services <<customer_name>> seeks to offer;

4.5.2.3 BellSouth has not permitted <<customer_name>> to deploy a DSLAM at the remote terminal, pedestal or environmentally controlled vault or other interconnection point, nor has <<customer_name>> obtained a virtual collocation arrangement at these sub-loop interconnection points as defined by 47 CFR § 51.319 (b); and

4.5.2.4 BellSouth has deployed packet switching capability for its own use.

4.5.3 If there is a dispute as to whether BellSouth must provide Packet Switching, such dispute will be resolved according to the dispute resolution process set forth in Section 12 of the General Terms and Conditions of this Agreement, incorporated herein by this reference.

4.6 **Interoffice Transmission Facilities**

4.6.1 BellSouth shall provide nondiscriminatory access, in accordance with FCC Rule 51.311 and Section 251(c)(3) of the Act, to interoffice transmission facilities on an unbundled basis to <<customer_name>> for the provision of a telecommunications service.

5. Unbundled Network Element Combinations

5.1 Unbundled Network Element Combinations shall include: 1) Enhanced Extended Links (EELs); 2) Other Non-Switched Combinations; 3) UNE Loop/Special Access Combinations; and 4) UNE Loop/Port Combinations.

5.2 For purposes of this Section, currently combined Network Elements are defined as elements that are already combined within BellSouth's network to a given location. BellSouth currently combines network elements when it provides the same combination to itself anywhere in its network. Pursuant to the TRA's orders in Docket No. 97-01262 and Docket No. 99-00430, BellSouth shall provide to <<customer name>> Combinations in accordance with the terms of this Agreement in both instances, where the Network Elements are currently combined and where BellSouth currently combines Network Elements . BellSouth does not waive any rights to appeal or otherwise challenge the TRA's directive that BellSouth provide these Combinations.

5.3 **Enhanced Extended Links (EELs)**

5.3.1 Where facilities permit and where necessary to comply with an effective FCC and/or TRA order, or as otherwise mutually agreed by the Parties, BellSouth shall offer access to loop and transport combinations, also known as the Enhanced Extended Link ("EEL") as defined in Section 5.3.2 below. BellSouth shall provide EEL combinations to <<customer_name>> in Tennessee where the EEL combinations are currently combined and where BellSouth currently combines EELs. . BellSouth does not waive any rights to appeal or otherwise challenge the

TRA's directive that BellSouth provide EELS whether such EELS are currently combined.

5.3.2 BellSouth will provide access to the EEL in Tennessee in the combinations set forth in Section 5.3.4 following. <<customer_name>> shall provide to BellSouth a letter certifying that <<customer_name>> is providing a significant amount of local exchange service (as described in Sections 5.3.5.2, 5.3.5.3, 5.3.5.4, or 5.3.5.5) over such combinations. This offering provides connectivity from an end user's location through that end user's SWC to <<customer_name>>'s POP serving wire center. The circuit must be connected to <<customer_name>>'s switch for the purpose of provisioning telephone exchange service to <<customer_name>>'s end-user customers. The EEL will be connected to <<customer_name>>'s facilities in <<customer_name>>'s collocation space at the POP SWC, or <<customer_name>> may purchase BellSouth's access facilities between <<customer_name>>'s POP and <<customer_name>>'s collocation space at the POP SWC.

5.3.3

5.3.4 **EEL Combinations**

5.3.4.1 DS1 Interoffice Channel + DS1 Channelization + 2-wire VG Local Loop

5.3.4.2 DS1 Interoffice Channel + DS1 Channelization + 4-wire VG Local Loop

5.3.4.3 DS1 Interoffice Channel + DS1 Channelization + 2-wire ISDN Local Loop

5.3.4.4 DS1 Interoffice Channel + DS1 Channelization + 4-wire 56 kbps Local Loop

5.3.4.5 DS1 Interoffice Channel + DS1 Channelization + 4-wire 64 kbps Local Loop

5.3.4.6 DS1 Interoffice Channel + DS1 Local Loop

5.3.4.7 DS3 Interoffice Channel + DS3 Local Loop

5.3.4.8 STS-1 Interoffice Channel + STS-1 Local Loop

5.3.4.9 DS3 Interoffice Channel + DS3 Channelization + DS1 Local Loop

5.3.4.10 STS-1 Interoffice Channel + DS3 Channelization + DS1 Local Loop

5.3.4.11 2-wire VG Interoffice Channel + 2-wire VG Local Loop

5.3.4.12 4wire VG Interoffice Channel + 4-wire VG Local Loop

5.3.4.13 4-wire 56 kbps Interoffice Channel + 4-wire 56 kbps Local Loop

5.3.4.14 4-wire 64 kbps Interoffice Channel + 4-wire 64 kbps Local Loop

5.3.5 **Special Access Service Conversions**

5.3.5.1 <<customer_name>> may not convert special access services to combinations of loop and transport network elements, whether or not <<customer_name>> self-provides its entrance facilities (or obtains entrance facilities from a third party), unless <<customer_name>> uses the combination to provide a significant amount of local exchange service, in addition to exchange access service, to a particular customer. To the extent <<customer_name>> requests to convert any special access services to combinations of loop and transport network elements at UNE prices, <<customer_name>> shall provide to BellSouth a letter certifying that <<customer_name>> is providing a significant amount of local exchange service (as described in this Section) over such combinations. The certification letter shall also indicate under what local usage option <<customer_name>> seeks to qualify for conversion of special access circuits. <<customer_name>> shall be deemed to be providing a significant amount of local exchange service over such combinations if one of the following options is met:

5.3.5.2 <<customer_name>> certifies that it is the exclusive provider of an end user's local exchange service. The loop-transport combinations must terminate at <<customer_name>>'s collocation arrangement in at least one BellSouth central office. This option does not allow loop-transport combinations to be connected to BellSouth's tariffed services. Under this option, <<customer_name>> is the end user's only local service provider, and thus, is providing more than a significant amount of local exchange service. <<customer_name>> can then use the loop-transport combinations that serve the end user to carry any type of traffic, including using them to carry 100 percent interstate access traffic; or

5.3.5.3 <<customer_name>> certifies that it provides local exchange and exchange access service to the end user customer's premises and handles at least one third of the end user customer's local traffic measured as a percent of total end user customer local dialtone lines; and for DS1 circuits and above, at least 50 percent of the activated channels on the loop portion of the loop-transport combination have at least 5 percent local voice traffic individually, and the entire loop facility has at least 10 percent local voice traffic. When a loop-transport combination includes multiplexing, each of the individual DS1 circuits must meet these criteria. The loop-transport combination must terminate at <<customer_name>>'s collocation arrangement in at least one BellSouth central office. This option does not allow loop-transport combinations to be connected to BellSouth tariffed services; or

5.3.5.4 <<customer_name>> certifies that at least 50 percent of the activated channels on a circuit are used to provide originating and terminating local dialtone service and at least 50 percent of the traffic on each of these local dialtone channels is local voice traffic, and that the entire loop facility has at least 33 percent local voice traffic. When a loop-transport combination includes multiplexing, each of the individual DS1 circuits must meet these criteria. This option does not allow loop-transport combinations to be connected to BellSouth's tariffed services.

Under this option, collocation is not required. <<customer_name>> does not need to provide a defined portion of the end user's local service, but the active channels on any loop-transport combination, and the entire facility, must carry the amount of local exchange traffic specified in this option.

5.3.5.5 In addition, there may be extraordinary circumstances where <<customer_name>> is providing a significant amount of local exchange service, but does not qualify under any of the three options set forth in Section 5.3.5. In such case, <<customer_name>> may petition the FCC for a waiver of the local usage options set forth in the June 2, 2000 Order. If a waiver is granted, then upon <<customer_name>>'s request the Parties shall amend this Agreement to the extent necessary to incorporate the terms of such waiver for such extraordinary circumstance.

5.3.5.6 BellSouth may at its sole discretion audit <<customer_name>> records in order to verify the type of traffic being transmitted over combinations of loop and transport network elements. The audit shall be conducted by a third party independent auditor, and <<customer_name>> shall be given thirty days written notice of scheduled audit. Such audit shall occur no more than one time in a calendar year, unless results of an audit find noncompliance with the significant amount of local exchange service requirement. In the event of noncompliance, <<customer_name>> shall reimburse BellSouth for the cost of the audit. If, based on its audits, BellSouth concludes that <<customer_name>> is not providing a significant amount of local exchange traffic over the combinations of loop and transport network elements, BellSouth may file a complaint with the TRA, pursuant to the dispute resolution process as set forth in the Interconnection Agreement. In the event that BellSouth prevails, BellSouth may convert such combinations of loop and transport network elements to special access services and may seek appropriate retroactive reimbursement from <<customer_name>>.

5.3.5.7 <<customer_name>> may convert special access circuits to combinations of loop and transport UNEs pursuant to the terms of this Section and subject to the termination provisions in the applicable special access tariffs, if any.

5.3.6 **Rates**

5.3.6.1 The non-recurring and recurring rates for the EEL Combinations of network elements set forth in 5.3.4are as set forth in Exhibit B of this Attachment.

5.3.6.1.1 For Combinations of loop and transport network elements not set forth in Section 5.3.4, the recurring charges for such UNE combinations shall be the sum of the stand-alone recurring charges of the network elements which make up the Combination. The non recurring charge for such UNE combinations shall be the sum of the non recurring charges as set forth in Section P.17 of Exhibit B to Attachment 2 for the network elements which make up the Combination.

5.3.7 **Multiplexing**

5.3.7.1 Where multiplexing functionality is required in connection with loop and transport combinations, such multiplexing will be provided at the rates and on the terms set forth in this Agreement.

5.4 **Other Non-Switched Combinations**

5.4.1 In Tennessee, BellSouth shall make available to <<customer_name>>, in accordance with Section 5.4.2.1 below: (1) Combinations other than EELs that are currently combined; and (2) combinations of network elements other than EELs that are not Currently Combined but that BellSouth ordinarily combines in its network

5.4.2 Rates

5.4.2.1 The non-recurring and recurring rates for Other Network Element combinations, whether currently combined or new, are as set forth in Exhibit B of this Attachment.

5.4.2.1.1 For Other Network Element combinations where the elements are not currently combined but are ordinarily combined in BellSouth's network, the non-recurring and recurring charges for such UNE combinations shall be the sum of the stand-alone non-recurring and recurring charges of the network elements that make up the Combination.

5.4.2.1.2

5.5 **UNE Loop/Special Access Combinations**

5.5.1 BellSouth shall make available to <<customer_name>> a new Combination of an unbundled loop and tariffed special access interoffice facilities. To the extent <<customer_name>> will require multiplexing functionality in connection with such Combination, BellSouth will provide access to multiplexing within the central office pursuant to the terms, conditions and rates set forth in its Access Services Tariffs. The tariffed special access interoffice facilities and any associated tariffed services, including but not limited to multiplexing, shall not be eligible for conversion to UNEs as described in Section 5.3.5.

5.5.2 Rates

5.5.2.1 The non-recurring and recurring rates for UNE/Special Access Combinations will be the sum of the unbundled loop rates as set forth in Exhibit B and the interoffice transport rates and multiplexing rates as set forth in the Access Services Tariff.

5.6 **UNE Port/Loop Combinations**

5.6.1 Combinations of port and loop unbundled network elements along with switching and transport unbundled network elements provide local exchange service for the origination or termination of calls. Port/ loop combinations support the same local calling and feature requirements as described in the Unbundled Local Switching or Port section of this Attachment 2 and the ability to presubscribe to a primary carrier for intraLATA and/or to presubscribe to a primary carrier for interLATA toll service.

5.6.2 BellSouth shall make available all UNE port/loop Combinations (currently combined and new) in Tennessee. . BellSouth does not waive any rights to appeal or otherwise challenge the TRA's directive that BellSouth provide said Combinations whether such Combination are currently combined.

5.6.3 BellSouth is not required to provide combinations of port and loop network elements on an unbundled basis in locations where, pursuant to FCC rules, BellSouth is not required to provide circuit switching as an unbundled network element.

5.6.4 BellSouth shall not be required to provide local circuit switching as an unbundled network element in density Zone 1, as defined in 47 CFR 69.123 as of January 1, 1999, in Nashville, TNMSA to <<customer_name>> if <<customer_name>>'s customer has 4 or more DS0 equivalent lines.

5.6.5 Combination Offerings

5.6.5.1 2-wire voice grade port, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

5.6.5.2 2-wire voice grade Coin port, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

5.6.5.3 2-wire voice grade DID port, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

5.6.5.4 2-wire CENTREX port, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

5.6.5.5 2-wire ISDN Basic Rate Interface, voice grade loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

5.6.5.6 4-wire ISDN Primary Rate Interface, DS1 loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

5.6.5.7 4-wire DS1 Trunk port, DS1 Loop, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

5.6.5.8 4-wire DS1 Loop with normal serving wire center channelization interface, 2-wire voice grade ports (PBX), 2-wire DID ports, unbundled end office switching, unbundled end office trunk port, common transport per mile per MOU, common transport facilities termination, tandem switching, and tandem trunk port.

6. Transport, Channelization and Dark Fiber

6.1 **Transport**

6.1.1 Interoffice transmission facility network elements include:

6.1.1.1 Dedicated transport, defined as BellSouth's transmission facilities, is dedicated to a particular customer or carrier that provides telecommunications between wire centers or switches owned by BellSouth, or between wire centers and switches owned by BellSouth and <<customer_name>>.

6.1.1.2 Dark Fiber transport, defined as BellSouth's optical transmission facilities without attached signal regeneration, multiplexing, aggregation or other electronics;

6.1.1.3 Common (Shared) transport, defined as transmission facilities shared by more than one carrier, including BellSouth, between end office switches, between end office switches and tandem switches, and between tandem switches, in BellSouth's network. Where BellSouth Network Elements are connected by intraoffice wiring, such wiring is provided as part of the Network Element and is not Common (Shared) Transport.

6.1.2 BellSouth shall:

6.1.2.1 Provide <<customer_name>> exclusive use of interoffice transmission facilities dedicated to a particular customer or carrier, or shared use of the features, functions, and capabilities of interoffice transmission facilities shared by more than one customer or carrier;

6.1.2.2 Provide all technically feasible transmission facilities, features, functions, and capabilities of the transport facility for the provision of telecommunications services;

6.1.2.3 Permit, to the extent technically feasible, <<customer_name>> to connect such interoffice facilities to equipment designated by <<customer_name>>, including but not limited to, <<customer_name>>'s collocated facilities; and

6.1.2.4 Permit, to the extent technically feasible, <<customer_name>> to obtain the functionality provided by BellSouth's digital cross-connect systems.

6.1.3 Technical Requirements of Common (Shared) Transport

6.1.3.1 Common (Shared) Transport provided on DS1 or VT1.5 circuits, shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Central Office to Central Office ("CO to CO") connections in the applicable industry standards.

6.1.3.2 Common (Shared) Transport provided on DS3 circuits, STS-1 circuits, and higher transmission bit rate circuits, shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for CO to CO connections in the applicable industry standards.

6.1.3.3 BellSouth shall be responsible for the engineering, provisioning, and maintenance of the underlying equipment and facilities that are used to provide Common (Shared) Transport.

6.1.3.4 At a minimum, Common (Shared) Transport shall meet all of the requirements set forth in the applicable industry standards.

6.2 **Dedicated Transport**

6.2.1 Dedicated Transport is composed of the following Unbundled Network Elements:

6.2.1.1 Unbundled Local Channel, defined as the dedicated transmission path between <<customer_name>>'s Point of Presence("POP") and <<customer_name>>'s collocation space in the BellSouth Serving Wire Center for <<customer_name>>'s POP, and

6.2.1.2 Unbundled Interoffice Channel, defined as the dedicated transmission path that provides telecommunication between BellSouth's Serving Wire Centers' collocations.

6.2.1.3 BellSouth shall offer Dedicated Transport in each of the following ways:

6.2.1.3.1 As capacity on a shared UNE facility.

6.2.1.3.2 As a circuit (e.g., DS0, DS1, DS3) dedicated to <<customer_name>>.

6.2.1.4 Dedicated Transport may be provided over facilities such as optical fiber, copper twisted pair, and coaxial cable, and shall include transmission equipment such as, line terminating equipment, amplifiers, and regenerators.

6.2.2 Technical Requirements

6.2.2.1 The entire designated transmission service (e.g., DS0, DS1, DS3) shall be dedicated to <<customer_name>> designated traffic.

6.2.2.2 For DS1 or VT1.5 circuits, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for Customer Interface to Central Office ("CI to CO") connections in the applicable industry standards.

6.2.2.3 For DS3 circuits, Dedicated Transport shall, at a minimum, meet the performance, availability, jitter, and delay requirements specified for CI to CO connections in the applicable industry standards.

6.2.2.4 BellSouth shall offer the following interface transmission rates for Dedicated Transport:

6.2.2.4.1 DS0 Equivalent;

6.2.2.4.2 DS1;

6.2.2.4.3 DS3; and

6.2.2.4.4 SDH (Synchronous Digital Hierarchy) Standard interface rates in accordance with International Telecommunications Union (ITU) Recommendation G.707 and Plesiochronous Digital Hierarchy (PDH) rates per ITU Recommendation G.704.

6.2.2.5 BellSouth shall design Dedicated Transport according to its network infrastructure. <<customer_name>> shall specify the termination points for Dedicated Transport.

6.2.2.6 At a minimum, Dedicated Transport shall meet each of the requirements set forth in the applicable industry technical references.

6.2.2.7 BellSouth Technical References:

6.2.2.7.1 TR-TSY-000191 Alarm Indication Signals Requirements and Objectives, Issue 1, May 1986.

6.2.2.7.2 TR 73501 LightGate®Service Interface and Performance Specifications, Issue D, June 1995.

6.2.2.7.3 TR 73525 MegaLink®Service, MegaLink Channel Service and MegaLink Plus Service Interface and Performance Specifications, Issue C, May 1996.

6.3 **Unbundled Channelization (Multiplexing)**

6.3.1 Unbundled Channelization (UC) provides the multiplexing capability that will allow a DS1 (1.544 Mbps) or DS3 (44.736 Mbps) or STS-1 Unbundled Network Element (UNE) or collocation cross-connect to be multiplexed or channelized at a BellSouth central office. Channelization will be offered with both the high and low speed sides to be connected to collocation. Channelization can be accomplished through the use of a stand-alone multiplexer or a digital cross-connect system at the discretion of BellSouth. Once UC has been installed, <<customer_name>> may request channel activation on an as-needed basis and BellSouth shall connect the requested facilities via Central Office Channel Interfaces (COCIs). The COCI must be compatible with the lower capacity facility and ordered with the lower capacity facility.

6.3.2 BellSouth shall make available the following channelization systems:

6.3.2.1 DS3 Channelization System: channelizes a DS3 signal into 28 DS1s/STS-1s.

6.3.2.2 DS1 Channelization System: channelizes a DS1 signal into 24 DS0s.

6.3.3 BellSouth shall make available the following

6.3.3.1 Central Office Channel Interfaces (COCI):

6.3.3.2 DS1 COCI, which can be activated on a DS3 Channelization System.

6.3.3.3 Voice Grade and Digital Data COCI, which can be activated on a DS1 Channelization System.

6.3.3.4 Data COCI, which can be activated on a DS1 Channelization System.

6.3.3.5 AMI and B8ZS line coding with either Super Frame (SF) and Extended Super Frame (ESF) framing formats will be supported as options.

6.3.4 Technical Requirements

6.3.4.1 In order to assure proper operation with BellSouth provided central office multiplexing functionality, <<customer_name>>'s channelization equipment must adhere strictly to form and protocol standards. <<customer_name>> must also adhere to such applicable industry standards for the multiplex channel bank, for voice frequency encoding, for various signaling schemes, and for sub rate digital access.

6.3.4.2 DS0 to DS1 Channelization

6.3.4.2.1 The DS1 signal must be framed utilizing the framing structure defined in ANSI T1.107, Digital Hierarchy Formats Specifications and ANSI T1.403.02, DS1 Robbed-bit Signaling State Definitions.

6.3.4.3 DS1 to DS3 Channelization

6.3.4.3.1 The DS3 signal must be framed utilizing the framing structure define in ANSI T1.107, Digital Hierarchy Formats Specifications. The asynchronous M13 multiplex format (combination of M12 and M23 formats) is specified for terminal equipment that multiplexes 28 DS1s into a DS3.

6.3.4.4 DS1 to STS Channelization

6.3.4.4.1 The STS-1 signal must be framed utilizing the framing structure define in ANSI T1.105, Synchronous Optical Network (SONET) – Basic Description Including Multiplex Structure, Rates and Formats and T1.105.02, Synchronous Optical Network (SONET) – Payload Mappings.

6.4 **Dark Fiber Transport**

6.4.1 Dark Fiber Transport is an unused optical transmission facility without attached signal regeneration, multiplexing, aggregation or other electronics that connects two points within BellSouth's network. It may be strands of optical fiber existing in aerial or underground structure. BellSouth will not provide line terminating elements, regeneration or other electronics necessary for <<customer_name>> to utilize Dark Fiber Transport.

6.4.2 Dark Fiber Transport rates are differentiated between Local Channel, Interoffice Channel and Local Loop.

6.4.3 Requirements

6.4.3.1 BellSouth shall make available Dark Fiber Transport where it exists in BellSouth's network and where, as a result of future building or deployment, it becomes available. Dark Fiber Transport will not be deemed available if (1) it is used by BellSouth for maintenance and repair purposes, (2) it is designated for use pursuant to a firm order placed by another customer, (3) it is restricted for use by all carriers, including BellSouth, because of transmission problems or because it is scheduled for removal due to documented changes to roads and infrastructure, or (4) BellSouth has plans to use the fiber within a two-year planning period. BellSouth is not required to place fibers for Dark Fiber Transport if there are none available.

6.4.3.2 If the requested Dark Fiber Transport has any lightwave repeater equipment interspliced to it, BellSouth will remove such equipment at <<customer_name>>'s request subject to time and materials charges.

6.4.3.3 <<customer_name>> is solely responsible for testing the quality of the Dark Fiber Transport to determine its usability and performance specifications.

6.4.3.4 BellSouth shall use its best efforts to provide to <<customer_name>> information regarding the location, availability and performance of Dark Fiber Transport within ten (10) business days after receiving a request from <<customer_name>>. Within such time period, BellSouth shall send written confirmation of availability of the Dark Fiber Transport.

6.4.3.5 If the requested Dark Fiber Transport is available, BellSouth shall use its commercially reasonable efforts to provision the Dark Fiber Transport to <<customer_name>> within twenty (20) business days after <<customer_name>> submits a valid, error free LSR. Provisioning includes identification of appropriate connection points (e.g., Light Guide Interconnection (LGX) or splice points) to enable <<customer_name>> to connect or splice <<customer_name>> provided transmission media (e.g., optical fiber) or equipment to the Dark Fiber Transport.

6.4.3.6 <<customer_name>> may splice at the end points and test Dark Fiber Transport obtained from BellSouth using <<customer_name>> or <<customer_name>> designated personnel. BellSouth shall provide appropriate interfaces to allow splicing and testing of Dark Fiber Transport. For fiber in underground conduit, BellSouth shall provide a minimum of 25 feet of excess cable to allow the uncoiled fiber to reach from the manhole to a splicing van.

7. BellSouth Switched Access ("SWA") 8XX Toll Free Dialing Ten Digit Screening Service

7.1 The BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service database ("8XX SCP Database") is a Signaling control Point ("SCP") that contains customer record information and the functionality to provide call-handling instructions for 8XX calls. The 8XX SCP IN software stores data downloaded from the national SMS/8XX database and provides the routing instructions in response to queries from the Switching Service Point ("SSP") or tandem. The BellSouth SWA 8XX Toll Free Dialing Ten Digit Screening Service ("8XX TFD Service") utilizes the 8XX SCP Database to provide identification and routing of the 8XX calls, based on the ten digits dialed. At <<customer_name>>'s option, 8XX TFD Service is provided with or without POTS number delivery, dialing number delivery, and other optional complex features as selected by <<customer_name>>.

7.2 The 8XX SCP Database is designated to receive and respond to queries using the ANSI Specification of Signaling System Seven (SS7) protocol.

8. Line Information Database (LIDB)

8.1 The Line Information Database (LIDB) is a transaction-oriented database accessible through Common Channel Signaling (CCS) networks. For access to LIDB, <<customer_name>> must purchase appropriate signaling links pursuant to Section 9 of this Attachment. LIDB contains records associated with end user Line Numbers and Special Billing Numbers. LIDB accepts queries from other Network Elements and provides appropriate responses. The query originator need not be the owner of LIDB data. LIDB queries include functions such as screening billed numbers that provides the ability to accept Collect or Third Number Billing calls and validation of Telephone Line Number based non-proprietary calling cards. The interface for the LIDB functionality is the interface between BellSouth's CCS network and other CCS networks. LIDB also interfaces to administrative systems.

8.2 Technical Requirements

8.2.1 BellSouth will offer to <<customer_name>> any additional capabilities that are developed for LIDB during the life of this Agreement.

8.2.2 BellSouth shall process <<customer_name>>'s Customer records in LIDB at least at parity with BellSouth customer records, with respect to other LIDB functions. BellSouth shall indicate to <<customer_name>> what additional functions (if any) are performed by LIDB in the BellSouth network.

8.2.3 Within two (2) weeks after a request by <<customer_name>>, BellSouth shall provide <<customer_name>> with a list of the customer data items, which <<customer_name>> would have to provide in order to support each required LIDB function. The list shall indicate which data items are essential to LIDB function, and which are required only to support certain services. For each data item, the list shall show the data formats, the acceptable values of the data item and the meaning of those values.

8.2.4 BellSouth shall provide LIDB systems for which operating deficiencies that would result in calls being blocked shall not exceed 30 minutes per year.

8.2.5 BellSouth shall provide LIDB systems for which operating deficiencies that would not result in calls being blocked shall not exceed 12 hours per year.

8.2.6 BellSouth shall provide LIDB systems for which the LIDB function shall be in overload no more than 12 hours per year.

8.2.7 All additions, updates and deletions of <<customer_name>> data to the LIDB shall be solely at the direction of <<customer_name>>. Such direction from <<customer_name>> will not be required where the addition, update or deletion is necessary to perform standard fraud control measures (e.g., calling card auto-deactivation).

8.2.8 BellSouth shall provide priority updates to LIDB for <<customer_name>> data upon <<customer_name>>'s request (e.g., to support fraud detection)**,** via password-protected telephone card, facsimile, or electronic mail within one hour of notice from the established BellSouth contact.

8.2.9 BellSouth shall provide LIDB systems such that no more than 0.01% of <<customer_name>> customer records will be missing from LIDB, as measured by <<customer_name>> audits. BellSouth will audit <<customer_name>> records in LIDB against DBAS to identify record mismatches and provide this data to a designated <<customer_name>> contact person to resolve the status of the records and BellSouth will update system appropriately. BellSouth will refer record of mis-matches to <<customer_name>> within one business day of audit. Once reconciled records are received back from <<customer_name>>, BellSouth will update LIDB the same business day if less than 500 records are received before 1:00PM Central Time. If more than 500 records are received, BellSouth will contact <<customer_name>> to negotiate a time frame for the updates, not to exceed three business days.

8.2.10 BellSouth shall perform backup and recovery of all of <<customer_name>>'s data in LIDB including sending to LIDB all changes made since the date of the most recent backup copy, in at least the same time frame BellSouth performs backup and recovery of BellSouth data in LIDB for itself. Currently, BellSouth performs backups of the LIDB for itself on a weekly basis and when a new software release is scheduled, a backup is performed prior to loading the new release.

8.2.11 BellSouth shall provide <<customer_name>> with LIDB reports of data, which are missing or contain errors, as well as any misrouted errors, within a reasonable time period as negotiated between <<customer_name>> and BellSouth.

8.2.12 BellSouth shall prevent any access to or use of <<customer_name>> data in LIDB by BellSouth personnel that are outside of established administrative and fraud control personnel, or by any other Party that is not authorized by <<customer_name>> in writing.

8.2.13 BellSouth shall provide <<customer_name>> performance of the LIDB Data Screening function, which allows a LIDB to completely or partially deny specific query originators access to LIDB data owned by specific data owners, for Customer Data that is part of an NPA-NXX or RAO-0/1XX wholly or partially owned by <<customer_name>> at least at parity with BellSouth Customer Data. BellSouth shall obtain from <<customer_name>> the screening information associated with LIDB Data Screening of <<customer_name>> data in accordance with this requirement. BellSouth currently does not have LIDB Data Screening capabilities. When such capability is available, BellSouth shall offer it to <<customer_name>> under the BFR/NBR process as set forth in Attachment 12.

8.2.14 BellSouth shall accept queries to LIDB associated with <<customer_name>> customer records, and shall return responses in accordance with industry standards.

8.2.15 BellSouth shall provide mean processing time at the LIDB within 0.50 seconds under normal conditions as defined in industry standards.

8.2.16 BellSouth shall provide processing time at the LIDB within 1 second for 99% of all messages under normal conditions as defined in industry standards.

8.3 Interface Requirements

8.3.1 BellSouth shall offer LIDB in accordance with the requirements of this subsection.

8.3.2 The interface to LIDB shall be in accordance with the technical references contained within.

8.3.3 The CCS interface to LIDB shall be the standard interface described herein.

8.3.4 The LIDB Data Base interpretation of the ANSI-TCAP messages shall comply with the technical reference herein. Global Title Translation shall be maintained in the signaling network in order to support signaling network routing to the LIDB.

9. Signaling

9.1 BellSouth shall offer access to signaling and access to BellSouth's signalling databases subject to compatibility testing and at the rates set forth in this Attachment. BellSouth may provide mediated access to BellSouth signaling systems and databases. Available signalling elements include signaling links, signal transfer points and service control points. Signalling functionality will be available with both A-link and B-link connectivity.

9.2 **Signalling Link Transport**

9.2.1 Signaling Link Transport is a set of two or four dedicated 56 kbps transmission paths between <<customer_name>>-designated Signaling Points of Interconnection that provide appropriate physical diversity.

9.2.2 Technical Requirements

9.2.3 Signaling Link Transport shall consist of full duplex mode 56 kbps transmission paths and shall perform in the following two ways:

9.2.3.1 As an "A-link" Signaling Link Transport is a connection between a switch or SCP and a home Signaling Transfer Point switch pair; and

9.2.3.2 As a “B-link” Signaling Link Transport is a connection between two Signaling Transfer Point switch pairs in different company networks (e.g., between two Signaling Transfer Point switch pairs for two CLECs).

9.2.4 Signaling Link Transport shall consist of two or more signaling link layers as follows:

9.2.4.1 An A-link layer shall consist of two links.

9.2.4.2 A B-link layer shall consist of four links.

9.2.4.3 A signaling link layer shall satisfy interoffice and intraoffice diversity of facilities and equipment, such that:

9.2.4.4 No single failure of facilities or equipment causes the failure of both links in an A-link layer (i.e., the links should be provided on a minimum of two separate physical paths end-to-end); and

9.2.4.5 No two concurrent failures of facilities or equipment shall cause the failure of all four links in a B-link layer (i.e., the links should be provided on a minimum of three separate physical paths end-to-end).

9.2.5 Interface Requirements

9.2.5.1 There shall be a DS1 (1.544 Mbps) interface at <<customer_name>>’s designated SPOIs. Each 56 kbps transmission path shall appear as a DS0 channel within the DS1 interface.

9.3 **Signalling Transfer Points (STPs)**

9.3.1 A Signaling Transfer Point is a signaling network function that includes all of the capabilities provided by the signaling transfer point switches (STPs) and their associated signaling links that enables the exchange of SS7 messages among and between switching elements, database elements and signaling transfer point switches.

9.3.2 Technical Requirements

9.3.2.1 Signaling Transfer Point s shall provide access to BellSouth Local Switching or Tandem Switching and to BellSouth Service Control Points/Databases connected to BellSouth SS7 network. Signaling Transfer Point also provide access to third-party local or tandem switching and Third-party-provided Signaling Transfer Points.

9.3.2.2 The connectivity provided by Signaling Transfer Points shall fully support the functions of all other Network Elements connected to the BellSouth SS7 network. This includes the use of the BellSouth SS7 network to convey messages that

neither originate nor terminate at a signaling end point directly connected to the BellSouth SS7 network (i.e., transit messages). When the BellSouth SS7 network is used to convey transit messages, there shall be no alteration of the Integrated Services Digital Network User Part or Transaction Capabilities Application Part (TCAP) user data that constitutes the content of the message.

9.3.2.3 If a BellSouth tandem switch routes traffic, based on dialed or translated digits, on SS7 trunks between a <<customer_name>> local switch and third party local switch, the BellSouth SS7 network shall convey the TCAP messages that are necessary to provide Call Management features (Automatic Callback, Automatic Recall, and Screening List Editing) between <<customer_name>> local STPs and the STPs that provide connectivity with the third party local switch, even if the third party local switch is not directly connected to BellSouth STPs.

9.3.2.4 STPs shall provide all functions of the SCCP necessary for Class 0 (basic connectionless) service, as defined in Telcordia ANSI Interconnection Requirements. This includes Global Title Translation (GTT) and SCCP Management procedures, as specified in ANSI T1.112.4. Where the destination signaling point is a <<customer_name>> or third party local or tandem switching system directly connected to BellSouth SS7 network, BellSouth shall perform final GTT of messages to the destination and SCCP Subsystem Management of the destination. In all other cases, BellSouth shall perform intermediate GTT of messages to a gateway pair of STPs in an SS7 network connected with BellSouth SS7 network, and shall not perform SCCP Subsystem Management of the destination. If BellSouth performs final GTT to a <<customer_name>> database, then <<customer_name>> agrees to provide BellSouth with the Destination Point Code for <<customer_name>> database.

9.3.2.5 STPs shall provide all functions of the OMAP as specified in applicable industry standard technical references, which may include, where available in BellSouth's network, MTP Routing Verification Test (MRVT); and SCCP Routing Verification Test (SRVT).

9.3.2.6 Where the destination signaling point is a BellSouth local or tandem switching system or database, or is a <<customer_name>> or third party local or tandem switching system directly connected to the BellSouth SS7 network, STPs shall perform MRVT and SRVT to the destination signaling point. In all other cases, STPs shall perform MRVT and SRVT to a gateway pair of STPs in an SS7 network connected with the BellSouth SS7 network. This requirement may be superseded by the specifications for Internetwork MRVT and SRVT when these become approved ANSI standards and available capabilities of BellSouth STPs.

9.4 SS7 Advanced Intelligent Network (AIN) Access

9.4.1 When technically feasible and upon request by <<customer_name>>, SS7 AIN Access shall be made available in association with switching. SS7 AIN Access is

the provisioning of AIN 0.1 triggers in an equipped BellSouth local switch and interconnection of the BellSouth SS7 network with <<customer_name>>'s SS7 network to exchange TCAP queries and responses with a <<customer_name>> SCP.

9.4.2 SS7 AIN Access shall provide <<customer_name>> SCP access to an equipped BellSouth local switch via interconnection of BellSouth's SS7 and <<customer_name>> SS7 Networks. BellSouth shall offer SS7 AIN Access through its STPs. If BellSouth requires a mediation device on any part of its network specific to this form of access, BellSouth must route its messages in the same manner. The interconnection arrangement shall result in the BellSouth local switch recognizing the <<customer_name>> SCP as at least at parity with BellSouth's SCPs in terms of interfaces, performance and capabilities.

9.4.3 Interface Requirements

9.4.3.1 BellSouth shall provide the following STP options to connect <<customer_name>> or <<customer_name>>-designated local switching systems to the BellSouth SS7 network:

9.4.3.1.1 An A-link interface from <<customer_name>> local switching systems; and,

9.4.3.1.2 A B-link interface from <<customer_name>> local STPs.

9.4.3.2 Each type of interface shall be provided by one or more layers of signaling links.

9.4.3.3 The Signaling Point of Interconnection for each link shall be located at a cross-connect element in the Central Office (CO) where the BellSouth STP is located. There shall be a DS1 or higher rate transport interface at each of the SPOIs. Each signaling link shall appear as a DS0 channel within the DS1 or higher rate interface.

9.4.3.4 BellSouth shall provide intraoffice diversity between the Signaling Point of Interconnection and BellSouth STPs, so that no single failure of intraoffice facilities or equipment shall cause the failure of both B-links in a layer connecting to a BellSouth STP.

9.4.3.5 STPs shall provide all functions of the MTP as defined in the applicable industry standard technical references.

9.4.4 Message Screening

9.4.4.1 BellSouth shall set message screening parameters so as to accept valid messages from <<customer_name>> local or tandem switching systems destined to any signaling point within BellSouth's SS7 network where the <<customer_name>> switching system has a valid signaling relationship.

9.4.4.2 BellSouth shall set message screening parameters so as to pass valid messages from <<customer_name>> local or tandem switching systems destined to any signaling point or network accessed through BellSouth's SS7 network where the <<customer_name>> switching system has a valid signaling relationship.

9.4.4.3 BellSouth shall set message screening parameters so as to accept and pass/send valid messages destined to and from <<customer_name>> from any signaling point or network interconnected through BellSouth's SS7 network where the <<customer_name>> SCP has a valid signaling relationship.

9.5 **Service Control Points/Databases**

9.5.1 Call Related Databases provide the storage of, access to, and manipulation of information required to offer a particular service and/or capability. BellSouth shall provide access to the following Databases: Local Number Portability, LIDB, Toll Free Number Database, Automatic Location Identification/Data Management System, and Calling Name Database. BellSouth also provides access to Service Creation Environment and Service Management System (SCE/SMS) application databases and Directory Assistance.

9.5.2 A Service Control Point (SCP) is deployed in a SS7 network that executes service application logic in response to SS7 queries sent to it by a switching system also connected to the SS7 network. Service Management Systems provide operational interfaces to allow for provisioning, administration and maintenance of subscriber data and service application data stored in SCPs.

9.5.3 Technical Requirements for SCPs/Databases

9.5.3.1 BellSouth shall provide physical access to SCPs through the SS7 network and protocols with TCAP as the application layer protocol.

9.5.3.2 BellSouth shall provide physical interconnection to databases via industry standard interfaces and protocols (e.g. SS7, ISDN and X.25).

9.5.3.3 The reliability of interconnection options shall be consistent with requirements for diversity and survivability.

9.6 **Local Number Portability Database**

9.6.1 The Permanent Number Portability (PNP) database supplies routing numbers for calls involving numbers that have been ported from one local service provider to another. BellSouth agrees to provide access to the PNP database at rates, terms and conditions as set forth by BellSouth and in accordance with an effective FCC or Commission directive.

9.7 **SS7 Network Interconnection**

9.7.1 SS7 Network Interconnection is the interconnection of <<customer_name>> local signaling transfer point switches or <<customer_name>> local or tandem switching systems with BellSouth signaling transfer point switches. This interconnection provides connectivity that enables the exchange of SS7 messages among BellSouth switching systems and databases, <<customer_name>> local or tandem switching systems, and other third-party switching systems directly connected to the BellSouth SS7 network.

9.7.2 The connectivity provided by SS7 Network Interconnection shall fully support the functions of BellSouth switching systems and databases and <<customer_name>> or other third-party switching systems with A-link access to the BellSouth SS7 network.

9.7.3 If traffic is routed based on dialed or translated digits between a <<customer_name>> local switching system and a BellSouth or other third-party local switching system, either directly or via a BellSouth tandem switching system, then it is a requirement that the BellSouth SS7 network convey via SS7 Network Interconnection the TCAP messages that are necessary to provide Call Management services (Automatic Callback, Automatic Recall, and Screening List Editing) between the <<customer_name>> local signaling transfer point switches and BellSouth or other third-party local switch.

9.7.4 SS7 Network Interconnection shall provide:

9.7.4.1 Signaling Data Link functions, as specified in ANSI T1.111.2;

9.7.4.2 Signaling Link functions, as specified in ANSI T1.111.3; and

9.7.4.3 Signaling Network Management functions, as specified in ANSI T1.111.4.

9.7.5 SS7 Network Interconnection shall provide all functions of the SCCP necessary for Class 0 (basic connectionless) service, as specified in ANSI T1.112. This includes Global Title Translation (GTT) and SCCP Management procedures, as specified in ANSI T1.112.4. Where the destination signaling point is a BellSouth switching system or DB, or is another third-party local or tandem switching system directly connected to the BellSouth SS7 network, SS7 Network Interconnection shall include final GTT of messages to the destination and SCCP Subsystem Management of the destination. Where the destination signaling point is a <<customer_name>> local or tandem switching system, SS7 Network Interconnection shall include intermediate GTT of messages to a gateway pair of <<customer_name>> local STPs, and shall not include SCCP Subsystem Management of the destination.

9.7.6 SS7 Network Interconnection shall provide all functions of the Integrated Services Digital Network User Part, as specified in ANSI T1.113.

9.7.7 SS7 Network Interconnection shall provide all functions of the TCAP, as specified in ANSI T1.114.

9.7.8 If Internetwork MRVT and SRVT become approved ANSI standards and available capabilities of BellSouth STPs, SS7 Network Interconnection may provide these functions of the OMAP.

9.7.9 Interface Requirements

9.7.9.1 The following SS7 Network Interconnection interface options are available to connect <<customer_name>> or <<customer_name>>-designated local or tandem switching systems or signaling transfer point switches to the BellSouth SS7 network:

9.7.9.1.1 A-link interface from <<customer_name>> local or tandem switching systems; and

9.7.9.1.2 B-link interface from <<customer_name>> STPs.

9.7.9.2 The Signaling Point of Interconnection for each link shall be located at a cross-connect element in the central office where the BellSouth STP is located. There shall be a DS1 or higher rate transport interface at each of the Signaling Points of interconnection. Each signaling link shall appear as a DS0 channel within the DS1 or higher rate interface.

9.7.9.3 BellSouth shall provide intraoffice diversity between the Signaling Points of Interconnection and the BellSouth STP, so that no single failure of intraoffice facilities or equipment shall cause the failure of both B-links in a layer connecting to a BellSouth STP.

9.7.9.4 The protocol interface requirements for SS7 Network Interconnection include the MTP, ISDNUP, SCCP, and TCAP. These protocol interfaces shall conform to the applicable industry standard technical references.

9.7.9.5 BellSouth shall set message screening parameters to accept messages from <<customer_name>> local or tandem switching systems destined to any signaling point in the BellSouth SS7 network with which the <<customer_name>> switching system has a valid signaling relationship.

10. Operator Service and Directory Assistance

10.1 BellSouth shall only be required to provide Operator Service and Directory Assistance Service functions at the rates set forth in Exhibit B until such time as the TRA issues an order that states that the BellSouth routing solution is functionally adequate and delineates the service areas the compliant routing solution is available to <<customer name>>. BellSouth does not waive any rights to appeal or other wise challenge the Authority's directive that it must provide

Operator Service and Directory Assistance Service functions at the rates set forth in Exhibit B until the Authority has affirmatively stated that BellSouth offers a routing solution that is functionally adequate.

10.2 Operator Service provides: (1) operator handling for call completion (for example, collect, third number billing, and manual calling-card calls), (2) operator or automated assistance for billing after the end user has dialed the called number (for example, calling card calls); and (3) special services including but not limited to Busy Line Verification and Emergency Line Interrupt (ELI), Emergency Agency Call, and Operator-assisted Directory Assistance.

10.3 Upon request for BellSouth Operator Services, BellSouth shall:

10.3.1 Process 0+ and 0- dialed local calls.

10.3.2 Process 0+ and 0- intraLATA toll calls.

10.3.3 Process calls that are billed to <<customer_name>> end user's calling card that can be validated by BellSouth.

10.3.4 Process person-to-person calls.

10.3.5 Process collect calls.

10.3.6 Provide the capability for callers to bill to a third party and shall also process such calls.

10.3.7 Process station-to-station calls.

10.3.8 Process Busy Line Verify and Emergency Line Interrupt requests.

10.3.9 Process emergency call trace originated by Public Safety Answering Points.

10.3.10 Process operator-assisted directory assistance calls.

10.3.11 Adhere to equal access requirements**,** providing <<customer_name>> local end users the same IXC access as provided to BellSouth end users.

10.3.12 Exercise at least the same level of fraud control in providing Operator Service to <<customer_name>> that BellSouth provides for its own operator service.

10.3.13 Perform Billed Number Screening when handling Collect, Person-to-Person, and Billed-to-Third-Party calls.

10.3.14 Direct customer account and other similar inquiries to the customer service center designated by <<customer_name>>.

10.3.15 Provide call records to <<customer_name>> in accordance with ODUF standards specified in Attachment 7.

10.3.16 The interface requirements shall conform to the interface specifications for the platform used to provide Operator Services as long as the interface conforms to industry standards.

10.4 **Directory Assistance Service**

10.4.1 Directory Assistance Service provides local end user telephone number listings with the option to complete the call at the caller's direction separate and distinct from local switching.

10.4.2 Directory Assistance Service shall provide up to two listing requests per call. If available and if requested by <<customer_name>>'s end user, BellSouth shall provide caller-optional directory assistance call completion service at rates contained in this Attachment to one of the provided listings.

10.4.3 **Directory Assistance Service Updates**

10.4.3.1 BellSouth shall update end user listings changes daily. These changes include:

10.4.3.1.1 New end user connections

10.4.3.1.2 End user disconnections

10.4.3.1.3 End user address changes

10.4.3.2 These updates shall also be provided for non-listed and non-published numbers for use in emergencies.

10.5 **Branding for Operator Call Processing and Directory Assistance**

10.5.1 BellSouth's branding feature provides a definable announcement to <<customer_name>> end users using Directory Assistance (DA)/Operator Call Processing (OCP) prior to placing such end users in queue or connecting them to an available operator or automated operator system. This feature allows <<customer_name>> to have its calls custom branded with <<customer_name>>'s name on whose behalf BellSouth is providing Directory Assistance and/or Operator Call Processing. Rates for the branding features are set forth in this Attachment.

10.5.2 BellSouth offers three (3) service levels of branding to <<customer_name>> when ordering BellSouth's Directory Assistance and Operator Call Processing.

10.5.2.1 Service Level 1 - BellSouth Branding

10.5.2.2 Service Level 2 - Unbranding

10.5.2.3 Service Level 3 - Custom Branding

10.5.3 Where <<customer_name>> resells BellSouth's services or purchases unbundled local switching from BellSouth, and utilizes a directory assistance provider and operator services provider other than BellSouth, BellSouth will route <<customer_name>>'s end user calls to that provider through Selective Carrier Routing.

10.5.4 **For Resellers and Use with an Unbundled Port**

10.5.4.1 Selective Call Routing using Line Class Codes (SCR-LCC) provides the capability for <<customer_name>> to have its OS/DA calls routed to BellSouth's OS/DA platform for BellSouth provided Custom Branded or Unbranded OS/DA or to its own or an alternate OS/DA platform for Self-Branded OS/DA. SCR-LCC is only available if line class code capacity is available in the requested BellSouth end office switches.

10.5.4.2 Custom Branding for Directory Assistance is not available for certain classes of service, including but not limited to Hotel/Motel services, WATS service, and certain PBX services.

10.5.4.3 Where available, <<customer_name>> specific and unique line class codes are programmed in each BellSouth end office switch where <<customer_name>> intends to serve end users with customized OS/DA branding. The line class codes specifically identify <<customer_name>>'s end users so OS/DA calls can be routed over the appropriate trunk group to the requested OS/DA platform. Additional line class codes are required in each end office if the end office serves multiple NPAs (i.e., a unique LCC is required per NPA), and/or if the end office switch serves multiple rate areas and <<customer_name>> intends to provide <<customer_name>> -branded OS/DA to its end users in these multiple rate areas.

10.5.4.4 BellSouth Branding is the Default Service Level.

10.5.4.5 SCR-LCC supporting Custom Branding and Self Branding require <<customer_name>> to order dedicated trunking from each BellSouth end office identified by <<customer_name>>, either to the BellSouth Traffic Operator Position System (TOPS) for Custom Branding or to the <<customer_name>> Operator Service Provider for Self Branding. Separate trunk groups are required for Operator Services and for Directory Assistance. Rates for trunks are set forth in applicable BellSouth tariffs.

10.5.4.6 Unbranding - Unbranded Directory Assistance and/or Operator Call Processing calls ride common trunk groups provisioned by BellSouth from those end offices identified by <<customer_name>> to the BellSouth TOPS. These calls are routed to "No Announcement."

10.5.4.7 The Rates for SCR-LCC are as set forth in this Attachment. There is a nonrecurring charge for the establishment of each Line Class Code in each BellSouth central office. Furthermore, for Unbranded and Custom Branded OS/DA provided by BellSouth Operator Services with unbundled ports and unbundled port/loop switch combinations, monthly recurring usage charges shall apply for the UNEs necessary to provide the service, such as end office and tandem switching and common transport. A flat rated end office switching charge shall apply to Self-Branded OS/DA when used in conjunction with unbundled ports and unbundled port/loop switch combinations.

10.5.4.8 In addition to the branding methods described in this Section, Unbranding and Custom Branding are also available for Directory Assistance, Operator Call Processing or both via Originating Line Number Screening (OLNS) software. When utilizing this method of Unbranding or Custom Branding, <<customer_name>> shall not be required to purchase dedicated trunking.

10.5.4.9 For BellSouth to provide Unbranding or Custom Branding via OLNS software for Operator Call Processing or for Directory Assistance, <<customer_name>> must have its Operating Company Number ("OCN(s)") and telephone numbers reside in BellSouth's LIDB; however, a BellSouth LIDB Storage Agreement is not required. To implement Unbranding and Custom Branding via OLNS software, <<customer_name>> must submit a manual order form which requires, among other things, <<customer_name>>'s OCN and a forecast for the traffic volume anticipated for each BellSouth TOPS during the peak busy hour. <<customer_name>> shall provide updates to such forecast on a quarterly basis and at any time such forecasted traffic volumes are expected to change significantly. Upon <<customer_name>>'s purchase of Unbranding or Custom Branding using OLNS software for any particular TOPS, all <<customer_name>> end users served by that TOPS will receive the Unbranded "no announcement" or the Custom Branded announcement.

10.5.4.10 Rates for Unbranding and Custom Branding via OLNS software for Directory Assistance and for Operator Call Processing are as set forth in this Attachment. Notwithstanding anything to the contrary in this Agreement, to the extent BellSouth is unable to bill <<customer_name>> applicable charges currently, BellSouth shall track such charges and will bill the same retroactively at such time as a billing process is implemented. In addition to the charges for Unbranding and Custom Branding via OLNS software, <<customer_name>> shall continue to pay BellSouth applicable labor and other charges for the use of BellSouth's Directory Assistance and Operator Call Processing platforms as set forth in this Attachment. Further, where <<customer_name>> is purchasing unbundled local switching from BellSouth, UNE usage charges for end office switching, tandem switching and transport, as applicable, shall continue to apply.

10.5.5 **For Facilities Based Carriers**

10.5.5.1 All Service Levels require <<customer_name>> to order dedicated trunking from their end office(s) point of interface to the BellSouth TOPS Switches. Rates for trunks are set forth in applicable BellSouth tariffs.

10.5.5.2 Customized Branding includes charges for the recording of the branding announcement and the loading of the audio units in each TOPS Switch and Network Applications Vehicle (NAV) equipment for which <<customer_name>> requires service.

10.5.5.3 Directory Assistance customized branding uses:

10.5.5.3.1 the recording of <<customer_name>>;

10.5.5.3.2 the front-end loading of the Digital Recorded Announcement Machine (DRAM) in each TOPS switch.

10.5.5.4 Operator Call Processing customized branding uses:

10.5.5.4.1 the recording of <<customer_name>>;

10.5.5.4.2 the front-end loading of the DRAM in the TOPS Switch;

10.5.5.4.3 the 0- automation loading for the audio units in the Enhanced Billing and Access Service (EBAS) in the Network Applications Vehicle (NAV).

10.6 **Directory Assistance Database Service (DADS)**

10.6.1 BellSouth shall make its Directory Assistance Database Service (DADS) available at the rates set forth in this Attachment solely for the expressed purpose of providing Directory Assistance type services to <<customer_name>> end users. The term "end user" denotes any entity that obtains Directory Assistance type services for its own use from a DADS customer. Directory Assistance type service is defined as Voice Directory Assistance (DA Operator assisted) and Electronic Directory Assistance (Data System assisted). <<customer_name>> agrees that DADS will not be used for any purpose that violates federal or state laws, statutes, regulatory orders or tariffs. For the purposes of provisioning a Directory Assistance type service, all terms and conditions of GSST A38 apply and are incorporated by reference herein. Except for the permitted uses, <<customer_name>> agrees not to disclose DADS to others and shall provide due care in providing for the security and confidentiality of DADS.

10.6.2 BellSouth shall initially provide <<customer_name>> with a Base File of subscriber listings which reflect all listing change activity occurring since <<customer_name>>'s most recent update via magnetic tape. DADS is available and may be ordered on a Business, Residence or combined Business and Residence listings basis for each central office requested. BellSouth will require

approximately 30- 45 days after receiving an order from <<customer_name>> to prepare the Base File.

10.6.3 BellSouth will provide updates at least weekly reflecting all listing change activity occurring since <<customer_name>>'s previous update. Delivery of updates will commence immediately after <<customer_name>> receives the Base File. Updates will be provided via magnetic tape unless BellSouth and <<customer_name>> mutually develop CONNECT: Direct ™ electronic connectivity. <<customer_name>> will pay all costs associated with CONNECT: Direct ™ connectivity, which will vary depending upon volume and mileage.

10.6.4 <<customer_name>> authorizes the inclusion of <<customer_name>> Directory Assistance listings in the BellSouth Directory Assistance products, including but not limited to DADS. Any other use is not authorized.

10.7 **Direct Access to Directory Assistance Service**

10.7.1 Direct Access to Directory Assistance Service (DADAS) will provide <<customer_name>>'s directory assistance operators with the ability to search all available BellSouth subscriber listings using the Directory Assistance search format. Subscription to DADAS will allow <<customer_name>> to utilize its own switch, operator workstations and optional audio subsystems.

10.7.2 Rates, terms and conditions for provisioning DADAS are as set forth in the FCC tariff No. 1.

11. Automatic Location Identification/Data Management System (ALI/DMS)

11.1 The ALI/DMS Database contains end user information (including name, address, telephone information, and sometimes special information from the local service provider or end user) used to determine to which Public Safety Answering Point ("PSAP") to route the call. The ALI/DMS database is used to provide enhanced routing flexibility for E911.

11.2 Technical Requirements

11.2.1 BellSouth shall provide <<customer_name>> a data link to the ALI/DMS database or permit <<customer_name>> to provide its own data link to the ALI/DMS database. BellSouth shall provide error reports from the ALI/DMS database to <<customer_name>> after <<customer_name>> inputs end user information into the ALI/DMS database. Alternately, <<customer_name>> may request that BellSouth enter <<customer_name>>'s end user information into the database, and validate end user information.

11.2.2 When BellSouth is responsible for administering the ALI/DMS database in its entirety, ported number NXXs entries for the ported numbers should be maintained unless <<customer_name>> requests otherwise and shall be updated if

<<customer_name>> requests, provided <<customer_name>> supplies BellSouth with the updates.

11.2.3 When Remote Call Forwarding (RCF) is used to provide number portability to the local end user and a remark or other appropriate field information is available in the database, the shadow or “forwarded-to” number and an indication that the number is ported shall be added to the customer record.

11.2.4 If BellSouth is responsible for configuring PSAP features (for cases when the PSAP or BellSouth supports an ISDN interface) it shall ensure that CLASS Automatic Recall (Call Return) is not used to call back to the ported number. Although BellSouth currently does not have ISDN interface, BellSouth agrees to comply with this requirement once ISDN interfaces are in place.

11.3 Interface Requirements

11.3.1 The interface between the E911 Switch or Tandem and the ALI/DMS database for <<customer_name>> end users shall meet industry standards.

12. Calling Name (CNAM) Database Service

12.1 CNAM is the ability to associate a name with the calling party number, allowing the end user (to which a call is being terminated) to view the calling party's name before the call is answered. This service also provides <<customer_name>> the opportunity to load and store its subscriber names in the BellSouth CNAM SCPs.

12.2 <<customer_name>> shall submit to BellSouth a notice of its intent to access and utilize BellSouth CNAM Database Services. Said notice shall be in writing, no less than 60 days prior to <<customer_name>>’s access to BellSouth’s CNAM Database Services and shall be addressed to <<customer_name>>’s Account Manager.

12.3 BellSouth's provision of CNAM Database Services to <<customer_name>> requires interconnection from <<customer_name>> to BellSouth CNAM Service Control Points (SCPs). Such interconnections shall be established pursuant to Attachment 3 of this Agreement, incorporated herein by this reference.

12.4 In order to formulate a CNAM query to be sent to the BellSouth CNAM SCP, <<customer_name>> shall provide its own CNAM SSP. <<customer_name>>’s CNAM SSPs must be compliant with TR-NWT-001188, "CLASS Calling Name Delivery Generic Requirements".

12.5 If <<customer_name>> elects to access the BellSouth CNAM SCP via a third party CCS7 transport provider, the third party CCS7 provider shall interconnect with the BellSouth CCS7 network according to BellSouth's Common Channel Signaling Interconnection Guidelines and Telcordia's CCS Network Interface Specification document, TR-TSV-000905. In addition, the third party provider

shall establish CCS7 interconnection at the BellSouth Local Signal Transfer Points (LSTPs) serving the BellSouth CNAM SCPs that <<customer_name>> desires to query.

12.6 If <<customer_name>> queries the BellSouth CNAM SCP via a third party national SS7 transport provider, the third party SS7 provider shall interconnect with the BellSouth CCS7 network according to BellSouth's Common Channel Signaling Interconnection Guidelines and Telcordia's CCS Network Interface Specification document, TR-TSV-000905. In addition, the third party provider shall establish SS7 interconnection at one or more of the BellSouth Gateway Signal Transfer Points (STPs). The payment of all costs associated with the transport of SS7 signals via a third party will be established by mutual agreement of the Parties and this Agreement shall be amended in accordance with modification of the General Terms and Conditions incorporated herein by this reference.

12.7 The mechanism to be used by <<customer_name>> for initial CNAM record load and/or updates shall be determined by mutual agreement. The initial load and all updates shall be provided by <<customer_name>> in the BellSouth specified format and shall contain records for every working telephone number that can originate phone calls. It is the responsibility of <<customer_name>> to provide accurate information to BellSouth on a current basis.

12.8 Updates to the SMS shall occur no less than once a week, reflect service order activity affecting either name or telephone number, and involve only record additions, deletions or changes.

12.9 <<customer_name>> CNAM records provided for storage in the BellSouth CNAM SCP shall be available, on a SCP query basis only, to all Parties querying the BellSouth CNAM SCP. Further, CNAM service shall be provided by each Party consistent with state and/or federal regulation.

13. Service Creation Environment and Service Management System (SCE/SMS) Advanced Intelligent Network (AIN) Access

13.1 BellSouth's Service Creation Environment and Service Management System (SCE/SMS) Advanced Intelligent Network (AIN) Access shall provide <<customer_name>> the capability to create service applications in a BellSouth SCE and deploy those applications in a BellSouth SMS to a BellSouth SCP.

13.2 BellSouth's SCE/SMS AIN Access shall provide access to SCE hardware, software, testing and technical support (e.g., help desk, system administrator) resources available to <<customer_name>>. Training, documentation, and technical support will address use of SCE and SMS access and administrative functions, but will not include support for the creation of a specific service application.

13.3 BellSouth SCP shall partition and protect <<customer_name>> service logic and data from unauthorized access.

13.4 When <<customer_name>> selects SCE/SMS AIN Access, BellSouth shall provide training, documentation, and technical support to enable <<customer_name>> to use BellSouth's SCE/SMS AIN Access to create and administer applications.

13.4.1 <<customer_name>> access will be provided via remote data connection (e.g., dial-in, ISDN).

13.4.2 BellSouth shall allow <<customer_name>> to download data forms and/or tables to BellSouth SCP via BellSouth SMS without intervention from BellSouth.

14. Basic 911 and E911

14.1 Basic 911 and E911 provides a caller access to the applicable emergency service bureau by dialing 911.

14.2 Basic 911 Service Provisioning. BellSouth will provide to <<customer_name>> a list consisting of each municipality that subscribes to Basic 911 service. The list will also provide, if known, the E911 conversion date for each municipality and, for network routing purposes, a ten-digit directory number representing the appropriate emergency answering position for each municipality subscribing to 911. <<customer_name>> will be required to arrange to accept 911 calls from its end users in municipalities that subscribe to Basic 911 service and translate the 911 call to the appropriate 10-digit directory number as stated on the list provided by BellSouth. <<customer_name>> will be required to route that call to BellSouth at the appropriate tandem or end office. When a municipality converts to E911 service, <<customer_name>> will be required to begin using E911 procedures.

14.3 E911 Service Provisioning. <<customer_name>> shall install a minimum of two dedicated trunks originating from the <<customer_name>> serving wire center and terminating to the appropriate E911 tandem. The dedicated trunks shall be, at a minimum, DS-0 level trunks configured either as a 2-wire analog interface or as part of a digital (1.544 Mb/s) interface. Either configuration shall use CAMA-type signaling with multifrequency ("MF") pulsing that will deliver automatic number identification ("ANI") with the voice portion of the call. If the user interface is digital, MF pulses, as well as other AC signals, shall be encoded per the u-255 Law convention. <<customer_name>> will be required to provide BellSouth daily updates to the E911 database. <<customer_name>> will be required to forward 911 calls to the appropriate E911 tandem, along with ANI, based upon the current E911 end office to tandem homing arrangement as provided by BellSouth. If the E911 tandem trunks are not available, <<customer_name>> will be required to route the call to a designated 7-digit local

number residing in the appropriate Public Service Answering Point ("PSAP"). This call will be transported over BellSouth's interoffice network and will not carry the ANI of the calling party. <<customer_name>> shall be responsible for providing BellSouth with complete and accurate data for submission to the 911/E911 database for the purpose of providing 911/E911 to its end users.

14.4 Rates. Charges for 911/E911 service are borne by the municipality purchasing the service. BellSouth will impose no charge on <<customer_name>> beyond applicable charges for BellSouth trunking arrangements.

14.5 Basic 911 and E911 functions provided to <<customer_name>> shall be at least at parity with the support and services that BellSouth provides to its end users for such similar functionality.

14.6 Detailed Practices and Procedures. The detailed practices and procedures contained in the E911 Local Exchange Carrier Guide For Facility-Based Providers, incorporated herein by this reference and as amended from time to time during the term of this Agreement will determine the appropriate practices and procedures for BellSouth and <<customer_name>> to follow in providing 911/E911 services.

15. Operational Support Systems (OSS)

15.1 BellSouth has developed and made available the following electronic interfaces by which <<customer_name>> may submit LSRs electronically.

LENS	Local Exchange Navigation System
EDI	Electronic Data Interchange
TAG	Telecommunications Access Gateway

15.2 LSRs submitted by means of one of these electronic interfaces will incur an OSS electronic ordering charge as specified in the table below. An individual LSR will be identified for billing purposes by its Purchase Order Number (PON). LSRs submitted by means other than one of these interactive interfaces (mail, fax, courier, etc.) will incur a manual order charge. All OSS charges are specified in Rate Exhibit B of this Attachment 2.

15.3 Denial/Restoral OSS Charge

15.3.1 In the event <<customer_name>> provides a list of customers to be denied and restored, rather than an LSR, each location on the list will require a separate PON and, therefore will be billed as one LSR per location.

15.4 Cancellation OSS Charge

15.4.1 <<customer_name>> will incur an OSS charge for an accepted LSR that is later canceled.

15.4.2 Supplements or clarifications to a previously billed LSR will not incur another OSS charge.

EXHIBIT A

LINE INFORMATION DATA BASE (LIDB)

FACILITIES BASED STORAGE AGREEMENT

I. Definitions

A. Billing number - a number that <<customer_name>> creates for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.

B. Line number - a ten digit number that identifies a telephone line administered by <<customer_name>>.

C. Special billing number - a ten-digit number that identifies a billing account established by <<customer_name>>.

D. Calling Card number - a billing number plus PIN number.

E. PIN number - a four-digit security code assigned by <<customer_name>> that is added to a billing number to compose a fourteen-digit calling card number.

F. Toll billing exception indicator - associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by <<customer_name>>.

G. Billed Number Screening - refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.

H. Calling Card Validation - refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.

I. Billing number information - information about billing number, Calling Card number and toll billing exception indicator provided to BellSouth by <<customer_name>>.

II. General

A. This Agreement sets forth the terms and conditions pursuant to which BellSouth agrees to store in its LIDB certain information at the request of <<customer_name>> and pursuant to which BellSouth, its LIDB customers and <<customer_name>> shall have access to such information. In addition, this Agreement sets forth the terms and conditions for <<customer_name>>'s provision of billing number information to BellSouth for inclusion in BellSouth's LIDB. <<customer_name>> understands that BellSouth provides access to information in its LIDB to various telecommunications service providers pursuant to applicable tariffs and agrees that information stored at the request of <<customer_name>>, pursuant to this Agreement, shall be available to those telecommunications service providers. The terms and conditions contained

herein shall hereby be made a part of this Interconnection Agreement upon notice to <<customer_name>>'s account team to activate this LIDB Storage Agreement. The General Terms and Conditions of the Interconnection/Resale Agreement shall govern this LIDB Storage Agreement.

B. BellSouth will provide responses to on-line, call-by-call queries to billing number information for the following purposes:

1. Billed Number Screening

   BellSouth is authorized to use the billing number information to determine whether <<customer_name>> has identified the billing number as one that should not be billed for collect or third number calls.

2. Calling Card Validation

   BellSouth is authorized to validate a 14-digit Calling Card number where the first 10 digits are a line number or special billing number assigned by BellSouth and where the last four digits (PIN) are a security code assigned by BellSouth.

3. Fraud Control

   BellSouth will provide seven days per week, 24-hours per day, fraud monitoring on Calling Cards, bill-to-third and collect calls made to numbers in BellSouth's LIDB, provided that such information is included in the LIDB query. BellSouth will establish fraud alert thresholds and will notify <<customer_name>> of fraud alerts so that <<customer_name>> may take action it deems appropriate.

III. Responsibilities of the Parties

A. BellSouth will administer all data stored in the LIDB, including the data provided by <<customer_name>> pursuant to this Agreement, in the same manner as BellSouth's data for BellSouth's end user customers. BellSouth shall not be responsible to <<customer_name>> for any lost revenue which may result from BellSouth's administration of the LIDB pursuant to its established practices and procedures as they exist and as they may be changed by BellSouth in its sole discretion from time to time.

B. Billing and Collection Customers

BellSouth currently has in effect numerous billing and collection agreements with various interexchange carriers and billing clearinghouses and as such these billing and collection customers ("B&C Customers") query BellSouth's LIDB to determine whether to accept various billing options from end users. Until such time as BellSouth implements in its LIDB and its supporting systems the means to differentiate <<customer_name>>'s data from BellSouth's data, the following terms and conditions shall apply:

1. <<customer_name>> will accept responsibility for telecommunications services billed by BellSouth for its B&C Customers for <<customer_name>>'s End User accounts which are resident in LIDB pursuant to this Agreement. <<customer_name>> authorizes BellSouth to place such charges on <<customer_name>>'s bill from BellSouth and shall pay all such charges including, but not limited to, collect and third number calls.

2. Charges for such services shall appear on a separate BellSouth bill page identified with the name of the B&C Customers for which BellSouth is billing the charge.

3. <<customer_name>> shall have the responsibility to render a billing statement to its End Users for these charges, but <<customer_name>> shall pay BellSouth for the charges billed regardless of whether <<customer_name>> collects from <<customer_name>>'s End Users.

4. BellSouth shall have no obligation to become involved in any disputes between <<customer_name>> and B&C Customers. BellSouth will not issue adjustments for charges billed on behalf of any B&C Customer to <<customer_name>>. It shall be the responsibility of <<customer_name>> and the B&C Customers to negotiate and arrange for any appropriate adjustments.

C. SPNP Arrangements

1. BellSouth will include billing number information associated with exchange lines or SPNP arrangements in its LIDB. <<customer_name>> will request any toll billing exceptions via the Local Service Request (LSR) form used to order exchange lines, or the SPNP service request form used to order SPNP arrangements.

2. Under normal operating conditions, BellSouth shall include the billing number information in its LIDB upon completion of the service order establishing either the local exchange service or the SPNP arrangement, provided that BellSouth shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances or conditions beyond BellSouth's reasonable control. BellSouth will store in its LIDB an unlimited volume of the working telephone numbers associated with either the local exchange lines or the SPNP arrangements. For local exchange lines or for SPNP arrangements, BellSouth will issue line-based calling cards only in the name of <<customer_name>>. BellSouth will not issue line-based calling cards in the name of <<customer_name>>'s individual End Users. In the event that <<customer_name>> wants to include calling card numbers assigned by <<customer_name>> in the BellSouth LIDB, a separate agreement is required.

V. Fees for Service and Taxes

A. <<customer_name>> will not be charged a fee for storage services provided by BellSouth to <<customer_name>>, as described in this LIDB Facilities Based Storage Agreement.

B. Sales, use and all other taxes (excluding taxes on BellSouth's income) determined by BellSouth or any taxing authority to be due to any federal, state or local taxing jurisdiction with respect to the provision of the service set forth herein will be paid by <<customer_name>> in accordance with the tax provisions set forth in the General Terms and Conditions of this Agreement.

BellSouth/CLEC-1 Tennessee Rates
Network Elements and Other Services

Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
				First	Additional	
A.0	**UNBUNDLED LOCAL LOOP**					
A.1	**2-Wire Analog Voice Grade Loop (2-WAVGL)**					
A.1.1	2-WAVGL- Service level 1	Loop		$31.99	$20.02	**97-01262 (P)**
	Zone 1		$13.19			**97-01262 (P)**
	Zone 2		$17.23			**97-01262 (P)**
	Zone 3		$22.53			**97-01262 (P)**
A.1.2	2-WAVGL- Service level 2	Loop		$75.06	$48.20	**97-01262 (P)**
	Zone 1		$16.56			**97-01262 (P)**
	Zone 2		$21.63			**97-01262 (P)**
	Zone 3		$28.28			**97-01262 (P)**
A.1.3	2-WAVGL-SL1-Manual Order Coordination	Loop		$36.52	$36.52	**97-01262 (P)**
A.1.4	2-WAVGL-SL1-Order Coordination for Specified Conversion Time	LSR		$34.29		**97-01262 (P)**
A.1.5	2-WAVGL-SL2-Order Coordination for Specified Conversion Time	LSR		$34.29		**97-01262 (P)**
A.1.8	Engineering Information	Loop		$25.33		**00-00544 (I)**
A.2	**Sub-Loop**					
A.2.1	Loop feeder per 2-WVGL	Loop	$12.05	$122.24	$85.05	**97-01262 (P)**
A.2.2	Loop distribution - per 2-WAVGL	Loop	$10.02	$148.84	$112.34	**97-01262 (P)**
A.2.3	Loop concentration- Channelization System (Outside C.O.)	System	$328.28	$651.09	$283.42	**97-01262 (P)**
A.2.4	Loop concentration-Remote terminal Cabinet (Outside CO)	Cabinet	ICB			**97-01262 (P)**
A.2.5	Loop concentration-Remote Channel Interface -2-WAVGL (Outside CO)	Interface	$0.88	$9.43	$9.40	**97-01262 (P)**
A.2.6	NID per 2-WAVGL	Loop	$1.15	$0.74		**97-01262 (P)**
A.2.7	LC-Channelization System-Incremental Cost-Manual Svc Order vs Electronic	System		$20.35	$10.54	**97-01262 (P)**
A.2.8	Sub-Loop Feeder-Order Coordination for Specified Conversion Time	Loop		$34.29		**97-01262 (P)**
A.2.9	Sub-Loop Distribution-Order Coordination for Specified Conversion Time	Loop		$34.29		**97-01262 (P)**
A.2.11	Sub-Loop Distribution Per 4-Wire Analog Voice Grade Loop	Loop				
	Zone 1		$7.30	$147.93	$75.11	**00-00544 (I)**
	Zone 2		$9.54	$147.93	$75.11	**00-00544 (I)**
	Zone 3		$12.47	$147.93	$75.11	**00-00544 (I)**
A.2.13	Network Interface Device Cross Connect	Cross Connect		$11.11	$11.11	**00-00544 (I)**
A.2.14	2-Wire Intrabuilding Network Cable (INC)	Per Cable	$1.35	$94.56	$29.35	**00-00544 (I)**
A.2.15	4-Wire Intrabuilding Network Cable (INC)		$2.26	$116.14	$37.10	**00-00544 (I)**
A.2.17	Sub-Loop - Per Cross Box Location - CLEC Feeder Facility Set-Up			$517.25		**00-00544 (I)**
A.2.18	Sub-Loop - Per Cross Box Location - Per 25 Pair Panel Set-Up			$42.68		**00-00544 (I)**
A.2.19	Sub-Loop - Per Building Equipment Room - CLEC Feeder Facility Set-Up			$313.01		**00-00544 (I)**
A.2.20	Sub-Loop - Per Building Equipment Room - Per 25 Pair Panel Set-Up			$108.06		**00-00544 (I)**
A.2.21	Sub-Loop - Per Cross Box Location - CLEC Distribution Facility Set-Up			$517.25		**00-00544 (I)**
			$24.34			
A.2.24	Sub-Loop - Per 4-Wire Analog Voice Grade Loop / Feeder Only	Loop				
	Zone 1		$21.52	$137.31	$61.93	**00-00544 (I)**
	Zone 2		$28.11	$137.31	$61.93	**00-00544 (I)**

BellSouth/CLEC-1 Tennessee Rates
Network Elements and Other Services

Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
				First	Additional	
	Zone 3		$36.76	$137.31	$61.93	**00-00544 (I)**
			$18.22			
A.2.25	Sub-Loop - Per 2-Wire ISDN Digital Grade Loop / Feeder Only	Loop				
	Zone 1		$16.11	$142.83	$67.45	**00-00544 (I)**
	Zone 2		$21.04	$142.83	$67.45	**00-00544 (I)**
	Zone 3		$27.51	$142.83	$67.45	**00-00544 (I)**
			$29.47			**00-00544 (I)**
A.2.29	Sub-Loop - Per 4-Wire 56 or 64 Kbps Digital Grade Loop / Feeder Only	Loop				
	Zone 1		$26.06	$116.00	$40.62	**00-00544 (I)**
	Zone 2		$34.03	$116.00	$40.62	**00-00544 (I)**
	Zone 3		$44.50	$116.00	$40.62	**00-00544 (I)**
			$10.77			**00-00544 (I)**
A.2.30	Sub-Loop - Per 2-Wire Copper Loop / Feeder Only	Loop				
	Zone 1		$9.52	$114.27	$38.89	**00-00544 (I)**
	Zone 2		$12.43	$114.27	$38.89	**00-00544 (I)**
	Zone 3		$16.26	$114.27	$38.89	**00-00544 (I)**
			$16.25			**00-00544 (I)**
A.2.32	Sub-Loop - Per 4-Wire Copper Loop / Feeder Only	Loop				
	Zone 1		$14.37	$123.41	$48.03	**00-00544 (I)**
	Zone 2		$18.76	$123.41	$48.03	**00-00544 (I)**
	Zone 3		$24.53	$123.41	$48.03	**00-00544 (I)**
			$5.83			**00-00544 (I)**
A.2.40	Sub-Loop - Per 2-Wire Copper Loop / Distribution Only	Loop				
	Zone 1		$5.16	$110.71	$37.89	**00-00544 (I)**
	Zone 2		$6.74	$110.71	$37.89	**00-00544 (I)**
	Zone 3		$8.81	$110.71	$37.89	**00-00544 (I)**
			$7.38			**00-00544 (I)**
A.2.42	Sub-Loop - Per 4-Wire Copper Loop / Distribution Only	Loop				
	Zone 1		$6.52	$117.12	$44.30	**00-00544 (I)**
	Zone 2		$8.52	$117.12	$44.30	**00-00544 (I)**
	Zone 3		$11.14	$117.12	$44.30	**00-00544 (I)**
A.2.44	Network Interface Device (NID) - 2 line	Loop		$89.69	$54.56	**00-00544 (I)**
A.2.45	Network Interface Device (NID) - 6 line	Loop		$129.65	$94.51	**00-00544 (I)**
A.3	**Loop Channelization and CO Interface (Inside CO)**					
A.3.1	Loop Channelization System - DLC	System	$307.07	$307.34	$74.37	**97-01262 (P)**
A.3.2	CO Channel Interface - 2-Wire Voice Grade	Interface	$1.20	$9.57	$9.52	**97-01262 (P)**
A.3.3	LC-Channelization System-Incremental Cost-Manual Svc Order vs Electronic	System		$20.35	$10.54	**97-01262 (P)**
A.3.3	Loop Concentration - Channelization System - Incremental Cost - Manual Svc Order vs. Electronic	System		20.35	10.54	
A.3.12	Unbundled Loop Concentration - System A (TR008)	System	$500.18	$613.60		**00-00544 (I)**
A.3.13	Unbundled Loop Concentration - System B (TR008)	System	$54.82	$255.67		**00-00544 (I)**
A.3.14	Unbundled Loop Concentration - System A (TR303)	System	$539.00	$613.60		**00-00544 (I)**

BellSouth/CLEC-1 Tennessee Rates
Network Elements and Other Services

Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
				First	Additional	
A.3.15	Unbundled Loop Concentration - System B (TR303)	System	$92.37	$255.67		**00-00544 (I)**
A.3.16	Unbundled Loop Concentration - DS1 Line Interface Card	Card	$6.23	$74.39	$53.07	**00-00544 (I)**
A.3.17	Unbundled Loop Concentration - POTS Card	Card	$2.32	$8.69	$8.65	**00-00544 (I)**
A.3.18	Unbundled Loop Concentration - ISDN (Brite Card)	Card	$8.46	$8.69	$8.65	**00-00544 (I)**
A.3.19	Unbundled Loop Concentration - SPOTS Card	Card	$12.45	$8.69	$8.65	**00-00544 (I)**
A.3.20	Unbundled Loop Concentration - Specials Card	Card	$7.53	$8.69	$8.65	**00-00544 (I)**
A.3.21	Unbundled Loop Concentration - TEST CIRCUIT Card	Card	$35.77	$8.69	$8.65	**00-00544 (I)**
A.3.22	Unbundled Loop Concentration - Digital 19, 56, 64 Kbps Data	Interface	$11.03	$8.69	$8.65	**00-00544 (I)**
A.4	**4-Wire Analog Voice Grade Loop**					
A.4.1	4-wire analog voice grade loop	Loop		$122.76	$85.57	**97-01262 (P)**
	Zone 1		$24.70			**97-01262 (P)**
	Zone 2		$32.25			**97-01262 (P)**
	Zone 3		$42.17			**97-01262 (P)**
A.4.2	NID per 4-wire analog voice grade loop	Loop	$1.27	$0.74		**97-01262 (P)**
A.4.3	4-WAVGL-Order Coordination for Specified Conversion Time	LSR		$34.29		**97-01262 (P)**
A.5	**2-Wire ISDN Digital Grade Loop**					
A.5.1	2-Wire ISDN Digitial Grade Loop	Loop				
	Zone 1		$22.22	$142.76	$88.88	**97-01262 (P)**
	Zone 2		$29.02	$142.76	$88.88	**97-01262 (P)**
	Zone 3		$37.95	$142.76	$88.88	**97-01262 (P)**
A.5.1	2-wire ISDN Digital Grade Loop	Loop				**97-01262 (P)**
A.5.2	NID per 2-Wire ISDN Digital Grade Loop	Loop	$1.15	$0.74		**97-01262 (P)**
A.5.3	2-Wire ISDN Digital Grade Loop-Order Coordination for Specified Conversion Time	LSR		$34.29		**97-01262 (P)**
A.5.6	Universal Digital Channel	Loop				
	Zone 1		$22.22	$142.76	$88.88	**97-01262 (P)**
	Zone 2		$29.02	$142.76	$88.88	**97-01262 (P)**
	Zone 3		$37.95	$142.76	$88.88	**97-01262 (P)**
A.6	**2-wire asymmetrical digital subscriber line (ADSL) compatible loop**					
A.6.1	2-wire ADSL compatible loop	Loop		$270.01	$234.63	**00-00544 (I)**
	Zone 1		$13.82			**97-01262 (P)**
	Zone 2		$18.05			**97-01262 (P)**
	Zone 3		$23.60			**97-01262 (P)**
A.6.2	NID per 2-wire ADSL loop	Loop	$1.15	$0.74		**97-01262 (P)**
A.6.3	2-Wire ADSL Digital Grade Loop-Order Coordination for Specified Conversion Time	LSR		$34.29		**97-01262 (P)**
A.7	**2-wire high bit rate DSL compatible loop**					
A.7.1	2-wire HDSL compatible loop	Loop		$270.01	$234.63	**00-00544 (I)**

BellSouth/CLEC-1 Tennessee Rates
Network Elements and Other Services

Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
				First	Additional	
	Zone 1		$10.83			**97-01262 (P)**
	Zone 2		$14.15			**97-01262 (P)**
	Zone 3		$18.50			**97-01262 (P)**
A.7.2	NID per 2-wire HDSL loop	Loop	$1.15	$0.74		**97-01262 (P)**
A.7.3	2-Wire HDSL Loop-Order Coordination for Specified Conversion Time	LSR		$34.29		**97-01262 (P)**
A.8	**4-wire HDSL compatible loop**					
A.8.1	4-wire HDSL compatible loop	Loop		$279.60	$244.22	**00-00544 (I)**
	Zone 1		$13.93			**97-01262 (P)**
	Zone 2		$18.20			**97-01262 (P)**
	Zone 3		$23.80			**97-01262 (P)**
A.8.2	NID per 4-wire HDSL loop	Loop	$1.27	$0.74		**97-01262 (P)**
A.8.3	4-Wire HDSL Loop-Order Coordination for Specified Conversion Time	LSR		$34.29		**97-01262 (P)**
A.9	**4-wire DS1 Digital Loop**					
A.9.1	4-wire DS1 Digital Loop	Loop		$313.08	$219.72	**97-01262 (P)**
	Zone 1		$57.73			**97-01262 (P)**
	Zone 2		$75.40			**97-01262 (P)**
	Zone 3		$98.59			**97-01262 (P)**
A.9.2	4-Wire DS1 Loop - Incremental Cost - Manual Svc Order vs Electronic	Loop		$18.98	$8.43	**97-01262 (P)**
A.9.3	4-Wire DS1 Loop-Order Coordination for Specified Conversion Time	LSR		$34.59		**97-01262 (P)**
A.10	**4-wire 56 or 64 KBPS Digital Grade Loop**					
A.10.1	4-wire 56 or 64 KBPS Digital Grade Loop	Loop		$207.01	$141.38	**97-01262 (P)**
	Zone 1		$31.10			**97-01262 (P)**
	Zone 2		$40.61			**97-01262 (P)**
	Zone 3		$53.11			**97-01262 (P)**
A.10.2	NID per 4-wire 56 or 64 KBPS Digital Grade Loop	Loop	$1.27	$0.74		**97-01262 (P)**
A.10.3	4-Wire 56/64 Kbps Dig. GL-Order Coordination for Specified Conversion Time	LSR		$34.29		**97-01262 (P)**
A.11	**Unbundled Loops-Incremental Cost-Manual Svc vs Electronic**					
A.11.1	Unbundled 2-Wire Loops-Incremental Cost-Manual Svc vs Electronic	Loop		$20.35	$10.54	**97-01262 (P)**
A.11.2	Unbundled 4-Wire Loops (excluding DS1)-Incremental Cost-Manual vs Electronic	Loop		$20.35	$10.54	**97-01262 (P)**
A.11.3	NID per 2-Wire Loops- Manual Svc Order vs Electronic	Loop		$20.35	$10.54	**97-01262 (P)**
A.11.4	NID per 4-Wire Loops- Manual Svc Order vs Electronic	Loop		$20.35	$10.54	**97-01262 (P)**
A.12	**CONCENTRATION PER SYSTEM PER FEATURE ACTIVATED (OUTSIDE CENTRAL OFFICE)**					
A.12.1	Unbundled Loop Concentration - System A (TR008)	System	$554.30	$384.75	$209.58	**00-00544 (I)**
A.12.2	Unbundled Loop Concentration - System B (TR008)	System	$79.61	$384.75	$209.58	**00-00544 (I)**
A.12.3	Unbundled Loop Concentration - System A (TR303)	System	$590.18	$384.75	$209.58	**00-00544 (I)**
A.12.4	Unbundled Loop Concentration - System B (TR303)	System	$115.49	$384.75	$209.58	**00-00544 (I)**

BellSouth/CLEC-1 Tennessee Rates
Network Elements and Other Services

Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
				First	Additional	
A.12.5	Unbundled Sub-loop Concentration - USLC Feeder Interface	Interface	$60.89	$116.00	$40.62	**00-00544 (I)**
A.12.6	Unbundled Loop Concentration - POTS Card	Card	$2.43	$8.69	$8.65	**00-00544 (I)**
A.12.7	Unbundled Loop Concentration - ISDN (Brite Card)	Card	$8.93	$8.69	$8.65	**00-00544 (I)**
A.12.8	Unbundled Loop Concentration - SPOTS Card	Card	$13.14	$8.69	$8.65	**00-00544 (I)**
A.12.9	Unbundled Loop Concentration - Specials Card	Card	$7.94	$8.69	$8.65	**00-00544 (I)**
A.12.10	Unbundled Loop Concentration - TEST CIRCUIT Card	Card	$37.78	$8.69	$8.65	**00-00544 (I)**
A.12.11	Unbundled Loop Concentration - Digital 19, 56, 64 Kbps Data	Interface	$11.64	$8.69	$8.65	**00-00544 (I)**
A.13	**2-WIRE COPPER LOOP**					
A.13.1	2-Wire Copper Loop - short (Nonrecurring with Loop Makeup)	Loop				
	Zone 1		$13.19	$31.99	$20.02	**00-00544 (I)**
	Zone 2		$17.23	$31.99	$20.02	**00-00544 (I)**
	Zone 3		$22.53	$31.99	$20.02	**00-00544 (I)**
A.13.1	2-Wire Copper Loop - short (Nonrecurring without Loop Makeup)	Loop				
	Zone 1		$13.19	$31.99	$20.02	**00-00544 (I)**
	Zone 2		$17.23	$31.99	$20.02	**00-00544 (I)**
	Zone 3		$22.53	$31.99	$20.02	**00-00544 (I)**
A.13.7	2-Wire Copper Loop - long (Nonrecurring with Loop Makeup)	Loop				
	Zone 1		$13.19	$31.99	$20.02	**00-00544 (I)**
	Zone 2		$17.23	$31.99	$20.02	**00-00544 (I)**
	Zone 3		$22.53	$31.99	$20.02	**00-00544 (I)**
A.13.7	2-Wire Copper Loop - long (Nonrecurring without Loop Makeup)	Loop				
	Zone 1		$13.19	$31.99	$20.02	**00-00544 (I)**
	Zone 2		$17.23	$31.99	$20.02	**00-00544 (I)**
	Zone 3		$22.53	$31.99	$20.02	**00-00544 (I)**
A.13.12	2-Wire Copper Loop - Non-Designed	Loop				
	Zone 1		$13.19	$31.99	$20.02	**00-00544 (I)**
	Zone 2		$17.23	$31.99	$20.02	**00-00544 (I)**
	Zone 3		$22.53	$31.99	$20.02	**00-00544 (I)**
A.14	**4-WIRE COPPER LOOP**					
A.14.1	4-Wire Copper Loop - short (Nonrecurring with Loop Makeup)	Loop				
	Zone 1		$24.70	$122.76	$85.57	**00-00544 (I)**
	Zone 2		$32.25	$122.76	$85.57	**00-00544 (I)**
	Zone 3		$42.17	$122.76	$85.57	**00-00544 (I)**
A.14.1	4-Wire Copper Loop - short (Nonrecurring without Loop Makeup)	Loop				
	Zone 1		$24.70	$122.76	$85.57	**00-00544 (I)**

BellSouth/CLEC-1 Tennessee Rates
Network Elements and Other Services

Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
				First	Additional	
	Zone 2		$32.25	$122.76	$85.57	**00-00544 (I)**
	Zone 3		$42.17	$122.76	$85.57	**00-00544 (I)**
A.14.7	4-Wire Copper Loop - long (Nonrecurring with Loop Makeup)	Loop				
	Zone 1		$24.70	$122.76	$85.57	**00-00544 (I)**
	Zone 2		$32.25	$122.76	$85.57	**00-00544 (I)**
	Zone 3		$42.17	$122.76	$85.57	**00-00544 (I)**
A.14.7	4-Wire Copper Loop - long (Nonrecurring without Loop Makeup)	Loop				
	Zone 1		$24.70	$122.76	$85.57	**00-00544 (I)**
	Zone 2		$32.25	$122.76	$85.57	**00-00544 (I)**
	Zone 3		$42.17	$122.76	$85.57	**00-00544 (I)**
A.15	**UNBUNDLED NETWORK TERMINATING WIRE (NTW)**					
A.15.1	Unbundled Network Terminating Wire (NTW) per Pair	Per Pair	$0.4555	$2.48		**00-00544 (I)**
A.16	**HIGH CAPACITY UNBUNDLED LOCAL LOOP**					
A.16.1	High Capacity Unbundled Local Loop - DS3 - Facility Termination		$374.24	$595.37	$304.50	**00-00544 (I)**
A.16.2	High Capacity Unbundled Local Loop - DS3 - Per Mile		$9.19			**00-00544 (I)**
A.16.3	High Capacity Unbundled Local Loop -DS3 -Incremental Cost - Manual Svc Order vs. Electronic			$36.84	$36.84	**00-00544 (I)**
A.16.4	High Capacity Unbundled Local Loop - OC3 - Facility Termination		$618.88	$787.84	$262.31	**00-00544 (I)**
A.16.5	High Capacity Unbundled Local Loop - OC3 - Per Mile		$6.97			**00-00544 (I)**
A.16.6	High Capacity Unbundled Local Loopl - OC3 - Incremental Cost Manual Svc Order vs Electronic			$36.84	$36.84	**00-00544 (I)**
A.16.7	High Capacity Unbundled Local Loop - OC12 - Facility Termination		$2,246.28	$992.37	$262.31	**00-00544 (I)**
A.16.8	High Capacity Unbundled Local Loop - OC12 - Per Mile		$8.58			**00-00544 (I)**
A.16.9	High Capacity Unbundled Local Loop -OC12 - Incremental Cost - Manual Svc Order vs. Electronic			$36.84	$36.84	**00-00544 (I)**
A.16.10	High Capacity Unbundled Local Loop - OC48 - Facility Termination		$1,490.11	$1,190	$255.01	**00-00544 (I)**
A.16.11	High Capacity Unbundled Local Loop - OC48 - Per Mile		$28.14			**00-00544 (I)**
A.16.12	High Capacity Unbundled Local Loop - OC48 - Incremental Cost - Manual Svc Order vs. Electronic			$36.84	$36.84	**00-00544 (I)**
A.16.13	High Capacity Unbundled Local Loop - OC48 - Interface OC12 on OC48		$678.67	$177.59	$163.78	**00-00544 (I)**
A.16.14	High Capacity Unbundled Local Loop - OC48 - Interface-Incremental Cost-Manual Svc Order vs Electronic			$36.84	$36.84	**00-00544 (I)**
A.16.15	High Capacity Unbundled Local Loop - STS-1 - Facility Termination		$389.35	$595.37	$304.50	**00-00544 (I)**
A.16.16	High Capacity Unbundled Local Loop - STS-1 - Per Mile		$9.19			**00-00544 (I)**
A.16.17	High Capacity Unbundled Local Loop - STS-1 - Incremental Cost - Manual Svc. Order vs. Electronic			$36.84	$36.84	**00-00544 (I)**
A.17	**LOOP CONDITIONING**					
A.17.1	Unbundled Loop Modification - Load Coil / Equipment Removal - short	Per Loop		$65.40		**00-00544 (I)**
A.17.2	Unbundled Loop Modification - Load Coil / Equipment Removal - long -	Per Loop		$710.71	$23.77	**00-00544 (I)**

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				First	Additional	
A.17.3	Unbundled Loop Modification - Bridged Tap Removal	Per Loop		$65.44		**00-00544 (I)**
A.17.5	Unbundled Sub-Loop Modification - 2W/4W Copper Distribution Load Coil/Equipment Removal	Per Loop		$335.36	$7.82	**00-00544 (I)**
A.17.6	Unbundled Sub-Loop Modification - 2W/4W Copper Distribution Bridged Tap Removal	Per Loop		$528.48	$9.74	**00-00544 (I)**
A.18	**MULTIPLEXERS**					
A.18.1	Channelization - Channel System DS1 to DS0	System	$80.77	$141.87	$77.11	**97-01262 (P)**
A.18.2	Interface Unit - Interface DS1 to DS0 - OCU - DP Card	Card	$1.82	$6.07	$4.66	**97-01262 (P)**
A.18.3	Interface Unit - Interface DS1 to DS0 - Brite Card	Card	$3.10	$6.07	$4.66	**97-01262 (P)**
A.18.4	Interface Unit - Interface DS1 to DS0 - Voice Grade Card	Card	$0.91	$6.07	$4.66	**97-01262 (P)**
A.18.5	Channelization - Channel System DS3 to DS1	System	$222.98	$308.03	$108.47	**97-01262 (P)**
A.18.6	Interface Unit - Interface DS3 to DS1	Interface	$17.58	$6.07	$4.66	**97-01262 (P)**
A.18.10	Channelization - Channel System DS1 to DS0 - Incremental Cost - Manual Service Order vs. Electronic	System		$20.35	$9.80	**97-01262 (P)**
A.18.11	Channelization - Channel System DS3 to DS1 - Incremental Cost - Manual Service Order vs. Electronic	System		$20.35	$9.80	**97-01262 (P)**
A.19	**LOOP TESTING BEYOND VOICE GRADE**					
A.19.1	Loop Testing Beyond VG - Basic per 1/2 hour	Per 1/2 Hr.		$64.92	$37.44	**00-00544 (I)**
A.19.2	Loop Testing Beyond VG - Overtime per 1/2 hour	Per 1/2 Hr.		$84.61	$48.95	**00-00544 (I)**
A.19.3	Loop Testing Beyond VG - Premium per 1/2 hour	Per 1/2 Hr.		$104.31	$60.48	**00-00544 (I)**
B.0	**UNBUNDLED LOCAL EXCHANGE AND FEATURES**					
B.1	**Exchange Ports (EP) (Including all Applicable Features)**					
B.1.1	Exchange ports - 2-wire Analog Line Port (Res., Bus.)	Port	$1.89	$9.93	$9.19	**97-01262 (P)**
B.1.2	Exchange ports - 4-wire Analog Voice Grade Port	Port	$8.27	$9.93	$9.19	**97-01262 (P)**
B.1.3	Exchange ports - 2-wire DID Port	Port	$8.97	$47.75	$47.01	**97-01262 (P)**
B.1.4	Exchange ports - 4-wire DID Port	Port	$35.74	$75.93	$38.15	**97-01262 (P)**
B.1.5	Exchange ports - 2-wire ISDN Port	Port	$16.26	$30.23	$29.49	**97-01262 (P)**
B.1.6	Exchange ports - 4-wire ISDN DS1 Port	Port	$75.04	$148.66	$147.18	**97-01262 (P)**
B.1.7	Exchange ports - 2-wire Analog Line Port (PBX)	Port	$1.79	$9.93	$9.19	**97-01262 (P)**
B.1.8	Exchange ports - Coin Port	Port	$2.11	$9.93	$9.19	**97-01262 (P)**
B.1.9	EP-2-Wire Analog Line Port (Res.,Bus.)-Incremental Cost-Manual vs Electronic	Port		$20.35	$10.54	**97-01262 (P)**
B.1.10	EP-4-WAVG Port-Incremental Cost-Manual Svc Order vs Electronic	Port		$20.35	$10.54	**97-01262 (P)**
B.1.11	EP-2-Wire DID Port-Incremental Cost-Manual Svc Order vs Electronic	Port		$20.35	$10.54	**97-01262 (P)**
B.1.12	EP-4-Wire DID Port-Incremental Cost-Manual Svc Order vs Electronic	Port		$20.35	$10.54	**97-01262 (P)**
B.1.13	EP-2-Wire ISDN Port-Incremental Cost-Manual Svc Order vs Electronic	Port		$41.43	$42.17	**97-01262 (P)**
B.1.14	EP-4-Wire ISDN DS1 Port-Incremental Cost-Manual Svc Order vs Electronic	Port		$40.69	$42.17	**97-01262 (P)**
B.1.15	EP-2-Wire Analog Line Port (PBX)-Incremental Cost-Manual Sc Order vs Electronic	Port		$20.35	$10.54	**97-01262 (P)**
B.1.16	Exchange ports - Coin Port-Incremental Cost-Manual Svc Order vs Electronic	Port		$20.35	$10.54	**97-01262 (P)**

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Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
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C.0	**UNBUNDLED SWITCHING AND LOCAL INTERCONNECTION**					
C.1	**Local switching**					
C.1.1	End office switching function	MOU	$0.0008041			**97-01262 (P)**
C.1.2	End Office Interoffice Trunk Port - Shared, per MOU	MOU	Included in C.1.1			**97-01262 (P)**
C.2	**Tandem switching**					
C.2.1	Tandem switching function	MOU	$0.0009778			**97-01262 (P)**
C.2.2	Tandem Interoffice Trunk Port - Shared, per MOU	MOU	Included in C.2.1			**97-01262 (P)**
D.0	**UNBUNDLED TRANSPORT AND LOCAL INTERCONNECTION**					
D.1	**Common Transport**					
D.1.1	Common transport - per mile, per MOU	Per Mile, per MOU	$0.0000064			**97-01262 (P)**
D.1.2	Common Transport - Facilities Termination per MOU	MOU	$0.0003871			**97-01262 (P)**
D.2	**Interoffice Transport - Dedicated - Voice Grade**					
D.2.1	Interoffice Transport - Dedicated - Voice Grade	Mile	$0.0174			**97-01262 (P)**
D.2.2	Interoffice Transport-Dedicated - 2-wire voice grade- Facility Termination	Termination	$18.58	$55.39	$17.37	**97-01262 (P)**
D.2.3	Interoffice Transport-Voice Grade-Incremental Cost-Manual Order vs Electronic	Termination		$20.35	$21.09	**97-01262 (P)**
D.3	**Interoffice Transport - Dedicated-DSO-56/64 KBPS**					
D.3.1	Interoffice Transport - Dedicated - DSO - per mile	Mile	$0.0174			**97-01262 (P)**
D.3.2	Interoffice Transport-Dedicated-DSO-Facility Termination	Termination	$17.98	$55.39	$17.37	**97-01262 (P)**
D.3.3	Interoffice Transport-DS0-Incremental Cost-Manual Svc Order vs Electronic	Termination		$20.35	$21.09	**97-01262 (P)**
D.4	**Interoffice Transport - Dedicated - DS1**					
D.4.1	Interoffice Transport - Dedicated - DS1 - per mile	Mile	$0.3562			**97-01262 (P)**
D.4.2	Interoffice Transport-Dedicated-DS1-Facility Termination	Termination	$77.86	$112.40	$76.27	**97-01262 (P)**
D.4.3	Interoffice Transport-DS1-Incremental Cost-Manual Svc Order vs Electronic	Termination		$20.35	$21.09	**97-01262 (P)**
D.5	**Local Channel (LC) - Dedicated**					
D.5.1	Local Channel - Dedicated - 2-wire voice grade	Channel		$199.33	$24.16	**97-01262 (P)**
	Zone 1		$17.18			**97-01262 (P)**
	Zone 2		$22.44			**97-01262 (P)**
	Zone 3		$29.34			**97-01262 (P)**
D.5.2	Local Channel - Dedicated - 4-wire voice grade	Channel		$201.53	$24.83	**97-01262 (P)**
	Zone 1		$18.18			**97-01262 (P)**
	Zone 2		$23.74			**97-01262 (P)**
	Zone 3		$31.05			**97-01262 (P)**
D.5.3	Local Channel - Dedicated - DS1	Channel		$277.35	$233.26	**97-01262 (P)**
	Zone 1		$36.24			**97-01262 (P)**
	Zone 2		$47.33			**97-01262 (P)**
	Zone 3		$61.89			**97-01262 (P)**

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D.5.4	LC-Dedicated-2-Wire Voice Grade-Incremental Cost-Manual Sc Order vs Electronic	Channel		$20.35	$10.54	**97-01262 (P)**
D.5.5	LC-Dedicated-4-Wire Voice Grade-Incremental Cost-Manual Sc Order vs Electronic	Channel		$20.35	$10.54	**97-01262 (P)**
D.5.6	LC-Dedicated-DS1-Incremental Cost-Manual Svc Order vs Electronic	Channel		$45.68	$1.76	**97-01262 (P)**
D.5.7	Local Channel - Dedicated - DS3 - Per Mile	Channel	$7.15			**00-00544 (I)**
D.5.8	Local Channel - Dedicated - DS3 - Facility Termination	Channel	$611.30	$595.37	$304.50	**00-00544 (I)**
D.5.9	Local Channel - Dedicated - DS3 -Incremental Cost - Manual Svc Order vs. Electronic	Channel		$36.84	$36.84	**00-00544 (I)**
D.5.10	Local Channel - Dedicated - OC3 - Per Mile	Channel	$6.00			**00-00544 (I)**
D.5.11	Local Channel - Dedicated - OC3 - Facility Termination	Channel	$1,320.28	$787.84	$262.31	**00-00544 (I)**
D.5.12	Local Channel - Dedicated - OC3 - Incremental Cost - Manual Svc Order vs. Electronic	Channel		$36.84	$36.84	**00-00544 (I)**
D.5.13	Local Channel - Dedicated - OC12 - Per Mile	Channel	$8.58			**00-00544 (I)**
D.5.14	Local Channel - Dedicated - OC12 - Facility Termination	Channel	$7,849.28	$992.37	$262.31	**00-00544 (I)**
D.5.15	Local Channel - Dedicated - OC12 - Incremental Cost - Manual Svc Order vs. Electronic	Channel		$36.84	$36.84	**00-00544 (I)**
D.5.16	Local Channel - Dedicated - OC48 - Per Mile	Channel	$28.14			**00-00544 (I)**
D.5.17	Local Channel - Dedicated - OC48 - Facility Termination	Channel	$1,908.11	$985.07	$255.01	**00-00544 (I)**
D.5.18	Local Channel - Dedicated - OC48 - Incremental Cost - Manual Svc Order vs. Electronic	Channel		$36.84	$36.84	**00-00544 (I)**
D.5.19	Local Channel - Dedicated - OC48 - Interface OC12 on OC48	Channel	$644.82	$382.12	$163.78	**00-00544 (I)**
D.5.20	Local Channel - Dedicated - OC48 - Interface - Inc. Cost - Man. Svc Order vs. Electronic	Channel		$36.84	$36.84	**00-00544 (I)**
D.5.21	Local Channel - Dedicated - STS-1 - Facility Termination	Channel	$599.59	$588.07	$297.20	**00-00544 (I)**
D.5.22	Local Channel - Dedicated - STS-1 - Incremental Cost - Manual Svc. Order vs. Electronic	Channel		$36.84	$36.84	**00-00544 (I)**
D.5.23	Local Channel - Dedicated - STS-1 -Per Mile	Channel	$7.15			**00-00544 (I)**
D.6	**INTEROFFICE TRANSPORT - DEDICATED - DS3**					
D.6.1	Interoffice Transport - Dedicated - DS3 - Per Mile	Mile	$2.34			**00-00544 (I)**
D.6.2	Interoffice Transport - Dedicated - DS3 - Facility Termination					**00-00544 (I)**
D.6.2	Interoffice Transport - Dedicated - DS3 - Facility Termination	Termination	$848.99	$395.29	$176.56	**00-00544 (I)**
D.6.3	Interoffice Transport - DS3 - Incremental Cost - Manual Svc Order vs. Electronic	Termination		$36.84	$36.84	**00-00544 (I)**
D.7	**INTEROFFICE TRANSPORT - DEDICATED - OC3**					
D.7.1	Interoffice Transport - Dedicated - OC3 - Per Mile	Mile	$4.43			**00-00544 (I)**
D.7.2	Interoffice Transport - Dedicated - OC3 - Facility Termination	Termination	$2,361.11	$689.30	$163.78	**00-00544 (I)**
D.7.3	Interoffice Transport - Dedicated - OC3 - Incremental Cost - Manual Svc Order vs. Electronic	Termination		$36.84	$36.84	**00-00544 (I)**
D.8	**INTEROFFICE TRANSPORT - DEDICATED - OC12**					
D.8.1	Interoffice Transport - Dedicated - OC12 - Per Mile	Mile	$14.41			**00-00544 (I)**
D.8.2	Interoffice Transport - Dedicated - OC12 - Facility Termination	Termination	$9,124.11	$893.84	$163.78	**00-00544 (I)**

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D.8.3	Interoffice Transport - Dedicated - OC12 - Incremental Cost - Manual Svc Order vs. Electronic	Termination		$36.84	$36.84	**00-00544 (I)**
D.9	**INTEROFFICE TRANSPORT - DEDICATED - OC48**					
D.9.1	Interoffice Transport - Dedicated - OC48 - Per Mile	Mile	$26.52			**00-00544 (I)**
D.9.2	Interoffice Transport - Dedicated - OC48 - Facility Termination	Termination	$13,229.11	$893.84	$163.78	**00-00544 (I)**
D.9.3	Interoffice Transport - Dedicated - OC48 - Incremental Cost - Manual Svc. Order vs. Electronic	Termination		$36.84	$36.84	**00-00544 (I)**
D.9.4	Interoffice Transport - Dedicated - OC48 - Interface OC12 on OC48	Termination		$382.12	$163.78	**00-00544 (I)**
D.9.5	Interoffice Transport - OC48 Interface - Incremental Cost-Manual Svc Order vs Elec	Termination		$36.84	$36.84	**00-00544 (I)**
D.10	**INTEROFFICE TRANSPORT - DEDICATED - STS-1**					
D.10.1	Interoffice Transport - Dedicated - STS-1 - Per Mile	Mile	$2.34			**00-00544 (I)**
D.10.2	Interoffice Transport - Dedicated - STS-1 - Facility Termination	Termination	$849.30	$395.29	$176.56	**00-00544 (I)**
D.10.3	Interoffice Transport - STS-1 - Incremental Cost - Manual Svc Order vs. Electronic	Termination		$36.84	$36.84	**00-00544 (I)**
D.12	**INTEROFFICE TRANSPORT - DEDICATED - 4-WIRE VOICE GRADE**					
D.12.1	Interoffice Transport - Dedicated - 4-Wire Voice Grade - Per Mile	Mile	$0.0054			**00-00544 (I)**
D.12.2	Interoffice Transport - Dedicated - 4-Wire Voice Grade - Facility Termination	Termination	$24.09	$37.87	$26.02	**00-00544 (I)**
D.12.3	Interoffice Transpor t- Dedicated - 4-Wire VG-Incremental Cost-Manual Svc Order vs Elec	Termination		$15.08	$15.08	**00-00544 (I)**
E.0	**SIGNALING NETWORK, DATABASES, & SERVICE MANAGEMENT SYSTEMS**					
E.1	**800 Access Ten Digit Screening**					
E.1.1	800 Access Ten digit screening (800 ATDS), per call	Call	$0.0005192			**97-01262 (P)**
E.1.2	800 Access Ten digit screening, Reservation Charge per 800 Number Reserved	800 Number Reserved		$5.21	$0.76	**97-01262 (P)**
E.1.3	800 Access Ten digit screening, Per 800 # Established W/O POTS Translations	800 Number Established		$11.47	$1.46	**97-01262 (P)**
E.1.4	800 Access Ten digit screening, Per 800 # Established With POTS Translations	800 Number Established		$11.47	$1.46	**97-01262 (P)**
E.1.5	800 Access Ten digit screening, Customized Area of Service Per 800 Number	800 Number		$4.47	$2.24	**97-01262 (P)**
E.1.6	800 ATDS, Multiple InterLATA CXR Routing Per CXR Requested Per 800 #	800 Number		$5.23	$3.00	**97-01262 (P)**
E.1.7	800 Access Ten digit screening, Change Charge Per Request	Request		$5.97	$0.76	**97-01262 (P)**
E.1.8	800 Access Ten digit screening, Call Handling and Destination Features	Request		$4.47		**97-01262 (P)**
E.1.9	800 ATDS, Resrv Chrg Per 800 # Reserved-Incrm Cost-Manual Svc Order vs Electr	800 Number Reserved		$20.35		**97-01262 (P)**
E.1.10	800 ATDS, Per 800 # Est'd w/o POTS Transl-Incrm Cost-Manual Svc Order vs Electr	800 Number Established		$20.35		**97-01262 (P)**
E.1.11	800 ATDS, Per 800 # Est'd w/ POTS Transl-Incrm Cost-Manual Svc Order vs Electr	800 Number Established		$20.35		**97-01262 (P)**

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E.1.12	800 ATDS, Chng Chrg/Request-Incrm Cost-Manual Svc Order vs Electr	Request		$20.35		**97-01262 (P)**
E.2	**Line Information Data Base Access (LIDB)**					
E.2.1	LIDB Common Transport per Query	Query	$0.0000354			**97-01262 (P)**
E.2.2	LIDB Validation per Query	Query	$0.0117403			**97-01262 (P)**
E.2.3	LIDB Originating Point Code Establishment or Change	Point Code		$49.03		**97-01262 (P)**
E.2.4	LIDB-Incremental Cost-Manual Svc Order vs Electronic	Point Code		$20.35		**97-01262 (P)**
E.3	**CCS7 Signaling Transport**					
E.3.1	CCS7 Signaling Connection, per 56kbps facility (A Link or B Link)	56kbps Facility	$17.84	$130.84		**97-01262 (P)**
E.3.2	CCS7 Signaling Termination, per STP Port	STP Port	$138.41			**97-01262 (P)**
E.3.3	CCS7 Signaling Usage, per call setup message	Message	$0.0000373			**97-01262 (P)**
E.3.4	CCS7 Signaling Usage, per TCAP Message	Message	$0.0000916			**97-01262 (P)**
E.3.5	CCS7 Signaling Usage Surrogate, per 56kbps facility, per LATA per month	56kbps Facility, per LATA	$352.30			**97-01262 (P)**
E.3.6	CCS7-Incremental Cost-Manual Svc Order vs Electronic	56kbps Facility		$20.35		**97-01262 (P)**
E.3.7	CCS7 Signaling Connection, Per link (A link) (Same as E.3.1)	Link	$17.84	$130.84		**00-00544 (I)**
E.3.8	CCS7 Signaling Connection, Per link (B link) (also known as D link)(Same as E.3.1)	Link	$17.84	$130.84		**00-00544 (I)**
E.3.9	CCS7 Signaling Usage, Per ISUP Message(Same as E.3.3)	Message	$0.0000373			**00-00544 (I)**
E.3.10	CCS7 Signaling Usage Surrogate, per link per LATA per mo (9)(Same as E.3.5)	Link	$352.30			**00-00544 (I)**
E.3.11	CCS7 Signaling Point Code, Establishment or Change, per STP affected	STP		$121.77		**00-00544 (I)**
E.4	**BellSouth Calling Name (CNAM) Database (DB) Service**					
E.4.1	CNAM for DB Owners - Service Establishment, Manual	Per CLEC		$43.27		**00-00544 (I)**
E.4.2	CNAM for Non DB Owners - Service Establishment, Manual	Per CLEC		$43.27		**00-00544 (I)**
E.4.3	CNAM for DB Owners Service Provisioning with Point Code Establishment	Per Point Code		(I) $1,868	(S) $1,382	**00-00544 (I)**
E.4.4	CNAM for Non DB Owners Service Provisioning with Point Code Establishment	Per Point Code		(I) $645.50	(S)$462.23	**00-00544 (I)**
E.4.5	CNAM for DB and Non DB Owners, Per Query	Query	$0.0010541			**00-00544 (I)**
E.5	**BellSouth Access To 911 Service**					
E.5.1	BellSouth E911 Access - Local Channel - Dedicated - 2-wire Voice Grade (Same as D.5.1)	Channel				
	Zone 1		$17.18	$199.33	$24.16	**00-00544 (I)**
	Zone 2		$22.44	$199.33	$24.16	**00-00544 (I)**
	Zone 3		$29.34	$199.33	$24.16	**00-00544 (I)**
E.5.2	BellSouth E911 Access - Interoffice Transport - Dedicated - 2-wire Voice Grade Per Mile (Same as D.2.1)	Mile	$0.02			**00-00544 (I)**
E.5.3	BellSouth E911 Access - Interoffice Transport - Dedicated - 2-wire VG Facility Term (Same as D.2.2)		$18.58	$55.39	$17.37	**00-00544 (I)**
E.5.4	BellSouth E911 Access - Local Channel - Dedicated - DS1 (Same as D.5.3)	Channel				**00-00544 (I)**
	Zone 1		$36.24	$277.35	$233.26	**00-00544 (I)**
	Zone 2		$47.33	$277.35	$233.26	**00-00544 (I)**

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				First	Additional	
	Zone 3		$61.89	$277.35	$233.26	**00-00544 (I)**
E.5.5	BellSouth E911 Access - Interoffice Transport - Dedicated - DS1 Per Mile (Same as D.4.1)	Mile	$0.36			**00-00544 (I)**
E.5.6	BellSouth E911 Access - Interoffice Transport - Dedicated - DS1 Per Facility Termination (Same as D.4.2)	Termination	$77.86	$112.40	$76.27	**00-00544 (I)**
E.6	**LNP Query Service**					
E.6.1	LNP Cost Per query	Query	$0.0009277			**00-00544 (I)**
E.6.2	LNP Service Establishment Manual	Per CLEC		$23.60		**00-00544 (I)**
E.6.3	LNP Service Provisioning with Point Code Establishment	Per Point Code		(I) $1,119	(S) $571.71	**00-00544 (I)**
F.0	**OPERATIONAL SUPPORT SYSTEMS**					
F.1.	**Operational Support Systems**					
F.1.1	OSS Electronic Interface		Included in Loops, Ports, and Local Channels	Included in Loops, Ports, and Local Channels		**97-01262 (P)**
F.1.2	OSS OLEC Daily Usage File: Recording; per message	Message	$0.0000044			**97-01262 (P)**
F.1.3	OSS OLEC Daily Usage File: Message distribution/processing, per message	Message	$0.0027366			**97-01262 (P)**
F.1.4	OSS OLEC Daily Usage File: Message Distribution/Processing, per magnetic tape provisioned	Magnetic Tape	$52.75			**97-01262 (P)**
F.1.5	OSS OLEC Daily Usage File: Data Transmission (Connect: Direct), per message	Message	$0.0000339			**97-01262 (P)**
G.0	**OPERATOR SVC AND DIRECTORY ASSISTANCE**					
G.1	**Operator Call Processing (OCP)**					
G.1.1	OCP - Op. Provided cost per min - using BST LIDB	Minute	$1.08			**97-01262 (P)**
G.1.2	OCP - Op. Provided cost per min - using foreign LIDB	Minute	$1.13			**97-01262 (P)**
G.1.3	OCP - Fully automated cost per call -using BST LIDB	Call	$0.1010353			**97-01262 (P)**
G.1.4	OCP-Fully automated cost per call-using foreign LIDB	Call	$0.1228180			**97-01262 (P)**
G.1.5	Loading Expense Per Announcement For Branded Announcement	Announcement		$240.71	$240.71	**97-01262 (P)**
G.1.6	Recording Expense Per Announcement For Branded Announcement	Announcement		$1,555.00	$1,553.00	**97-01262 (P)**
G.2	**Inward Operator Services (IOS)**					
G.2.1	IOS - Verification, per minute	Minute	$1.03			**97-01262 (P)**
G.2.2	IOS - Verification and Emergency Interrupt, per minute	Minute	$1.03			**97-01262 (P)**
G.3	**Directory assistance (DA) call completion access service (DACC)**					
G.3.1	DACC, per call attempt	Call Attempt	$0.0364771			**97-01262 (P)**
G.4	**Number Svcs Intercept Access Service**					
G.4.1	Number services intercept per query	Query	$0.0177930			**97-01262 (P)**

BellSouth/CLEC-1 Tennessee Rates
Network Elements and Other Services

Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
				First	Additional	
G.5	**Directory Assistance Access Service**					
G.5.1	DA Access Service Calls, cost per call	Call	$0.2286787			**97-01262 (P)**
G.5.2	Loading Expense Per Announcement For Branded Announcement	Announcement		$240.71	$240.71	**97-01262 (P)**
G.5.3	Recording Expense Per Announcement For Branded Announcement	Announcement		$1,555.00	$1,553.00	**97-01262 (P)**
G.6	**Directory Transport (DT)**					
G.6.1	DT - Local Channel DS1	Channel	$40.99	$277.35	$233.26	**97-01262 (P)**
G.6.2	DT - DS1 Level Interoffice per mile	Mile	$0.3562			**97-01262 (P)**
G.6.3	DT - DS1 Level Interoffice per facility termination	Termination	$77.86	$112.40	$76.27	**97-01262 (P)**
G.6.4	Switched common transport per DA access service per call	Call	$0.0002710			**97-01262 (P)**
G.6.5	Switched common transport per DA access service per call per mile	Call, per Mile	$0.0000165			**97-01262 (P)**
G.6.6	Access Tandem Switching per DA Access service per call	Call	$0.0001875			**97-01262 (P)**
G.6.7	DT-DA Interconnection Per DA Service Call	Call	$0.0000000			**97-01262 (P)**
G.6.8	DT-Installation NRC, Per Trunk or Signaling Connection	Trunk		$204.62	$4.43	**97-01262 (P)**
G.6.9	DT Local Channel DS1-Incremental Cost-Manual Svc Order vs Electronic	Channel		$45.68	$1.76	**97-01262 (P)**
G.6.10	DT Interoffice DS1-Incremental Cost-Manual Svc Order vs Electronic	Termination		$20.35	$21.09	**97-01262 (P)**
G.7	**Directory Assistance Data Base Service (DADS)**					
G.7.1	DADS Cost per Listing	Listing	$0.0485			**97-01262 (P)**
G.7.2	DADS, Monthly Recurring Cost	Customer	$104.13			**97-01262 (P)**
G.8	**Direct Access to Directory Assistance**					
G.8.1	Direct access to DA Service, per month	Customer	$5,729			**97-01262 (P)**
G.8.2	Direct access to DA Service, per query	Query	$0.0493769			**97-01262 (P)**
G.8.3	Direct Access to DA Service, Service Establishment Charge	Customer		$789.74		**97-01262 (P)**
G.9	**Selective Routing (Interim Solution Line Class Codes)**					
G.9.1	Selective Routing Per Unique Line Class Code Per Request Per Switch	Line Class Code, per Switch		$179.60		**97-01262 (P)**
G.9.2	Selective Routing-Incremental Cost-Manual Svc Order vs Electronic	Line Class Code, per Switch		$20.35		**97-01262 (P)**
G.11	**Selective Carrier Routing (AIN SOLUTION)**					
G.11.1	Service Establishment per CLEC	Per CLEC		$190,638		**00-00544 (I)**
G.11.2	Service Establishment per End Office	Per End Office		$317.55		**00-00544 (I)**
G.11.4	Query Cost	Query	$0.0206047			**00-00544 (I)**
H.0	**COLLOCATION**					
	Physical Collocation					
	Cage Construction					
	Planning	per request	$16.16	$2,903.66		**97-01262 (P)**
	Grounding	per request	$4.32			**97-01262 (P)**
	Cage Preparation	per 100sf cage	$110.97			**97-01262 (P)**

BellSouth/CLEC-1 Tennessee Rates
Network Elements and Other Services

Cost Element	Network Elements	Unit	Recurring Rate	Nonrecurring		Source of Rate (Docket No.)*(P=Permanent; I=Interim)*
				First	Additional	
	Cage Preparation	per addl 50sf	$55.49			**97-01262 (P)**
	Land & Building - Caged & Cageless	per 100sf cage	$594.04			**97-01262 (P)**
	Land & Building - Caged & Cageless	per sf cage	$5.94			**97-01262 (P)**
	Cable Racking	per entrance cable	$21.47			**97-01262 (P)**
	Entrance Fiber	per cable	$2.56	$944.27		**97-01262 (P)**
	Power Delivery	per 40 amp		$142.40		**97-01262 (P)**
		per 100 amp		$185.72		**97-01262 (P)**
		per 200 amp		$242.05		**97-01262 (P)**
	Power Consumption					
	DC Plant	per amp	$3.55			**97-01262 (P)**
	AC Usage	per amp	$2.03			**97-01262 (P)**
	Voice Grade Circuits					
	Connection to MDF	per 100 circuits	$4.75	$768.08		**97-01262 (P)**
	Connection to MDF	per circuit	$0.0475	$7.68		**97-01262 (P)**
	DS-1 Circuits					
	Connection to DCS	per 28 circuits	$215.12	$1,166.31		**97-01262 (P)**
	Connection to DCS	per circuit	$7.68	$41.65		**97-01262 (P)**
	Connection to DSX	per 28 circuits	$10.63	$1,166.31		**97-01262 (P)**
	Connection to DSX	per circuit	$0.38	$41.65		**97-01262 (P)**
	DS-3 Circuits					
	Connection to DCS	per circuit	$53.96	$298.03		**97-01262 (P)**
	Connection to DSX	per circuit	$9.32	$298.03		**97-01262 (P)**
	Security Access Cards	per 5 cards		$76.10		**97-01262 (P)**
	Entrance Fiber Structure Charge	per ft innerduct	$0.0156			**97-01262 (P)**
H.1.31	Physical Collocation - 2-fiber Cross Connects - Electronic Ordering	Cross Connect	$15.64	$41.56	$29.82	**99-00430 (P)**
H.1.31	Physical Collocation - 2-fiber Cross Connects - Manual Ordering	Cross Connect	$15.64	$44.25	$32.51	**99-00430 (P)**
H.1.32	Physical Collocation - 4-fiber Cross Connects - Electronic Ordering	Cross Connect	$28.11	$50.53	$38.78	**99-00430 (P)**
H.1.32	Physical Collocation - 4-fiber Cross Connects - Manual Ordering	Cross Connect	$28.11	$53.22	$41.47	**99-00430 (P)**
H.1.33	Physical Collocation - 2-fiber POT Bay	POT Bay	$38.79			**99-00430 (P)**
H.1.34	Physical Collocation - 4-fiber POT Bay	POT Bay	$52.31			**99-00430 (P)**
H.1.47	Physical Collocation - Space Availability Report per C.O.	Per CO		$2,027.00		**00-00544 (I)**
H.2	**Virtual Collocation (VC) and Cageless Collocation**					
H.2.1	VC- Application Cost	Application, per CO		$2,633.00		**97-01262 (P)**
H.2.2	VC- Cable Installation Cost Per Cable	Cable		$1,749.00		**97-01262 (P)**
H.2.3	VC - Floor space per sq. ft.	Square Foot	$3.91			**97-01262 (P)**
H.2.4	VC - Floor space power, per ampere	Ampere	$6.79			**97-01262 (P)**
H.2.5	VC - Cable support structure, per entrance cable	Entrance Cable	$17.87			**97-01262 (P)**
H.2.6	VC - 2-wire cross connects	Cross Connect	$0.57	$11.62	$9.90	**97-01262 (P)**
H.2.7	VC - 4-wire cross connects	Cross Connect	$0.57	$11.81	$10.04	**97-01262 (P)**
H.2.8	VC - DS1 cross connects	Cross Connect	$1.32	$32.22	$17.76	**97-01262 (P)**
H.2.9	VC - DS3 cross connects	Cross Connect	$12.32	$29.97	$16.30	**97-01262 (P)**