

EXHIBIT A



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12-29-10
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**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996**

by and among

**ILLINOIS BELL TELEPHONE COMPANY D/B/A SBC ILLINOIS,
INDIANA BELL TELEPHONE COMPANY INCORPORATED D/B/A SBC INDIANA,
MICHIGAN BELL TELEPHONE COMPANY D/B/A SBC MICHIGAN,
NEVADA BELL TELEPHONE COMPANY D/B/A SBC NEVADA,
THE OHIO BELL TELEPHONE COMPANY D/B/A SBC OHIO,
PACIFIC BELL TELEPHONE COMPANY D/B/A SBC CALIFORNIA,
THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY D/B/A SBC
CONNECTICUT,
SOUTHWESTERN BELL TELEPHONE COMPANY D/B/A SBC ARKANSAS,
SBC KANSAS, SBC MISSOURI, SBC OKLAHOMA AND/OR SBC TEXAS,
WISCONSIN BELL, INC. D/B/A SBC WISCONSIN**

and

LEVEL 3 COMMUNICATIONS, LLC

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**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996**

This Interconnection and/or Resale Agreement under Sections 251 and 252 of the Telecommunications Act of 1996 (**the Agreement**), by and between one or more of the SBC Communications Inc. owned ILEC's **Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company d/b/a SBC Connecticut** and **Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma** and/or **SBC Texas**, and **Wisconsin Bell, Inc. d/b/a SBC Wisconsin**, (only to the extent that the agent for each such SBC-owned ILEC executes this Agreement for such SBC-owned ILEC and only to the extent that such SBC-owned ILEC provides Telephone Exchange Services as an ILEC in each of the state(s) listed below) and, **Level 3 Communications, LLC ("LEVEL 3")**, (a Delaware corporation), shall apply to the state(s) of Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.

WHEREAS, the Parties want to Interconnect their networks at mutually agreed upon points of interconnection to provide, directly or indirectly, Telephone Exchange Services and Exchange Access to End-Users over their respective Telephone Exchange Service facilities in the states which are subject to this Agreement; and

WHEREAS, the Parties are entering into this Agreement to set forth the respective obligations of the Parties and the terms and conditions under which the Parties will Interconnect their networks and facilities and provide to each other services as required by the Telecommunications Act of 1996 as specifically set forth herein; and

WHEREAS, for purposes of this Agreement, **LEVEL 3** intends to operate where **Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company d/b/a SBC Connecticut** and **Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma** and/or **SBC Texas**, and **Wisconsin Bell, Inc. d/b/a SBC Wisconsin** are the incumbent Local Exchange Carrier(s) and **LEVEL 3**, a competitive Local Exchange Carrier, has or, prior to the provisioning of any Interconnection, access to unbundled Network Elements, Telecommunications Services or any other functions, facilities, products or services hereunder, will have been granted authority to provide certain local Telephone Exchange Services in the foregoing ILEC Service areas by the appropriate State Commission(s);

NOW, THEREFORE, the Parties hereby agree as follows:

This Agreement is composed of General Terms and Conditions, which are set forth below, together with certain Appendices, Schedules, Exhibits and Addenda which immediately follow this Agreement, all of which are hereby incorporated in this Agreement by this reference and constitute a part of this Agreement.

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

Capitalized Terms used in this Agreement shall have the respective meanings specified in the General Terms and Conditions Definitions Appendix, and/or as defined elsewhere in this Agreement.

2. INTERPRETATION, CONSTRUCTION AND SEVERABILITY

2.1 Definitions

2.1.1 For purposes of this Agreement, certain terms have been defined in this Agreement to encompass meanings that may differ from, or be in addition to, the normal connotation of the defined word. Unless the context clearly indicates otherwise, any term defined or used in the singular will include the plural. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation” and/or “but not limited to”. The words “will” and “shall” are used interchangeably throughout this Agreement and the use of either connotes a mandatory requirement. The use of one or the other will not mean a different degree of right or obligation for either Party. A defined word intended to convey its special meaning is capitalized when used. Other terms that are capitalized and not defined in this Agreement will have the meaning in the Act, or in the absence of their inclusion in the Act, their customary usage in the Telecommunications industry as of the Effective Date.

2.2 Headings Not Controlling

2.2.1 The headings and numbering of Sections, Parts, Appendices Schedules and Exhibits to this Agreement are for convenience only and shall not be

construed to define or limit any of the terms herein or affect the meaning or interpretation of this Agreement.

2.2.2 This Agreement incorporates a number of Appendices which, together with their associated Attachments, Exhibits, Schedules and Addenda, constitute the entire Agreement between the Parties. In order to facilitate use and comprehension of the Agreement, the Appendices have been grouped under broad headings. It is understood that these groupings are for convenience of reference only, and are not intended to limit the applicability that any particular appendix, attachment, exhibit, schedule or addenda may otherwise have.

2.3 Referenced Documents

2.3.1 Unless the context shall otherwise specifically require, and subject to Section 21, to the extent not inconsistent with this Agreement, whenever any provision of this Agreement refers to a technical reference, technical publication, **LEVEL 3** Practice, **SBC-13STATE** Practice, any publication of telecommunications industry administrative or technical standards, or any other document specifically incorporated into this Agreement (collectively, a “**Referenced Instrument**”), it will be deemed to be a reference to the then-current version or edition (including any amendments, supplements, addenda, or successors) of each Referenced Instrument that is in effect, and will include the then-current version or edition (including any amendments, supplements, addenda, or successors) of any other Referenced Instrument incorporated by reference therein.

2.4 References

2.4.1 References herein to Sections, Paragraphs, Exhibits, Parts, Schedules, and Appendices shall be deemed to be references to Sections, Paragraphs and Parts of, and Exhibits, Schedules and Appendices to, this Agreement unless the context shall otherwise require.

2.5 Tariff References

2.5.1 Wherever any Commission ordered tariff provision or rate is cited or quoted herein, it is understood that said cite encompasses any revisions or modifications to said tariff. Each Party has incorporated by reference certain provisions of its Tariffs that govern the provision of specified services or facilities provided hereunder. Subject to Section 2.11.2 regarding changes in rates, if any provision of this Agreement and an

applicable tariff cannot be reasonably construed or interpreted to avoid conflict, the provisions in this Agreement shall prevail.

- 2.5.2 Wherever any Commission ordered tariff provision or rate is incorporated, cited or quoted herein, it is understood that said incorporation or reference applies only to the entity within the state whose Commission ordered that tariff.

2.6 Conflict in Provisions

- 2.6.1 In the event of a conflict between the provisions of this Agreement and the Act, the provisions of the Act shall govern.
- 2.6.2 If any definitions, terms or conditions in any given Appendix, Attachment, Exhibit, Schedule or Addenda differ from those contained in the main body of this Agreement, those definitions, terms or conditions will supersede those contained in the main body of this Agreement, but only in regard to the services or activities listed in that particular Appendix, Attachment, Exhibit, Schedule or Addenda. In particular, if an Appendix contains a Term length that differs from the Term length in the main body of this Agreement, the Term length of that Appendix will control the length of time that services or activities are to occur under that Appendix, but will not affect the Term length of the remainder of this Agreement.
- 2.6.3 In **SBC CONNECTICUT** only, in the event of a conflict between any provision in this Agreement and any provision in the DPUC ordered tariffs covering the services that are the subject of this Agreement with **SBC CONNECTICUT**, such DPUC ordered tariffs will prevail. The Parties reserve their rights to dispute the issues addressed in this provision before the Connecticut DPUC.

2.7 Joint Work Product

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

2.8 Severability

- 2.8.1 If any provision of this Agreement is rejected or held to be illegal, invalid or unenforceable, each Party agrees that such provision shall be enforced

to the maximum extent permissible so as to effect the intent of the Parties, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby. If necessary to effect the intent of the Parties, the Parties shall negotiate in good faith to amend this Agreement to replace the unenforceable language with enforceable language that reflects such intent as closely as possible.

2.9 Incorporation by Reference

2.9.1 The General Terms and Conditions of this Agreement, and every Interconnection, Resale Service Network Element, function, facility, product or service provided hereunder, shall be subject to all rates, terms and conditions contained in the Appendices to this Agreement which are legitimately related to such Interconnection, Resale Service, Network Element, function, facility, product or service; and all such rates, terms and conditions are incorporated by reference herein and deemed a part of every Interconnection, Resale Service, Network Element, function, facility, product or service provided hereunder. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each Interconnection, Resale Service, Network Element, function, facility, product or service provided hereunder: definitions; interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnity; remedies; intellectual property; publicity and use of trademarks and service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End-User local exchange service provider selection; compliance and certification; law enforcement; relationship of the Parties/independent contractor; no third Party beneficiaries, disclaimer of agency; assignment; subcontracting; hazardous substances and responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; customer inquiries; expenses; conflict of interest; survival; scope of agreement; amendments and modifications; and entire agreement.

2.10 Non-Voluntary Provisions

2.10.1 This Agreement incorporates certain rates, terms and conditions that were not voluntarily negotiated by **SBC-13STATE**, but instead resulted from

determinations made in arbitrations under Section 252 of the Act or from other requirements of regulatory agencies or state law (individually and collectively, a “**Non-Voluntary Arrangement**”). SBC-13STATE has identified some, but not all, of the Non-Voluntary Arrangements contained in this Agreement, by designating such provisions with asterisks. If any Non-Voluntary Arrangement is modified as a result of any order or finding by the FCC, the appropriate Commission or a court of competent jurisdiction, any Party may, by providing written notice to the other Party, require that any affected Non-Voluntary Arrangement (and any related rates, terms and conditions) be deleted or renegotiated, as applicable, in good faith and this Agreement amended accordingly. If such modifications to this Agreement are not executed within sixty (60) days after the date of such notice, a Party may pursue its rights under Section 10.

2.10.2 The Parties acknowledge that the Non-Voluntary Arrangements contained in this Agreement shall not be available in any state other than the state that originally imposed/required such Non-Voluntary Arrangement. By way of example only, the Parties acknowledge that the PUCO’s imposition in Ohio of the Minimum Telephone Service Standards (and all terms and conditions relating thereto) shall not apply in or be “portable to” any state other than Ohio.

2.11 State-Specific Rates, Terms and Conditions

2.11.1 For ease of administration, this multistate Agreement contains certain specified rates, terms and conditions which apply only in a designated state. To the extent that this Agreement contains specified rates, terms and conditions which apply only in a given state, such rates, terms and conditions shall not apply and shall have no effect in any other state(s) to which this Agreement is submitted for approval under Section 252(e) of the Act.

2.11.2 **Successor Rates.** Certain of the rates, prices and charges set forth in the applicable Appendix Pricing have been established by the appropriate Commissions in cost proceedings or dockets initiated under or pursuant to the Act. If during the Term that the Commission or the FCC changes a rate, price or charge in an order or docket that applies to any of the Interconnection, Resale Services, Network Elements, functions, facilities, products and services available hereunder, the Parties agree to amend this Agreement to incorporate such new rates, prices and charges, with such rates, prices and charges to be effective as of the date specified in such order or docket (including giving effect to any retroactive application, if

so expressly ordered). If either Party refuses to execute an amendment to this Agreement within sixty (60) days after the date of such order or docket, the other Party may pursue its rights under Section 10.

2.12 Scope of Obligations

2.12.1 Notwithstanding anything to the contrary contained herein, **SBC-13STATE**'s obligations under this Agreement shall apply only to:

2.12.1.1 the specific operating area(s) or portion thereof in which **SBC-13STATE** is then deemed to be the ILEC under the Act (the "**ILEC Territory**"), and

2.12.1.2 assets that **SBC-13STATE** owns or leases and which are used in connection with **SBC-13STATE**'s provision to **LEVEL 3** of any Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided or contemplated under this Agreement, the Act or any tariff or ancillary agreement referenced herein (individually and collectively, the "**ILEC Assets**").

2.13 This Agreement is intended as a successor to the Interconnection Agreement between the same parties that became effective:

on July 20, 2001 in the state of Arkansas,
on August 4, 2001 in the state of Connecticut,
on November 24, 2001 in the state of Indiana,
on August 24, 2001 in the state of Ohio,
on December 1, 2001 in the state of Oklahoma,
on August 18, 2001 in the state of Wisconsin,
on November 30, 2001 in the state of Kansas,
on December 1, 2001 in the state of Missouri,
on December 30, 2001 in the state of Nevada,
on June 3, 2001 in the state of California,
on March 31, 2001 in the state of Illinois,
on April 16, 2001 in the state of Texas
and on February 15, 2001 in the state of Michigan.

Any provision of this Agreement that requires or permits a Party to take certain actions (such as submitting service orders, installing facilities, or providing information) shall not be interpreted as requiring either Party to repeat actions that were already taken under the previous agreement, unless the requirements of this Agreement are inconsistent with the arrangements previously in place

between the Parties; provided, however, that for the avoidance of any doubt, the foregoing shall not apply to (a) any new services, facilities, or Network Elements for which **LEVEL 3** submits an order, request, or application after the Effective Date, (b) nor to any pending (but not yet provisioned) services, facilities, or Network Elements for which **LEVEL 3** submits an order, request, or application after the Effective Date of this Agreement to modify or add to the pending (i.e., submitted by **LEVEL 3** prior to the Effective Date of this Agreement, but not yet fulfilled) order, request, or application, (c) nor to any existing services, facilities, or Network Elements for which **LEVEL 3** submits an order, request, or application after the Effective Date of this Agreement to modify the same. Rather, in the case of subsections (a), (b), and (c) directly above, any orders, requests, applications submitted by **LEVEL 3** after the Effective Date of this Agreement shall be governed by the rates, terms, and conditions of this Agreement. Whenever possible, services provided under the previous agreement shall be continued without interruption under the rates, terms, and conditions of this Agreement. Nothing in this Agreement is intended to extinguish any obligation of either Party to pay for services provided under the previous agreement but not yet billed or paid for, or any other obligation arising under the previous agreement that, by the terms of that agreement or by the nature of the obligation, survives the termination of that agreement.

3. NOTICE OF CHANGES -- SECTION 251(c)(5)

- 3.1 Nothing in this Agreement shall limit either Party's ability to upgrade its network through the incorporation of new equipment, new software or otherwise. Each Party agrees to comply with the Network Disclosure rules adopted by the FCC in CC Docket No. 96-98, Second Report and Order, codified at 47 C.F.R. 51.325 through 51.335, as such rules may be amended from time to time (the "**Network Disclosure Rules**").

4. GENERAL RESPONSIBILITIES OF THE PARTIES

- 4.1 **SBC-12STATE** and **LEVEL 3** shall each use their best efforts to meet the Interconnection Activation Dates.
- 4.2 Each Party is individually responsible to provide facilities within its network that are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in the standard format compatible with **SBC-13STATE**'s network as referenced in Telcordia BOC Notes on LEC Networks Practice No. SR-TSV-002275, and to terminate the traffic it receives in that standard format to the proper address on its network. The Parties are each solely responsible for participation in and

compliance with national network plans, including the National Network Security Plan and the Emergency Preparedness Plan.

- 4.3 The Parties shall exchange technical descriptions and forecasts of their Interconnection and traffic requirements in sufficient detail necessary to establish the Interconnections required to assure traffic completion to and from all End-Users in their respective designated service areas.
- 4.4 Each Party is solely responsible for all products and services it provides to its End-Users and to other Telecommunications Carriers.
- 4.5 Facilities-based carriers and UNE-based Switch Port providers are responsible for administering their End-User records in a LIDB.
- 4.5.1 **SBC CALIFORNIA** reserves the right on one hundred eighty (180) calendar days notice to require UNE-Based Switch Port providers to administer their End-User records in **SBC CALIFORNIA**'s LIDB.
- 4.5.2 **SBC NEVADA** does not have a line information database and/or Calling Name database. Line information database services can be purchased from **SBC CALIFORNIA**.
- 4.6 At all times during the Term, each Party shall keep and maintain in force at each Party's expense all insurance required by Applicable Law (e.g. workers' compensation insurance) as well as general liability insurance in the amount of (at least) \$10,000,000 for personal injury or death to any one person, property damage resulting from any one incident, and automobile liability with coverage for bodily injury and for property damage. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance (which may be provided through a program of self-insurance). This Section 4.6 is a general statement of insurance requirements and shall be in addition to any specific requirement of insurance referenced elsewhere in this Agreement or a Referenced Instrument.
- 4.7 Upon **LEVEL 3** signature of this Agreement, **LEVEL 3** shall provide **SBC-13STATE** with **LEVEL 3**'s state-specific authorized and nationally recognized OCN/AECNs for facilities-based (Interconnection and/or unbundled Network Elements) and a separate and distinct OCN/AECN for Resale Services.
- 4.8 In the event that either Party makes a corporate name change (including addition or deletion of d/b/a) that Party (the "Changing Party") shall incur no charges for non-Changing Party making changes to Changing Party's billing accounts or

changes to OSS programs that automatically populate such name on Changing Party service orders. Changing Party shall be responsible for any charges associated with changes made to any OS/DA branding, recorded announcements, or any required restencilling on any collocation arrangements. Charges for changes to any OS/DA branding or recorded messages will be rated pursuant to the branding language included in this agreement. Charges associated with any restencilling on any collocation arrangements will be rated on an Individual Case Basis.

- 4.9 Should either party assign this Agreement and all assets ordered and provisioned out of this Agreement, pursuant to the assignment language provided in this Agreement, and such assignment results in a change to **LEVEL 3**'s ACNA or OCN, such party shall be responsible for all charges associated with service orders required to change the ACNA or OCN on each End-User account or each circuit. Service order charges will be rated pursuant to the Pricing Schedule in this agreement. Charges associated with any restencilling or reengineering of any collocation arrangements will be rated on an Individual Case Basis. In addition, assignee of this Agreement shall be responsible for all charges for services ordered and/or provisioned out of this Agreement, whether billed or unbilled as of the date of such approved assignment.
- 4.10 In the event either party makes or accepts a transfer or assignment of assets including End-User accounts (resale or UNE-P), UNE loops, interconnection trunks or facilities (including leased facilities), or collocation arrangements, which were ordered and provisioned out of this Agreement, such party shall submit all required service orders to effectuate such transfer. Service order charges will be rated pursuant to the Pricing Schedule of this Agreement. Any charges associated with any restencilling or reengineering of any collocation arrangements will be rated on an Individual Case Basis. The assigning party will continue to be billed for such assets until appropriate service orders have been issued by acquiring party to transfer assets to acquiring party's billing accounts.
- 4.11 Notwithstanding the above, **SBC-13STATE** and **LEVEL 3** will make every effort to comply with guidelines established by Industry Agencies such as Telcordia and NECA as they relate to the assignment of ACNAs and OCNs to ensure accurate billing and routing of services and calls
- 4.12 When a End-User changes its service provider from **SBC-13STATE** to **LEVEL 3** or from **LEVEL 3** to **SBC-13STATE** and does not retain its original telephone number, the Party formerly providing service to such End-User shall furnish a referral announcement ("Referral Announcement") on the original telephone number that specifies the End-User's new telephone number.

4.12.1 The following pertains to **SBC ILLINOIS**, **SBC WISCONSIN** and **SBC CALIFORNIA** only:

4.12.1.1 Referral Announcements shall be provided by a Party to the other Party for the period of time and at the rates set forth in the referring Party's tariff(s); provided, however, if either Party provides Referral Announcements for a period different (either shorter or longer) than the period(s) stated in its tariff(s) when its End-Users change their telephone numbers, such Party shall provide the same level of service to End-Users of the other Party.

4.12.2 The following applies to **SBC INDIANA** only:

4.12.2.1 Referral Announcements shall be provided by a Party to the other Party for the period specified in 170 IAC 7-1.1-11(I)(3)(a) and (b) and at the rates set forth in the referring Party's tariff(s). However, if either Party provides Referral Announcements for a period different than the above period(s) when its End-Users change their telephone numbers, such Party shall provide the same level of service to End-Users of the other Party.

4.12.3 The following applies to **SBC MICHIGAN** only:

4.12.3.1 Referral Announcements shall be provided by a Party to the other Party for the period specified in Michigan Administrative Rule 484.134 and at the rates set forth in the referring Party's tariff(s). However, if either Party provides Referral Announcements for a period longer than the above period(s) when its End-Users change their telephone numbers, such Party shall provide the same level of service to End-Users of the other Party.

4.12.4 The following applies to **SBC OHIO** only:

4.12.4.1 Referral Announcements shall be provided by a Party to the other Party for the period of time specified in Rule 4901:1-5-12, Ohio Administrative Code and at the rates set forth in the referring Party's tariff(s). However, if either Party provides Referral Announcements for a period longer than the above period(s) when its End-Users change their telephone numbers, such Party shall provide the same level of service to End-Users of the other Party.

- 4.13 Each Party shall be responsible for labor relations with its own employees. Each Party agrees to notify the other Party as soon as practicable whenever such Party has knowledge that a labor dispute concerning its employees is delaying or threatens to delay such Party's timely performance of its obligations under this Agreement and shall endeavor to minimize impairment of service to the other Party (for example, by using its management personnel to perform work or by other means) in the event of a labor dispute to the extent permitted by Applicable Law.
- 4.14 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.

5. EFFECTIVE DATE, TERM, AND TERMINATION

- 5.1 This Effective Date of this Agreement shall be ten (10) calendar days after the Commission approves this Agreement under Section 252(e) of the Act or, absent such Commission approval, the date this Agreement is deemed approved under Section 252(e)(4) of the Act.
- 5.2 The term of this Agreement shall commence upon the Effective Date of this Agreement and shall expire on December 31, 2006. Absent the receipt by one Party of written notice from the other Party at least within one hundred and eighty (180) days prior to the expiration of the Term to the effect that such Party does not intend to extend the Term, this Agreement shall remain in full force and effect on and after the expiration of the Term until terminated by either Party pursuant to Section 5.3 or 5.4.
- 5.3 Notwithstanding any other provision of this Agreement, either Party may terminate this Agreement and the provision of any Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided pursuant to this Agreement, at the sole discretion of the terminating Party, in the event that the other Party fails to perform a material obligation or breaches a material term of this Agreement and the other Party fails to cure such nonperformance or breach within forty-five (45) calendar days after written notice thereof. Any termination of this Agreement pursuant to this Section 5.3 shall take effect immediately upon delivery of written notice to the other Party that it failed to cure such nonperformance or breach within forty-five (45) calendar days after written notice thereof.

- 5.4 If pursuant to Section 5.2, this Agreement continues in full force and effect after the expiration of the Term, either Party may terminate this Agreement after delivering written notice to the other Party of its intention to terminate this Agreement, subject to Sections 5.5 and 5.6. Neither Party shall have any liability to the other Party for termination of this Agreement pursuant to this Section 5.4 other than its obligations under Sections 5.5 and 5.6.
- 5.5 Upon termination or expiration of this Agreement in accordance with Sections 5.2, 5.3 or 5.4:
- 5.5.1 Each Party shall continue to comply with its obligations set forth in Section 42; and
- 5.5.2 Each Party shall promptly pay all amounts owed under this Agreement or place any Disputed Amounts into an escrow account that complies with Section 8.4 hereof;
- 5.5.3 Each Party's confidentiality obligations shall survive; and
- 5.5.4 Each Party's indemnification obligations shall survive.
- 5.6 If either Party serves notice of expiration pursuant to Section 5.2 or Section 5.4, **LEVEL 3** shall have ten (10) days to provide **SBC-13STATE** written confirmation if **LEVEL 3** wishes to pursue a successor agreement with **SBC-13STATE** or terminate its agreement. **LEVEL 3** shall identify the action to be taken on each applicable (13) state(s). If **LEVEL 3** wishes to pursue a successor agreement with **SBC-13STATE**, **LEVEL 3** shall attach to its written confirmation or notice of expiration/termination, as applicable, a written request to commence negotiations with **SBC-13STATE** under Sections 251/252 of the Act and identify each of the state(s) the successor agreement will cover. Upon receipt of **LEVEL 3**'s Section 252(a)(1) request, the Parties shall commence good faith negotiations on a successor agreement.
- 5.7 The rates, terms and conditions of this Agreement shall continue in full force and effect until the earlier of: (i) the effective date of its successor agreement, whether such successor agreement is established via negotiation, arbitration or pursuant to Section 252(i) of the Act; or (ii) the date that is ten (10) months after the date of termination of this Agreement pursuant to Sections 5.2 and 5.4.
- 5.8 If at any time during the Section 252(a)(1) negotiation process (prior to or after the expiration date or termination date of this Agreement), **LEVEL 3** withdraws its Section 252(a)(1) request, **LEVEL 3** must include in its notice of withdrawal a

request to adopt a successor agreement under Section 252(i) of the Act or affirmatively state that LEVEL 3 does not wish to pursue a successor agreement with SBC-13STATE for a given state. The rates, terms and conditions of this Agreement shall continue in full force and effect for a period of ninety (90) days after the date LEVEL 3 provides notice of withdrawal of its Section 252(a)(1) request. On the ninety-first (91) day following SBC-13STATE's receipt of LEVEL 3's notice of withdrawal of its Section 252(a)(1) request, unless LEVEL 3 provided SBC-13STATE notice of a Section 252(i) adoption in the interim, the Parties shall, subject to Section 5.5, have no further obligations under this Agreement.

- 5.9 If LEVEL 3 does not affirmatively state that it wishes to pursue a successor agreement with SBC-13STATE in its, as applicable, notice of expiration or termination or the written confirmation required after receipt of SBC-13STATE's notice of expiration or termination, then the rates, terms and conditions of this Agreement shall continue in full force and effect for a period of ninety (90) days after the date LEVEL 3 provided or received notice of expiration or termination. On the ninety-first (91) day following LEVEL 3 provided or received notice of expiration or termination, the Parties shall, subject to Section 5.5, have no further obligations under this Agreement.
- 5.10 In the event of termination of this Agreement pursuant to Section 5.9, SBC-13STATE and LEVEL 3 shall cooperate in good faith to effect an orderly transition of service under this Agreement; provided that LEVEL 3 shall be solely responsible (from a financial, operational and administrative standpoint) to ensure that its End-Users have been transitioned to a new LEC by the expiration date, termination date of this Agreement.

6. FRAUD

- 6.1 SBC-13STATE shall not be liable to LEVEL 3 for any fraud associated with LEVEL 3's End-User's account, including 1+ IntraLATA toll, ported numbers, and Alternate Billing Service (ABS). LEVEL 3 shall not be liable to SBC-13STATE for any fraud associated with SBC-13STATE's End-User's account, including 1+ IntraLATA toll, ported numbers, and Alternate Billing Service (ABS). ABS is a service that allows End-Users to bill calls to account(s) that might not be associated with the originating line. There are three types of ABS calls: calling card, collect, and third number billed calls.
- 6.2 The Parties agree to cooperate with one another to investigate, minimize, and take corrective action in cases of fraud involving 1+ IntraLATA toll calls, ABS, and ported numbers. The Parties' fraud minimization procedures are to be cost-

effective and implemented so as not to unduly burden or harm one Party as compared to the other.

- 6.3 In cases of suspected fraudulent activity by an End-User, at a minimum, the cooperation referenced in Section 6.2 will include providing to the other Party, upon request, information concerning Customers who terminate services to that Party without paying all outstanding charges. The Party seeking such information is responsible for securing the End-User's permission to obtain such information.
- 6.4 **SBC MIDWEST REGION 5-STATE, SBC SOUTHWEST REGION 5-STATE, SBC CALIFORNIA, SBC CONNECTICUT** will provide notification messages to **LEVEL 3** on suspected occurrences of ABS-related fraud on **LEVEL 3** accounts stored in the applicable LIDB. **SBC CALIFORNIA** will provide such alert messages by e-mail. **SBC MIDWEST REGION 5-STATE, SBC SOUTHWEST REGION 5-STATE** and **SBC CONNECTICUT** will provide via fax.
- 6.4.1 **SBC SOUTHWEST REGION 5-STATE (on behalf of itself and SBC CONNECTICUT)** and **SBC CALIFORNIA** will use a fraud monitoring system to determine suspected occurrences of ABS-related fraud for **LEVEL 3** using the same criteria **SBC SOUTHWEST REGION 5-STATE** and **SBC CALIFORNIA** use to monitor fraud on their respective accounts.
- 6.4.2 **LEVEL 3** understands that fraud monitoring alerts only identify potential occurrences of fraud. **LEVEL 3** understands and agrees that it will need to perform its own investigations to determine whether a fraud situation actually exists. **LEVEL 3** understands and agrees that it will also need to determine what, if any, action **LEVEL 3** should take as a result of a fraud monitoring alert.
- 6.4.3 The Parties will provide contact names and numbers to each other for the exchange of fraud monitoring alert notification information twenty-four (24) hours per day seven (7) days per week.
- 6.4.4 For each alert notification provided to **LEVEL 3**, **LEVEL 3** may request a corresponding thirty-day (30-day) historical report of ABS-related query processing. **LEVEL 3** may request up to three (3) reports per alert.
- 6.5 In **SBC SOUTHWEST REGION 5-STATE** and **SBC CALIFORNIA** ABS-related alerts are provided to **LEVEL 3** at no additional charge, except as related in 6.5.1 below.

6.5.1 In SBC CALIFORNIA, 1+ IntraLATA toll fraud alerts are offered for Resale only under the product name Traffic Alert Referral Service (TARS). For TARS, LEVEL 3 agrees to pay a recurring usage rate as outlined in Appendix Pricing.6.6 Traffic Alert Referral Service (“TARS”) 1+ Intra-LATA Toll Fraud Monitoring

6.5.2 For terms and conditions for TARS, see Appendix Resale.

6.5.3 TARS is offered in SBC CALIFORNIA only.

7. ASSURANCE OF PAYMENT

7.1 Upon request by SBC-13STATE, in accordance with this provision, LEVEL 3 will provide SBC-13STATE with adequate assurance of payment of amounts due (or to become due) to SBC-13STATE.

7.2 Assurance of payment may be requested by SBC-12STATE if:

7.2.1 at the Effective Date LEVEL 3 had not already established satisfactory credit by having made at least twelve (12) consecutive months of timely payments to SBC-13STATE for undisputed charges and/or appropriate escrow payments pursuant to Section 8 for disputed charges incurred by LEVEL 3 or

7.2.2 at any time on or after the Effective Date, there has been an impairment of the established credit, financial health, or credit worthiness of LEVEL 3 as compared to its status on August 1, 2004. Such impairment will be determined from information available from financial sources, including but not limited to Moody's, Standard and Poor's, and the Wall Street Journal. Financial information about LEVEL 3 that may be considered includes, but is not limited to, investor warning briefs, rating downgrades, and articles discussing pending credit problems; or

7.2.3 LEVEL 3 fails to timely pay a bill rendered to LEVEL 3 by SBC-12STATE (except such portion of a bill that is subject to a good faith, bona fide dispute and as to which LEVEL 3 has complied with all requirements set forth in Section 9.3) or

7.2.4 to the extent consistent with applicable law, LEVEL 3 admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had an involuntary case commenced against it) under the U.S. Bankruptcy Code or any other law relating to insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an

assignment for the benefit of creditors or is subject to a receivership or similar proceeding.

- 7.3 Unless otherwise agreed by the Parties, the assurance of payment will, at LEVEL 3's option, consist of:
- 7.3.1 a cash security deposit in U.S. dollars held by SBC-12STATE (“**Cash Deposit**”) or
- 7.3.2 an unconditional, irrevocable standby bank letter of credit from a financial institution acceptable to SBC-12STATE naming the SBC owned ILEC(s) designated by SBC-12STATE as the beneficiary(ies) thereof and otherwise in form and substance satisfactory to SBC-12STATE (“**Letter of Credit**”).
- 7.3.3 The Cash Deposit or Letter of Credit must be in an amount equal to three (3) months anticipated charges (including, but not limited to, recurring, non-recurring and usage sensitive charges, termination charges and advance payments), as reasonably determined by SBC-12STATE, for the Interconnection, Resale Services, Network Elements, Collocation or any other functions, facilities, products or services to be furnished by SBC-12STATE under this Agreement. Where LEVEL 3 has actual billings from SBC-12STATE for such functions, facilities, products or services under this Agreement for the three (3) months prior to SBC-12STATE's request for a deposit, the actual amount of those billings shall be used as the deposit amount.
- 7.3.3.1 Notwithstanding anything else set forth in this Agreement, SBC SOUTHWEST REGION 5-STATE will not request assurance of payment of charges reasonably anticipated by SBC SOUTHWEST REGION 5-STATE to be incurred in Arkansas in an amount that would exceed one (1) month's projected bill for LEVEL 3's initial market entry; provided, however, that after three (3) months of operation, SBC SOUTHWEST REGION 5-STATE may request assurance of payment of charges reasonably anticipated by SBC SOUTHWEST REGION 5-STATE to be incurred in Arkansas in an amount not to exceed two times projected average monthly billing to LEVEL 3, which shall be determined when possible by reference to actual billings from SBC SOUTHWEST REGION 5-STATE to LEVEL 3 for functions, facilities, products or services provided under this Agreement for the two (2) months prior to SBC SOUTHWEST REGION 5-STATE's request.

- 7.3.3.2 Notwithstanding anything else set forth in this Agreement, SBC SOUTHWEST REGION 5-STATE will not request assurance of payment of charges reasonably anticipated by SBC SOUTHWEST REGION 5-STATE to be incurred in Oklahoma in an amount that would exceed two times projected average monthly billing to LEVEL 3.
- 7.4 To the extent that LEVEL 3 elects to provide a Cash Deposit, the Parties intend that the provision of such Cash Deposit shall constitute the grant of a security interest in the Cash Deposit pursuant to Article 9 of the Uniform Commercial Code in effect in any relevant jurisdiction.
- 7.5 A Cash Deposit will accrue interest at the rate established by the respective state commission. Interest will accrue on a Cash Deposit from the day after it is received by SBC-12STATE through the day immediately prior to the date the Cash Deposit is credited to LEVEL 3's bill(s) or returned to LEVEL 3. SBC-12STATE will not pay interest on a Letter of Credit.
- 7.6 SBC-12STATE may, but is not obligated to, draw on the Letter of Credit or the Cash Deposit, as applicable, upon the occurrence of any one of the following events:
- 7.6.1 LEVEL 3 owes SBC-12STATE undisputed charges under this Agreement that are more than thirty (30) calendar days past due; or
- 7.6.2 to the extent consistent with applicable law, LEVEL 3 admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had an involuntary case commenced against it) under the U.S. Bankruptcy Code or any other law relating to insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding; or
- 7.6.3 the expiration or termination of this Agreement, should LEVEL 3 have undisputed unpaid charges that are due and remain open thirty (30) calendar days following the expiration or termination date.
- 7.7 If SBC-12STATE draws on the Letter of Credit or Cash Deposit, upon request by SBC-12STATE, LEVEL 3 will provide a replacement or supplemental letter of credit or cash deposit conforming to the requirements of Section 7.3, but only to the extent of the amount previously drawn by SBC-12STATE.
- 7.8 Notwithstanding anything else set forth in this Agreement, if SBC-12STATE makes a request for assurance of payment in accordance with the terms of this

Section, then SBC-12STATE shall have no obligation thereafter to perform under this Agreement until such time as LEVEL 3 has furnished SBC-12STATE with the assurance of payment requested; provided, however that SBC-12STATE will permit LEVEL 3 a minimum of 10 (ten) Business Days to respond to a request for assurance of payment before invoking this Section.

7.8.1 If LEVEL 3 fails to furnish the requested adequate assurance of payment on or before the date set forth in the request SBC-12STATE may also invoke the provisions set forth in Section 9.5 through Section 9.7.

7.9 The fact that a Cash Deposit or Letter of Credit is requested by SBC-12STATE shall in no way relieve LEVEL 3 from timely compliance with all payment obligations under this Agreement (including, but not limited to, recurring, non-recurring and usage sensitive charges, termination charges and advance payments), nor does it constitute a waiver or modification of the terms of this Agreement pertaining to disconnection or re-entry for non-payment of any amounts required to be paid hereunder.

7.10 For adequate assurance of payment of amounts due (or to become due) to SBC CONNECTICUT, see the applicable DPUC ordered tariff.

8. BILLING AND PAYMENT OF CHARGES

8.1 Unless otherwise stated, each Party will render monthly bill(s) to the other for Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products and services provided hereunder at the rates set forth in the applicable Appendix Pricing, as set forth in applicable tariffs or other documents specifically referenced herein and, as applicable, as agreed upon by the Parties or authorized by a Party.

8.1.1 Remittance in full of all bills rendered by SBC MIDWEST REGION 5-STATE, SBC SOUTHWEST REGION 5-STATE and SBC CALIFORNIA is due within thirty (30) calendar days of each bill date (the “**Bill Due Date**”). Payment must be made in accordance with the terms set forth in Section 8.3 of this Agreement.

8.1.2 Remittance in full of all bills rendered by SBC NEVADA is due in accordance with the terms set forth in the Commission C2-A Tariff, with the date on which amounts are due referred to herein as the “**Bill Due Date**”.

8.1.3 Remittance in full of all bills rendered by SBC CONNECTICUT is due in accordance with the terms set forth in the Connecticut Access Service

Tariff approved by the DPUC, with the date on which amounts are due referred to herein as the “**Bill Due Date**”.

- 8.1.4 Remittance in full of all bills rendered by LEVEL 3 is due within thirty (30) calendar days of each bill date (the “**Bill Due Date**”). Payment must be made in accordance with the terms set forth in Section 8.3 of this Agreement.
- 8.1.5 If LEVEL 3 or SBC-12STATE fails to remit payment for any charges by the Bill Due Date, or if payment for any portion of the charges is received from LEVEL 3 or SBC-12STATE after the Bill Due Date, or if payment for any portion of the charges is received in funds which are not immediately available to the billing Party as of the Bill Due Date (individually and collectively, “**Past Due**”), then a late payment charge will be assessed as provided in Sections 8.1.5.1 through 8.1.5.3, as applicable.
- 8.1.5.1 If any charge incurred under this Agreement that is billed out of any SBC-8STATE billing system other than the SBC SOUTHWEST REGION 5-STATE Customer Records Information System (CRIS) is Past Due, the unpaid amounts will accrue interest from the day following the Bill Due Date until paid at the lesser of (i) the rate used to compute the Late Payment Charge in the applicable SBC-8STATE intrastate access services tariff for that state and (ii) the highest rate of interest that may be charged under Applicable Law. The method and timing for application of interest to any charge incurred under this Agreement that is billed out of any SBC-8STATE billing system other than SBC SOUTHWEST REGION 5-STATE's CRIS will comply with the process set forth in the applicable SBC-8STATE intrastate access services tariff for that state.
- 8.1.5.2 If any charge incurred under this Agreement that is billed out of SBC SOUTHWEST REGION 5-STATE's CRIS is Past Due, the unpaid amounts will accrue interest from the day following the Bill Due Date until paid. The interest rate applied to SBC SOUTHWEST REGION 5-STATE CRIS-billed Past Due unpaid amounts will be the lesser of (i) the rate used to compute the Late Payment Charge contained in the applicable SBC SOUTHWEST REGION 5-STATE intrastate retail tariff governing Late Payment Charges to SBC SOUTHWEST REGION 5-STATE's retail End-Users that are business End-

Users in that state and (ii) the highest rate of interest that may be charged under Applicable Law. The method and timing for application of interest to any charge incurred under this Agreement that is billed out of **SBC SOUTHWEST REGION 5-STATE**'s CRIS will be governed by the **SBC SOUTHWEST REGION 5-STATE** intrastate retail tariff governing Late Payment Charges to **SBC SOUTHWEST REGION 5-STATE**'s retail End-Users that are business End-Users in that state.

- 8.1.5.3 If any charge incurred under this Agreement that is billed out of any **SBC MIDWEST REGION 5-STATE** billing system is Past Due, the unpaid amounts will accrue interest from the Bill Due Date at the lesser of (i) one and one-half percent (1-½%) per month and (ii) the highest rate of interest that may be charged under Applicable Law, compounded daily from the day following the Bill Due Date to and including the date that the payment is actually made and available.
- 8.2 If any charge incurred by **SBC-13STATE** under this Agreement is Past Due, the unpaid amounts will accrue interest from the day following the Bill Due Date until paid. The interest rate applied will be the lesser of (i) the rate used to compute the Late Payment Charge contained in the applicable **LEVEL 3** intrastate access services tariff for that state and (ii) the highest rate of interest that may be charged under Applicable Law, compounded daily from the Bill Due Date to and including the date that the payment is actually made and available.
- 8.3. ACH Transfers
- 8.3.1 **LEVEL 3** and **SBC-12STATE** shall make all payments to the other Party (“Billed Party”) via electronic funds credit transfers through the Automated Clearing House Association (ACH) network to the financial institution designated by **LEVEL 3** or **SBC-12STATE**, as the case may be, or through other mutually agreeable means. Remittance information will be communicated together with the funds transfer via the ACH network. The Billed Party must use the CCD+ or the CTX transaction set. **LEVEL 3** and **SBC-12STATE** will abide by the National Automated Clearing House Association (NACHA) Rules and Regulations. Each ACH credit transfer must be received by **LEVEL 3** or **SBC-12STATE**, as the case may be, no later than the Bill Due Date of each bill or Late Payment Charges will apply. **LEVEL 3** or **SBC-12STATE** is not liable for any delays in receipt of funds or errors in entries caused by the Billed

Party or Third Parties, including the Billed Party's financial institution. The Billed Party is responsible for its own banking fees. Processing of payments not made via electronic funds credit transfers through the ACH network may be delayed. The Billed Party is responsible for any Late Payment Charges resulting from the Billed Party's failure to use electronic funds credit transfers through the ACH network.

8.3.2 LEVEL 3 must make all payments to SBC CONNECTICUT in "immediately available funds." All payments to SBC CONNECTICUT must be made using one of the methods set forth in the Connecticut Access Service Tariff approved by the DPUC or via electronic funds credit transfers through the Automated Clearing House Association (ACH) network to the financial institution designated by SBC CONNECTICUT. If LEVEL 3 makes payment through funds transfer via the ACH network, remittance information will be communicated together with the funds transfer via the ACH network. If LEVEL 3 makes payment through funds transfer via the ACH network, LEVEL 3 must use the CCD+ or the CTX transaction set. LEVEL 3 and SBC CONNECTICUT Regulations. Each payment must be received by SBC CONNECTICUT no later than the Bill Due Date of each bill or Late Payment Charges will apply. SBC CONNECTICUT is not liable for any delays in receipt of funds or errors in entries caused by LEVEL 3 or Third Parties, including LEVEL 3's financial institution. LEVEL 3 is responsible for its own banking fees. Processing of payments not made via electronic funds credit transfers through the ACH network may be delayed. The Billed Party is responsible for any Late Payment Charges resulting from the Billed Party's failure to use electronic funds credit transfers through the ACH network.

8.4 If any portion of an amount due to a Party (the "**Billing Party**") under this Agreement is subject to a bona fide good faith dispute between the Parties, the Party billed (the "**Non-Paying Party**") must, prior to the Bill Due Date, give written notice to the Billing Party of the amounts it disputes ("**Disputed Amounts**") and within thirty (30) calendar days the non-paying party will provide in writing the specific details and reasons for disputing each item. On or before the Bill Due Date, the Non-Paying Party must pay (i) all undisputed amounts to the Billing Party, and (ii) all Disputed Amounts into an interest bearing escrow account with a Third Party escrow agent mutually agreed upon by the Parties. To be acceptable, the Third Party escrow agent must meet all of the following criteria:

8.4.1 The financial institution proposed as the Third Party escrow agent must be located within the continental United States;

- 8.4.2 The financial institution proposed as the Third Party escrow agent may not be an Affiliate of either Party; and
- 8.4.3 The financial institution proposed as the Third Party escrow agent must be authorized to handle Automatic Clearing House (ACH) (credit transactions) (electronic funds) transfers.
- 8.4.4 In addition to the foregoing requirements for the Third Party escrow agent, the disputing Party and the financial institution proposed as the Third Party escrow agent must agree in writing furnished to the Billing Party that the escrow account will meet all of the following criteria:
- 8.4.4.1 The escrow account must be an interest bearing account;
- 8.4.4.2 All charges associated with opening and maintaining the escrow account will be borne by the Non-Paying Party;
- 8.4.4.3 That none of the funds deposited into the escrow account or the interest earned thereon may be used to pay the financial institution's charges for serving as the Third Party escrow agent;
- 8.4.4.4 All interest earned on deposits to the escrow account will be disbursed to the Parties in the same proportion as the principal; and
- 8.4.4.5 Disbursements from the escrow account shall be limited to those:
- 8.4.4.5.1 authorized in writing by both the Non-Paying Party and the Billing Party (that is, signature(s) from representative(s) of the disputing Party only are not sufficient to properly authorize any disbursement);
or
- 8.5 Disputed Amounts in escrow shall be subject to Late Payment Charges as set forth in Section 8.1.5. Issues related to Disputed Amounts shall be resolved in accordance with the procedures identified in the Dispute Resolution provisions set forth in Section 10.
- 8.6 The Non-Paying Party shall not be required to place Disputed Amounts in escrow, as required by Section 8.4, above, if: (i) the Non-Paying Party does not have a proven history of late payments and has established a minimum of twelve consecutive (12) months good credit history with the Billing Party (prior to the

date it notifies the Billing Party of its billing dispute); and (ii) the Non-Paying Party has not filed more than three previous billing disputes within the twelve (12) months immediately preceding the date it notifies the Billing Party of its current billing dispute, which previous disputes were resolved in Billing Party's favor or, if the bill containing the disputed charges is not the first bill for a particular service to the Non-Paying Party, the Non-Paying Party's dispute does not involve 50% or more of the total amount of the previous bill out of the same billing system.

8.7 If the Non-Paying Party disputes any charges and any portion of the dispute is resolved in favor of such Non-Paying Party, the Parties will cooperate to ensure that all of the following actions are completed:

8.7.1 the Billing Party will credit the invoice of the Non-Paying Party for that portion of the Disputed Amounts resolved in favor of the Non-Paying Party, together with any Late Payment Charges assessed with respect thereto no later than the second Bill Due Date after the resolution of the Dispute;

8.7.1.1 within ten (10) Business days after resolution of the Dispute, the portion of the escrowed Disputed Amounts resolved in favor of the Non-Paying Party will be released to the Non-Paying Party, together with any accrued interest thereon;

8.7.1.2 within ten (10) Business days after resolution of the Dispute, the portion of the escrowed Disputed Amounts resolved in favor of the Billing Party will be released to the Billing Party, together with any accrued interest thereon; and

8.7.1.3 no later than the third Bill Due Date after the resolution of the dispute, the Non-Paying Party will pay the Billing Party the difference between the amount of accrued interest the Billing Party received from the escrow disbursement and the amount of Late Payment Charges the Billing Party is entitled to receive pursuant to Section 8.1.5.

8.8 If the Non-Paying Party disputes any charges and the entire dispute is resolved in favor of the Billing Party, the Parties will cooperate to ensure that all of the actions required by Section 8.7.1.2 and Section 8.7.1.3 are completed within the times specified therein.

8.8.1 Failure by the Non-Paying Party to pay any charges determined to be owed to the Billing Party within the time specified in Section 8.7 shall be

grounds for termination of the Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products and services provided under this Agreement.

- 8.9 If either Party requests one or more additional copies of a bill, the requesting Party will pay the Billing Party a reasonable fee for each additional copy, unless such copy was requested due to failure in delivery of the original bill or correction(s) to the original bill.
- 8.9.1 Each additional copy of any bill provided for billing from **SBC SOUTHWEST REGION 5-STATE**'s CABS billing system will incur charges as specified in Access Service Tariff FCC No. 73 Section 13 Alternate Bill Media.
- 8.9.2 Bills provided to **LEVEL 3** from **SBC SOUTHWEST REGION 5-STATE**'s CRIS system through Bill Plus will incur charges as specified in Appendix Pricing.
- 8.10 Exchange of Billing Message Information
- 8.10.1 **SBC-13STATE** will provide **LEVEL 3** a specific Daily Usage File (“DUF” or “Usage Extract”) for Resale Services and Network Element usage sensitive services provided hereunder (“Customer Usage Data”). Such Customer Usage Data shall be provided by **SBC-13STATE** in accordance with Exchange Message Interface (EMI) guidelines supported by OBF. Any exceptions to the supported formats will be noted in the DUF implementation requirements documentation for each **SBC-13STATE** owned **LEVEL 3**. The DUF will include (i) specific daily usage, including both Local Traffic (if and where applicable) and LEC-carried IntraLATA Toll Traffic, in EMI format for usage sensitive services furnished in connection with each Resale Service and Network Element to the extent that similar usage sensitive information is provided to retail End-Users of **SBC-13STATE** within that state, (ii) with sufficient detail to enable **LEVEL 3** to bill its End-Users for usage sensitive services furnished by **SBC-13STATE** in connection with Resale Services and Network Elements provided by **SBC-13STATE**. Procedures and processes for implementing the interfaces with **SBC MIDWEST REGION 5-STATE**, **SBC CALIFORNIA**, **SBC NEVADA**, **SBC CONNECTICUT**, and **SBC SOUTHWEST REGION 5-STATE** will be included in implementation requirements documentation.
- 8.10.2 To establish file transmission for the Daily Usage File, **LEVEL 3** must provide a separate written request for each state to **SBC MIDWEST**

REGION 5-STATE, SBC CALIFORNIA, SBC NEVADA, SBC CONNECTICUT and SBC SOUTHWEST REGION 5-STATE no less than sixty (60) calendar days prior to the desired first transmission date for each file.

- 8.10.3 Unless otherwise specified in Appendix Message Exchange, call detail for LEC-carried calls that are alternately billed to LEVEL 3 End-Users lines provided by SBC-13STATE through Resale or Network Elements will be forwarded to LEVEL 3 as rated call detail on the DUF.
- 8.10.4 SBC SOUTHWEST REGION 5-STATE shall bill LEVEL 3 for Usage Extract furnished by SBC SOUTHWEST REGION 5-STATE in accordance with the price(s) provided in the applicable Appendix Pricing under "Electronic Billing Information."
- 8.10.5 Interexchange call detail on Resale Services or Network Elements (ports) that is forwarded to SBC-13STATE for billing, which would otherwise be processed by SBC-13STATE for its retail End-Users, will be returned to the IXC and will not be passed through to LEVEL 3. This call detail will be returned to the IXC with a transaction code indicating that the returned call originated from a resold account. Billing for Information Services and other ancillary services traffic on Resale Services and Network Elements (ports) will be passed through when SBC-13STATE records the message.
- 8.10.6 SBC MIDWEST REGION 5-STATE, SBC NEVADA and SBC CALIFORNIA Ancillary Services messages originated on or billed to a Resale Service or Network Element (port) in those seven (7) states shall be subject to the rates, terms and conditions of Appendix MESSAGE EXCHANGE.
- 8.10.7 LEVEL 3 shall be responsible for providing all billing information to each of its End-Users, regardless of the method used to provision the End-User's service.

8.11 Limitation on Back-billing and Credit Claims:

- 8.11.1 Notwithstanding anything to the contrary in this Agreement, a Party shall be entitled to back-bill for or claim credit for any charges for services provided pursuant to this Agreement that are found to be unbilled, under-billed or over-billed, but only when such charges appeared or should have

appeared on a bill dated within the twelve (12) months immediately preceding the date on which the Billing Party provided written notice to the Billed Party of the amount of the back-billing or the Billed Party provided written notice to the Billing Party of the claimed credit amount. The Parties agree that the twelve (12) month limitation on back-billing and credit claims set forth in the preceding sentence shall be applied prospectively only after the Effective Date of this Agreement, meaning that the twelve month period for any back-billing or credit claims may only include billing periods that fall entirely after the Effective Date of this Agreement and will not include any portion of any billing period that began prior to the Effective Date of this Agreement.

8.11.2 Back-billing and credit claims, as limited above, will apply to all Interconnection, Resale Services, Unbundled Network Elements, Collocation, facilities, functions, product and services purchased under this Agreement. Reciprocal Compensation is specifically excluded from this Section 8.11 and is addressed separately in the Intercarrier Compensation Appendix.

9. NONPAYMENT AND PROCEDURES FOR DISCONNECTION

9.1 If a Party is furnished Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products and services under the terms of this Agreement in more than one (1) state, Sections 9.1 through 9.7, inclusive, shall be applied separately for each such state.

9.2 Failure to pay undisputed charges shall be grounds for disconnection of services under this Agreement. If a Party fails to pay any undisputed charges billed to it under this Agreement, including but not limited to any Late Payment Charges or miscellaneous charges (“**Unpaid Charges**”), and any portion of such Unpaid Charges remain unpaid after the Bill Due Date, the Billing Party will notify the Non-Paying Party in writing that in order to avoid disruption or disconnection of the Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products and services under this Agreement, the Non-Paying Party must remit all Unpaid Charges to the Billing Party within ten (10) Business Days following receipt of the Billing Party's notice of Unpaid Charges.

9.2.1 **SBC INDIANA** will also provide any written notification to the Indiana Utility Regulatory Commission as required by rule 170 IAC 7-6.

9.2.2 **SBC KANSAS** will also provide any written notification to the Kansas Corporation Commission as required by Order Number 5 (dated March 25, 2002) in Docket 01-GIMT-649-GIT.

- 9.2.3 **SBC MISSOURI** will also provide any written notification to the Missouri Public Service Commission as required by Rule 4 CSR 240-32.120.
- 9.3 If the Non-Paying Party desires to dispute any portion of the Unpaid Charges, the Non-Paying Party must complete all of the following actions not later than ten (10) Business Days following receipt of the Billing Party's notice of Unpaid Charges.
- 9.3.1 notify the Billing Party in writing which portion(s) of the Unpaid Charges it disputes, including the total amount disputed (“**Disputed Amounts**”) and the specific details listed in Section 10.1 of this Agreement, together with the reasons for its dispute; and
- 9.3.2 pay all undisputed Unpaid Charges to the Billing Party; and
- 9.3.3 pay all Disputed Amounts into an interest bearing escrow account that complies with the requirements set forth in Section 8.4; and
- 9.3.4 furnish written evidence to the Billing Party that the Non-Paying Party has established an interest bearing escrow account that complies with all of the terms set forth in Section 8.4 and deposited a sum equal to the Disputed Amounts into that account. Subject to Section 8.4 preceding, until evidence that the full amount of the Disputed Charges has been deposited into an escrow account is furnished to the Billing Party, such Unpaid Charges will not be deemed to be “disputed” under Section 10.
- 9.4 Issues related to Disputed Amounts shall be resolved in accordance with the procedures identified in the Dispute Resolution provision set forth in Section 10.
- 9.5 **SBC-12STATE**
- 9.5.1 If the Non-Paying Party fails to (a) pay any undisputed Unpaid Charges in response to the Billing Party’s Section 9.2 notice, (b) deposit the disputed portion of any Unpaid Charges into an interest bearing escrow account that complies with all of the terms set forth in Section 8.4 within the time specified in Section 9.3, (c) timely furnish any assurance of payment requested in accordance with Section 7 or (d) make a payment in accordance with the terms of any mutually agreed payment arrangement, the Billing Party may, in addition to exercising any other rights or remedies it may have under Applicable Law, provide written demand to the Non-Paying Party for payment of any of the obligations set forth in (a)

through (d) of this Section within ten (10) Business Days. On the day that the Billing Party provides such written demand to the Non-Paying Party, the Billing Party may also exercise any or all of the following options:

9.5.1.1 suspend acceptance of any application, request or order from the Non-Paying Party for new or additional Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement; and/or

9.5.1.2 suspend completion of any pending application, request or order from the Non-Paying Party for new or additional Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement.

9.5.2 Notwithstanding anything to the contrary in this Agreement, the Billing Party's exercise of any of its options under Section 9.5.1, Section 9.5.1.1 and Section 9.5.1.2:

9.5.2.1 will not delay or relieve the Non-Paying Party's obligation to pay all charges on each and every invoice on or before the applicable Bill Due Date, and

9.5.2.2 will exclude any affected application, request, order or service from any otherwise applicable performance interval, Performance Benchmark or Performance Measure.

9.6 **SBC MIDWEST REGION 5-STATE ONLY**

9.6.1 If the Non-Paying Party fails to pay the Billing Party on or before the date specified in the demand provided under Section 9.5.1 of this Agreement, the Billing Party may, in addition to exercising any other rights or remedies it may have under Applicable Law,

9.6.1.1 cancel any pending application, request or order from the Non-Paying Party for new or additional Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement; and

9.6.1.2 discontinue providing Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement after notice to Non-Paying Party set forth in Section 9.5.1

- 9.6.1.2.1 Notwithstanding any inconsistent provisions in this Agreement, discontinuance of service by SBC INDIANA will comply with Indiana Utility Regulatory Commission rule 170 IAC 7-6.
- 9.6.1.2.2 The Billing Party has no liability to the Non-Paying Party or its End-Users in the event of discontinuance of service.
- 9.6.1.2.3 Additional charges may become applicable under the terms of this Agreement following discontinuance of service.

9.7 SBC-7STATE only

- 9.7.1 Any demand provided by SBC-7STATE to LEVEL 3 under Section 9.5.1 will further specify that upon disconnection of LEVEL 3, SBC-7STATE will cause LEVEL 3's End-Users that are provisioned through Resale Services to be transferred to SBC-7STATE local service.
 - 9.7.1.1 A copy of the demand provided to LEVEL 3 under Section 9.7.1 will be provided to the Commission
- 9.7.2 If the Non-Paying Party fails to pay the Billing Party on or before the date specified in the demand provided under Section 9.5.1 of this Agreement, the Billing Party may, in addition to exercising any other rights or remedies it may have under Applicable Law,
 - 9.7.2.1 cancel any pending application, request or order for new or additional Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement; and
 - 9.7.2.2 disconnect Interconnection, Resale Services, Network Elements, Collocation, functions, facilities, products or services under this Agreement after notice to Non-Paying Party set forth in Section 9.5.1.
 - 9.7.2.2.1 Notwithstanding any inconsistent provisions in this Agreement, disconnection of service by SBC KANSAS will comply with Kansas Corporation Commission Order Number 5 (dated March 25, 2002) in Docket 01-GIMT-649-GIT.

- 9.7.3 On the same date that Resale Services to **LEVEL 3** are disconnected, **SBC-7STATE** will transfer **LEVEL 3**'s End-Users provisioned through Resale Services to **SBC-7STATE**'s local service. To the extent available at retail from **SBC-7STATE**, the Resale End-Users transferred to **SBC-7STATE**'s local service will receive the same services that were provided through **LEVEL 3** immediately prior to the time of transfer; provided, however, **SBC-7STATE** reserves the right to toll restrict (both interLATA and intraLATA) such transferred End-Users.
- 9.7.3.1 Notwithstanding any inconsistent provisions in this Agreement, the transfer of Resale End-Users to **SBC MISSOURI** will comply with Missouri Public Service Commission Rule 4 CSR 240-32.120.
- 9.7.3.2 **SBC-7STATE** will inform the Commission of the names of all Resale End-Users transferred through this process.
- 9.7.3.3 Conversion charges and service establishment charges for transferring Resale End-Users to **SBC-7STATE** as specified in Section 9.7.3 will be billed to **LEVEL 3**.
- 9.7.3.4 The Billing Party has no liability to the Non-Paying Party or its End-Users in the event of disconnection of service in compliance with Section 9.7.2. **SBC-7STATE** has no liability to **LEVEL 3** or **LEVEL 3**'s End-Users in the event of disconnection of service to **LEVEL 3** and the transfer of any Resale End-Users to **SBC-7STATE** local service in connection with such disconnection.
- 9.7.4 Within five (5) calendar days following the transfer, **SBC-7STATE** will notify each transferred Resale End-User that because of **LEVEL 3**'s failure to pay **SBC-7STATE**, the End-User's local service is now being provided by **SBC-7STATE**. This notice will also advise each transferred Resale End-User that the End-User has thirty (30) calendar days from the date of transfer to select a new Local Service Provider.
- 9.7.4.1 Notwithstanding any inconsistent provisions in this Agreement, notice of transfer to Missouri Resale End-Users will comply with Missouri Public Service Commission Rule 4 CSR 240-32.120.
- 9.7.4.1.1 Notwithstanding any inconsistent provisions in this Agreement, notice of transfer to Kansas Resale End-Users will comply with Kansas Corporation Commission Order No. 5 (dated March 25, 2002) in Docket 01-GIMT-649-GIT.

9.7.5 The transferred Resale End-User shall be responsible for any and all charges incurred during the selection period other than those billed to **LEVEL 3** under Section 9.7.3.3.

9.7.6 If any Resale End-User transferred to **SBC-7STATE**'s local service under Section 9.7.3 of this Agreement fails to select a new Local Service Provider within thirty (30) calendar days of the transfer, **SBC-7STATE** may terminate the transferred Resale End-User's service.

9.7.6.1 **SBC-7STATE** will notify the Commission of the names of all transferred Resale End-Users whose local service was terminated pursuant to Section 9.7.5.

9.7.6.2 Nothing in this Agreement shall be interpreted to obligate **SBC-7STATE** to continue to provide local service to any transferred Resale End-User beyond the thirty (30) calendar day selection period. Nothing herein shall be interpreted to limit any and all disconnection rights **SBC-7STATE** has with regard to such transferred Resale End-Users under Applicable Law; provided, however,

9.7.6.2.1 in **SBC CALIFORNIA** only, following expiration of the selection period and disconnection of such transferred Resale End-Users, where facilities permit, **SBC CALIFORNIA** will furnish transferred and subsequently disconnected local residential End-Users with "quick dial tone."

9.8 **SBC CONNECTICUT** only

9.8.1 For nonpayment and procedures for disconnection for **SBC CONNECTICUT**, see the applicable **DPUC** ordered tariff.

10. DISPUTE RESOLUTION

10.1 No claims, under this Agreement or its Appendices, shall be brought for disputed amounts more than twelve (12) months from the date of occurrence which gives rise to the dispute. Under this Section 10.1, if any portion of an amount due to a Party (the "Billing Party" under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall within forty five (45) days of its receipt of the invoice containing such disputed amount give notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item.

LEVEL 3 will utilize the standard form provided by the appropriate LSC/LECC or CSC (in the case of claims relating to collocation) for submission of billing disputes. The Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party and (ii) all Disputed Amounts into an interest bearing escrow account with a third party escrow agent mutually agreed upon by the Parties.

- 10.2 If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within forty five (45) days after delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties shall appoint a designated representative who has authority to settle the dispute and who is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute.
- 10.3 If the Parties are unable to resolve issues related to the Disputed Amounts within forty five (45) days after the Parties' appointment of designated representatives pursuant to Section 10.2, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy pursuant to law or equity. The Commission may direct release of any or all funds (including any accrued interest) in the escrow account, plus applicable late fees, to be paid to either Party.
- 10.4 The Parties agree that all negotiations and documents exchanged during negotiations pursuant to this Section 10, if marked “Confidential” or “Proprietary”, shall be treated as Confidential or Proprietary Information in accordance with Section 20.1.
- 10.5 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law.
- 10.6 Dispute Resolution.
- 10.6.1 No claims shall be brought for disputes arising under this Agreement or its Appendices more than twenty-four (24) months from the date of occurrence which gives rise to the dispute.
- 10.6.2 For disputes other than disputed amounts under this Agreement or its Appendices the Parties agree to appoint a designated representative as set forth in Section 10.2 and if unable to resolve the dispute, proceed as set forth in Section 10.3.

10.6.3 Nothing in sections 10.2 and 10.3 shall be construed to preclude or limit either Party from seeking immediate injunctive relief from a court or agency with competent jurisdiction to the extent it deems necessary.

11. AUDITS – Applicable in SBC-12STATE only

11.1 Subject to the restrictions set forth in Section 20 and except as may be otherwise expressly provided in this Agreement, a Party (the “**Auditing Party**”) may audit the other Party’s (the “**Audited Party**”) books, records, data and other documents, as provided herein, once annually, with the audit period commencing not earlier than the date on which services were first supplied under this Agreement (“**service start date**”) for the purpose of evaluating (i) the accuracy of Audited Party’s billing and invoicing of the services provided hereunder and (ii) verification of compliance with any provision of this Agreement that affects the accuracy of Auditing Party's billing and invoicing of the services provided to Audited Party hereunder. Notwithstanding the foregoing, an Auditing Party may audit the Audited Party’s books, records and documents more than once annually if the previous audit found (i) previously uncorrected net variances or errors in invoices in Audited Party’s favor with an aggregate value of at least five percent (5%) of the amounts payable by Auditing Party for audited services provided during the period covered by the audit or (ii) non-compliance by Audited Party with any provision of this Agreement affecting Auditing Party's billing and invoicing of the services provided to Audited Party with an aggregate value of at least five percent (5%) of the amounts payable by Audited Party for audited services provided during the period covered by the audit.

11.1.1 The scope of the audit shall be limited to the period which is the shorter of (i) the period subsequent to the last day of the period covered by the audit which was last performed (or if no audit has been performed, the service start date and (ii) the twelve (12) month period immediately preceding the date the Audited Party received notice of such requested audit, but in any event not prior to the service start date. Such audit shall begin no fewer than thirty (30) days after Audited Party receives a written notice requesting an audit and shall be completed no later than thirty (30) days after the start of such audit.

11.1.2 Such audit shall be conducted either by the Auditing Party's employee(s) or an independent auditor acceptable to both Parties; provided, however, if the Audited Party requests that an independent auditor be engaged and the Auditing Party agrees, the Audited Party shall pay one-quarter (1/4) of the independent auditor's fees and expenses. If an independent auditor is to be

engaged, the Parties shall select an auditor by the thirtieth (30) day following Audited Party's receipt of a written audit notice. Auditing Party shall cause the independent auditor to execute a nondisclosure agreement in a form agreed upon by the Parties.

- 11.1.3 Each audit shall be conducted on the premises of the Audited Party during normal business hours. Audited Party shall cooperate fully in any such audit and shall provide the auditor reasonable access to any and all appropriate Audited Party employees and any books, records and other documents reasonably necessary to assess (i) the accuracy of Audited Party's bills and (ii) Audited Party's compliance with the provisions of this Agreement that affect the accuracy of Auditing Party's billing and invoicing of the services provided to Audited Party hereunder. Audited Party may redact from the books, records and other documents provided to the auditor any Audited Party Proprietary Information that reveals the identity of End-Users of Audited Party.
- 11.1.4 Each Party shall maintain reports, records and data relevant to the billing of any services that are the subject matter of this Agreement for a period of not less than eighteen (18) months after creation thereof, unless a longer period is required by Applicable Law.
- 11.1.5 If any audit confirms any undercharge or overcharge, then Audited Party shall (i) promptly correct any billing error, including making refund of any overpayment by Auditing Party in the form of a credit on the invoice for the first full billing cycle after the Parties have agreed upon the accuracy of the audit results and (ii) for any undercharge caused by the actions of the Audited Party, immediately compensate Auditing Party for such undercharge, and (iii) in each case, calculate and pay interest as provided in Section 8.1 (depending on the SBC Parties involved), for the number of days from the date on which such undercharge or overcharge originated until the date on which such credit is issued or payment is made and available.
- 11.1.6 Except as may be otherwise provided in this Agreement, audits shall be performed at Auditing Party's expense, subject to reimbursement by Audited Party of one-quarter (1/4) of any independent auditor's fees and expenses in the event that an audit finds, and the Parties subsequently verify, a net adjustment in the charges paid or payable by Auditing Party hereunder by an amount that is, on an annualized basis, greater than five percent (5%) of the aggregate charges for the audited services during the period covered by the audit.

11.1.7 Any disputes concerning audit results shall be referred to the Parties' respective personnel responsible for informal resolution. If these individuals cannot resolve the dispute within thirty (30) days of the referral, either Party may request in writing that an additional audit shall be conducted by an independent auditor acceptable to both Parties, subject to the requirements set out in Section 11.1. Any additional audit shall be at the requesting Party's expense.

11.2 Audits - **SBC CONNECTICUT** only

11.2.1 Except as provided in Appendix Compensation, **SBC CONNECTICUT** shall arrange for one (1) annual independent audit to be conducted by a "Big Six" independent public accounting firm or an accounting firm mutually agreed to by **SBC CONNECTICUT, LEVEL 3** and all other CLECs doing business with **SBC CONNECTICUT** under the terms of an agreement adopted pursuant to Sections 251 and 252 of the Act for the purpose of evaluating the accuracy of **SBC CONNECTICUT**'s billing and invoicing.

11.2.2 **SBC CONNECTICUT** will cooperate fully with the independent auditor in such audit and provide reasonable access to any and all appropriate **SBC CONNECTICUT** employees, books, records and other documents reasonably necessary to perform the audit.

11.2.3 **SBC CONNECTICUT** shall promptly correct any billing error that is revealed in the audit, including making refund of any overpayment to **LEVEL 3** in the form of a credit on the invoice for the first full billing cycle after the audit report is issued; such refund shall include interest on the overpayment at the rate of eight percent (8%) per year. In the event that the audit reveals any underbilling and resulting underpayment to **SBC CONNECTICUT** by **LEVEL 3**, the underpayment shall be reflected in **LEVEL 3**'s invoice for the first full billing cycle after the audit report is issued. **SBC CONNECTICUT** will not be entitled to recover interest on any underbilling to **LEVEL 3** revealed by the audit for the time preceding the amount appearing on **LEVEL 3**'s bill from **SBC CONNECTICUT**, however, **SBC CONNECTICUT** shall be entitled to recover interest at the interest rate referenced in Section 8.1.5.1 on such underbilling and **LEVEL 3** shall pay interest for the number of days from the Bill Due Date of the bill on which such underbilling was rectified until the date on which payment is made and available to **SBC CONNECTICUT**.

12. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

12.1 EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NO PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE INTERCONNECTION, RESALE SERVICES, NETWORK ELEMENTS, FUNCTIONS, FACILITIES, PRODUCTS AND SERVICES IT PROVIDES UNDER OR IS CONTEMPLATED TO PROVIDE UNDER THIS AGREEMENT AND EACH PARTY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR OF FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, NEITHER **SBC-13STATE** NOR **LEVEL 3** ASSUMES RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.

13. LIMITATION OF LIABILITY

13.1 Except for indemnity obligations expressly set forth herein or as otherwise expressly provided in specific appendices, each Party's liability to the other Party for any Loss relating to or arising out of such Party's performance under this Agreement, including any negligent act or omission, whether in contract, tort or otherwise, including alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement also constitute a violation of a statute, including the Act, shall not exceed in total the amount **SBC-13STATE** or **LEVEL 3** has charged or would have charged to the other Party for the affected Interconnection, Resale Services, Network Elements, functions, facilities, products and service(s) that were not performed or were improperly performed.

13.2 Except as otherwise expressly provided in specific appendices, in the case of any Loss alleged or claimed by a Third Party to have arisen out of the negligence or willful misconduct of any Party, each Party shall bear, and its obligation shall be limited to, that portion (as mutually agreed to by the Parties or as otherwise established) of the resulting expense caused by its own negligence or willful misconduct or that of its agents, servants, contractors, or others acting in aid or concert with it.

13.3 A Party may, in its sole discretion, provide in its tariffs and contracts with its End-Users or Third Parties that relate to any Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided or contemplated under this Agreement that, to the maximum extent permitted by Applicable Law, such Party shall not be liable to such 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 the End-User or Third Party for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services that gave rise to such Loss and (ii) any Consequential Damages. If a Party elects not to place in its tariffs or contracts such limitation(s) of liability, and the other Party incurs a Loss as a result thereof, the first 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 limitation(s) of liability described in this Section 13.3.

- 13.4 Neither **LEVEL 3** nor **SBC-13STATE** shall be liable to the other Party for any Consequential Damages suffered by the other Party, regardless of the form of action, whether in contract, warranty, strict liability, tort or otherwise, including negligence of any kind, whether active or passive (and including alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement constitutes a violation of the Act or other statute), and regardless of whether the Parties knew or had been advised of the possibility that such damages could result in connection with or arising from anything said, omitted, or done hereunder or related hereto, including willful acts or omissions; provided that the foregoing shall not limit a Party's obligation under Section 14.2 to indemnify, defend, and hold the other Party harmless against any amounts payable to a Third Party, including any Losses, and Consequential Damages of such Third Party; provided, however, that nothing in this Section 13.4 shall impose indemnity obligations on a Party for any Loss or Consequential Damages suffered by a Party's End-User in connection with any affected Interconnection, Resale Services, Network Elements, functions, facilities, products and services. Except as provided in the prior sentence, each Party hereby releases and holds harmless the other Party (and such other Party's Affiliates, and their respective officers, directors, employees and agents) from any such Claim.
- 13.5 **SBC-13STATE** shall not be liable for damages to a End-User's premises resulting from the furnishing of any Interconnection, Resale Services, Network Elements, functions, facilities, products or services, including, if applicable, the installation and removal of equipment and associated wiring, unless the damage is caused by **SBC-13STATE**'s gross negligence or willful misconduct. **SBC-13STATE** does not guarantee or make any warranty with respect to Interconnection, Resale Services, Network Elements, functions, facilities, products or services when used in an explosive atmosphere.

- 13.6 **LEVEL 3** hereby releases **SBC-13STATE** from any and all liability for damages due to errors or omissions in **LEVEL 3**'s End-User listing information as provided by **LEVEL 3** to **SBC-13STATE** under this Agreement, including any errors or omissions occurring in **LEVEL 3**'s End-User listing information as it appears in the White Pages directory, including, but not limited to, special, indirect, Consequential, punitive or incidental damages.
- 13.7 **SBC-13 STATE** shall not be liable to **LEVEL 3**, its End-User or any other Person for any Loss alleged to arise out of the provision of access to 911 service or any errors, interruptions, defects, failures or malfunctions of 911 service.
- 13.8 This Section 13 is not intended to exempt any Party from all liability under this Agreement, but only to set forth the scope of liability agreed to and the type of damages that are recoverable. Both Parties acknowledge that they negotiated regarding alternate limitation of liability provisions but that such provisions would have altered the cost, and thus the price, of providing the Interconnection, Resale Services, Network Elements, functions, facilities, products and services available hereunder, and no different pricing reflecting different costs and different limits of liability was agreed to.

14. INDEMNITY

- 14.1 Except as otherwise expressly provided herein or in specific appendices, each Party shall be responsible only for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services which are provided by that Party, its authorized agents, subcontractors, or others retained by such Parties, and neither Party shall bear any responsibility for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided by the other Party, its agents, subcontractors, or others retained by such Parties.
- 14.2 Except as otherwise expressly provided herein or in specific appendices, and to the extent not prohibited by Applicable Law and not otherwise controlled by tariff, each Party (the "**Indemnifying Party**") shall release, defend and indemnify the other Party (the "**Indemnified Party**") and hold such Indemnified Party harmless against any Loss to a Third Party arising out of the negligence or willful misconduct ("**Fault**") of such Indemnifying Party, its agents, its End-Users, contractors, or others retained by such Parties, in connection with the Indemnifying Party's provision of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement; provided, however, that (i) with respect to employees or agents of the Indemnifying Party, such Fault occurs while performing within the scope of their employment, (ii) with respect to subcontractors of the Indemnifying Party, such

Fault occurs in the course of performing duties of the subcontractor under its subcontract with the Indemnifying Party, and (iii) with respect to the Fault of employees or agents of such subcontractor, such Fault occurs while performing within the scope of their employment by the subcontractor with respect to such duties of the subcontractor under the subcontract.

- 14.3 In the case of any Loss alleged or claimed by a End-User of either Party, the Party whose End-User alleged or claimed such Loss (the “**Indemnifying Party**”) shall defend and indemnify the other Party (the “**Indemnified Party**”) against any and all such Claims or Losses by its End-User regardless of whether the underlying Interconnection, Resale Service, Network Element, function, facility, product or service giving rise to such Claim or Loss was provided or provisioned by the Indemnified Party, unless the Claim or Loss was caused by the gross negligence or willful misconduct of the Indemnified Party.
- 14.4 A Party (the “**Indemnifying Party**”) shall defend, indemnify and hold harmless the other Party (“**Indemnified Party**”) against any Claim or Loss arising from the Indemnifying Party’s use of Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided under this Agreement involving:
- 14.4.1 any Claim or Loss arising from such Indemnifying Party’s use of Interconnection, Resale Services, Network Elements, functions, facilities, products and services offered under this Agreement, involving any Claim for libel, slander, invasion of privacy, or infringement of Intellectual Property rights arising from the Indemnifying Party’s own communications or the communications of such Indemnifying Party’s End-Users.
- 14.4.1.1 The foregoing includes any Claims or Losses arising from disclosure of any End-User-specific information associated with either the originating or terminating numbers used to provision Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided hereunder and all other Claims arising out of any act or omission of the End-User in the course of using any Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided pursuant to this Agreement.
- 14.4.1.2 The foregoing includes any Losses arising from Claims for actual or alleged infringement of any Intellectual Property right of a Third Party to the extent that such Loss arises from an

Indemnified Party's or an Indemnified Party's End-User's use of Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided under this Agreement; provided, however, that an Indemnifying Party's obligation to defend and indemnify the Indemnified Party shall not apply in the case of:

- 14.4.1.2.1 any use by an Indemnified Party or its End-User of an Interconnection, Resale Service, Network Element, function, facility, product or service in combination with an Interconnection, Resale Service, Network Element, function, facility, product or service supplied by the Indemnified Party or Persons other than the Indemnifying Party; or
 - 14.4.1.2.2 where an Indemnified Party or its End-User modifies or directs the Indemnifying Party to modify such Interconnection, Resale Services, Network Elements, functions, facilities, products or services; and
 - 14.4.1.2.3 no infringement would have occurred without such combined use or modification.
- 14.4.2 any and all penalties imposed on either Party because of the Indemnifying Party's failure to comply with the Communications Assistance to Law Enforcement Act of 1994 (**CALEA**); provided that the Indemnifying Party shall also, at its sole cost and expense, pay any amounts necessary to modify or replace any equipment, facilities or services provided to the Indemnified Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA.
- 14.5 **LEVEL 3** acknowledges that its right under this Agreement to Interconnect with **SBC-13STATE**'s network and to unbundle and/or combine **SBC13-STATE**'s Network Elements (including combining with **LEVEL 3**'s Network Elements) may be affected by Intellectual Property rights and contract rights of Third Parties absent **SBC-13STATE**'s pursuit of the requisite Intellectual Property and contract rights.
- 14.5.1 To the extent required by the FCC in *In the Matter of MCI for Declaratory Ruling*, CC Docket No. 96-98, FCC 00-139 (Rel. April 27, 2000), it is the obligation of **SBC-13STATE** to use best efforts to obtain any consents,

authorizations, or licenses to or for any Third Party Intellectual Property rights that may be necessary for **LEVEL 3**'s use of Interconnection, Network Elements, functions, facilities, products and services furnished under this Agreement. In particular, **SBC-13STATE** must exercise its best efforts to obtain co-extensive Third Party Intellectual Property rights needed for **LEVEL 3** to utilize network elements in the same manner as **SBC-13STATE** that are equal in quality to the Third Party Intellectual Property rights that **SBC-13STATE** obtains for itself. The costs of such Third Party Intellectual Property rights shall be considered with all other costs that go into determining the price of an unbundled network element.

- 14.5.2 Subject to **SBC TEXAS**' obligations under any Commission decisions and except as expressly stated in this Agreement, **SBC TEXAS** does not and shall not indemnify, defend or hold **LEVEL 3** harmless, nor be responsible for indemnifying or defending, or holding **LEVEL 3** harmless, for any Claims or Losses for actual or alleged infringement of any Intellectual Property right or interference with or violation of any contract right that arises out of, is caused by, or relates to **LEVEL 3**'s Interconnection with **SBC TEXAS**' network and unbundling and/or combining **SBC TEXAS**' Network Elements (including combining with **LEVEL 3**'s Network Elements) or **LEVEL 3**'s use of other functions, facilities, products or services furnished under this Agreement.
- 14.6 Subject to **SBC TEXAS**' and **SBC ILLINOIS**' obligations under any Commission decision and except as expressly stated in this Agreement, **LEVEL 3** agrees to release, indemnify and hold **SBC TEXAS** and **SBC ILLINOIS** harmless from and against all Losses arising out of, caused by, or relating to any real or potential claim that **LEVEL 3**'s Interconnection with **SBC TEXAS**' or **SBC ILLINOIS**' network, or **LEVEL 3**'s use of **SBC TEXAS**' Network Elements beyond the uses **SBC TEXAS** or **SBC ILLINOIS** make of the Network Element, or unbundling and/or combining of **SBC TEXAS**' Network Elements (including combining with **LEVEL 3**'s Network Elements) in a manner not contemplated by **SBC TEXAS**' and **SBC ILLINOIS**' licenses, or **LEVEL 3**'s use of other functions, facilities, products or services furnished under this Agreement violates or infringes upon any Third Party Intellectual Property rights or constitutes a breach of contract. In no event shall **SBC TEXAS** be liable for any actual or Consequential Damages that **LEVEL 3** may suffer arising out of same.
- 14.7 **LEVEL 3** shall reimburse **SBC-13STATE** for damages to **SBC-13STATE**'s facilities utilized to provide Interconnection or unbundled Network Elements hereunder caused by the negligence or willful act of **LEVEL 3**, its agents or

subcontractors or LEVEL 3's End-User or resulting from LEVEL 3's improper use of SBC-13STATE's facilities, or due to malfunction of any facilities, functions, products, services or equipment provided by any person or entity other than SBC-13STATE. Upon reimbursement for damages, SBC-13STATE will cooperate with LEVEL 3 in prosecuting a claim against the person causing such damage. LEVEL 3 shall be subrogated to the right of recovery by SBC-13STATE for the damages to the extent of such payment.

14.8 Indemnification Procedures

- 14.8.1 Whenever a claim shall arise for indemnification under this Section 14, the relevant Indemnified Party, as appropriate, shall promptly notify the Indemnifying Party and request in writing the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such claim.
- 14.8.2 The Indemnifying Party shall have the right to defend against such liability or assertion, in which event the Indemnifying Party shall give written notice to the Indemnified Party of acceptance of the defense of such claim and the identity of counsel selected by the Indemnifying Party.
- 14.8.3 Until such time as the Indemnifying Party provides written notice of acceptance of the defense of such claim, the Indemnified Party shall defend such claim, at the expense of the Indemnifying Party, subject to any right of the Indemnifying Party to seek reimbursement for the costs of such defense in the event that it is determined that the Indemnifying Party had no obligation to indemnify the Indemnified Party for such claim.
- 14.8.4 Upon accepting the defense, the Indemnifying Party shall have exclusive right to control and conduct the defense and settlement of any such claims, subject to consultation with the Indemnified Party. So long as the Indemnifying Party is controlling and conducting the defense, the Indemnifying Party shall not be liable for any settlement by the Indemnified Party unless such Indemnifying Party has approved such settlement in advance and agrees to be bound by the agreement incorporating such settlement.
- 14.8.5 At any time, an Indemnified Party shall have the right to refuse a compromise or settlement, and, at such refusing Party's cost, to take over such defense; provided that, in such event the Indemnifying Party shall not

be responsible for, nor shall it be obligated to indemnify the refusing Party against, any cost or liability in excess of such refused compromise or settlement.

- 14.8.6 With respect to any defense accepted by the Indemnifying Party, the Indemnified Party will be entitled to participate with the Indemnifying Party in such defense if the claim requests equitable relief or other relief that could affect the rights of the Indemnified Party, and shall also be entitled to employ separate counsel for such defense at such Indemnified Party's expense.
- 14.8.7 If the Indemnifying Party does not accept the defense of any indemnified claim as provided above, the Indemnified Party shall have the right to employ counsel for such defense at the expense of the Indemnifying Party.
- 14.8.8 In the event of a failure to assume the defense, the Indemnified Party may negotiate a settlement, which shall be presented to the Indemnifying Party. If the Indemnifying Party refuses to agree to the presented settlement, the Indemnifying Party may take over the defense. If the Indemnifying Party refuses to agree to the presented settlement and refuses to take over the defense, the Indemnifying Party shall be liable for any reasonable cash settlement not involving any admission of liability by the Indemnifying Party, though such settlement may have been made by the Indemnified Party without approval of the Indemnifying Party, it being the Parties' intent that no settlement involving a non-monetary concession by the Indemnifying Party, including an admission of liability by such Party, shall take effect without the written approval of the Indemnifying Party.
- 14.8.9 Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such claim and the relevant records of each Party shall be available to the other Party with respect to any such defense, subject to the restrictions and limitations set forth in Section 20.

15. REMEDIES

- 15.1 Except as otherwise provided in this Agreement, no remedy set forth herein is intended to be exclusive and each and every remedy shall be cumulative and in addition to any other rights or remedies now or hereafter existing under Applicable Law or otherwise.

16. INTELLECTUAL PROPERTY

16.1 Intellectual Property - SBC-13STATE

16.1.1 In order for LEVEL 3 to determine the extent to which SBC-13STATE is entitled to use a particular network element, SBC-13-STATE will provide to LEVEL 3 a list of all vendors/licensors applicable to unbundled Network Element(s) (which vendors have provided SBC-13STATE a software license) within seven (7) days of LEVEL 3's request for such a list. The list provided by SBC-13-STATE shall at a minimum detail the names of the specific third party vendors, the subject intellectual property, and the relevant contracts which govern SBC-13-STATE's use of that intellectual property.

16.1.2 Any Intellectual Property that originates from or is developed by a Party shall remain in the exclusive ownership 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.

16.1.3 SBC-13STATE will indemnify LEVEL 3 for any claims of infringement arising from LEVEL 3's use of Intellectual Property within the scope of any license agreement negotiated by SBC-13STATE for LEVEL 3. LEVEL 3 will indemnify SBC-13STATE for any claims of infringement arising from LEVEL 3's use of Intellectual Property beyond that which differs from SBC-13STATE's use and was not within the scope contemplated by the license agreement negotiated by SBC-13STATE for LEVEL 3 if such agreement is obtained.

17. NOTICES

17.1 Subject to Section 17.2, notices given by one Party to the other Party under this Agreement shall be in writing (unless specifically provided otherwise herein), and unless otherwise expressly required by this Agreement to be delivered to another representative or point of contact, shall be:

17.1.1 delivered personally;

17.1.2 delivered by express overnight delivery service;

17.1.3 mailed, via certified mail or first class U.S. Postal Service, with postage prepaid, and a return receipt requested; or

17.1.4 delivered by facsimile; provided that a paper copy is also sent by a method described in (a), (b) or (c) of this Section 17.

17.1.5 Notices will be deemed given as of the earliest of:

17.1.5.1 the date of actual receipt,

17.1.5.2 the next Business Day when sent via express overnight delivery service,

17.1.5.3 five (5) days after mailing in the case of first class or certified U.S. Postal Service, or

17.1.5.4 on the date set forth on the confirmation produced by the sending facsimile machine when delivered by facsimile prior to 5:00 p.m. in the recipient's time zone, but the next Business Day when delivered by facsimile at 5:00 p.m. or later in the recipient's time zone.

17.1.6 Notices will be addressed to the Parties as follows:

NOTICE CONTACT	CLEC CONTACT	<u>SBC-13STATE CONTACT</u>
NAME/TITLE	Director–Interconnection Services	Contract Administration ATTN: Notices Manager
STREET ADDRESS	1025 Eldorado Boulevard	311 S. Akard, 9 th Floor Four Bell Plaza
CITY, STATE, ZIP CODE	Broomfield, CO 80021	Dallas, TX 75202-5398
TELEPHONE NUMBER	(720) 888-2620	214-464-1933
FACSIMILE NUMBER	(720) 888-5134	214-464-2006

17.1.7 Either Party may unilaterally change its designated contact, address, telephone number and/or facsimile number for the receipt of notices by giving written notice to the other Party in compliance with this Section. Any notice to change the designated contact, address, telephone and/or facsimile number for the receipt of notices shall be deemed effective ten (10) days following receipt by the other Party.

17.2 **SBC-8STATE** communicates official information to **LEVEL 3** via its Accessible Letter notification process. This process covers a variety of subjects, including

updates on products/services promotions; deployment of new products/services; modifications and price changes to existing products/services; cancellation or retirement of existing products/services; and operational issues.

- 17.3 In the **SBC-8STATES**, **LEVEL 3** may elect in writing to receive Accessible Letter notification via electronic mail (“**e-mail**”) distribution, either in lieu of or in addition to United States Postal Service (postage prepaid) distribution. **LEVEL 3** acknowledges that United States Postal Service (postage prepaid) delivery will delay receipt of the information for a minimum of three (3) to five (5) days from the date the information is made available via e-mail. Accessible Letter notification via e-mail will be deemed given as of the earlier of the date of actual receipt and the date set forth on the e-mail receipt.
- 17.4 In **SBC-8STATE**, **LEVEL 3** may designate an unlimited number of recipients for Accessible Letter notification via e-mail, but **LEVEL 3** is limited to designating a maximum of four (4) recipients (in addition to the **LEVEL 3** contact designated in Section 17.1) for Accessible Letter notification via United States Postal Service (postage prepaid).
- 17.5 In **SBC-8STATE**, **LEVEL 3** shall submit a completed Notices / Accessible Letter Recipient Change Request Form (available on the applicable **SBC-8STATE**'s **LEVEL 3** Handbook website) to the individual specified on that form to designate in writing each individual (other than the **LEVEL 3** contact designated in Section 17.1) to whom **LEVEL 3** requests Accessible Letter notification be sent, whether via e-mail or United States Postal Service. **LEVEL 3** shall submit a completed Notices / Accessible Letter Recipient Change Request Form to add, remove or change recipient information for any **LEVEL 3** recipient of Accessible Letters (other than the **LEVEL 3** contact designated in Section 17.1). Any completed Notices / Accessible Letter Recipient Change Request Form shall be deemed effective ten (10) days following receipt by **SBC-8STATE**.
- 17.6 **SBC SOUTHWEST REGION 5-STATE only:**
- 17.6.1 **SBC SOUTHWEST REGION 5-STATE** shall provide a toll free facsimile number to **LEVEL 3** for the submission of requests for Resale Services and Network Elements under this Agreement; **LEVEL 3** shall provide **SBC SOUTHWEST REGION 5-STATE** with a toll free facsimile number for notices from **SBC SOUTHWEST REGION 5-STATE** relating to requests for Resale Services and Network Elements under this Agreement.

17.7 INTENTIONALLY LEFT BLANK.

18. PUBLICITY AND USE OF TRADEMARKS OR SERVICE MARKS

18.1 Neither Party nor its subcontractors or agents shall use in any advertising or sales promotion, press releases, or other publicity matters any endorsements, direct or indirect quotes, or pictures that imply endorsement by the other Party or any of its employees without such first Party's prior written approval. The Parties will submit to each other for written approval, prior to publication, all publicity matters that mention or display one another's name and/or marks or contain language from which a connection to said name and/or marks may be inferred or implied; the Party to whom a request is directed shall respond promptly. Nothing herein, however, shall be construed as preventing either Party from publicly stating the fact that it has executed this Agreement with the other Party.

18.2 Nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, logos, proprietary trade dress or trade names of the other Party in any advertising, press releases, publicity matters, marketing and/or promotional materials or for any other commercial purpose without prior written approval from such other Party.

19. NO LICENSE

19.1 Except at otherwise expressly provided in this Agreement, no license under patents, copyrights or any other Intellectual Property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either Party or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

20. CONFIDENTIALITY

20.1 All information, including specifications, microfilm, photocopies, magnetic disks, magnetic tapes, audit information, models, system interfaces, forecasts, computer programs, software, documentation, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data shall be deemed "Confidential" or "Proprietary" (**collectively "Proprietary Information"**) if:

20.1.1 Furnished or made available or otherwise disclosed by one Party (the **"Disclosing Party"**) or its agent, employee, representative or Affiliate to

the other Party (the “**Receiving Party**”) or its agent, employee, representative or Affiliate dealing with End-User-specific, facility-specific, or usage-specific information, other than End-User information communicated for the purpose of publication or directory database inclusion, 911, call processing, billing or settlement or for such other purposes as mutually agreed upon;

- 20.1.2 In written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary"; or
- 20.1.3 Communicated orally and declared to the Receiving Party at the time of delivery to be "Confidential" or "Proprietary", and which shall be summarized in writing and marked "Confidential" or "Proprietary" and delivered to the Receiving Party within ten (10) days following such disclosure; and
- 20.1.4 Any portion of any notes, analyses, data, compilations, studies, interpretations or other documents prepared by any Receiving Party to the extent the same contain, reflect, are derived from, or are based upon, any of the information described in this Section 20, unless such information contained or reflected in such notes, analyses, etc. is so commingled with the Receiving Party’s information that disclosure could not possibly disclose the underlying proprietary or confidential information (such portions of such notes, analyses, etc. referred to herein as “**Derivative Information**”).

20.2 Proprietary Information Shall be Held in Confidence

20.2.1 Each Receiving Party agrees that:

- (a) all Proprietary Information communicated to it or any of its agents, employees, representatives and Affiliates in connection with this Agreement shall be held in confidence to the same extent as such Receiving Party holds its own confidential information of like importance; provided that such Receiving Party and its agents, employees, representatives and Affiliates shall not use less than a reasonable standard of care in maintaining the confidentiality of such information;
- (b) it will not, and it will not permit any of its agents, employees, representatives and Affiliates to disclose such Proprietary Information to any Third Party;

- (c) it will disclose Proprietary Information only to those of its agents, employees, representatives and Affiliates who have a need for it in connection with the use or provision of any services required to fulfill this Agreement; and
- (d) it will, and will cause each of its agents, employees, representatives and Affiliates, to use such Proprietary Information only to perform its obligations under this Agreement or to use services provided by the Disclosing Party hereunder and for no other purpose, including its own marketing purposes.

20.2.2 A Receiving Party may disclose Proprietary Information of a Disclosing Party to the Receiving Party's agents, employees, representatives and Affiliates who need to know such information to perform their obligations under this Agreement; provided that before disclosing any Proprietary Information to any agent, employee, representative or Affiliate, the Receiving Party shall notify such agent, employee, representative or Affiliate of such Party's obligation to comply with this Agreement. Any Receiving Party so disclosing Proprietary Information shall be jointly and severally liable for any breach of this Agreement by any of its agents, employees, representatives and Affiliates and such Receiving Party agrees, at its sole expense, to use its reasonable efforts (including court proceedings) to restrain its agents, employees, representatives and Affiliates from any prohibited or unauthorized disclosure or use of the Proprietary Information. Each Receiving Party making such disclosure shall notify the Disclosing Party as soon as possible if it has knowledge of a breach of this Agreement in any material respect.

20.2.3 Proprietary Information shall not be reproduced by any Receiving Party in any form except to the extent (i) necessary to comply with the provisions of Section 20.5 and (ii) reasonably necessary to perform its obligations under this Agreement. All such reproductions shall bear the same copyright and proprietary rights notices as are contained in or on the original.

20.3 Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information that:

20.3.1 Was at the time of receipt, already known to the Receiving Party, free of any obligation to keep confidential and evidenced by written records prepared prior to delivery by the Disclosing Party; or

- 20.3.2 Is, or becomes, publicly known through no wrongful act of the Receiving Party; or
- 20.3.3 Is rightfully received from a Third Party having no direct or indirect secrecy or confidentiality obligation to the Disclosing Party with respect to such information; provided that such Receiving Party has exercised commercially reasonable efforts to determine whether such Third Party has any such obligation; or
- 20.3.4 Is independently developed by an agent, employee representative or Affiliate of the Receiving Party and such Party is not involved in any manner with the provision of services pursuant to this Agreement and does not have any direct or indirect access to the Proprietary Information; or
- 20.3.5 Is disclosed to a Third Party by the Disclosing Party without similar restrictions on such Third Party's rights; or
- 20.3.6 Is approved for release by written authorization of the Disclosing Party, but only to the extent of the authorization granted; or
- 20.3.7 Is required to be made public by the Receiving Party pursuant to Applicable Law or regulation, provided that such production or disclosure shall have been made in accordance with Section 20.5.
- 20.4 Proposed Disclosure of Proprietary Information to a Governmental Authority
- 20.4.1 If a Receiving Party desires to disclose or provide to a Commission, the FCC or any other governmental authority any Proprietary Information of the Disclosing Party, such Receiving Party shall, prior to and as a condition of such disclosure, (i) provide the Disclosing Party with written notice and the form of such proposed disclosure as soon as possible but in any event early enough to allow the Disclosing Party to protect its interests in the Proprietary Information to be disclosed and (ii) attempt to obtain in accordance with the applicable procedures of the intended recipient of such Proprietary Information an appropriate order for protective relief or other reliable assurance that confidential treatment shall be accorded to such Proprietary Information.
- 20.4.2 If a Receiving Party is required by any Governmental Authority or by Applicable Law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of

such requirement as soon as possible, and in no event later than five (5) calendar days after receipt of such requirement, and prior to such disclosure. Upon receipt of written notice of the requirement to disclose Proprietary Information, the Disclosing Party at its expense, may then either seek appropriate protective relief in advance of such requirement to prevent all or part of such disclosure or waive the Receiving Party's compliance with this Section 20.4 with respect to all or part of such requirement.

20.4.3 The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to seek pursuant to this Section 20.4. In the absence of such relief, if the Receiving Party is legally compelled to disclose any Proprietary Information, then the Receiving Party shall exercise all commercially reasonable efforts to preserve the confidentiality of the Proprietary information, including cooperating with the Disclosing Party to obtain an appropriate order for protective relief or other reliable assurance that confidential treatment will be accorded the Proprietary Information.

20.5 Notwithstanding any of the foregoing, **SBC-13STATE** and **LEVEL 3** shall be entitled to disclose Proprietary Information on a confidential basis to regulatory agencies upon request for information as to **SBC-13STATE**'s activities under the Act and need not provide prior written notice of such disclosure if the Party has obtained an appropriate order for protective relief that confidential treatment shall be accorded to such Proprietary Information.

20.6 **Return of Proprietary Information**

20.6.1 All Proprietary Information, other than Derivative Information, shall remain the property of the Disclosing Party, and all documents or other tangible media delivered to the Receiving Party that embody such Proprietary Information shall be, at the option of the Disclosing Party, either promptly returned to Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Proprietary Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement.

20.6.2 At the request of the Disclosing Party, any Derivative Information shall be, at the option of the Receiving Party, either promptly returned to the

Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Derivative Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement.

- 20.6.3 The Receiving Party may at any time either return the Proprietary Information to the Disclosing Party or destroy such Proprietary Information. If the Receiving Party elects to destroy Proprietary Information, all copies of such information shall be destroyed and upon the written request of the Disclosing Party, the Receiving Party shall provide to the Disclosing Party written certification of such destruction. The destruction or return of Proprietary information shall not relieve any Receiving Party of its obligation to continue to treat such Proprietary Information in the manner required by this Agreement.
- 20.7 Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement and each Party's obligation to safeguard Proprietary Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.
- 20.8 Pursuant to Section 222(b) of the Act, both Parties agree to limit their use of Proprietary Information received from the other to the permitted purposes identified in the Act.
- 20.9 Each Party has the right to refuse to accept any Confidential Information under this Agreement, and nothing herein shall obligate either Party to disclose to the other Party any particular information.
- 20.10 The Parties agree that an impending or existing violation of any provision of this Section 20 would cause the Disclosing Party irreparable injury for which it would have no adequate remedy at law, and agree that Disclosing Party shall be entitled to obtain immediate injunctive relief prohibiting such violation, in addition to any other rights and remedies available to it at law or in equity, including both specific performance and monetary damages. In the event of any breach of this Section 20 for which legal or equitable relief is sought, all reasonable attorney's fees and other reasonable costs associated therewith shall be recoverable by the prevailing Party.

21. INTERVENING LAW

21.1 This Agreement is the result of negotiations between the Parties and may incorporate certain provisions that resulted from arbitration by the appropriate state Commission(s). In entering into this Agreement and any Amendments to such Agreement and carrying out the provisions herein, neither Party waives, but instead expressly reserves, all of its rights, remedies and arguments with respect to any orders, decisions, legislation or proceedings and any remands thereof and any other federal or state regulatory, legislative or judicial action(s), including, without limitation, its intervening law rights relating to the following actions, which the Parties have not yet fully incorporated into this Agreement or which may be the subject of further government review: *Verizon v. FCC, et. al*, 535 U.S. 467 (2002); *USTA, et. al v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) and following remand and appeal, *USTA v. FCC*, 359 F.3d 554 (D.C. Cir. 2004); the FCC's Triennial Review Order, CC Docket Nos. 01-338, 96-98 and 98-147 (FCC 03-36) including, without limitation, the FCC's MDU Reconsideration Order (FCC 04-191) (rel. Aug. 9, 2004) and the FCC's Order on Reconsideration (FCC 04-248) (rel. Oct. 18, 2004), and the FCC's Biennial Review Proceeding; the FCC's Order on Remand (FCC 04-290), WC Docket No. 04-312 and CC Docket No. 01-338 (rel. Feb. 4, 2005) ("TRO Remand Order"); the FCC's Supplemental Order Clarification (FCC 00-183) (rel. June 2, 2000), in CC Docket 96-98; and the FCC's Order on Remand and Report and Order in CC Dockets No. 96-98 and 99-68, 16 FCC Rcd 9151 (2001), (rel. April 27, 2001) , which was remanded in *WorldCom, Inc. v. FCC*, 288 F.3d 429 (D.C. Cir. 2002), and as to the FCC's Notice of Proposed Rulemaking as to Intercarrier Compensation, CC Docket 01-92 (Order No. 01-132) (rel. April 27, 2001) (collectively "Government Actions"). If any action by any state or federal regulatory or legislative body or court of competent jurisdiction invalidates, modifies, or stays the enforcement of laws or regulations that were the basis or rationale for any rate(s), term(s) and/or condition(s) ("Provisions") of the Agreement and/or otherwise affects the rights or obligations of either Party that are addressed by this Agreement, specifically including but not limited to those arising with respect to the Government Actions, the affected Provision(s) shall be immediately invalidated, modified or stayed consistent with the action of the regulatory or legislative body or court of competent jurisdiction upon the written request of either Party ("Written Notice"). With respect to any Written Notices hereunder, the Parties shall have sixty (60) days from the Written Notice to attempt to negotiate and arrive at an agreement on the appropriate conforming modifications to the Agreement. If the Parties are unable to agree upon the conforming modifications required within sixty (60) days from the Written Notice, any disputes between the Parties concerning the interpretation of the actions required or the provisions affected by such order shall be resolved pursuant to the dispute resolution process provided for in this Agreement. Notwithstanding the foregoing, nothing in this Intervening/Change in

Law paragraph is intended nor should be construed as modifying or superseding the rates, terms and conditions in the Parties' First Amendment Superseding Certain Intercarrier Compensation, Interconnection and Trunking Provisions ("Superseding Amendment"), in which the Parties waived certain rights they may have under this Intervening/Change in Law paragraph with respect to any reciprocal compensation or Total Compensable Local Traffic (as defined in the Superseding Amendment), POIs or trunking requirements that are the subject of the Superseding Amendment. Except to the extent that **SBC-13STATE** has adopted the FCC ISP terminating compensation plan ("FCC Plan") in an **SBC-13STATE** state in which this Agreement is effective, and incorporated rates, terms and conditions of the FCC Plan into this Agreement, these rights also include but are not limited to **SBC-13STATE**'s right to exercise its option at any time to adopt on a date specified by **SBC-13STATE** the FCC Plan, after which date ISP-bound traffic will be subject to the FCC Plan's prescribed terminating compensation rates, and other terms and conditions, and seek conforming modifications to this Agreement (except as otherwise provided in the Superseding Amendment).

22. GOVERNING LAW

22.1 Unless otherwise provided by Applicable Law, this Agreement shall be governed by and construed in accordance with the Act, the FCC Rules and Regulations interpreting the Act and other applicable federal law. To the extent that federal law would apply state law in interpreting this Agreement, the domestic laws of the state in which the Interconnection, Resale Services, Network Elements, functions, facilities, products and services at issue are furnished or sought shall apply, without regard to that state's conflict of laws principles. The Parties submit to personal jurisdiction in Little Rock, Arkansas; San Francisco, California; New Haven, Connecticut; Chicago, Illinois; Indianapolis, Indiana; Topeka, Kansas; Detroit, Michigan; St. Louis, Missouri; Reno, Nevada; Columbus, Ohio; Oklahoma City, Oklahoma; Dallas, Texas and Milwaukee, Wisconsin.

23. REGULATORY APPROVAL

23.1 The Parties understand and agree that this Agreement and any amendment or modification hereto will be filed with the Commission for approval in accordance with Section 252 of the Act and may thereafter be filed with the FCC. The Parties believe in good faith and agree that the services to be provided under this Agreement are in the public interest. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under Section 252 of the Act without modification.

24. CHANGES IN END-USER LOCAL EXCHANGE SERVICE PROVIDER SELECTION

24.1 Applies to SBC-12STATE only

24.1.1 Each Party will abide by applicable federal and state laws and regulations in obtaining End-User authorization prior to changing an End-User's Local Exchange Carrier to itself and in assuming responsibility for any applicable charges as specified in Section 258(b) of the Telecommunications Act of 1996. Each Party shall deliver to the other Party a representation of authorization that applies to all orders submitted by a Party under this Agreement requiring a LEC change. A Party's representation of authorization shall be delivered to the other Party prior to the first order submitted to the other Party. Each Party shall retain on file all applicable letters and other documentation of authorization relating to its End-User's selection of such Party as its LEC, which documentation shall be available for inspection by the other Party at its request during normal business hours and at no charge.

24.1.2 Only an End-User can initiate a challenge to a change in its LEC. If an End-User notifies one Party that the End-User requests local exchange service, and the other Party is such End-User's LEC, then the Party receiving such request shall be free to immediately access such End-User's CPNI subject to the requirements of the applicable Appendix OSS restricting access to CPNI in order to immediately provide service to such End-User.

24.1.3 When an End-User changes or withdraws authorization from its LEC, each Party shall release End-User-specific facilities belonging to the ILEC in accordance with the End-User's direction or that of the End-User's authorized agent. Further, when an End-User abandons its premise (that is, its place of business or domicile), SBC-12STATE is free to reclaim the unbundled Network Element facilities for use by another End-User and is free to issue service orders required to reclaim such facilities.

24.2 Applies to SBC CONNECTICUT only

24.2.1 The Parties agree that LEVEL 3 will not submit a Local Exchange Carrier order for an End-User to the Local Service Provider currently serving that End-User without proper authorization from that End-User, as required by the FCC in Subpart K, Part 64 rules and regulations and by the DPUC in

its applicable rules and regulations. **SBC CONNECTICUT**'s wholesale tariff, Section 18, further documents requirements for Local Exchange Carrier changes and required End-User authorizations.

24.2.2 The Parties agree to the re-use of existing network facilities when an End-User changes its provider of local exchange service and the network facilities are provided by the same network provider.

25. COMPLIANCE AND CERTIFICATION

25.1 Each Party shall comply at its own expense with all Applicable Laws that relate to that Party's obligations to the other Party under this Agreement. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of Applicable Law.

25.2 Each Party warrants that it has obtained all necessary state certification required in each state covered by this Agreement prior to ordering any Interconnection, Resale Services, Network Elements, functions, facilities, products and services from the other Party pursuant to this Agreement. Upon request, each Party shall provide proof of certification.

25.3 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 Third Parties that may be required in connection with the performance of its obligations under this Agreement.

25.4 Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with the CALEA.

26. LAW ENFORCEMENT

26.1 **SBC-12 STATE** and **LEVEL 3** shall reasonably cooperate with the other Party in handling law enforcement requests as follows:

26.1.1 Intercept Devices:

26.1.1.1 Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When either Party receives a request associated with an End-User of the other Party, it shall refer such request to the Party that serves such End-User, unless the request directs the receiving Party to attach a pen register, trap-and-trace or form of

intercept on the Party's facilities, in which case that Party shall comply with any valid request.

26.1.2. Subpoenas:

26.1.2.1 If a Party receives a subpoena for information concerning an End-User the Party knows to be an End-User of the other Party, it shall refer the subpoena to the Requesting Party with an indication that the other Party is the responsible company, unless the subpoena requests records for a period of time during which the receiving Party was the End-User's service provider, in which case that Party will respond to any valid request.

26.1.3 Emergencies:

26.1.3.1 If a Party receives a request from a law enforcement agency for a temporary number change, temporary disconnect, or one-way denial of outbound calls by the receiving Party's switch for an End-User of the other Party, that Receiving Party will comply with a valid emergency request. However, neither Party shall be held liable for any claims or Losses arising from compliance with such requests on behalf of the other Party's End-User and the Party serving such End-User agrees to indemnify and hold the other Party harmless against any and all such claims or Losses.

26.2 SBC CONNECTICUT and LEVEL 3 shall reasonably cooperate with the other Party in handling law enforcement requests as follows:

26.2.1 Each of the Parties agree to comply with the applicable state and federal law enforcement authorities, laws, and requirements, including but not limited to, the Communications Assistance for Law Enforcement Act (CALEA) and to report to applicable State and Federal law enforcement authorities as required by law, the Telecommunications Services and related information provided by each of the Parties in Connecticut.

27. RELATIONSHIP OF THE PARTIES/INDEPENDENT CONTRACTOR

27.1 Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of its employees assisting in the performance of such obligations. Each Party and each Party's contractor(s) shall

be solely responsible for all matters relating to payment of such employees, including the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with respect to its employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts and all other regulations governing such matters. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.

- 27.2 Nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other. Nothing herein will be construed as making either Party responsible or liable for the obligations and undertakings of the other Party. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

28. NO THIRD PARTY BENEFICIARIES; DISCLAIMER OF AGENCY

- 28.1 This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any Third Party beneficiary rights hereunder. This Agreement shall not provide any Person not a party hereto with any remedy, claim, liability, reimbursement, cause of action, or other right in excess of those existing without reference hereto.

29. ASSIGNMENT

- 29.1 Neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third person without the prior written consent of the Other Party, however, such consent shall not be unreasonably withheld; provided however, that the withholding of consent to an assignment or transfer that has been approved by all jurisdictional bodies whose approval is required by law shall be unreasonable. Either Party may assign or transfer this Agreement to its Affiliate by providing ninety (90) days' prior written notice to the Other Party of such assignment or transfer; provided, further, that such assignment is not inconsistent with Applicable Law (including the Affiliate's

obligation to obtain proper Commission certification and approvals) or the terms and conditions of this Agreement. Notwithstanding the foregoing, **LEVEL 3** may not assign or transfer this Agreement (or any rights or obligations hereunder) to its Affiliate if that Affiliate is a party to a separate interconnection agreement with **SBC-13STATE** under Sections 251 and 252 of the Act. Any attempted assignment or transfer that is neither permitted by this Section 29.1 nor otherwise agreed to by the Parties in writing is void ab initio.

- 29.2 As ordered by the Michigan PSC in Docket U-12460 and the Texas PUC in Docket No. 22441, during the Term of this Agreement, **SBC MICHIGAN** shall obtain **LEVEL 3**'s prior written approval before it sells, assigns or otherwise transfers any of its ILEC Territory or ILEC Assets. **LEVEL 3**'s prior written approval shall not be unreasonably withheld. **SBC TEXAS** shall provide **LEVEL 3** not less than sixty (60) days prior written notice of such sale, assignment or transfer.

30. DELEGATION TO AFFILIATE

- 30.1 Each Party may without the consent of the other Party fulfill its obligations under this Agreement by itself or may cause its Affiliate(s) to take some or all of such actions to fulfill such obligations. Upon such delegation, the Affiliate shall become a primary obligor hereunder with respect to the delegated matter, but such delegation shall not relieve the delegating Party of its obligations as co-obligor hereunder. Any Party which elects to perform its obligations through an Affiliate shall cause its Affiliate to take all action necessary for the performance of such Party's obligations hereunder. Each Party represents and warrants that if an obligation under this Agreement is to be performed by an Affiliate, such Party has the authority to cause such Affiliate to perform such obligation and such Affiliate will have the resources required to accomplish the delegated performance.

31. SUBCONTRACTING

- 31.1 If either Party retains or engages any subcontractor to perform any of that Party's obligations under this Agreement, each Party will remain fully responsible for the performance of this Agreement in accordance with its terms, including any obligations either Party performs through subcontractors.
- 31.2 Each Party will be solely responsible for payments due that Party's subcontractors.
- 31.3 No subcontractor will be deemed a Third Party beneficiary for any purposes under this Agreement.
- 31.4 No contract, subcontract or other agreement entered into by either Party with any

Third Party in connection with the provision of Interconnection, Resale Services, Network Elements, functions, facilities, products and services hereunder will provide for any indemnity, guarantee or assumption of liability by the other Party to this Agreement with respect to such arrangement, except as consented to in writing by the other Party.

- 31.5 **Any subcontractor that gains access to CPNI or Proprietary Information covered by this Agreement shall be required by the subcontracting Party to protect such CPNI or Proprietary Information to the same extent the subcontracting Party is required to protect such CPNI or Proprietary Information under the terms of this Agreement.**

32. HAZARDOUS SUBSTANCES AND RESPONSIBILITY FOR ENVIRONMENTAL CONTAMINATION

- 32.1 Each Party shall be solely responsible at its own expense (including costs, fines, and fees) for the proper handling, use, removal, excavation, storage, treatment, transport, disposal, legal disposition, or any other management by such Party or any person acting on its behalf of all Hazardous Substances and Environmental Hazards introduced to the affected work location and will perform such activities in accordance with Applicable Law.
- 32.2 Notwithstanding anything to the contrary in this Agreement and to the fullest extent permitted by Applicable Law, SBC-13STATE shall, at LEVEL 3's request, indemnify, defend, and hold harmless, LEVEL 3 each of its officers, directors and employees from and against any losses, damages, costs, fines, penalties and expenses (including reasonable attorneys and consultant's fees) of every kind and nature to the extent they are incurred by any of those parties in connection with a claim, demand, suit, or proceeding for damages, penalties, contribution, injunction, or any other kind of relief that is based upon, arises out of, is caused by, or results from: (i) the removal or disposal from the work location of a Hazardous Substance by SBC-13STATE or any person acting on behalf of SBC-13STATE, or the subsequent storage, processing, or other handling of such Hazardous Substances after they have been removed from the work location, (ii) the Release of a Hazardous Substance, regardless of its source, by SBC-13STATE or any person acting on behalf of SBC-13STATE, or (iii) the presence at the work location of an Environmental Hazard for which SBC-13STATE is responsible under Applicable Law or a Hazardous Substance introduced into the work location by SBC-13STATE or any person acting on behalf of SBC-13STATE.
- 32.3 Notwithstanding anything to the contrary in this Agreement and to the fullest extent permitted by Applicable Law, LEVEL 3 shall, at SBC-13STATE's

request, indemnify, defend, and hold harmless **SBC-13STATE**, each of its officers, directors and employees from and against any losses, damages, costs, fines, penalties and expenses (including reasonable attorney's and consultant's fees) of every kind and nature to the extent they are incurred by any of those parties in connection with a claim, demand, suit, or proceeding for damages, penalties, contribution, injunction, or any other kind of relief that is based upon, arises out of, is caused by, or results from: (i) the removal or disposal of a Hazardous Substance from the work location by **LEVEL 3** or any person acting on behalf of **LEVEL 3**, or the subsequent storage, processing, or other handling of such Hazardous Substances after they have been removed from the work location, (ii) the Release of a Hazardous Substance, regardless of its source, by **LEVEL 3** or any person acting on behalf of **LEVEL 3**, or (iii) the presence at the work location of an Environmental Hazard for which **LEVEL 3** is responsible under Applicable Law or a Hazardous Substance introduced into the work location by **LEVEL 3** or any person acting on behalf of **LEVEL 3**.

- 32.4 For the purposes of this agreement, "Hazardous Substances" means 1) any material or substance that is defined or classified as a hazardous substance, hazardous waste, hazardous material, hazardous chemical, pollutant, or contaminant under any federal, state, or local environmental statute, rule, regulation, ordinance or other Applicable Law dealing with the protection of human health or the environment, 2) petroleum, oil, gasoline, natural gas, fuel oil, motor oil, waste oil, diesel fuel, jet fuel, and other petroleum hydrocarbons, or 3) asbestos and asbestos containing material in any form, and 4) any soil, groundwater, air, or other media contaminated with any of the materials or substances described above.
- 32.5 For the purposes of this agreement, "Environmental Hazard" means 1) the presence of petroleum vapors or other gases in hazardous concentrations in a manhole or other confined space, or conditions reasonably likely to give rise to such concentrations, 2) asbestos containing materials, or 3) any potential hazard that would not be obvious to an individual entering the work location or detectable using work practices standard in the industry.
- 32.6 For the purposes of this agreement, "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposal, or other movement into 1) the work location, or 2) other environmental media, including but not limited to, the air, ground or surface water, or soil.

33. FORCE MAJEURE

- 33.1 No Party shall be responsible for delays or failures in performance of any part of this Agreement (other than an obligation to make money payments when due under this Agreement) resulting from acts or occurrences beyond the reasonable control of such Party, including acts of nature, acts of civil or military authority, any law, order, regulation, ordinance of any Governmental Authority, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, hurricanes, floods, work stoppages, cable cuts, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers (individually or collectively, a **“Force Majeure Event”**) or any Delaying Event caused by the other Party or any other circumstances beyond the Party’s reasonable control. If a Force Majeure Event shall occur, the Party affected shall give prompt notice to the other Party of such Force Majeure Event specifying the nature, date of inception and expected duration of such Force Majeure Event, whereupon such obligation or performance shall be suspended to the extent such Party is affected by such Force Majeure Event during the continuance thereof or be excused from such performance depending on the nature, severity and duration of such Force Majeure Event (and the other Party shall likewise be excused from performance of its obligations to the extent such Party’s obligations relate to the performance so interfered with). The affected Party shall use its reasonable efforts to avoid or remove the cause of nonperformance and the Parties shall give like notice and proceed to perform with dispatch once the causes are removed or cease. Each Party agrees to treat the other in parity with the manner in which it treats itself and any other entities with regard to a Force Majeure Event.

34. TAXES

- 34.1 Each Party purchasing Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, municipal fees, transfer, transaction or similar taxes, fees, or surcharges (hereinafter **“Tax”**) imposed on, or with respect to, the Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement provided by or to such Party, except for (a) any Tax on either party’s corporate existence, status, or income or (b) any corporate franchise Taxes. Whenever possible, Taxes shall be billed as a separate item on the invoice.
- 34.2 With respect to any purchase of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement if any Tax is required or permitted by Applicable Law to be collected from the purchasing Party by the providing Party, then: (i) the providing Party shall bill the purchasing Party for such Tax; (ii) the purchasing Party shall remit such Tax to

the providing Party; and (iii) the providing Party shall remit such collected Tax to the applicable taxing authority. Failure to include Taxes on an invoice or to state a Tax separately shall not impair the obligation of the purchasing Party to pay any Tax. Nothing shall prevent the providing Party from paying any Tax to the appropriate taxing authority prior to the time: (1) it bills the purchasing Party for such Tax, or (2) it collects the Tax from the purchasing Party. Notwithstanding anything in this Agreement to the contrary, the purchasing Party shall be liable for and the providing Party may collect Taxes which were assessed by or paid to an appropriate taxing authority within the statute of limitations period but not included on an invoice within four (4) years after the Tax otherwise was owed or due.

- 34.3 With respect to any purchase hereunder of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement that are resold to a third party, if any Tax is imposed by Applicable Law on the End-User in connection with any such purchase, then: (i) the purchasing Party shall be required to impose and/or collect such Tax from the End-User; and (ii) the purchasing Party shall remit such Tax to the applicable taxing authority. The purchasing Party agrees to indemnify and hold harmless the providing Party for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such tax to such authority.
- 34.4 If the providing Party fails to bill or to collect any Tax as required herein, then, as between the providing Party and the purchasing Party: (i) the purchasing Party shall remain liable for such uncollected Tax; and (ii) the providing Party shall be liable for any penalty and interest assessed with respect to such uncollected Tax by such authority. However, if the purchasing Party fails to pay any Taxes properly billed, then, as between the providing Party and the purchasing Party, the purchasing Party will be solely responsible for payment of the Taxes, penalty and interest.
- 34.5 If the purchasing Party fails to impose and/or collect any Tax from End-Users as required herein, then, as between the providing Party and the purchasing Party, the purchasing Party shall remain liable for such uncollected Tax and any interest and penalty assessed thereon with respect to the uncollected Tax by the applicable taxing authority. With respect to any Tax that the purchasing Party has agreed to pay or impose on and/or collect from End-Users, the purchasing Party agrees to indemnify and hold harmless the providing Party for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such Tax to such authority.

- 34.6 If either Party is audited by a taxing authority or other Governmental Authority, the other Party agrees to reasonably cooperate with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously.
- 34.7 To the extent a sale is claimed to be for resale and thus subject to tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation of the jurisdiction providing said resale tax exemption. Failure to timely provide said resale tax exemption certificate will result in no exemption being available to the purchasing Party for any period prior to the date that the purchasing Party presents a valid certificate. If Applicable Law excludes or exempts a purchase of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement from a Tax, but does not also provide an exemption procedure, then the providing Party will not collect such Tax if the purchasing Party (a) furnishes the providing Party with a letter signed by an officer of the purchasing Party claiming an exemption and identifying the Applicable Law that both allows such exemption and does not require an exemption certificate; and (b) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party, which holds the providing Party harmless from any tax, interest, penalties, loss, cost or expense with respect to forbearing to collect such Tax.
- 34.8 With respect to any Tax or Tax controversy covered by this Section 34, the purchasing Party is entitled to contest with the imposing jurisdiction, pursuant to Applicable Law and at its own expense, any Tax that it is ultimately obligated to pay or collect. The purchasing Party will ensure that no lien is attached to any asset of the providing Party as a result of any contest. The purchasing Party shall be entitled to the benefit of any refund or recovery of amounts that it had previously paid resulting from such a contest. Amounts previously paid by the providing Party shall be refunded to the providing Party. The providing Party will cooperate in any such contest.
- 34.9 All notices, affidavits, exemption certificates or other communications required or permitted to be given by either Party to the other under this Section 34 shall be sent in accordance with Section 17 hereof.

35. NON-WAIVER

- 35.1 Except as otherwise specified in this Agreement, no waiver of any provision of this Agreement and no consent to any default under this Agreement shall be effective unless the same is in writing and properly executed by or on behalf of the Party against whom such waiver or consent is claimed. Waiver by either Party

of any default by the other Party shall not be deemed a waiver of any other default. Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege. No course of dealing or failure of any Party to strictly enforce any term, right, or condition of this Agreement in any instance shall be construed as a general waiver or relinquishment of such term, right or condition.

36. NETWORK MAINTENANCE AND MANAGEMENT

- 36.1 The Parties will work cooperatively to implement this Agreement. The Parties will exchange appropriate information (for example, maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government, escalation processes, etc.) to achieve this desired result.
- 36.2 Each Party will administer its network to ensure acceptable service levels to all users of its network services. Service levels are generally considered acceptable only when End-Users are able to establish connections with little or no delay encountered in the network. Each Party will provide a 24-hour contact number for Network Traffic Management issues to the other's surveillance management center.
- 36.3 Each Party maintains the right to implement protective network traffic management controls, such as "cancel to", "call gapping" or 7-digit and 10-digit code gaps, to selectively cancel the completion of traffic over its network, including traffic destined for the other Party's network, when required to protect the public-switched network from congestion as a result of occurrences such as facility failures, switch congestion or failure or focused overload. Each Party shall immediately notify the other Party of any protective control action planned or executed.
- 36.4 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes shall not be used to circumvent normal trunk servicing. Expansive controls shall be used only when mutually agreed to by the Parties.
- 36.5 The Parties shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes to prevent or mitigate the impact of these events on the public-switched network, including any disruption or loss of service to other End-User. Facsimile (FAX) numbers must be exchanged by the Parties to facilitate event notifications

for planned mass calling events.

- 36.6 Neither Party shall use any Interconnection, Resale Service, Network Element, function, facility, product or service provided under this Agreement or any other service related thereto or used in combination therewith in any manner that interferes with any Party in the use of such Party's Telecommunications Service, prevents any Party from using its Telecommunications Service, impairs the quality of Telecommunications Service to other carriers or to either Party's End-Users, causes electrical hazards to either Party's personnel, damage to either Party's facilities or equipment or malfunction of either Party's ordering or billing systems or equipment. Upon such occurrence either Party may discontinue or refuse service, but only for so long as the other Party is violating this provision. Upon such violation, either Party shall provide the other Party notice of the violation at the earliest practicable time.

37. SIGNALING

- 37.1 The Parties will Interconnect their networks using SS7 signaling as defined in GR-000317-CORE and GR-000394-CORE, including ISDN User Part (ISUP) for trunk signaling and Transaction Capabilities Application Part (TCAP) for CCS-based features in the Interconnection of their networks. Each Party may establish CCS interconnections either directly and/or through a Third Party. If CCS interconnection is established through a Third Party, the rates, terms, and conditions of the Parties' respective tariffs will apply. If CCS interconnection is established directly between **LEVEL 3** and **SBC-13STATE**, the rates, terms, and conditions of Appendix SS7 will apply.
- 37.2 The Parties will cooperate in the exchange of TCAP messages to facilitate full interoperability of CCS-based features between their respective networks, including all CLASS features and functions, to the extent each Party offers such features and functions to its own End-Users. All CCS signaling parameters deployed by both Parties will be provided including CPN. All privacy indicators will be honored.

38. TRANSMISSION OF TRAFFIC TO THIRD PARTIES

- 38.1 **SBC-13STATE** will provide **LEVEL 3** with transit service in accordance with the terms and conditions of Appendix Interconnection Trunking Requirements (ITR). **LEVEL 3** agrees to use reasonable efforts to enter into agreements with Third Party carriers that exchange traffic with **LEVEL 3** pursuant to the terms and conditions of Appendix ITR. Subject to the requirements of Appendix ITR, **SBC-13STATE** shall provide at least two months' notice in writing prior to

ceasing to provide transit service.

39. CUSTOMER INQUIRIES

- 39.1 Each Party will refer all questions regarding the other Party's services or products directly to the other Party at a telephone number specified by that Party.
- 39.2 Each Party will ensure that all of its representatives who receive inquiries regarding the other Party's services:
- 39.2.1 Provide the number described in Section 39.1 to callers who inquire about the other Party's services or products; and
- 39.2.2 Do not in any way disparage or discriminate against the other Party or its products or services.
- 39.3 Except as otherwise provided in this Agreement, **LEVEL 3** shall be the primary point of contact for **LEVEL 3's** End-Users with respect to the services **LEVEL 3** provides such End-Users.
- 39.4 **LEVEL 3** acknowledges that **SBC-13STATE** may, upon End-User request, provide services directly to such End-User similar to those offered to **LEVEL 3** under this Agreement.

40. EXPENSES

- 40.1 Except as expressly set forth in this Agreement, each Party will be solely responsible for its own expenses involved in all activities related to the matters covered by this Agreement.
- 40.2 **SBC-12STATE** and **LEVEL 3** shall each be responsible for one-half (1/2) of expenses payable to a Third Party for Commission fees or other charges (including regulatory fees and any costs of notice or publication, but not including attorney's fees) associated with the filing of this agreement.

41. CONFLICT OF INTEREST

- 41.1 The Parties represent that no employee or agent of either Party has been or will be employed, retained, paid a fee, or otherwise received or will receive any personal compensation or consideration from the other Party, or any of the other Party's employees or agents in connection with the negotiation of this Agreement or any associated documents.

42. SURVIVAL

42.1 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. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to continue beyond the termination or expiration of this Agreement: Section 5.5; Section 5.6, Section 7.3; Section 8.1; Section 8.4; Section 8.5; Section 8.6; Section 8.7; Section 10, Section 11; Section 13; Section 14; Section 15; Section 16.1; Section 18; Section 19; Section 20; Section 22; Section 25.4; Section 26.1.3; Section 32; Section 34 and Section 42.

43. SCOPE OF AGREEMENT

43.1 This Agreement is intended to describe and enable specific Interconnection and compensation arrangements between the Parties. This Agreement is the arrangement under which the Parties may purchase from each other the products and services described in Section 251 of the Act and obtain approval of such arrangement under Section 252 of the Act. Except as agreed upon in writing, neither Party shall be required to provide the other Party a function, facility, product, service or arrangement described in the Act that is not expressly provided herein. Nothing herein is intended to affect or abridge either Party's rights or obligations under Section 252(i) of the Act, nor is anything herein intended to modify **SBC-13STATE**'s obligation to provide services and facilities under the Act.

43.2 Except as specifically contained herein or provided by the FCC or any Commission within its lawful jurisdiction, nothing in this Agreement shall be deemed to affect any access charge arrangement.

44. AMENDMENTS AND MODIFICATIONS

44.1 No provision of this Agreement shall be deemed amended or modified by either Party unless such an amendment or modification is in writing, dated, and signed by an authorized representative of both Parties. The rates, terms and conditions contained in the amendment shall become effective upon approval of such amendment by the appropriate Commissions and such amendment will not require a refund, true-up or retroactive crediting or debiting prior to the approval of the Amendment unless such Amendment expressly provides therefore. **SBC-12STATE** and **LEVEL 3** shall each be responsible for its share of the publication

expense (i.e. filing fees, delivery and reproduction expense, and newspaper notification fees), to the extent publication is required for filing of an amendment by a specific state.

- 44.2 Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications.

45. INTENTIONALLY LEFT BLANK

46. AUTHORITY

- 46.1 Each of the SBC-owned ILEC(s) for which this Agreement is executed represents and warrants that it is a corporation, limited partnership or other business entity duly organized, validly existing and in good standing under the laws of its state of incorporation or formation; that SBC Telecommunications, Inc. has full power and authority to execute and deliver this Agreement as agent for that SBC-owned ILEC; and that it has full power and authority to perform its obligations hereunder.
- 46.2 **LEVEL 3** represents and warrants that it is a corporation, limited liability corporation or other business entity duly organized, validly existing and in good standing under the laws of its state of incorporation or formation; and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder; that it has been or will be certified as a LEC by the Commission(s) prior to submitting any orders hereunder and is or will be authorized to provide the Telecommunications Services contemplated hereunder in the territory contemplated hereunder prior to submission of orders for such Service.
- 46.3 Each Person whose signature appears below represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement.

47. COUNTERPARTS

- 47.1 This Agreement may be executed in counterparts. Each counterpart shall be considered an original and such counterparts shall together constitute one and the same instrument.

48. ENTIRE AGREEMENT

- 48.1 **SBC-12STATE**

48.1.1 The terms contained in this Agreement and any Appendices, Attachments, Exhibits, Schedules, and Addenda constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written.

48.2 **SBC CONNECTICUT**

48.2.1 The terms contained in this Agreement and any Appendices, Attachments, Exhibits, Schedules, Addenda, Commission approved tariffs and other documents or instruments referred to herein and incorporated into this Agreement by reference constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written.

49. MOST FAVORED NATIONS PURSUANT TO SECTION 252(I)

49.1 Nothing in this Agreement shall be construed to prevent either Party from exercising any rights it may hold under Section 252(i) of the Act, nor shall anything in this Agreement be construed to excuse either Party from any obligations it may bear under Section 252(i) of the Act.

SBC-13STATE Agreement
Signatures

Level 3 Communications, LLC

**Illinois Bell Telephone Company d/b/a SBC
Illinois, Indiana Bell Telephone Company
Incorporated d/b/a SBC Indiana, Michigan
Bell Telephone Company d/b/a SBC
Michigan, Nevada Bell Telephone Company
d/b/a SBC Nevada, The Ohio Bell Telephone
Company d/b/a SBC Ohio, Pacific Bell
Telephone Company d/b/a SBC California,
The Southern New England Telephone
Company d/b/a SBC Connecticut and
Southwestern Bell Telephone, L.P. d/b/a
SBC Arkansas, SBC Kansas, SBC Missouri,
SBC Oklahoma and/or SBC Texas, and
Wisconsin Bell, Inc. d/b/a SBC Wisconsin
by SBC Operations, Inc., its authorized
agent**

Signature: _____

Signature: _____

Name: _____
(Print or Type)

Name: _____

Title: _____
(Print or Type)

Title: AVP-Local Interconnection Marketing

Date: _____

Date: _____

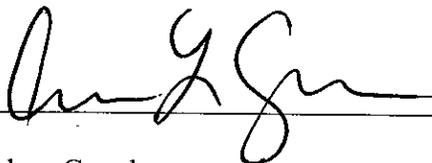
AECN/OCN# _____
(Facility Based – if applicable)

SBC-13STATE Agreement
Signatures

Level 3 Communications, LLC

Illinois Bell Telephone Company d/b/a SBC
Illinois, Indiana Bell Telephone Company
Incorporated d/b/a SBC Indiana, Michigan
Bell Telephone Company d/b/a SBC
Michigan, Nevada Bell Telephone Company
d/b/a SBC Nevada, The Ohio Bell Telephone
Company d/b/a SBC Ohio, Pacific Bell
Telephone Company d/b/a SBC California,
The Southern New England Telephone
Company d/b/a SBC Connecticut and
Southwestern Bell Telephone, L.P. d/b/a
SBC Arkansas, SBC Kansas, SBC Missouri,
SBC Oklahoma and/or SBC Texas, and
Wisconsin Bell, Inc. d/b/a SBC Wisconsin
by SBC Operations, Inc., its authorized
agent

Signature: _____



Name: Andrea Gavalas

Title: Vice President Interconnection Services

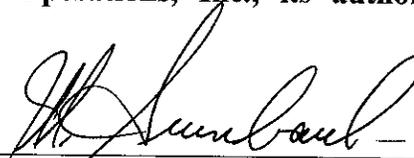
Date: February 17, 2005

AECN/OCN# 8824

(Facility Based - if applicable)

LVC - 5179, 8826, 4800, 6115, 4803,
2240, 6120, 4932, 4805, 4863.
5257, 6114, 5489

Signature: _____



Name: _____

Mike Auinbaub

Title: AVP-Local Interconnection Marketing

Date: _____

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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**Telecommunications Division
Market Structure Branch**

**RESOLUTION T-16933
April 21, 2005**

R E S O L U T I O N

Resolution T-16933. SBC California (U-1001-C). Request for Approval of an Interconnection Agreement and Amendment #1 between SBC California and Level 3 Communications, LLC (U-5941-C), Pursuant to Section 252 of the Telecommunications Act of 1996.

By Advice Letter No. 26243 Filed on February 22, 2005.

Summary

This Resolution approves an Interconnection Agreement and Amendment #1 submitted under provisions of Resolution ALJ-181 and G.O. 96-A. These Agreements involve SBC California (SBC) and Level 3 Communications, LLC (Level 3 Communications). The Agreements becomes effective 10 days after Commission approval, and will remain in effect until December 31, 2006.

Background

The United States Congress passed and the President signed into law the Telecommunications Act of 1996 (Pub. L. No.104-104, 110 Stat. 56 (1996)) (1996 Act). Among other things, the new law declared that each incumbent local exchange carrier has a duty to provide interconnection with the local network for any requesting telecommunications carrier. The new law also set forth the general nature and quality of the interconnection that the incumbent local exchange carrier (ILEC) must agree to provide.¹ The 1996 Act established an obligation for the ILECs to enter into good faith negotiations with each competing carrier to set the terms of interconnection. Any interconnection agreement adopted by negotiation must be submitted to the appropriate state commission for approval.

Section 252 of the 1996 Act sets forth our responsibility to review and approve interconnection agreements. On July 17, 1996, we adopted Resolution ALJ-167 that

¹ An incumbent local exchange carrier is defined in Section §251(h) of the 1996 Act.

provides interim rules for the implementation of §252. On September 26, 1996, we adopted Resolution ALJ-168 that modified those interim rules. On June 25, 1997, we approved ALJ-174, which modified ALJ-168, but did not change the rules for reviewing agreements achieved through voluntary negotiation. On November 18, 1999, we adopted ALJ-178, which added pick-and-choose provisions to the rules established in ALJ-174, but again did not change the rules for reviewing agreements achieved through voluntary negotiation. On October 5, 2000, we approved Resolution ALJ-181 to require any potential Competitive Local Carrier which intends to make use of our rules to have a Certificate of Public Convenience and Necessity (CPCN), or at least have filed an application for CPCN, prior to applying for approval of an agreement.

In Decision 02-03-023 the Commission adopted a performance incentive plan that addresses performance beginning in April 2002. The performance incentive plan in this agreement is subject to that decision and any rulings or subsequent modifications of that decision.

SBC filed Advice Letter No. 26243 on February 22, 2005. This Advice Letter requests Commission approval of a negotiated Interconnection Agreement and Amendment #1 between SBC and Level 3 Communications under Section 252.

In ALJ-168 we noted that the 1996 Act requires the Commission to act to approve or reject agreements. We established an approach that uses the advice letter process as the preferred mechanism for consideration of negotiated agreements. Under Rule 4.3.3, if we fail to approve or reject an agreement within 90 days after the advice letter is filed, then the agreement will be deemed approved.

The Agreements pertaining to this Advice Letter sets the terms and charges for interconnection between SBC and Level 3 Communications. The Agreements provide for the following:

- Exchange of local traffic between parties with a provision for reciprocal compensation payments for call termination.
- Access to unbundled network elements;
- Access to poles, conduit and other rights of ways;
- Access to emergency services, directory assistance and call completion;
- Access to white page directory listings, customer guide pages and number resources;

- Access to operator services and support system services (OSS), and OSS performance measurements;
- Resale of services;
- Physical, shared space, microwave and physical collocation;
- Tandem switching between interexchange carriers and SBC's end offices.

Notice/Protests

SBC states that copies of the Advice Letter, and the Agreements were mailed to all parties on the Service List of ALJ 181, R.93-04-003/I.93-04-002/R.95-04-043/I.95-04-044. Notice of the Advice Letter was published in the Commission Daily Calendar. Pursuant to Rule 4.3.2 of ALJ-181, protests shall be limited to the standards for rejection provided in Rule 4.1.4.² No protests to this Advice Letter have been received.

Discussion

In November 1993, this Commission adopted a report entitled "Enhancing California's Competitive Strength: A Strategy for Telecommunications Infrastructure" (Infrastructure Report). In that report, the Commission stated its intention to open all telecommunications markets to competition by January 1, 1997. Subsequently, the California Legislature adopted Assembly Bill 3606 (Ch. 1260, Stats. 1994), similarly expressing legislative intent to open telecommunications markets to competition by January 1, 1997. In the Infrastructure Report, the Commission states that "...in order to foster a fully competitive local telephone market, the Commission must work with federal officials to provide consumers equal access to alternative providers of service." The 1996 Act provides us with a framework for undertaking such state-federal cooperation.

Sections 252(a)(1) and 252(e)(1) of the Act distinguish interconnection agreements arrived at through voluntary negotiation and those arrived at through compulsory arbitration. Section 252(a)(1) states that:

"An incumbent local exchange carrier may negotiate and enter into a binding agreement with the requesting telecommunications carrier or carriers without regard to the standards set forth in subsections (b) and (c) of section 251."

² See below for conditions of Rule 4.1.4.

Section 252(e)(2) limits the state commission's grounds for rejection of voluntary agreements. Section 51.3 of the First Report and Order also concludes that the state commission can approve an interconnection agreement adopted by negotiation even if the terms of the agreement do not comply with the requirements of Part 51-- Interconnection.

Based on Section 252 of the 1996 Act, we have instituted Rule 4.3 in Resolution ALJ-181 for approval of agreements reached by negotiation. Rule 4.3.1 provides rules for the content of requests for approval. Consistent with Rule 4.3.1, each of the requests have met the following conditions:

1. SBC has filed an Advice Letter as provided in General Order 96-A and stated that the Interconnection Agreement and Amendment #1 are agreements being filed for approval under Section 252 of the 1996 Act.
2. The request contains a copy of the Agreements which, by its content, demonstrates that it meets the standards in Rule 2.18.
3. The Agreements itemize the charges for interconnection and each service or network element included in the Interconnection Agreement and Amendment #1.

Rule 4.3.3 of ALJ-181 states that the Commission shall reject or approve the agreements based on the standards in Rule 4.1.4. Rule 4.1.4 states that the Commission shall reject an interconnection agreement (or portion thereof) if it finds that:

- A. the agreements discriminates against a telecommunications carrier not a party to the agreement; or
- B. the implementation of such agreements is not consistent with the public interest, convenience, and necessity; or
- C. the agreements violate other requirements of the Commission, including, but not limited to, quality of service standards adopted by the Commission.

We make no determination as to whether the rates in these Agreements meet the pricing standards of Section 252(d) of the 1996 Act. Our consideration of these Agreements is limited to the three issues in Rule 4.1.4 of ALJ-181.

The Agreements are consistent with the goal of avoiding discrimination against other telecommunications carriers. We see nothing in the terms of the proposed Agreements that would tend to restrict the access of a third-party carrier to the resources and services of SBC.

Section 252(i) of the 1996 Act ensures that the provisions of these agreements will be made available to all other similarly situated competitors. Specifically, the section states:

“A local exchange carrier shall make available any interconnection, service, or network element provided under an agreement approved under this section to which it is a party to any other requesting telecommunications carrier upon the same terms and conditions as those provided in the agreement.”

We previously concluded that competition in local exchange and exchange access markets is desirable. We find no provisions in these agreements, which undermine this goal or are inconsistent with any other identified public interests. Hence, we conclude that the Agreements are consistent with the public interest.

We also recognize that no party protested the Advice Letter alleging that it was discriminatory, inconsistent with the public interest, convenience, and necessity or in violation of Commission requirements.

Several who commented on previous interconnection agreements sought assurance that the Commission’s treatment of those interconnection agreements would not impair their rights and opportunities in other proceedings.³ We wish to reiterate such assurances as clearly as possible. This Resolution stands solely for the proposition that Level 3 Communications and SBC may proceed to interconnect under the terms set forward in these agreements. We do not adopt any findings in this Resolution that should be carried forth to influence the determination of issues to be resolved elsewhere.

If the parties to these agreements enter into any subsequent agreements affecting interconnection, those agreements must also be submitted to the Commission for approval. In addition, the approval of these agreements is not intended to affect otherwise applicable deadlines. This Agreement and its approval have no binding effect on any other carrier. Nor do we intend to use this Resolution as a vehicle for setting future Commission policy. As a result of being approved, these agreements do not become a standard against which any or all other agreements will be measured.

In D.02-03-023 the Commission adopted a performance incentive plan that addresses performance beginning in April 2002. The performance incentive plans in these agreements are subject to that decision and the Commission affirms these agreements pursuant to the requirements of D.02-03-023 and any rulings or subsequent modifications of that decision.

³A.96-07-035 and A.96-07-045.

With these clarifications in mind, we will approve the proposed Interconnection Agreement and Amendment #1. In order to facilitate rapid introduction of competitive services, we will make this order effective immediately.

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code Section 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Findings

1. SBC's request for approval of an Interconnection Agreement and Amendment #1 between SBC and Level 3 Communications, pursuant to the Federal Telecommunications Act of 1996 meets the content requirements of Rule 4.3.1 of ALJ-181.
2. Per decision 98-03-021, Level 3 Communications, LLC has an approved CPCN (U-5941-C), with the Commission, to provide facilities-based local exchange service in the State of California.
3. The Agreements requested in SBC's Advice Letter No. 26243 are consistent with the goal of avoiding discrimination against other telecommunications carriers.
4. We conclude that the Agreements are consistent with the public interest.
5. The Agreements are consistent with the Commission's service quality standards.
6. The performance incentive plans in these agreements are subject to D.02-03-023 and the Commission affirms this agreement pursuant to the requirements of D.02-03-023 and any rulings or subsequent modifications of that decision.

THEREFORE, IT IS ORDERED that:

1. Pursuant to the Federal Telecommunications Act of 1996, we approve the Interconnection Agreement and Amendment #1 between SBC California and Level 3 Communications, LLC (U-5941-C) that was requested in Advice Letter No. 26243.
2. This Resolution is limited to approval of the above-mentioned Interconnection Agreement and Amendment #1 and does not bind other parties or serve to alter Commission policy in any of the areas discussed in the Agreement or elsewhere.

APPENDIX PHYSICAL COLLOCATION

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APPENDIX PHYSICAL COLLOCATION

1. INTRODUCTION

- 1.1 This Appendix sets forth terms and conditions for Physical Collocation provided by the applicable SBC Communications Inc. (SBC)-owned Incumbent Local Exchange Carrier (ILEC) in this state.

2. DEFINITIONS

The definitions applicable to this Appendix, to the extent not found herein, can be found in the Appendix GT&C.

3. RESERVED FOR FUTURE USE.

4. GENERAL DESCRIPTION OF OFFERING

- 4.1 SBC-13STATE will provide Physical Collocation arrangements at the rates, terms and conditions set forth below.
- 4.2 **Scope:** Physical Collocation provides actual space (hereinafter referred to as Dedicated Space) within SBC-13STATE Premises as defined in Appendix GT&C. LEVEL 3 will lease the Dedicated Space from SBC-13STATE and install certain of its own telecommunications equipment within the Dedicated Space that is necessary for the purposes set forth in Section 4.3, following. SBC-13STATE will provide caged, shared caged, shared common, cageless, and other Physical Collocation arrangements within its Premises. When space is Legitimately Exhausted inside an Premises, SBC-13STATE will permit collocation in Adjacent Structures located on SBC-13STATE's property in accordance with this Appendix so that LEVEL 3 will have a variety of collocation options from which to choose.
- 4.3 **Purpose:** Physical Collocation is available to telecommunications carriers for the placement of telecommunications equipment as provided for in this Appendix solely for the purposes of (i) transmitting and routing Telephone Exchange service or Exchange Access pursuant to 47 U.S.C. § 251(c)(2) of the Act and applicable effective FCC regulations and judicial rulings, or (ii) obtaining access to SBC-13STATE's Unbundled Network Elements (UNEs) pursuant to 47 U.S.C. § 251(c)(3) of the Act and lawful and effective FCC rules and associated lawful and effective FCC and judicial orders. The terms "Telephone Exchange Service", "Exchange Access" and "Network Element" are used as defined in 47 U.S.C. § 153(47), 47 U.S.C. § 153(16), and 47 U.S.C. § 153(29) of the Act, respectively.
- 4.4 This Appendix contains the sole and exclusive terms and conditions pursuant to which LEVEL 3 will obtain physical collocation from SBC-13STATE pursuant to 47 U.S.C. § 251(c)(6). For the term of this Agreement, SBC-13STATE will process any LEVEL 3 order for any 251(c)(6) physical collocation as being

submitted under this Appendix. In addition, SBC-13STATE will, starting on the Effective Date of this Agreement, bill any existing section 251(c)(6) physical collocation arrangements that were provided under tariff prior to the Effective Date at the prices that apply under this Agreement. SBC-13STATE will not impose any charge(s) for performing such conversion(s), and the conversions will affect only pricing.

4.5 Types of Available Physical Collocation Arrangements

SBC-13STATE will make each of the arrangements outlined below available within its Premises in accordance with this Appendix so that LEVEL 3 will have a variety of collocation options from which to choose:

4.5.1 Caged Physical Collocation

The Caged Collocation option provides LEVEL 3 with an individual enclosure (not including a top). This enclosure is an area designated by SBC-13STATE within an Premises to be used by LEVEL 3 for the sole purpose of installing, maintaining and operating LEVEL 3-provided equipment.

4.5.1.1 SBC-13STATE will provide floor space, floor space site conditioning, cage common systems materials, cage preparation, and safety and security charges in increments of one (1) square foot. For this reason, LEVEL 3 will be able to order space and a cage enclosure in amounts as small as that sufficient to house and maintain a single rack or bay of equipment, (i.e., 50 square feet of cage space for a single bay) and will ensure that the first collocater in a SBC-13STATE premises will not be responsible for the entire cost of site preparation and security. Rates and charges are as found in the Collocation Rate Summary attached to this Appendix and incorporated herein by this reference.

4.5.1.2 When LEVEL 3 constructs its own cage and related equipment, LEVEL 3 will not be subject to the Cage Preparation Charges as set forth in Section 20 following.

4.5.1.3 LEVEL 3 must comply with all methods, procedures and guidelines followed by SBC-13STATE in constructing such an arrangement. LEVEL 3 may provide a cage enclosure (which shall not include a top), cable rack and support structure inside the cage, lighting, receptacles, cage grounding, cage sign and door key set. In addition, terms and conditions for contractors performing cage construction activities as set forth in this Appendix will apply. If LEVEL 3 elects to install or requests that SBC-13STATE provide and install a point of termination

(POT) frame in the dedicated collocation area rather than inside its cage, the floor space rate for Cageless Collocation found in Section 20.2.2.2.2 following applies.

4.5.2 Caged Shared Collocation

SBC-13STATE will provide Caged Shared Collocation as set forth in this Section 4.5.2 following, "Use by Other Local Service Providers." Two or more collocators may initially apply at the same time to share a Caged Collocation space as set forth in Section 4.5.2.2 following. Charges to each collocator will be based upon the percentage of total space utilized by each collocator.

4.5.2.1 LEVEL 3 shall not assign or otherwise transfer, either in whole or in part, or permit the use of any part of the Dedicated Space by any other person or entity, without the prior written consent, via Augment Application, of SBC-13STATE, which consent shall not be unreasonably withheld. Any purported assignment or transfer made without such consent shall be voidable at the sole discretion of SBC-13STATE.

4.5.2.2 SBC-13STATE will make shared collocation cages available to all collocators. A shared collocation cage is a Caged Collocation space shared by two (2) or more collocators pursuant to the terms and conditions agreed to and between the collocators. In making shared cage arrangements available, SBC-13STATE may not increase the cost of site preparation or nonrecurring charges above the cost of provisioning such a cage of similar dimensions and material to a single collocating Party. In those instances where SBC-13STATE receives applications simultaneously from multiple collocators who desire construction of a cage to be shared, SBC-13STATE will prorate the charge for site conditioning and preparation undertaken to construct the shared collocation cage or condition the space, and allocate that charge to each collocator based upon the percentage of total space utilized by each Collocator.

4.5.2.3 SBC-13STATE will not place unreasonable restrictions on LEVEL 3's use of a cage, and as such will allow LEVEL 3 to contract with other collocators to share the cage in a sublease-type arrangement. In a sublease-type arrangement, LEVEL 3 shall charge any such co-collocator no more than the prorated share (based upon square footage used exclusively or in common) of SBC-13STATE's charges to LEVEL 3.

4.5.3 Cageless Physical Collocation

SBC-13STATE will provide Cageless Collocation in any collocation space that is supported by the existing telecommunications infrastructure (Active Collocation Space), or in the event that all such space is Legitimately Exhausted or completely occupied, will provide in any collocation space that requires additional telecommunications infrastructure (Other (Inactive) Collocation Space), as further defined in Appendix GT&C. Under this arrangement, SBC-13STATE will provide space in single bay increments, including available space adjacent to or next to SBC-13STATE's equipment. LEVEL 3 will have direct access to its equipment twenty-four (24) hours a day, seven (7) days a week without need for a security escort. SBC-13STATE will not require LEVEL 3 to use an intermediate interconnection arrangement such as a POT frame. SBC-13STATE may take reasonable steps to protect its own equipment as provided in Section 4.11 of this Appendix. Accordingly, SBC-13STATE will not provide LEVEL 3's personnel or agents with direct access to SBC-13STATE's main distribution frame

4.5.4 Caged Common Collocation

SBC-13STATE will provide Caged Common Collocation as set forth in the following.

4.5.4.1 SBC-13STATE will make Caged Common Collocation available to all collocators. The Caged Common Collocation option provides the collocators with an enclosure (not including a top). This enclosure is an area designated by SBC-13STATE within an Premises to be used by the collocators for the sole purpose of installing, maintaining and operating the collocator-provided equipment. Caged Common Collocation space will be provided where space permits when five (5) or more collocators have provided SBC-13STATE with their forecasted space requirements accompanied with a firm order and twenty five percent (25%) of non-recurring charges for the forecasted space as deposit.

4.5.4.2 Reserved for Future Use.

4.5.4.3 When these criteria have been met, SBC-13STATE will construct a common cage minimum of five hundred and fifty (550) sq. ft. of space unless collocators' combined forecasted space needs for the initial year exceed five hundred and fifty (550) sq. ft., in which case, SBC-13STATE will construct the cage to the collocators' combined forecasts for the initial year. Subsequent additions to the Caged Common Collocation area will be based on firm orders with the Collocator(s) requesting

additional space bearing the costs for such expansion. Billing for Caged Common Collocation is addressed in Sections 20.2 of this Appendix.

4.5.5 SBC-13STATE will provide other collocation arrangements as required by FCC rules or state commissions. Deployment by any incumbent LEC of a collocation arrangement gives rise to a rebuttable presumption in favor of a telecommunications carrier seeking collocation in SBC-13STATE's Premises that such an arrangement is technically feasible

4.5.5.1 LEVEL 3 must comply with all methods, procedures and guidelines followed by SBC-13STATE in constructing such an arrangement. LEVEL 3 may provide a cage enclosure (which shall not include a top), cable rack and support structure inside the cage, lighting, receptacles, cage grounding, cage sign and door key set. In addition, terms and conditions for contractors performing cage construction activities as set forth in this Appendix will apply. If LEVEL 3 elects to install or requests that SBC-13STATE provide and install a point of termination (POT) frame in the dedicated collocation area rather than inside its cage, the floor space rate for Cageless Collocation found in Section 20.2.2.2.2.1 following applies.

4.6 Reserved for future use.

4.7 Reserved for future use.

4.8 Cross-connects between LEVEL 3 and other telecommunication carriers collocated at SBC-13STATE premises will be allowed in accordance with applicable state and federal law, rules and regulations. SBC-13STATE will offer LEVEL 3 the following methods of collocating cross-connects:

4.8.1 SBC-13STATE will extend SBC-13STATE UNEs requiring cross connection to LEVEL 3's or another carrier's POT when LEVEL 3 is Physically Collocated, in a Caged or Shared Cage Arrangement, within the same Central Office where the UNEs which are to be combined are located.

4.8.2 SBC-13STATE will extend SBC-13STATE UNEs that require cross connection to LEVEL 3's UNE frame located in the common room space, other than the Collocation common area, within the same Central Office where the UNEs which are to be combined are located.

4.8.3 SBC-13STATE will extend SBC-13STATE UNEs to LEVEL 3's or another carrier's UNE frame that is located outside the SBC-13STATE Central Office where the UNEs are to be combined (e.g., in an enclosure,

such as a cabinet provided by SBC-13STATE on SBC-13STATE property).

- 4.9 Reserved for future use.
- 4.10 SBC-13STATE shall permit LEVEL 3 to place its own connecting transmission facilities, subject to compliance with reasonable safety limitations, within SBC-13STATE's Premises in LEVEL 3's Physical Collocation space, without requiring LEVEL 3 to purchase any equipment or connecting facilities solely from SBC-13STATE.
- 4.11 Security
- 4.11.1 LEVEL 3 will conduct background checks of its personnel and technicians who will have access to the collocation space. LEVEL 3 technicians will be security-qualified by LEVEL 3 and will be required to be knowledgeable of SBC-13STATE security standards.
- 4.11.2 LEVEL 3 personnel and technicians will undergo the same level of security training or its equivalent that SBC-13STATE's own employees and authorized contractors must undergo. SBC-13STATE will not, however, require LEVEL 3 to receive security training from SBC-13STATE, but will provide information to LEVEL 3 on the specific type of training required.
- 4.11.3 LEVEL 3 can then provide its employees with its own security training. Qualification program and security training details shall be included in SBC-13STATE's Technical Publications via <https://clec.sbc.com/clec>.
- 4.11.4 LEVEL 3 and SBC-13STATE will each establish disciplinary procedures up to and including dismissal or denial of access to the Premises and other property of SBC-13STATE for certain specified actions that damage, or place the equipment, facilities, or the network or personnel of LEVEL 3 or SBC-13STATE in jeopardy. The following are actions that could damage or place the Premises, or the network or the personnel of LEVEL 3 or SBC-13STATE in jeopardy and may justify disciplinary action up to and including dismissal or the denial of access to the Premises and other SBC-13STATE property:
- 4.11.4.1 theft or destruction of SBC-13STATE's or LEVEL 3's property;
- 4.11.4.2 use/sale or attempted use/sale of alcohol or illegal drugs on SBC-13STATE property;

- 4.11.4.3 threats or violent acts against other persons on SBC-13STATE property;
 - 4.11.4.4 Knowing violations of any local, state or federal law on SBC-13STATE property;
 - 4.11.4.5 Permitting unauthorized persons access to SBC-13STATE or LEVEL 3's equipment on SBC-13STATE property; and
 - 4.11.4.6 Carrying a weapon on SBC-13STATE property.
- 4.11.5 In addition, LEVEL 3 and SBC-13STATE will take appropriate disciplinary steps as determined by each Party to address any violations reported by SBC-13STATE or LEVEL 3 of SBC-13STATE's policies and practices on security, safety, network reliability, and business conduct as defined in SBC-13STATE's Interconnector's Collocation Services Handbook <https://clec.sbc.com/clec> for Physical Collocation in SBC-13STATE, provided the Handbook and any and all updates to it are timely provided to LEVEL 3 at no charge. Provided, however, that if said policy or practice is different from the policies and practices in the version of the Handbook that was in effect as of August 1, 2004, then any such appropriate disciplinary steps shall be subject to the mutual agreement of the parties.
- 4.11.5.1 Prior to any permanent denial of access, either SBC-13STATE or LEVEL 3 may request a meeting to address the circumstances.
- 4.11.6 LEVEL 3 will provide indemnification as set forth in Section 15 of this Appendix and insurance as set forth in Section 18 of this Appendix to cover any damages caused by LEVEL 3's technicians at a level commensurate with the indemnification and insurance provided by SBC-13STATE-authorized contractors with equivalent access. The indemnification provisions and requirements are reciprocal to SBC-13STATE as well.
- 4.11.7 SBC-13STATE may use reasonable security measures to protect its equipment. In the event SBC-13STATE elects to erect an interior security partition in a given Premises to separate its equipment, SBC-13STATE may recover the costs (as reasonably allocated to each affected collocator) of the partition in lieu of the costs of other reasonable security measures if the partition costs are lower than the costs of any other reasonable security measure for such Premises. In no event shall a telecommunications carrier be required to pay for both an interior security partition to separate SBC-13STATE's equipment in an Premises and any other reasonable security measure for such Premises.

- 4.11.7.1 **SBC-13STATE**'s construction of an interior security partition around its own equipment shall not interfere with a telecommunications carrier's access to its equipment, including equipment collocated directly adjacent to **SBC-13STATE**'s equipment. **SBC-13STATE**'s construction of an interior security partition around its own equipment shall not impede a telecommunications carrier's ability to collocate within **SBC-13STATE**'s space. To the extent that **SBC-13STATE** is required to install additional security measures within its interior security partition because a telecommunications carrier has access to its own equipment within the area, such security measures shall be constructed and maintained at **SBC-13STATE**'s expense.
- 4.11.7.2 **SBC-13STATE**'s enclosure of its own equipment will not be a basis for a claim that space is Legitimately Exhausted, nor will it be a basis for a claim that Active Collocation Space is exhausted.
- 4.11.7.3 **SBC-13STATE**'s enclosure of its own equipment will not unreasonably increase a telecommunications carrier's cost nor shall it result in duplicative security costs. The cost of an interior security partition around **SBC-13STATE**'s equipment cannot include any embedded costs of any other security measures for the Premises.
- 4.11.7.4 If **SBC-13STATE** chooses to enclose its own equipment, **SBC-13STATE** will be entitled to recover the cost of the cage ONLY to the extent that the price of such construction is lower than that of other reasonable security measures.
- 4.11.7.5 **SBC-13STATE** has the burden to demonstrate that the cost of security measures alternative to its partitioning of its own equipment is higher than the cost of enclosing its own equipment. If **SBC-13STATE** cannot prove that other reasonable security methods cost more than an interior security partition around **SBC-13STATE**'s equipment, **SBC-13STATE** cannot elect to erect an interior security partition in a given Premises to separate its equipment and then recover the cost from collocators.
- 4.11.7.6 If **SBC-13STATE** elects to erect an interior security partition and recover the cost, it must demonstrate to **LEVEL 3** that other reasonable security methods cost more than an interior

security partition around SBC-13STATE's equipment at the time the price quote is given.

4.12 Relocation

- 4.12.1 When SBC-13STATE determines because of zoning changes, condemnation, or government order or regulation that it is necessary for the Dedicated Space to be moved within an Premises to another Premises, from an adjacent space collocation structure to a different adjacent space collocation structure, or from an adjacent space collocation structure to an Premises, LEVEL 3 is required to move its Dedicated Space or adjacent space collocation structure. SBC-13STATE will notify the resident Collocator(s) in writing within five days of the determination to move the location. If the relocation occurs for reasons other than an emergency, SBC-13STATE will provide the resident Collocator(s) with at least one hundred eighty (180) days advance written notice prior to the relocation. If LEVEL 3 is required to relocate under this Section, LEVEL 3 will not be required to pay any Planning Fee or application fees associated with arranging for new space. LEVEL 3 shall be responsible for the preparation of the new telecommunications equipment space and Dedicated Space at the new location or an adjacent space collocation structure if such relocation arises from circumstances beyond the reasonable control of SBC-13STATE, including zoning changes, condemnation or government order or regulation that makes the continued occupancy or use of the Dedicated Space or the Premises in which the Dedicated Space is located or the adjacent space collocation structure for the purpose then used, uneconomical in SBC-13STATE's reasonable discretion. In addition, LEVEL 3's presence in SBC-13STATE Central Offices or adjacent space collocation structures should not prevent SBC-13STATE from making a reasonable business decision regarding building expansions or additions the number of Central Offices required to conduct its business or its locations.
- 4.12.2 If SBC-13STATE determines that LEVEL 3 must relocate due to any of the above reasons, SBC-13STATE will make all reasonable efforts to minimize disruption of LEVEL 3's services. In addition, the costs of the move will be shared equally by SBC-13STATE and LEVEL 3, unless the Parties agree to a different financial arrangement.
- 4.12.3 If LEVEL 3 requests that the Dedicated Space be moved within the Premises in which the Dedicated Space is located, to another Premises, from an adjacent space collocation structure to a different adjacent space collocation structure or to an Premises, SBC-13STATE shall permit LEVEL 3 to relocate the Dedicated Space or adjacent space collocation structure, subject to availability of space and technical feasibility. LEVEL 3 shall be responsible for all applicable charges associated with

the move, including the reinstallation of its equipment and facilities and the preparation of the new telecommunications equipment space, and Dedicated Space, or adjacent space collocation structure as applicable. In any such event, the new Dedicated Space shall be deemed the Dedicated Space and the new Premises (where applicable) shall be deemed the Premises in which the Dedicated Space is located and the new adjacent space collocation structure shall be deemed the adjacent space collocation structure.

5. SPACE AVAILABILITY

5.1 Adjacent Space Collocation – Where Physical Collocation space within **SBC-13STATE** Premises is Legitimately Exhausted, as that term is defined in Appendix GT&C, **SBC-13STATE** will permit **LEVEL 3** to physically collocate on **SBC-13STATE**'s property in adjacent controlled environmental vaults or similar structures that **SBC-13STATE** uses to house telecommunication equipment, to the extent technically feasible. **SBC-13STATE** and telecommunications carrier will mutually agree on the location of the designated space on **SBC-13STATE** premises where the adjacent structure will be placed. **SBC-13STATE** will not unreasonably withhold agreement as to the site desired by **LEVEL 3**. Safety and maintenance requirements, zoning and other state and local regulations are all reasonable grounds to withhold agreement as to the site desired by **LEVEL 3**. **SBC-13STATE** will offer the following increments of power to the Adjacent On-site structure: **SBC-13STATE** will provide a standard offering of 100 AMPS of AC power to the adjacent structure when Central Office Switchboard AC capacity exists. **SBC-13STATE** will provide DC power within two cable options that allow increments of 2-100 Amp Power Feeds, 2-200 Amp Power Feeds, 2-300 Amp Power Feeds, and 2-400 Amp Power Feeds to the adjacent structure from the Central Office Power source. At its option, **LEVEL 3** may choose to provide its own AC and DC power to the adjacent structure. **SBC-13STATE** will provide Physical Collocation services to such adjacent structures, subject to the same requirements as other collocation arrangements in this Appendix. **SBC-13STATE** shall permit **LEVEL 3** to place its own equipment, including, but not limited to, copper cables, coaxial cables, fiber cables and telecommunications equipment, in adjacent facilities constructed by either **SBC-13STATE** or **LEVEL 3**. **LEVEL 3** shall be responsible for securing all required licenses and permits, the required site preparations and shall further retain responsibility for securing and/or constructing the adjacent structure and any building and site maintenance associated with the placement of such adjacent structure.

5.1.1 The Adjacent Off-site Arrangement is available if **LEVEL 3**'s site is located on a property that is contiguous to or within one standard city block of the **SBC-13STATE** Central Office or Premises. Such arrangement shall be used for interconnection and access to Lawful UNEs. When **LEVEL 3** elects to utilize an Adjacent Off-site Arrangement,

LEVEL 3 shall provide both the AC and DC power required to operate such facility. **LEVEL 3** may provide its own facilities to **SBC-13STATE**'s premises or to a mutually agreeable meet point from its Adjacent Off-site location for interconnection purposes. **LEVEL 3** may subscribe to facilities available in the UNE rate schedule of **LEVEL 3**'s Agreement.

- 5.1.2 At the time **LEVEL 3** requests this Arrangement, **LEVEL 3** must provide information as to the location of the Adjacent Off-site facility, the proposed method of interconnection, and the time frame needed to complete provisioning of the Arrangement. **SBC-13STATE** shall provide a response, including a price quote, provisioning interval, and confirmation of the manner in which the Adjacent Off-site facility will be connected with **SBC-13STATE**'s facilities, to **LEVEL 3** within ten (10) days receipt of the Application. **SBC-13STATE** shall make best efforts to meet the time intervals requested by **LEVEL 3**. If **SBC-13STATE** cannot meet **LEVEL 3**'s proposed deadline, shall provide detailed reasons as well as proposed provisioning intervals.
- 5.1.3 In the event that interior space in an Premises becomes available, **SBC-13STATE** will provide the option to **LEVEL 3** to relocate its equipment from an Adjacent On-site or an Adjacent Off-site facility into the interior space. In the event that **LEVEL 3** chooses to relocate its equipment into the interior space, appropriate charges applicable for collocation within the Premises will apply.
- 5.2 In responding to an application request if space is not available, **SBC-13STATE** will notify **LEVEL 3** that its application for Dedicated Space is denied due to the lack of space within ten (10) calendar days of **SBC-13STATE**'s receipt of a completed application.
 - 5.2.1 When space for Physical Collocation in a particular Premises is not available, **SBC-13STATE** shall place **LEVEL 3** on the waiting list for collocation in a particular Premises according to the date on which **LEVEL 3** submitted its application for Physical Collocation in that Premises.
 - 5.2.2 In the event **SBC-13STATE** denies **LEVEL 3**'s request and **LEVEL 3** disputes the denial, **LEVEL 3** may request a tour of the Premises to verify space availability or the lack thereof. The request shall be submitted to **SBC-13STATE**'s designated representative in writing. The inspection tour shall be scheduled within five (5) business days of receipt of the written request for a tour and the tour shall be conducted within ten (10) calendar days of the request or some other mutually agreed on date.

- 5.2.3. **SBC-13STATE** will file a copy of the notification letter denying **LEVEL 3**'s request with the appropriate Commission. In the event of a denial, **SBC-13STATE** will concurrently submit to both the appropriate Commission and **LEVEL 3**, in support of its denial, provided under seal and subject to proprietary protections: Central Office common language identifier, where applicable, the identity of the requesting Collocator, including amount of space requested by **LEVEL 3**, the total amount of space at the premises, detailed floor plans, identification of switch turnaround plans and other equipment removal plans and timelines, if any, Central Office rearrangement/expansion plans, if any, and description of other plans, if any, that may relieve space exhaustion.
- 5.2.4 Prior to the inspection tour, a "Reciprocal Non-disclosure Agreement" shall be signed by the designated Company representative and the designated agent for **LEVEL 3**, who will participate in the tour.
- 5.2.5 If **LEVEL 3**'s agent believes, based on the inspection tour of the Premises facilities, that the denial of Physical Collocation space is insupportable, **LEVEL 3**'s agent shall promptly so advise **SBC-13STATE**. **LEVEL 3** and **SBC-13STATE** shall then each concurrently prepare a report detailing its own findings of the inspection tour. **LEVEL 3** and **SBC-13STATE** reports shall be concurrently served on each other and submitted to the appropriate Commission no later than forty-five (45) calendar days following the filing of the request for space. The burden of proof shall be on **SBC-13STATE** to justify the basis for any denial of collocation requests.
- 5.2.6 **SBC-13STATE** will provide all relevant documentation to **LEVEL 3**'s agent including blueprints and plans for future facility expansions or enhancements, subject to executing the non-disclosure agreement. **SBC-13STATE**'s representative will accompany and supervise **LEVEL 3**'s agent on the inspection tour.
- 5.3 **SBC-13STATE** shall maintain a publicly available document for viewing on the Internet indicating its Premises, if any, that have no space available for Physical Collocation. **SBC-13STATE** will update this document within ten (10) calendar days of the date at which an Premises runs out of Physical Collocation space. In addition, for Central Offices where collocators are currently located or applications for collocation are pending, if space availability information is readily available to **SBC-13STATE**, such information will be placed on the website <https://clec.sbc.com/clec>. **SBC-13STATE** will update the public document on the first day of each month to include all newly available information.
- 5.4 **SBC-13STATE** will submit to a requesting carrier a report indicating **SBC-13STATE**'s available collocation space in a particular **SBC-13STATE** Premises

upon request. This report will specify the amount of collocation space available at each requested Premises, the number of collocators, and any modifications in the use of the space since the last report. The report will also include measures that **SBC-13STATE** is taking to make additional space available for collocation. The intervals for delivering the reports are as follows:

Number of Report Requests By One Collocator	Report Delivery Interval
1 - 5	10 Calendar Days
6 - 10	15 Calendar Days
11 - 15	20 Calendar Days
16 - 20	25 Calendar Days

Should **LEVEL 3** submit twenty-one (21) or more report requests within five (5) business days, the report delivery interval will be increased by five (5) business days for every five (5) additional report requests or fraction thereof.

- 5.5 To the extent possible, **SBC-13STATE** will make contiguous space available to **LEVEL 3** if **LEVEL 3** seeks to expand an existing Physical Collocation arrangement and if such request meets **SBC-13STATE**'s non-discriminatory practices regarding efficient space utilization.
- 5.6 **SBC-13STATE** may retain, for a certain period a limited amount of floor space for **SBC-13STATE**'s own specific future uses on terms no more favorable to **SBC-13STATE** or its affiliates than those that apply to other telecommunications carriers, including **LEVEL 3**, seeking to reserve Collocation space for their own future use. With the exception of space needed by **SBC-13STATE** for switching equipment "turnaround" (e.g., the installation of new switching equipment to replace then-existing switching equipment), other telecommunications equipment and infrastructure, if any, and/or otherwise permitted or directed by applicable state or federal rule, order, law or award, **SBC-13STATE** will relinquish any space held for its future use before denying a request for Physical Collocation on grounds of space limitations. However, if **SBC-13STATE** demonstrates to the applicable state commission that Physical Collocation is not technically feasible, and that space does not exist, **SBC-13STATE** will not be obligated to provide Physical Collocation and the Parties will attempt to reach a mutually agreeable alternative method of interconnection.

At the request of the applicable state commission or **LEVEL 3**, **SBC-13STATE** shall remove any unused obsolete equipment (e.g., "retired in-place") from its premises.

6. ELIGIBLE EQUIPMENT FOR COLLOCATION

- 6.1 In accordance with Section 251(c)(6) of the FTA 96, 47 C.F.R § 51.323 of the FCC's rules, and all applicable state and federal laws, LEVEL 3 may collocate equipment "necessary for interconnection or access to unbundled network elements." Multifunctional equipment may be collocated consistent with all applicable state and federal laws, regulations, and orders of the FCC. Equipment may also be collocated to terminate basic transmission facilities pursuant to 47 C.F.R. §§ 64.1401 and 64.1402 of the FCC's rules, and all applicable state and federal laws and regulations.
- 6.1.1 SBC-13STATE will also permit LEVEL 3 to place equipment ancillary to its equipment collocated pursuant to the foregoing, including cross-connections and other simple frames, routers, portable test equipment, and equipment racks and bays, on a non-discriminatory.
- 6.2 Reserved for future use.
- 6.3 Reserved for future use.
- 6.4 Reserved for future use.
- 6.5 Reserved for future use.
- 6.6 Reserved for future use.
- 6.7 Reserved for future use.
- 6.8 Reserved for future use.
- 6.9 Reserved for future use.
- 6.10 SBC-13STATE does not assume any responsibility for the installation, furnishing, designing, engineering, or performance of LEVEL 3's equipment and facilities in LEVEL 3's Physical Collocation space.
- 6.11 All types of network equipment placed in SBC-13STATE Premises by SBC-13STATE or LEVEL 3 must meet the SBC-13STATE minimum safety standards. The minimum safety standards are as follows: (1) LEVEL 3's equipment must meet Telcordia Level 1 safety requirements as set forth in Telcordia documents SR-3580 and GR-63-CORE, Network Equipment Building Systems (NEBS); or, (2) LEVEL 3 must demonstrate that its equipment has a history of safe operation defined by installation in an ILEC central office (including SBC-13STATE) prior to January 1, 1998, with no known history of safety problems.
- 6.12 In the event that SBC-13STATE denies Collocation of LEVEL 3's equipment, citing that such equipment does not meet acceptable safety standards, SBC-

13STATE will provide, within five (5) business days of LEVEL 3's written request to SBC-13STATE representative(s), a list of SBC-13STATE equipment which SBC-13STATE locates within the premises of the Eligible Structure for which Collocation was denied. In addition to this list, SBC-13STATE also will provide an affidavit attesting that all of the SBC-13STATE equipment on the list met or exceeded the then-current minimum safety standards when such equipment was placed in the Premises. The affidavit must set forth in detail the exact safety requirement(s) that LEVEL 3's equipment does not satisfy, SBC-13STATE's basis for concluding that LEVEL 3's equipment does not meet this safety requirement(s), and SBC-13STATE's basis for concluding why collocation of equipment not meeting this safety requirement(s) would compromise network safety.

- 6.13 In the event that LEVEL 3 submits an application requesting collocation of certain equipment and SBC-13STATE determines that such equipment is not necessary for interconnection or access to UNEs within the meaning of Section 6.1 above or determines that LEVEL 3's equipment does not meet the minimum safety standards identified in Section 6.11 above or any other requirements of this Appendix, LEVEL 3 must not collocate the equipment unless and until the dispute is resolved in its favor. In the event that LEVEL 3 equipment is already collocated improperly then (i) if the equipment does not meet minimum safety standards LEVEL 3 will within ten days either bring the equipment into compliance with such safety standards or remove the equipment from the collocation space; and (ii) if the equipment does meet minimum safety standards, then LEVEL 3 will within thirty days either bring the equipment into compliance with all material requirements of this appendix that the equipment must meet in order to be eligible for collocation or remove the equipment from the collocation space.
- 6.14 Collocation equipment or operating practices representing a significant demonstrable technical or physical threat to SBC-13STATE personnel, network or facilities, including the Premises, or those personnel, network or facilities of others, is strictly prohibited. Notwithstanding any other provision herein, the characteristics and methods of operation of any equipment or facilities placed in the Physical Collocation space shall not create hazards for or cause damage to those facilities, the Physical Collocation space, or the Premises in which the Physical Collocation space is located; impair the privacy of any communications carried in, from, or through the Premises in which the Physical Collocation space is located; or create hazards or cause physical harm to any individual or the public. Any of the foregoing would be in violation of this Appendix.

7. DEDICATED COLLOCATION SPACE CHARGES

7.1 Physical Collocation Application

As provided in this Appendix, **SBC-13STATE** shall notify **LEVEL 3** in writing as to whether its request for Physical Collocation has been granted or denied within ten (10) calendar days of submission of the completed application

7.1.1 **SBC-13STATE** shall refund the applicable fees if it is unable to provision the collocation space to **LEVEL 3**'s specifications, and as a result, **LEVEL 3** does not take occupancy of the space.

7.1.2 If **SBC-13STATE** determines that **LEVEL 3**'s Physical Collocation Application is unacceptable, **SBC-13STATE** shall advise **LEVEL 3** of any deficiencies within this ten (10) calendar day period. **SBC-13STATE** shall provide **LEVEL 3** with sufficient detail so that **LEVEL 3** has a reasonable opportunity to cure each deficiency. To retain its place in the queue to obtain the Physical Collocation arrangement, **LEVEL 3** must cure any deficiencies in its Application and resubmit such Application within ten (10) calendar days after being advised of the deficiencies. Any changes requested by **LEVEL 3** and not resulting from a request of **SBC-13STATE**, to the amount or type of floor space, interconnection terminations, and power from the originally submitted Physical Collocation Application will not be considered a deficiency, but rather as a new Physical Collocation Application with a new ten (10) calendar day space notification and delivery interval.

7.2 **SBC-13STATE** will contract for and perform the construction and other activities underlying the preparation of the Telecommunications Infrastructure Area and Dedicated Space, and any Custom Work Charges using the same or consistent practices that are used by **SBC-13STATE** for other construction and preparation work performed in the Premises in which the Dedicated Space is located. **SBC-13STATE** will permit **LEVEL 3** to review the contractor invoices. **LEVEL 3** will be permitted to contract its own work for the preparation activities within **LEVEL 3**'s cage including the construction of physical security arrangements. However, any such contractor shall be subject to the approval of **SBC-13STATE**, such Dedicated Space preparation activities shall be in accordance with all approved plans and specifications and coordinated with **SBC-13STATE**, and **LEVEL 3** shall be solely responsible for all charges of any such contractor. Use of any such contractor shall not nullify the construction interval with respect to the preparation of the Telecommunications Infrastructure Area and Custom Work

7.3 Recurring/Non-Recurring charges

LEVEL 3 shall pay **SBC-13STATE** all associated non-recurring and recurring charges for use of the Dedicated Collocation Space. These charges may be generated on an ICB basis or may be contained in the Appendix Pricing attached. The recurring monthly charges for each Dedicated Collocation Space shall be as set forth in this Agreement for the term of this ICA unless modified upon re-

negotiation of the ICA and/or pursuant to a state or federal commission order, regulation or law.

7.3.1 Monthly Charges

7.3.1.1 The flat-rate monthly recurring charges shall begin the earlier of when the first circuit is turned up or five (5) days after **LEVEL 3** has been notified that the preparation of the Dedicated Space is complete, and shall apply each month or fraction thereof that Physical Collocation is provided. For billing purposes, each month is considered to have thirty (30) days. The applicable recurring charges are set forth in the Collocation Rate Summary of this Appendix for use of the Dedicated Space.

7.3.1.2 Billing of monthly recurring charges shall occur on or about the 25th day of each month, with payment due thirty (30) days from the bill date. **SBC-13STATE** may change its billing date practices upon thirty (30) day's notice to **LEVEL 3**.

7.3.2 Nonrecurring Charges

7.3.2.1 Nonrecurring charges are one-time charges that apply for specific work activity associated with providing Physical Collocation, per request, per Premises.

7.3.2.2 SBC will use best efforts to provide **LEVEL 3** with the billing for all costs incurred in the establishment of Physical Collocation within one hundred eighty (180) days of the billing cycle. The Parties agree that backbilling will apply according to Section 8.11 of the General Terms and Conditions contained within this Agreement.

7.3.3 ICBs

An ICB quote is prepared by **SBC-13STATE** to estimate non-recurring and recurring charges associated with the requested Physical Collocation Space where a state specific rate element does not exist in the attached Appendix Pricing. This ICB quote is prepared specifically for collocation requests and is not associated in any way with the Bona Fide Request ("BFR") process used to request UNEs or other unique items not contained in **LEVEL 3**'s ICA.

7.3.4 The Collocator has sixty-five (65) calendar days to remit a signed confirmation form along with a check for fifty percent (50%) of all the applicable non-recurring charges. After sixty-five (65) calendar days, a new application and Planning Fee are required.

- 7.4 SBC-13STATE may use reasonable security measures to protect its equipment. In the event SBC-13STATE elects to erect an interior security partition in a given Premises to separate its equipment, SBC-13STATE may recover the costs of the partition in lieu of the costs of other reasonable security measures if the partition costs are lower than the costs of any other reasonable security measure for such Premises. In no event shall a telecommunications carrier be required to pay for both an interior security partition to separate SBC-13STATE's equipment in an Premises and any other reasonable security measure for such Premises.
- 7.5 LEVEL 3 shall not assign or otherwise transfer, either in whole or in part, or permit the use of any part of the Dedicated Space by any other person or entity, without the prior written consent of SBC-13STATE, which consent shall not be unreasonably withheld. Any purported assignment or transfer made without such consent shall be voidable at the sole discretion of SBC-13STATE.
- 7.6 Beginning on and after the Effective Date of this Agreement, the Parties agree that the rates and charges for Collocation shall be as set forth in this Appendix and in the Pricing Schedule applicable to collocation ("Collocation Rates"). The Parties agree that the Collocation Rates shall apply, on a prospective basis only, beginning on the Effective Date, to all existing LEVEL 3 collocation arrangements, including those established before the Effective Date. Because the Collocation Rates will apply on a prospective basis only, neither Party shall have a right to retroactive application of the Collocation Rates to any time period before the Effective Date, and there shall be no retroactive right of true-up for any time period before the Effective Date.

The fact that SBC-13STATE may have additional work to perform after LEVEL 3 completes its work shall not bar the start of such recurring charges, provided that the remaining work to be completed by SBC-13STATE does not materially impair LEVEL 3 from operating in the space.

8. USE OF DEDICATED COLLOCATION SPACE

- 8.1 Nature of Use – As provided in Section 6.1 above, LEVEL 3 may collocate equipment "necessary for interconnection or access to unbundled network elements." Consistent with the nature of the Premises and the environment of the Dedicated Collocation Space, LEVEL 3 shall not use the Dedicated Collocation Space for office, retail, or sales purposes. No signage or markings of any kind by Collocation shall be permitted on the Premises or on the grounds surrounding the Building.
- 8.2 Reserved for future use.
- 8.3 A complete and accurate list of all the equipment and facilities that LEVEL 3 will place within its Dedicated Space must be included on the application for which

the Dedicated Space is prepared including the associated power requirements, floor loading, and heat release of each piece. LEVEL 3 shall not place or leave any equipment or facilities within the Dedicated Space not included on the list without the express written consent of SBC-13STATE, which consent shall not be unreasonably withheld.

- 8.4 Reserved for future use.
- 8.5 Reserved for future use.
- 8.6 SBC-13STATE will not delay LEVEL 3 employee's entry into an Premises containing its collocated equipment or its access to its collocated equipment. SBC-13STATE will provide LEVEL 3 with reasonable access to restroom facilities and parking. All access is provided subject to compliance by LEVEL 3's employees, agents and contractors with SBC-13STATE's policies and practices pertaining to fire, safety and security (i.e., LEVEL 3 must comply with Section 6.11 of this Appendix).
- 8.6.1 Upon the discontinuance of service, LEVEL 3 shall surrender the Dedicated Space or land for an adjacent structure to SBC-13STATE, in the same condition as when first occupied by LEVEL 3, except for ordinary wear and tear.
- 8.7 **Threat to Personnel, Network or Facilities:** LEVEL 3 equipment, operating practices, or other activities or conditions attributable to LEVEL 3 that represent a demonstrable threat to SBC-13STATE's network, equipment, or facilities, including the Premises, or to the network, equipment, or facilities of any person or entity located in the Premises, are strictly prohibited.
- 8.8 **Interference or Impairment:** Operation of any equipment, facilities or any other item placed in the Dedicated Collocation Space shall not interfere with or impair service over SBC-13STATE's network, equipment, or facilities, or the network, equipment, or facilities of any other person or entity located within the Premises; create hazards for or cause damage to those networks, equipment, or facilities, the Dedicated Collocation Space, or the Premises; impair the privacy of any communications carried in, from, or through the network, equipment or facilities of the Dedicated Collocation Space or the Premises; or create hazards or cause physical harm to any person, entity, or the public. Any of the foregoing events would be a material breach of this Appendix.
- 8.9 **Alterations:** In no case shall LEVEL 3 or any person acting through or on behalf of LEVEL 3 make any arrangement, modification, improvement, addition, repair, or other alteration to the Dedicated Space or the Premises in which the Dedicated Space is located without the advance written permission of SBC-13STATE, which permission shall not be unreasonably withheld. The cost of any SBC-

13STATE provided construction shall be paid by **LEVEL 3** in accordance with **SBC-13STATE**'s custom work order process.

- 8.10 The SBC ILEC's Interconnector's Collocation Services Handbook or like document, standards and requirements for equipment and facility installations, and the TP 76200MP standards are not incorporated herein but are available on the appropriate **SBC-13STATE** CLEC ONLINE Website.
- 8.11 When **LEVEL 3**'s Physical Collocation arrangement is within the Premises, **LEVEL 3** may not provide its own DC power plant equipment (with rectifiers or chargers and batteries) or AC power backup equipment (e.g., Uninterruptible Power System with batteries, or standby engine). **SBC-13STATE** will provide the necessary backup power to ensure against power outages.
- 8.12 **LEVEL 3** shall use a dielectric fire retardant fiber cable as the transmission medium to the Dedicated Space or, where technically and structurally feasible, may use microwave. Collocation requests utilizing facilities other than fiber will be provided as an Individual Case Basis (ICB). **SBC-13STATE** will only permit copper or coaxial cable as the transmission medium where **LEVEL 3** can demonstrate to **SBC-13STATE** that use of such cable will not impair **SBC-13STATE**'s ability to service its own customers or subsequent collocators.
- 8.13 **LEVEL 3** is responsible for bringing its facilities to the entrance manhole(s) designated by **SBC-13STATE**, and leaving sufficient length in the cable in order for **SBC-13STATE** to fully extend **LEVEL 3**-provided facilities through the cable vault to the Dedicated Space. **SBC-13STATE** will inform **LEVEL 3** in writing (or email) of the length of slack cable that **SBC-13STATE** requires in order to fully extend **LEVEL 3**-provided facilities through the cable vault to the Dedicated Space no later than 60 days after **LEVEL 3** has placed the application for such entrance facilities.
- 8.14 Demarcation Point - A Point of Termination (POT) Frame is not required as the demarcation point. However, **LEVEL 3** may, at its election, provide its own Point of Termination (POT) frame either in its dedicated cage space or in **SBC-13STATE**-designated area within the Premises. If **LEVEL 3** elects not to provide a POT Frame, **SBC-13STATE** will hand off the Interconnection Arrangement(s) cables to **LEVEL 3** at its equipment.

9. OPERATIONAL RESPONSIBILITIES

- 9.1 **SBC-13STATE** is responsible for providing **LEVEL 3** personnel a contact number for **SBC-13STATE** technical personnel who are readily accessible twenty-four (24) hours a day, seven (7) days a week. In addition, for all activities requiring verbal and written notification per this Appendix, the Parties will provide the contact numbers included in the application process. Notwithstanding the requirements for contact numbers, **LEVEL 3** will have access to its collocated

equipment in the Premises twenty-four (24) hours a day, seven (7) days a week and SBC-13STATE will not delay LEVEL 3's entry into an Premises.

9.1.1 LEVEL 3 is responsible for providing to SBC-13STATE personnel a contact number for LEVEL 3 technical personnel who are readily accessible twenty-four (24) hours a day, seven (7) days a week. In addition, for all activities requiring verbal and written notification per this Appendix, the Parties will provide the contact numbers included in the application process.

9.1.2 SBC-13STATE shall maintain for the Premises customary building services, utilities (excluding telephone facilities), including janitorial and elevator services, twenty-four (24) hours a day, seven (7) days a week. Any business telephone services ordered by LEVEL 3 for its administrative use within its Dedicated Space will be provided in accordance with applicable SBC-13STATE tariffs.

9.2 LEVEL 3 is responsible for making best efforts to provide prompt verbal notification to SBC-13STATE of significant outages or operations problems which could impact or degrade SBC-13STATE's network, switches or services, with an estimated clearing time for restoration. In addition, LEVEL 3 will provide written notification within 24 hours. When trouble has been identified, LEVEL 3 is responsible for providing trouble status reports, when requested by SBC-13STATE.

9.2.1 SBC-13STATE is responsible for making best efforts to provide prompt verbal notification to LEVEL 3 of significant outages or operations problems which could impact or degrade LEVEL 3's network, switches or services, with an estimated clearing time for restoration. In addition, SBC-13STATE will provide written notification within twenty-four (24) hours. When trouble has been identified, SBC-13STATE is responsible for providing trouble status reports when requested by LEVEL 3.

9.3 **Fiber Optic Cable Entrances**

SBC-13STATE shall provide an interconnection point or points, physically accessible by both SBC-13STATE and LEVEL 3 (typically a SBC-13STATE manhole) at which LEVEL 3 fiber optic cable can enter the Premises, provided that SBC-13STATE will designate interconnection points as close as reasonably possible to the Premises.

9.3.1 LEVEL 3 is responsible for bringing its fiber optic entrance cable to an accessible point outside of the Premises designated by SBC-13STATE, and for leaving sufficient cable length in order for SBC-13STATE to fully extend such LEVEL 3 - provided cable to the Dedicated Space. LEVEL 3 shall use a dielectric fire retardant fiber cable as the transmission

medium to the Dedicated Space or, where technically and structurally feasible, may use microwave. Collocation requests utilizing facilities other than fiber will be provided as an Individual Case Basis (ICB). SBC-13STATE will only permit copper or coaxial cable as the transmission medium where LEVEL 3 can demonstrate to SBC-13STATE that use of such cable will not impair SBC-13STATE's ability to service its own customers or subsequent collocators.

9.3.2 SBC-13STATE shall provide a minimum of two separate points of entry into the Premises in which the Dedicated Space is located wherever there are at least two entry points for SBC-13STATE cable. SBC-13STATE will also provide nondiscriminatory access to any entry point into Premises in excess of two points in those locations where SBC-13STATE also has access to more than two such entry points. Where such dual points of entry are not immediately available, SBC-13STATE shall perform work as is necessary to make available such separate points of entry for LEVEL 3 at the same time that it makes such separate points of entry available for itself. In each instance where SBC-13STATE performs such work in order to accommodate its own needs and those specified by LEVEL 3 in LEVEL 3's written request, LEVEL 3 and SBC-13STATE shall share the costs incurred by prorating those costs using the number of cables to be placed in the entry point by both SBC-13STATE and LEVEL 3 in the first twelve (12) months.

9.4 Regeneration may be required for collocation in an Adjacent Structure if the cabling distance between LEVEL 3's POT bay or termination point located in an adjacent structure and SBC-13STATE's cross-connect bay exceeds American National Standards Institute, Inc. (ANSI) limitations. Regeneration is not required in any other circumstances except where LEVEL 3 specifically requests regeneration. LEVEL 3 will provide regeneration at its own expense.

9.5 **Removal:** LEVEL 3 is responsible for removing any equipment, property or other items that it brings into the Dedicated Space or any other part of the Premises in which the Dedicated Space is located within thirty (30) business days after discontinuance or termination of the Physical Collocation arrangement. After such time, SBC-13STATE may remove the abandoned materials and LEVEL 3 is responsible for payment of any and all claims, expenses, fees or other costs associated with any such removal by SBC-13STATE, including any materials used in the removal and the time spent on such removal, at the then applicable hourly rate for custom work. LEVEL 3 will hold SBC-13STATE harmless from the failure to return any such equipment, property or other items.

9.6 LEVEL 3's Equipment and Facilities: LEVEL 3 is solely responsible for the design, engineering, testing, performance and maintenance of the telecommunications equipment and facilities used in the Dedicated Space. LEVEL 3 will be responsible for servicing, supplying, repairing, installing and

maintaining the following within the Dedicated Space or optional Point of Termination (POT) frame located in the common area:

- 9.6.1 its fiber optic cable(s) or other permitted transmission media as specified in Section 9.3.1;
 - 9.6.2 its equipment;
 - 9.6.3 required point of termination cross connects in the Dedicated Space or the optional POT Frame/Cabinet located in the Common Area;
 - 9.6.4 POT frame maintenance, including replacement power fuses and circuit breaker restoration, to the extent that such fuses and circuit breakers are within the Dedicated Space or in the optional POT Frame/Cabinet located in the Common Area and accessible by **LEVEL 3** and only if and as required; and
 - 9.6.5 the connection cable and associated equipment which may be required within the Dedicated Space(s) or in the optional POT Frame/Cabinet located in the Common Area to the point(s) of termination.
- 9.7 All types of network equipment placed in **SBC-13STATE** network equipment areas of Premises by **SBC-13STATE** or **LEVEL 3** must meet **SBC-13STATE** minimum safety standards. The minimum safety standards are as follows: (1) **LEVEL 3**'s equipment must meet Telcordia Level 1 safety requirements as set forth in Telcordia documents SR-3580 and GR-63-CORE, Network Equipment Building Systems (NEBS); or, (2) **LEVEL 3** must demonstrate that its equipment has a history of safe operation defined by installation in an ILEC (including **SBC-13STATE**) prior to January 1, 1998 with no known history of safety problems. **LEVEL 3** will be expected to conform to the same accepted procedures and standards utilized by including **SBC-13STATE** and its contractors when engineering and installing equipment.
- 9.8 **SBC-13STATE** is responsible for coordinating with **LEVEL 3** to ensure that services are installed in accordance with the service request.
- 9.9 When **LEVEL 3**'s Physical Collocation arrangement is within the Premises, **LEVEL 3** may not provide its own DC power plant equipment (with rectifiers or chargers and batteries) or AC power backup equipment (e.g., Uninterruptible Power System with batteries, or standby engine). **SBC-13STATE** will provide the necessary backup power to ensure against power outages.
- 9.10 **SBC-13STATE** will not delay a **LEVEL 3** employee's entry into an Premises containing its collocated equipment or its access to its collocated equipment. **SBC-13STATE** will provide **LEVEL 3** with reasonable access to restroom facilities and parking. All access is provided subject to compliance by **LEVEL**

3's employees, agents and contractors with SBC-13STATE's policies and practices pertaining to fire, safety and security (i.e., LEVEL 3 must comply with Section 6.11 of this Appendix).

- 9.11 SBC-13STATE shall ensure that the construction of Dedicated Space and the Premises comply with all applicable fire and safety codes. The preparation shall be arranged by SBC-13STATE in compliance with all applicable codes, ordinances, resolutions, regulations and laws.

10. TESTING AND ACCEPTANCE

- 10.1 Upon LEVEL 3's request, which request shall be made no later than ten (10) business days before the end of the Delivery Interval, LEVEL 3 and SBC-13STATE will complete an acceptance walk-through of the Physical Collocation Space prior to SBC-13STATE turning the Physical Collocation Space over to LEVEL 3. Exceptions that are noted during this acceptance walk-through shall be corrected by SBC-13STATE as soon as commercially reasonable after those exceptions are provided in writing, which exceptions shall be provided no more than five (5) business days after the walk-through. The correction of these exceptions from LEVEL 3's Physical Collocation request shall be at SBC-13STATE's expense. Monthly recurring charges shall not commence until SBC-13STATE has made its corrections and LEVEL 3 has completed a follow-up acceptance walk-through.

11. DELIVERY INTERVALS

- 11.1 SBC-13STATE will provide Physical Collocation arrangements in Premises on a "first-come, first-served" basis. To apply for a Dedicated Space in a particular Premises, LEVEL 3 will provide a completed Physical Collocation application form found in SBC-13STATE's Interconnector's Collocation Services Handbook <https://clec.sbc.com/clec> for Physical Collocation in SBC-13STATE and will pay an initial Planning Fee (see Section 20.2.1).

- 11.1.1 LEVEL 3, wishing SBC-13STATE to consider multiple methods for collocation in an Premises on a single application, will need to include in each application a prioritized list of its preferred methods of collocating, e.g., caged, shared, cageless, or other, as well as adequate information, (e.g., specific layout requirements, cage size, number of bays, requirements relative to adjacent bays, etc.) for SBC-13STATE to process the application for each of the preferred methods. If LEVEL 3 provides adequate information and its preferences with its application, SBC-13STATE would not require an additional application, nor would LEVEL 3 be required to restart the quotation interval should its first choice not be available in an Premises. If LEVEL 3 only wishes SBC-13STATE to consider one collocation method, it need not provide preferences and associated specific information for multiple methods. However, if SBC-

13STATE is unable to provide **LEVEL 3**'s requested collocation method due to space constraints and **LEVEL 3** determines that it wishes **SBC-13STATE** to consider an alternative method of collocation, **LEVEL 3** would be required to submit an additional application. This would not result in incremental application costs to **LEVEL 3** as its initial Planning Fee would be returned due to the denial. However, it would restart the collocation quotation intervals. Upon receipt of **LEVEL 3**'s application and initial Planning Fee payment, **SBC-13STATE** will begin development of the quotation. **SBC-13STATE** will advise **LEVEL 3** of any known deficiencies in its collocation application within ten (10) calendar days (unless multiple applications are received; Section 11.1.3 will apply where multiple applications are received). **SBC-13STATE** will allow **LEVEL 3** to retain its place in the collocation queue so long as **LEVEL 3** cures the deficiencies and resubmits the application within ten (10) calendar days after being advised of the deficiencies.

- 11.1.2 In responding to an application request, if space is available, **SBC-13STATE** shall advise **LEVEL 3** that its request for Physical Collocation is granted, and confirm the applicable nonrecurring and recurring rates, and the provisioning interval. **SBC-13STATE** will not select for **LEVEL 3** the type of Physical Collocation to be ordered.
- 11.1.3 Should multiple applications be submitted by **LEVEL 3** within a ten (10) calendar day period, the following quotation intervals will apply: (SEE table)

Number of Applications by one Collocator	Quotation Interval
1 - 5	10 calendar days
6 - 10	15 calendar days
11 - 15	20 calendar days
16 - 20	25 calendar days

- 11.1.4 Should **LEVEL 3** submit 21 or more applications within ten (10) calendar days, the response interval will be increased by five (5) business days for every five (5) additional applications or fraction thereof.
- 11.1.5 **SBC-13STATE** will complete construction of Cageless Collocation in Premises such as CEVs, Huts and Vaults in ninety (90) days from the receipt of **LEVEL 3**'s acceptance of the quotation along with a check for fifty percent (50%) of all applicable non-recurring charges where **SBC-13STATE** will be installing all or some of the bays. These construction intervals for Cageless Collocation in Active Collocation Space in a CEV, HUT, or Cabinet Premises apply where **LEVEL 3** is requesting maximum DC power of 50AMPs, either in a single or in multiple feeds of 50 AMPs (maximum 50 AMPs per feed). For Cageless Collocation in Active Collocation Space in a CEV, Hut, or Cabinet Premises where **LEVEL 3** is

requesting DC power greater than 50 AMPs (e.g., 100 AMPs) per feed, **SBC-13STATE** will add thirty (30) calendar days to the provisioning interval.

11.2 Augments

11.2.1 **SBC-13STATE** will provide a reduced interval for **LEVEL 3** with existing Physical Collocation space when it requests the following interconnection augments for that existing space. **LEVEL 3** must submit to **SBC-13STATE**'s Collocation Service Center (CSC) a complete and accurate application for a subsequent job. For a reduced build-out interval to apply, this application must include an up-front payment of the nonrecurring Planning Fee from the Collocation Rate Summary of this Appendix and fifty percent (50%) of nonrecurring charges. In addition, the application must include an accurate front equipment view (a.k.a. rack elevation drawing) specifying bay(s) for **LEVEL 3**'s point of termination. Applications received with the up-front payment and meeting the criteria below will not require a quote.

11.2.1.1 A sixty (60) calendar day interval will apply only when **LEVEL 3** requests any of the following augments; 1) **SBC-13STATE** will perform a cage expansion of 300 square feet or less immediately adjacent to **LEVEL 3**'s existing cage within the collocation area (where Overhead Iron/Racking exists) and as long as the collocation area does not have to be reconfigured and does not involve HVAC work, 2) power cable additions to accommodate greater DC amperage requests within existing power panels, 3) direct cable pull within the same collocation area between one **LEVEL 3** and another Collocator provided **LEVEL 3** is interconnected with **SBC-13STATE**'s network, 4) interconnection cable arrangements (where Overhead Iron/Racking are existing) limited up to and not more than the following quantities; 400 copper (shielded or nonshielded) cable pairs up to 400 feet, 168 DS1s, 48 DS3s, and fiber interconnections up to 12 fiber pairs up to 400 feet.

11.2.1.2 Other augments such as power requests that exceed current capacity ratings, additional bay spaces, **SBC-13STATE** bays, **SBC-13STATE** cable racks and/or cage expansions within Active Central Office space different than described above will require **LEVEL 3** to submit an application. The price quote will contain the charges and the construction interval for that application.

11.2.1.3 The construction interval for these other augments will not exceed ninety (90) days. **SBC-13STATE** will work

cooperatively with **LEVEL 3** to negotiate a mutually agreeable construction interval for other augments not specifically provided for above.

- 11.2.1.4 The second fifty percent (50%) payment must be received by **SBC-13STATE** no more than one week prior to the scheduled augment completion date. On the scheduled completion date, the Actual Point of Termination (APOT) Connections will be provided to **LEVEL 3** by **SBC-13STATE**.
- 11.2.2 All revisions to an initial request for a Physical Collocation arrangement submitted by **LEVEL 3** via a new application form. A new interval for the Physical Collocation arrangement will be established which shall not exceed the original "major" as defined herein. A major revision includes: adding telecommunications equipment that requires additional electrical power; changes in the configuration of the cage; an increase of ten percent (10%) or more of the square footage of the cage area requested; and adding design and engineering requirements above those which **SBC-13STATE** normally deploys and practices (i.e., redundancy of certain mechanical and electrical systems). However, minor revisions will not require that a new interval be established. Examples of minor revisions include: adding bays of equipment that do not significantly impact the existing/proposed electrical systems; adding light fixtures and outlets which do not exceed the capacity of the existing/proposed electrical system; changes in the configuration of the cage which do not significantly impact the overall design of the space; and adjustments to the heat release projection which do not cause a change in the proposed/existing mechanical system. This list is not all-inclusive. **LEVEL 3** will be required to pay any applicable Planning Fees. No additional Planning Fees shall be applicable if the revision is minor. All engineering design work that is determined not to be major is deemed to be minor.
- 11.2.3 For all Augments other than provided above, **SBC-13STATE** will work cooperatively with **LEVEL 3** to negotiate a mutually agreeable delivery interval.
- 11.3 **LEVEL 3** may obtain a shorter response interval than are set forth above by scheduling a meeting with **SBC-13STATE** at least twenty (20) calendar days prior to submission of the first application to discuss, coordinate, and prioritize **LEVEL 3**'s applications.
- 11.4 Any major revision to an application will be treated as a new application following the guidelines in Section 11.2.2 following and will be subject to the time intervals set forth above.

12. RESERVED FOR FUTURE USE

13. CASUALTY LOSS

13.1 Damage to Dedicated Space

If the Dedicated Space is damaged by fire or other casualty that is not the result of **LEVEL 3**'s actions, and (1) the Dedicated Space is not rendered untenable in whole or in part, **SBC-13STATE** shall repair the same at its expense (as hereafter limited) and the monthly charge shall not be abated, or (2) the Dedicated Space is rendered untenable in whole or in part and such damage or destruction can be repaired within ninety (90) business days, **SBC-13STATE** has the option to repair the Dedicated Space at its expense (as hereafter limited) and the monthly charges shall be proportionately abated while **LEVEL 3** was deprived of the use. If the Dedicated Space cannot be repaired within ninety (90) business days, or **SBC-13STATE** opts not to rebuild, then **SBC-13STATE** shall notify **LEVEL 3** within thirty (30) business days following such occurrence that **LEVEL 3**'s use of the Dedicated Space will terminate as of the date of such damage. Upon **LEVEL 3**'s election, **SBC-13STATE** must provide to **LEVEL 3**, a comparable substitute collocation arrangement at another mutually agreeable location at the applicable nonrecurring charges for that arrangement and location.

13.1.1 Any obligation on the part of **SBC-13STATE** to repair the Dedicated Space shall be limited to repairing, restoring and rebuilding the Dedicated Space as prepared for **LEVEL 3** by **SBC-13STATE**.

13.2 Damage to Premises

In the event that the Premises in which the Dedicated Space is located shall be so damaged by fire or other casualty that closing, demolition or substantial alteration or reconstruction thereof shall, in **SBC-13STATE**'s opinion be advisable, then, notwithstanding that the Dedicated Space may be unaffected thereby, **SBC-13STATE**, at its option, may terminate services provided in such Premises by giving **LEVEL 3** ten (10) business days prior written notice within thirty (30) business days following the date of such occurrence, if at all possible.

14. LIMITATION OF LIABILITY

14.1 Limitation - With respect to any claim or suit for damages arising in connection with the mistakes, omissions, interruptions, delays or errors, or defects in transmission occurring in the course of furnishing Collocation Service pursuant to the Agreement, the liability of either **SBC-13STATE** or **LEVEL 3**, if any, shall not exceed an amount equivalent to the proportionate monthly charge to **LEVEL 3** for the period during which such mistake, omission, interruption, delay, error, or defect in transmission or service occurs and continues.

14.1.1 Neither SBC-13STATE nor LEVEL 3 shall be responsible to the other for any indirect, special, consequential, lost profit, or punitive damages, whether in contract or tort.

14.1.2 The liability of SBC-13STATE or LEVEL 3 for its willful misconduct or gross negligence if any, is not limited by this Appendix.

14.2 Third Parties

14.2.1 SBC-13STATE also may provide space in or access to the Premises to other persons or entities (“Others”), which may include competitors of LEVEL 3; that such space may be close to the Dedicated Space, possibly including space adjacent to the Dedicated Space and/or with access to the outside of the Dedicated Space within the collocation area; and that if caged, the cage around the Dedicated Space is a permeable boundary that will not prevent the Others from observing or even damaging LEVEL 3’s equipment and facilities.

14.2.2 In addition to any other applicable limitation, neither SBC-13STATE nor LEVEL 3 shall have any liability with respect to any act or omission by any Other, regardless of the degree of culpability of any Other, except in instances involving gross negligence or willful actions by either SBC-13STATE or LEVEL 3 or its agents or employees.

15. INDEMNIFICATION OF SBC-13STATE

15.1 The parties’ conduct under this agreement shall be subject to the Indemnity provisions of the General Terms and Conditions.

16. OSHA STATEMENT

16.1 LEVEL 3 and its vendors shall adhere to all federal, state and local regulations regarding hazardous material/waste. In addition, the telecommunications carrier’s Installation Supplier shall adhere to all SBC-13STATE requirements. The Installation Supplier shall coordinate with the SBC-13STATE representative before any activity relating to hazardous material/waste is started.

17. CONSTRUCTION NOTIFICATION

17.1 SBC-13STATE will notify LEVEL 3 prior to the scheduled start dates of all major construction activities (including power additions or modifications) in the general area of LEVEL 3’s Dedicated Space with potential to disrupt LEVEL 3’s services. SBC-13STATE will provide such notification to LEVEL 3 at least twenty (20) business days before the scheduled start date of such major construction activity. SBC-13STATE will inform LEVEL 3 as soon as practicable by telephone of all emergency-related activities that SBC-13STATE or its subcontractors are performing in the general area of LEVEL 3’s Dedicated

Space, or in the general area of the AC and DC power plants which support LEVEL 3's equipment. If possible, notification of any emergency-related activity will be made immediately prior to the start of the activity so that LEVEL 3 may take reasonable actions necessary to protect LEVEL 3's Dedicated Space.

18. INSURANCE

18.1 LEVEL 3 agrees to maintain, at all times, the following minimum insurance coverage and limits and any additional insurance and/or bonds required by law:

18.1.1 Workers' Compensation insurance with benefits afforded under the laws of the State of SBC-13STATE and Employers Liability insurance with minimum limits of \$100,000 for Bodily Injury-each accident, \$500,000 for Bodily Injury by disease-policy limits and \$100,000 for Bodily Injury by disease-each employee.

18.1.2 Commercial General Liability insurance with minimum limits of: \$2,000,000 General Aggregate limit; \$1,000,000 each occurrence sub-limit for all bodily injury or property damage incurred in any one occurrence; \$2,000,000 Products/Completed Operations Aggregate limit, with a \$1,000,000 each occurrence sub-limit for Products/Completed Operations. Fire Legal Liability sub-limits of \$300,000 are required for lease agreements. SBC-13STATE will be named as an Additional Insured on the Commercial General Liability policy.

18.1.3 If use of an automobile is required, Automobile Liability insurance with minimum limits of \$1,000,000 combined single limits per occurrence for bodily injury and property damage, which coverage shall extend to all owned, hired and non-owned vehicles.

18.1.4 All Risk Property coverage on a full replacement cost basis insuring all of LEVEL 3's personal property situated on or within the Premises or the Dedicated Space. LEVEL 3 releases SBC-13STATE from and waives any and all right of recovery, claim, action or cause of action against SBC-13STATE, its agents, directors, officers, employees, independent contractors, and other representatives for any loss or damage that may occur to equipment or any other personal property belonging to LEVEL 3 or located on or in the space at the request of LEVEL 3 when such loss or damage is by reason of fire or water or the elements or any other risks that would customarily be included in a standard all risk casualty insurance policy covering such property, regardless of cause or origin, including negligence of SBC-13STATE, its agents, directors, officers, employees, independent contractors, and other representatives.

18.1.5 Property insurance on LEVEL 3's fixtures and other personal property shall contain a waiver of subrogation against SBC-13STATE, and any

rights of LEVEL 3 against SBC-13STATE for damage to LEVEL 3's fixtures or personal property are hereby waived. LEVEL 3 may also elect to purchase business interruption and contingent business interruption insurance, knowing that SBC-13STATE has no liability for loss of profit or revenues should an interruption of service occur that is attributable to any Physical Collocation arrangement provided under this Appendix. This provision is reciprocal to SBC-13STATE.

18.1.6 SBC-13STATE requires that companies affording insurance coverage have a B+ VII or better rating, as rated in the A.M. Best Key rating Guide for Property and Casualty Insurance Companies.

18.1.7 LEVEL 3 must provide a certificate of insurance to SBC stating the types of insurance and policy limits that apply to the collocation space sought in any particular collocation application before SBC will commence work on that application. These insurance provisions and requirements are reciprocal to SBC-13STATE as well. Notwithstanding any other provision in this Appendix, no interval provided for in this Appendix shall begin if Level 3 has not provided the required certificate of insurance.

18.1.8 The cancellation clause on the certificate of insurance will be amended to read as follows:

"SHOULD ANY OF THE ABOVE-DESCRIBED POLICIES BE CANCELLED OR MATERIALLY CHANGED, THE ISSUING COMPANY WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER."

18.1.9 LEVEL 3 shall also require all contractors who may enter the Premises to maintain the same insurance requirements listed above.

19. PROTECTION OF SERVICE AND PROPERTY

19.1 SBC-13STATE shall use its existing power back-up and power recovery plan in accordance with its standard policies for the specific Central Office.

19.2 SBC-13STATE shall furnish LEVEL 3 with all keys, entry codes, lock combinations, or other materials or information that may be needed to gain entry into any secured LEVEL 3 space in central offices. In the event of an emergency, LEVEL 3 shall contact a SPOC provided by SBC-13STATE for access to spaces which house or contain LEVEL 3 equipment or equipment enclosures. LEVEL 3 will have access to its physically collocated equipment twenty-four (24) hours a day, seven (7) days a week, without a security escort. SBC-13STATE will not delay LEVEL 3's entry into an Premises or access to its collocated equipment. SBC-13STATE will provide LEVEL 3 with reasonable access to restroom facilities and parking. LEVEL 3 will also have reasonable access to LEVEL 3's collocation space during construction.

- 19.3 SBC-13STATE shall use reasonable measures to control unauthorized access from passenger and freight elevators to spaces which contain or house LEVEL 3 equipment or equipment enclosures.
- 19.4 SBC-13STATE shall use best efforts to provide notification within two (2) hours to designated LEVEL 3 personnel to indicate an actual security breach of LEVEL 3's dedicated or adjoining collocation space.
- 19.5 SBC-13STATE shall be responsible for the security of the Premises. If a security issue arises or if LEVEL 3 believes that SBC-13STATE's security measures are unreasonably lax, LEVEL 3 shall notify SBC-13STATE and the Parties shall work together to address the problem.
- 19.6 LEVEL 3 shall limit access to LEVEL 3 employees directly to and from the Dedicated Space and will not enter unauthorized areas under any circumstances.
- 19.7 Other than the security restrictions described herein, SBC-13STATE shall place no restriction on access to LEVEL 3's central office Dedicated Collocation Space by LEVEL 3's employees and designated agents. SBC-13STATE will not impose unreasonable security restrictions for the Premises, including the Dedicated Collocation Space.

20. RATE REGULATIONS

- 20.1 Determination of Charges Not Established in Collocation Rate Summary (Custom Work Charges).

20.1.1 Rate Elements - In the event that SBC-13STATE seeks to impose a rate element or charge to LEVEL 3 that is not specifically provided for in this Appendix or in the Pricing Schedule, SBC-13STATE shall be required to provide the quote for the rate element within the same time frames provided for in this Appendix.

20.1.2 In the event LEVEL 3 disputes the rate element or charge proposed by SBC-13STATE that is not specifically provided for in this Appendix or in the Pricing Schedule, LEVEL 3 shall notify SBC-13STATE of its dispute with the proposed charge in writing.

- 20.2 Rate Elements

All rates and charges for the following rate elements can be found in the Collocation Rate Summary of this Appendix.

- 20.2.1 Planning Fees

20.2.1.1 The Planning Fee, as specified in **SBC-13STATE**'s Interconnector's Collocation Services Handbook for Physical Collocation in **SBC-13STATE**, recovers **SBC-13STATE**'s costs incurred to estimate the quotation of charges, project management costs, engineering costs, and other related planning activities for **LEVEL 3**'s request for the Physical Collocation arrangements. The initial Planning Fee will apply to **LEVEL 3**'s Physical Collocation request. In addition, a nonstandard Planning Fee will apply when a request includes DC power requirements other than 2-20, 2-50, or 2-100 Amp power feeds for Caged, Cageless, or Caged Common Collocation, or 2-100, 2-200, 2-300, or 2-400 Amp power feeds for Adjacent On-Site Collocation, or other than integrated ground plane, or when floor space requirements are greater than four hundred (400) square feet. Requests for additions to the initial request, such as the addition of **LEVEL 3**-provided equipment that requires **SBC-13STATE** to engineer and purchase additional equipment will result in a Subsequent Planning Fee. A major revision to the initial request for Physical Collocation that changes floor space requirements, cable entrance facilities requirements, or changes DC Power Distribution will be considered a total revision and result in the reapplication of an initial Planning Fee. Rates and charges are as found in the Collocation Rate Summary of this Appendix.

20.2.2 Floor Space Charges

20.2.2.1 Caged Collocation

20.2.2.1.1 The Caged Collocation option provides **LEVEL 3** with an individual enclosure (not including a top). This enclosure is an area designated by **SBC-13STATE** within an Premises to be used by **LEVEL 3** for the sole purpose of installing, maintaining and operating **LEVEL 3**-provided equipment.

20.2.2.1.2 **SBC-13STATE** will provide Floor Space, floor space site conditioning, Cage Common Systems Materials, Cage Preparation and Safety and Security charges in increments of one (1) square foot. For this reason, **LEVEL 3** will be able to order space and a cage enclosure in amounts as small as that sufficient to house and maintain a single rack or bay of equipment (i.e., fifty (50) square feet of cage

space for a single bay), and will ensure that the first Collocator in **SBC-13STATE** premises will not be responsible for the entire cost of site preparation and security. When **LEVEL 3** constructs its own cage and related equipment, **LEVEL 3** will not be subject to the Cage Preparation Charge as set forth in this Appendix. **LEVEL 3** may provide a cage enclosure (not including a top), cable rack and support structure inside the cage, lighting, receptacles, cage grounding, cage sign and door key set.

20.2.2.1.3 In addition, terms and conditions for contractors performing cage construction activities as set forth in this Appendix preceding will apply.

20.2.2.1.4 If **LEVEL 3** elects to install, or requests that **SBC-13STATE** provide and install a point of termination (POT) frame in the dedicated collocation area rather than inside its cage, the floor space rate for Cageless Collocation found in the Collocation Rate Summary of this Appendix applies.

20.2.2.1.4.1 Premises Floor Space Charges

Consists of the following elements which are based on the average cost for **SBC-13STATE** within **SBC-13STATE**:

- Construction costs
- Operating costs

20.2.2.1.4.2 Site Conditioning Charge, per square foot

Consists of the following and represents nonrecurring costs to condition basic floor space to accommodate telecommunications equipment:

- New floor tile
- General lighting
- House service receptacles
- Exit lights

- Emergency lighting
- Pullbox for fiber optic cable
- Electrical panel for lights and receptacles
- 4" conduit (initial placement) for fiber optic cable from vault to the common pullbox
- Cable slots for routing of power and transmission cables
- Fire-rated partitions where required
- HVAC where not existing
- Demolition work where required

20.2.2.1.4.3 Common Systems Materials Charge

Consists of the following elements per square foot and represents the following charges:

- Installation and maintenance of iron work, racking, and lighting above the cage

20.2.2.1.4.4 Safety and Security, per square foot

This charge represents costs incurred by **SBC-13STATE** to secure its equipment contained within Premises. This charge is expressed as a recurring rate on a per square foot basis and was developed based on implementation of varying combinations of the following security measures and devices. This rate may include only the costs associated with the most cost-effective reasonable method of security, which may consist of a subset of the following:

- Interior Security Partition separating **SBC-13STATE** equipment
- Provisioning of door locks and keying of existing doors

- Door access controller and network controller necessary for a card reader system
- Security camera systems
- Locking cabinets for network equipment
- Combination door locks
- Cable locks for computer terminals and test equipment
- Secure ID/password protection for computer systems
- Emergency exit door alarms

20.2.2.1.4.5 Cage Preparation

Consists of the following elements and represents charges unique to **LEVEL 3** making the request. Rates and charges are as found in the Collocation Rate Summary.

- Grounded wire partition
- Door key Set
- Lights
- Outlets
- Cable rack and support structure inside the cage
- Cage sign

20.2.2.1.4.6 REMOTE SWITCH MODULE (RSM) Option

The additional Dedicated Heating Ventilating and Air Conditioning (HVAC) Charge consists of the necessary dedicated ductwork extensions from the branch duct to the caged common collocation area including downturns and diffusers required to handle the additional heat load created by the REMOTE SWITCH MODULE (RSM) option. The Dedicated Power Plant Space Charge is a floor space rental charge based on the square footage required

for a power plant layout with batteries.

20.2.2.2 Cageless Collocation

20.2.2.2.1 The Cageless Collocation charges consists of floor space, bay and aisle lighting and the design and placement of common systems materials in an area designated by **SBC-13STATE** within an Premises to be used by **LEVEL 3** for the sole purpose of installing, maintaining and operating **LEVEL 3**-provided equipment.

20.2.2.2.2 **SBC-13STATE** will provide Floor Space, floor space site conditioning, Safety and Security, and Common Systems Materials charges per relay rack, bay, or frame. **LEVEL 3** shall be able to order space in amounts as small as that sufficient to house and maintain a single rack or bay of equipment, (i.e., ten (10) square feet). The first **CLEC** in **SBC-13STATE** premises will be responsible only for its pro rata share of the common systems materials, cost of site preparation and security charges. Charges to each **CLEC** will be based upon the number of frames used by each **CLEC**.

20.2.2.2.2.1 Floor Space Charges

Consists of the following elements which are based on the average cost for **SBC-13STATE** within **SBC-13STATE**:

- Construction costs
- Operating costs

20.2.2.2.2.2 Site Conditioning Charge

Consists of the following and represents nonrecurring costs to condition basic floor space to accommodate telecommunications equipment per rack, bay or frame:

- New floor tile
- General lighting

- House service receptacles
- Exit lights
- Emergency lighting
- Pullbox for fiber optic cable
- Electrical panel for lights and receptacles
- 4" conduit (initial placement) for fiber optic cable from vault to the common pullbox
- Cable slots for routing of power and transmission cables
- Fire-rated partitions where required
- HVAC where not existing
- Demolition work where required

20.2.2.2.2.3 Cageless Common Systems Materials Charge

Consists of the following elements per rack, bay, or frame and represents the following charges:

- Support materials for overhead lighting
- Bay and aisle lights
- AC electrical access for bay framework
- Central Office ground bar assembly and termination materials
- Extension of Central Office ground cables
- Auxiliary framing for support of cable racking materials
- Horizontal fiber protection duct system
- All associated mounting hardware and fabrication materials

20.2.2.2.2.4 Safety and Security

This charge represents costs incurred by **SBC-13STATE** to secure its

equipment contained within the used space of the Premises. This charge is expressed as a recurring rate on a rack, bay, or frame basis and was developed based on implementation of varying combinations of the following security measures and devices:

- Interior Security Partition separating **SBC-13STATE** equipment
- Provisioning of door locks and keying of existing doors
- Door access controller and network controller necessary for a card reader system
- Security camera systems
- Locking cabinets for network equipment
- Combination door locks
- Cable locks for computer terminals and test equipment
- Secure ID/password protection for computer systems
- Emergency exit door alarm

20.2.2.3 Caged Common Collocation in **SBC-13STATE**'s

20.2.2.3.1 The Caged Common Collocation option provides the collocators with an enclosure (not including a top). This enclosure is an area designated by **SBC-13STATE** within an Premises to be used by the collocators for the sole purpose of installing, maintaining and operating the collocator-provided equipment.

20.2.2.3.2 Caged Common Collocation space will be provided where space permits when five (5), or more collocators have provided **SBC-13STATE** with their forecasted space requirements accompanied with a firm order and twenty-five percent (25%) of non-recurring charges for the forecasted space as deposit. When these criteria have been met, **SBC-13STATE** will construct a common cage minimum of 550 sq. ft. of space unless collocators' combined

forecasted space needs for the initial year exceed 550 sq. ft., in which case, **SBC-13STATE** will construct the cage to the collocators' combined forecasts for the initial year. Charges to each collocator will be based on its forecasted linear footage of floor space and adjusted by the occupancy factor. Subsequent additions to the Caged Common Collocation area will be based on firm orders with the Collocator(s) requesting additional space bearing the costs for such expansion.

20.2.2.3.3 **SBC-13STATE** will provide a caged enclosure (without a top), cable rack and support structure inside the cage, lighting, receptacles, cage grounding, cage sign and door key set. Terms and conditions for contractors performing cage construction activities are set forth in this Appendix.

20.2.2.3.4 **SBC-13STATE** will provide floor space site conditioning and Safety and Security charges per rack, bay, or frame and Floor Space, Caged Common Systems Materials, and Cage Preparation in increments of one linear foot. The first collocator in **SBC-13STATE**'s premises will be responsible only for its pro rata share of the cost of site preparation and security.

20.2.2.3.5 Charges to each collocator will be based per rack, bay, or frame and linear foot of rack space used by each collocator. Rates and charges are contained in the Collocation Rate Summary.

20.2.2.3.6 Establishing and maintaining a 550 sq. ft. floor space minimum requirement for Caged Common Collocation, where applicable, will not be a basis for a claim that space is Legitimately Exhausted.

20.2.2.3.6.1 Premises Floor Space Charges

Consists of the following elements which are based on the average cost for **SBC-13STATE** within **SBC-13STATE**.

- Construction costs

- Operating costs

20.2.2.3.6.2 Site Conditioning Charge

Consists of the following and represents nonrecurring costs to condition basic floor space to accommodate telecommunications equipment per rack, bay, or frame:

- New floor tile
- General lighting
- House service receptacles
- Emergency lighting
- Pullbox for fiber optic cable
- Electrical panel for lights and receptacles
- 4" conduit (initial placement) for fiber optic cable from vault to the common pullbox
- Cable slots for routing of power and transmission cables
- Fire-rated partitions where required
- HVAC where not existing
- Demolition work where required

20.2.2.3.6.3 Common Systems Materials Charge

Consists of the following elements per linear foot and represents the following charges:

- Installation and maintenance of iron work, racking, and lighting above the Common Cage.

20.2.2.3.6.4 Safety and Security

This charge represents costs incurred by **SBC-13STATE** to secure its equipment contained within the Premises. This charge is expressed as a recurring rate on a per rack, bay or frame and was developed based on implementation of varying

combinations of the following security measures and devices:

- Interior Security Partition separating **SBC-13STATE** equipment
- Provisioning of door locks and keying of existing doors
- Door access controller and network controller necessary for a card reader system
- Security camera systems
- Locking cabinets for network equipment
- Combination door locks
- Cable locks for computer terminals and test equipment
- Secure ID/password protection for computer systems
- Emergency exit door alarms

20.2.2.3.6.4.1 In the event **SBC-13STATE** elects to erect an interior security partition in a given Premises to separate its equipment, the lesser of the costs of the partition or a security camera system for such Premises shall be applicable. In no event shall a telecommunications carrier be required to pay for both an interior security partition to separate **SBC-13STATE**'s equipment in an Premises and a security camera system for such Premises. Construction of

interior security
partition shall not
impair access to
telecommunications
carriers equipment
that is collocated
under cageless option.

20.2.2.3.6.5 Cage Preparation

Consists of the following elements and represents charges unique to the Collocator making the request. Rates and charges are as found in the Collocation Rate Summary:

- grounded wire partition
- Door key set
- Lights
- Outlets
- Cable rack and support structure inside the cage
- Cage sign

20.2.2.3.6.6 REMOTE SWITCH MODULE (RSM) Option

The additional Dedicated Heating Ventilating and Air Conditioning (HVAC) Charge consists of the necessary dedicated ductwork extensions from the branch duct to the caged common collocation area including downturns and diffusers required to handle the additional heat load created by the REMOTE SWITCH MODULE (RSM) option. The Dedicated Power Plant Space Charge is a floor space rental charge based on the square footage required for a power plant layout with batteries.

20.2.3 DC Power Amperage Charge

20.2.3.1 This is a monthly recurring charge which is determined by multiplying the per DC amp rate by the total amount of DC amps provided over one of the two power feeds ordered by **LEVEL 3** for its power arrangement. By way of example, where **LEVEL 3** orders DC Power in a 20-amp increment, it will be considered to have ordered two 20-amp power feeds and SBC will provision two (2) twenty (20) AMP DC power leads (for a combined total of forty (40) AMPS), but SBC shall only bill **LEVEL 3** the monthly recurring charge applicable to DC Power for a total of twenty (20) AMPS. The DC power charge per amp consists of the use of: DC power plant, backup generator, batteries & rectifiers, BDFB, associated hardware & cabling, and AC energy to convert to DC power.

20.2.3.2 Heating, Ventilating, and Air Conditioning (HVAC)

20.2.3.2.1 This sub-element consists of the elements necessary to provide HVAC within the Premises to the collocation arrangement and is based on the heat dissipation required for each 10 AMPS of DC Power. Charges for this sub-element are specified in attached pricing schedule.

20.2.4 DC Power Arrangement Provisioning

20.2.4.1 The DC Power Arrangement is the installation of the power cable and the cable rack including support and fabrication material expressed as a combination of a nonrecurring and monthly rate for either 2-20 AMP, 2-50 AMP, or 2-100 AMP feeds.

20.2.5 DC Power Panel (Maximum 50 AMP)(Optional)

20.2.5.1 This DC power panel is optional with each application requiring DC power designed to provide up to 50 (maximum) AMPS per feed of DC current. This rate element may be provided by **SBC-13STATE**.

20.2.6 DC Power Panel (Maximum 200 AMP)(Optional)

20.2.6.1 At least one (1) DC power panel is required with each application requiring DC Power when designed to provide between 50 and 200 AMPS per feed of DC current however **LEVEL 3** may substitute the required power panel with an

equivalent power panel subject to meeting NEBS Level 1 Safety and review by **SBC-13STATE** technical support. This rate element may be provided by **SBC-13STATE**.

20.2.7 Premises Ground Cable Arrangement

20.2.7.1 The ground cable arrangement is the cabling arrangement designed to provide grounding for equipment within **LEVEL 3**'s Dedicated Space. Separate Ground Cable Arrangements are required for Integrated and Isolated Ground Planes. Isolated Ground Planes require a Ground Cable Arrangement in **LEVEL 3**'s Dedicated Space.

20.2.8 Security Cards

20.2.8.1 The Security Cards Charge consists of a charge per five (5) new cards or replacement cards, for access cards, and ID cards. Rates and charges are as found in the Collocation Rate Summary of this Appendix. **SBC-13STATE** will issue access cards and/or ID cards within twenty-one (21) days of receipt of a complete and accurate SBC Photo ID Card and Electronic Access For Collocators and Associated Contractors form, which is located on the telecommunications carrier ONLINE website <https://clec.sbc.com/clec>. In emergency or other extenuating circumstances (but not in the normal course of business), **LEVEL 3** may request that the twenty-one (21) day interval be expedited, and **SBC-13STATE** will issue the access and/or ID cards as soon as reasonably practical.

20.2.9 Standard Frame or Cabinet, Each (Optional)

20.2.9.1 **LEVEL 3** may elect to provide its own bay or cabinet in either its cage space or in a cageless space designated by **SBC-13STATE** or may request that **SBC-13STATE** provide and install the bay or cabinet in the cageless space only. If **LEVEL 3** elects for **SBC-13STATE** to provide a bay or cabinet, the rates and charges are as found in the Collocation Rate Summary of this Appendix. When, at **LEVEL 3**'s option, a bay or cabinet is placed in space designated by **SBC-13STATE**, appropriate floor space charges will apply. The bay or cabinet may be designated as the physical point of termination for interconnection between **LEVEL 3**'s facilities and **SBC-13STATE** facilities, previously referred to as "Point of Termination (POT) bay."

20.2.10 Entrance Facility Conduit to Vault, Per Cable Sheath

20.2.10.1 A reinforced passage or opening placed for **LEVEL 3** provided facility between **SBC-13STATE** designated manhole and the cable vault of the Premises.

20.2.11 Entrance Fiber Charge, Per Cable Sheath

20.2.11.1 The Entrance Fiber Charge reflects the time interval spent by **SBC-13STATE** in pulling **LEVEL 3**'s cable facilities from **SBC-13STATE** designated manhole, through **SBC-13STATE** cable vault and through **SBC-13STATE** cable support structure to **LEVEL 3**'s equipment.

20.2.12 ILEC to telecommunications carrier Interconnection Arrangement Options

20.2.12.1 **LEVEL 3** will select one or more of the interconnection arrangements listed below.

20.2.12.1.1 DS1 Interconnection Cable Arrangement (DSX or DCS), Each

20.2.12.1.1.1 **SBC-13STATE**-provided cable arrangement of twenty eight (28) DS1 connections per cable arrangement between **LEVEL 3**'s optional POT Frame or equipment bay and **SBC-13STATE** network. This rate element may not be provided by **LEVEL 3**. **LEVEL 3** will not be permitted access to **SBC-13STATE** Main Distribution Frame. If regeneration is required because the cabling distance between **LEVEL 3**'s POT bay or termination point located in an Adjacent Structure and **SBC-13STATE**'s cross-connect bay exceeds ANSI limitations or where **LEVEL 3** specifically requests regeneration, it will be at **LEVEL 3**'s expense. Regeneration is not required in any other circumstance. Rates and charges are as found in the

Collocation Rate Summary of this Appendix.

20.2.12.1.2 DS3 Interconnection Cable Arrangement (DSX or DCS), Each

20.2.12.1.2.1 **SBC-13STATE**-provided cable arrangement of one (1) DS3 connection per cable arrangement between **LEVEL 3**'s optional POT Frame or equipment bay and **SBC-13STATE** network. This rate element may not be provided by **LEVEL 3**. **LEVEL 3** will not be permitted access to **SBC-13STATE** Main Distribution Frame. If regeneration is required because the cabling distance between **LEVEL 3**'s POT bay or termination point located in an Adjacent Structure and **SBC-13STATE**'s cross-connect bay exceeds ANSI limitations or where **LEVEL 3** specifically requests regeneration, it will be at **LEVEL 3**'s expense. Regeneration is not required in any other circumstance. Rates and charges are as found in the Collocation Rate Summary of this Appendix.

20.2.12.1.3 DS0 Voice Grade Interconnection Cable Arrangement, Each

20.2.12.1.3.1 **SBC-13STATE** provided cable arrangement that provides one hundred (100) DS0 copper (non-shielded) or (shielded) connections between **LEVEL 3**'s optional POT frame or equipment bay and **SBC-13STATE** network. These rate elements may not be provided by **LEVEL 3**. **LEVEL 3** will not be permitted access to **SBC-13STATE** Main Distribution Frame.

20.2.13 Optical Circuit Arrangement

20.2.13.1 This sub-element provides for the cost associated with providing twelve (12) fiber connection arrangements to **SBC-13STATE** network. This rate element may not be provided by **LEVEL 3**. **LEVEL 3** will not be permitted access to **SBC-13STATE** Main Distribution Frame.

20.2.14 Bits Timing (Per two circuits) (Optional)

20.2.14.1 **SBC-13STATE** provided single signal from **SBC-13STATE** timing source to provide synchronization between **LEVEL 3**'s single Network Element and **SBC-13STATE**'s equipment.

20.2.15 Timing Interconnection Arrangement (Optional)

20.2.15.1 Timing lead (1 pair) of wires provided by **SBC-13STATE** to **LEVEL 3**'s dedicated **LEVEL 3**'s Physical Collocation space or optional POT frame or equipment bay.

20.2.16 Collocation Availability Space Report Fee

20.2.16.1 This rate element provides for costs associated with providing a reporting system and associated reports indicating the amount of collocation space available, the number of collocators, any modifications in the use of space since the generation of the last available report, and measures that **SBC-13STATE** is undertaking to make additional space available for collocation.

20.2.17 Pre-visits

20.2.17.1 General Applications

20.2.17.1.1 Prior to submitting an application, **LEVEL 3** may elect to arrange with **SBC-13STATE** to visit an Premises for the purpose of permitting **LEVEL 3** to determine if the structure meets its business needs and if space is available in the structure for the potential **LEVEL 3**'s Physical Collocation arrangement. If **LEVEL 3** elects to pre-visit **SBC-13STATE**'s Premises must submit its request in writing ten (10) business days in advance. Pre-visits will be scheduled for a date that is mutually agreeable to both

Parties. **LEVEL 3** will not be allowed to take photographs, make copies of **SBC-13STATE** site-specific drawings or make any notations.

- 20.2.17.1.2 For pre-visits, **SBC-13STATE** will limit the number of **SBC-13STATE** employees attending the pre-visit to one of **SBC-13STATE**'s employee, unless a different number of **SBC-13STATE** employees is mutually agreed upon. **LEVEL 3** will only be billed for the times of the employee approved by **LEVEL 3** and not for additional employees not mutually agreed upon to attend the pre-visit. **LEVEL 3** will be charged for the time, if any, **SBC-13STATE** employees spend traveling and will be based on fifteen (15) minute increments.

20.2.18 Construction Inspections

- 20.2.18.1 During the construction of all forms of Physical Collocation space required under this Appendix, **LEVEL 3** shall be permitted up to four (4) inspections during the construction in an Premises during normal business hours with a minimum of two (2) hours advance notification. If the construction interval is extended beyond the agreed upon interval, **LEVEL 3** will be granted two (2) additional visits per thirty (30) day extension. Requests for construction inspections shall be given to the contact number as specified in Section 9.1. **LEVEL 3** will be charged for the time, if any, **SBC-13STATE** employees spend traveling and will be based on fifteen-minute increments.

20.2.19 Adjacent On-site Structure Arrangements

20.2.19.1 Adjacent On-site Structure Arrangements

- 20.2.19.1.1 If **LEVEL 3** elects to provide an Adjacent On-site structure as described in this Appendix, when all available space is Legitimately Exhausted inside **SBC-13STATE** Premises, **SBC-13STATE** will charge Planning Fees to recover the costs incurred to estimate the quotation of charges for **LEVEL 3**'s Adjacent On-Site Structure Arrangement request. Rates and charges are found in the Collocation Rate Summary of this Appendix. In addition, should

LEVEL 3 elect to have **SBC-13STATE** provision an extension of DC Power Service from the Premises to the Adjacent Structure, a DC Power Panel will be required.

20.2.19.2 Adjacent On-site Planning Fee

20.2.19.2.1 An initial Planning Fee will apply when **LEVEL 3** is requesting any Interconnection Terminations between **LEVEL 3**'s Adjacent On-site structure and **SBC-13STATE** on an Adjacent On-site initial or subsequent collocation application. This fee recovers the design route of the Interconnection Terminations as well as the design route of the power arrangement to **LEVEL 3**'s Adjacent On-site structure.

20.2.20 Adjacent Off-site Arrangement

20.2.20.1 Adjacent Off-site Structure Arrangements

20.2.20.1.1 If **LEVEL 3** elects to provide an Adjacent Off-site structure as defined in Appendix Definitions of this Agreement and as described in Section 5.1 preceding, when all available space is Legitimately Exhausted inside **SBC-13STATE** Premises and **LEVEL 3**'s Adjacent On-site Space is not within fifty (50) feet of the Premises outside perimeter wall, **SBC-13STATE** will provide the following sub-elements to the extent technically feasible. The Adjacent Off-site Arrangement is available if **LEVEL 3**'s site is located on a property that is contiguous to or within one standard city block of **SBC-13STATE**'s Central Office or Premises. When **LEVEL 3** elects to collocate by Adjacent Off-site Arrangement, **LEVEL 3** shall provide both AC and DC Power required to operate such facility. Rates and charges for these sub-elements are as found in the Collocation Rate Summary of this Appendix.

20.2.20.2 Planning Fee Adjacent Off-site Arrangement

20.2.20.2.1 Planning Fee will apply when **LEVEL 3** is requesting any Interconnection Terminations between **LEVEL 3**'s Adjacent Off-site structure and **SBC-13STATE** on Adjacent Off-site initial or subsequent collocation application. This fee recovers the design route of the Interconnection Terminations to **LEVEL 3**'s Adjacent Off-site structure. Rates and charges are found in the Collocation Rate Summary of this Appendix.

20.2.21 Conduit Space for Adjacent Off-site Arrangement

20.2.21.1 Any reinforced passage or opening placed for **LEVEL 3** provided facility in, on, under/over or through the ground between **SBC-13STATE** designated manhole and the cable vault of the Premises. Rates and charges are as found in the Collocation Rate Summary following.

20.2.22 Two Inch Vertical Mounting space in CEVs, Huts and Cabinets

20.2.22.1 A two-inch vertical mounting space in a standard equipment mounting in a CEV, Hut or cabinet for the placement of equipment. The number of two-inch vertical mounting spaces required is determined by the size of the equipment to be placed plus additional space required for heat dissipation and ventilation of the equipment to be placed in adjacent equipment.

20.2.23 Miscellaneous Charges (Optional)

20.2.23.1 Consists of charges for miscellaneous construction-related items associated with Cageless Pot Bay or cabinet.

20.2.24 Collocation to Collocation Connection

20.2.24.1 This rate element includes physical-to-physical and physical-to-virtual connection options.

20.2.24.1.1 Fiber Cable (12 Fibers)

20.2.24.1.1.1 This rate element is for **SBC-13STATE** to provide and install direct cabling using fiber cable (12 fiber pairs) between two (2)

collocation arrangements at an Premises expressed as a combination of a non-recurring and recurring rate.

20.2.24.1.2 Copper Cable (28 DS1s)

20.2.24.1.2.1 This rate element is for **SBC-13STATE** to provide and install for direct cabling using copper cable (28 DS1s) between two (2) collocation arrangements at an Premises expressed as a combination of a non-recurring charge and a monthly rate.

20.2.24.1.3 Coax Cable (1 DS3)

20.2.24.1.3.1 This rate element is for **SBC-13STATE** to provide and install for direct cabling using coaxial cable (1 DS3) between two (2) collocation arrangements at an Premises expressed as a combination of a non-recurring charge and a monthly rate.

20.2.24.1.4 Cable Racking and Hole

20.2.24.1.4.1 This sub-element provides for cable rack space for copper, coax and optical cabling between two collocation arrangements and the required terminations at each Physical Collocation arrangement(s) at an Premises.

20.2.24.1.5 Route Design

20.2.24.1.5.1 This sub-element provides the route design for collocation-to-collocation connections. This sub-element is expressed as a nonrecurring charge.

21. RIGHT TO USE; MULTIPLE DEDICATED SPACES

21.1 In accordance with this Appendix, SBC-13STATE grants to LEVEL 3 the right to use a Dedicated Space. Each Dedicated Space within an Premises will be considered a single Dedicated Space for the application of rates according to this Appendix.

22. CONSTRUCTION INSPECTIONS

22.1 During the construction of all forms of Physical Collocation space required under this Appendix, LEVEL 3 shall be permitted up to four (4) inspections during the construction in an Premises during normal business hours with a minimum of two (2) hours advance notification. If the construction interval is extended beyond the agreed upon interval, LEVEL 3 will be granted two (2) additional visits per thirty (30) day extension. Requests for construction inspections shall be given to the contact number as specified in Section 9.1 of this Appendix. If any travel expenses are incurred, LEVEL 3 will be charged for the time SBC-13STATE's employees spend traveling and will be based on fifteen (15) minute increments.

23. OBLIGATIONS OF LEVEL 3

23.1 Certification

23.1.1 LEVEL 3 requesting Physical Collocation is responsible for obtaining any necessary certifications or approvals from the Commission prior to provisioning of telecommunications service by using the Physical Collocation space. SBC-13STATE shall not refuse to process an application for collocation space and shall not refuse to provision the collocation space submitted by a telecommunications carrier while that telecommunications carrier's state certification is pending or prior to a final approved interconnection agreement

24. LEGITIMATELY EXHAUSTED SPACE

24.1 "Legitimately Exhausted" denotes when all space in a Central Office (CO) or other Premises Eligible Structure that can be used to locate telecommunications equipment in any of the methods of collocation available under this Appendix is exhausted or completely occupied. Before SBC-13STATE may make a determination that space in an Premises Eligible Structure is legitimately exhausted, SBC-13STATE must have removed all unused obsolete equipment from the Premises Eligible Structure and made such space available for collocation; however, removal of the equipment shall not cause a delay in SBC-13STATE's response to LEVEL 3's application or in provisioning collocation arrangements. The determination of exhaustion is subject to dispute resolution as provided in Section 10 of the General Terms and Conditions of this Agreement.

In making this determination, SBC-13STATE may reserve space for transport equipment for one (1) year anticipated growth. SBC-13STATE may reserve space for Switching, Power and Main Distribution Frame (MDF) for up to five (5) years anticipated growth. Space for digital cross-connect system equipment can be reserved for three (3) years anticipated growth. Additionally, SBC-13STATE may not reserve space for equipment for itself, or advanced or interLATA services affiliates or other affiliates of SBC-13STATE or for future use by SBC-13STATE or its affiliates under conditions that are more favorable than those that apply to other telecommunications carriers seeking to reserve collocation space for their own use.

- 24.2 In central offices without collocators, the above reservation time frames become effective when first Requesting Carrier applies for space in respective central office.
- 24.3 The Company's total space reservation cannot exceed the Central Office Floor Space currently used by the Company.
- 24.4 Where Physical Collocation space within SBC-13STATE Premises is Legitimately Exhausted, and LEVEL 3's Adjacent On-site space is not within 50 ft. of the Premises outside perimeter wall, LEVEL 3 has the option and SBC-13STATE shall permit an Adjacent Structure Off-site Arrangement, to the extent technically feasible.

25. CAGED, CAGED COMMON PHYSICAL COLLOCATION AND SHARED CAGED COLLOCATION INSTALLATION INTERVAL

- 25.1 Dedicated Space for Caged Physical Collocation and Shared Caged Collocation is not reserved until the quotation is accepted.
- 25.2 Where space suitable for Central Office equipment (Active Central Office Space) is available, SBC-13STATE will deliver Caged Physical or Shared Caged Collocation within ninety (90) calendar days from the completion of the application process (when LEVEL 3 has remitted a signed confirmation form along with a check for fifty percent (50%) of all applicable non-recurring charges.) If the available space is not suitable for Central Office equipment (Other Central Office Space) and must be converted to Active Central Office Space, thirty (30) calendar days will be added to the provisioning interval to allow for the conversion process to be completed.
- 25.3 Any material revision to a completed application will be treated as a new application following revision guidelines set forth in Section 11.2.2.

26. CAGELESS PHYSICAL COLLOCATION INSTALLATION INTERVAL

- 26.1 Dedicated space for Cageless Physical Collocation is not reserved until the quotation is accepted.

- 26.2 Where space suitable for Central Office equipment (Active Central Office Space) is available, SBC-13STATE will deliver Cageless Physical Collocation within ninety (90) calendar days from the completion of the application process (when LEVEL 3 has remitted a signed confirmation form along with a check for fifty percent (50%) of all applicable non-recurring charges.) If the available space is not suitable for Central Office equipment (Other Central Office Space) and must be converted to Active Central Office Space, thirty (30) calendar days will be added to the provisioning interval to allow for the conversion process to be completed.
- 26.3 Any material revision to a completed application will be treated as a new application following revision guidelines set forth in Section 11.2.2.

27. ADJACENT SPACE OR OTHER PHYSICAL COLLOCATION ARRANGEMENT INSTALLATION INTERVALS

- 27.1 Installation Intervals for Adjacent Space Collocation and Other Physical Collocation Arrangements as defined in Sections 5.2 above will be reasonably related to the complexity of accommodating the requested arrangement.

28. OCCUPANCY

- 28.1 Unless there are unusual circumstances, SBC-13STATE will notify LEVEL 3 that the Dedicated Space is ready for occupancy within five (5) business days after SBC-13STATE completes preparation of the Dedicated Space. Operational telecommunications equipment must be placed in the Dedicated Space and interconnect to SBC-13STATE's network or obtain access to SBC-13STATE Lawful UNEs within one hundred eighty (180) days after receipt of such notice. In the event that SBC-13STATE has refused to interconnect with LEVEL 3, the one hundred eighty (180) day deadline shall be extended until SBC-13STATE allows LEVEL 3 to interconnect. SBC-13STATE, however, may extend beyond the one hundred eighty (180) days provided LEVEL 3 demonstrates a best effort to meet that deadline and shows that circumstances beyond its reasonable control prevented LEVEL 3 from meeting that deadline.
- 28.2 If LEVEL 3 fails to do so and the unused collocation space is needed to meet customer demand (filed application for space, accompanied by all fees) for another Collocator or to avoid construction of a building addition, collocation in the prepared Dedicated Space is terminated on the tenth (10) business day after SBC-13STATE provides LEVEL 3 with written notice of such failure and LEVEL 3 does not place operational telecommunications equipment in the Dedicated Space and interconnect with SBC-13STATE or obtain access to SBC-13STATE Lawful UNEs by that tenth (10) business day. In any event, LEVEL 3 shall be liable in an amount equal to the unpaid balance of the applicable charges.

- 28.3 For purposes of this Section, LEVEL 3's telecommunications equipment is considered to be operational and interconnected when connected to either SBC-13STATE's network or interconnected to another Collocator's equipment that resides within the same structure, provided LEVEL 3's equipment is used for interconnection with SBC-13STATE's network or to obtain access to SBC-13STATE's Lawful UNEs, for the purpose of providing this service.
- 28.4 If LEVEL 3 causes SBC-13STATE to prepare the Dedicated Space and then LEVEL 3 does not use the Dedicated Space (or all the Dedicated Space), LEVEL 3 will pay SBC-13STATE the monthly recurring and other applicable charges as if LEVEL 3 were using the Dedicated Space.

29. CANCELLATION PRIOR TO DUE DATE

- 29.1 In the event that LEVEL 3 cancels its order after acceptance of the quotation and SBC-13STATE has begun preparation of the Telecommunications Infrastructure Space and Dedicated Space, but before SBC-13STATE has been paid the entire amounts due under this Appendix, then in addition to other remedies that SBC-13STATE might have, LEVEL 3 shall be liable in the amount equal to the non-recoverable costs less estimated net salvage, the total of which is not to exceed the Preparation Charges. Non-recoverable costs include the non-recoverable cost of equipment and material ordered, provided or used; the non-recoverable cost of installation and removal, including the costs of equipment and material ordered, provided or used; labor; transportation and any other associated costs. SBC-13STATE shall provide LEVEL 3 with a detailed invoice showing the costs it incurred associated with preparation.

- 29.2 Billing Dispute Resolution.

In the event that the parties have a dispute on a bill for collocation ordered under this Appendix, the Parties shall follow the procedures for Dispute Resolution set forth in Section 10 of the General Terms & Conditions Appendix of this Agreement.

- 29.3 Billing for Caged Shared and Caged Common Collocation Arrangements

- 29.3.1 Except for certain charges identified as related to Caged Shared Collocation, each collocator shall be billed separately and shall be able to order and provision separately. In the case of Caged Shared Collocation, SBC-13STATE shall bill the original collocator for space. However, SBC-13STATE shall bill the other collocators in the shared cage for use of Network Elements and interconnection separately as required. Collocators located in a Caged Common Collocation area shall have direct billing arrangements with SBC-13STATE for floor space and all other applicable interconnection arrangements.

30. ALLOWANCES FOR INTERRUPTIONS

- 30.1 An interruption period begins when an inoperative condition of a Physical Collocation arrangement is reported to SBC-13STATE's designated contact point and ends when the Physical Collocation arrangement is operative and reported to LEVEL 3's designated contact. No allowance for an interruption period will be provided for Physical Collocation where the interruption is due to the actions or negligence of LEVEL 3. A credit allowance will be made to LEVEL 3 where the interruption is due to the actions or negligence of SBC-13STATE.
- 30.2 When a credit allowance does apply, such credit will be determined based on the monthly recurring rates applicable to the specific item(s) causing the interruption; however, the credit allowance for an interruption or for a series of interruptions shall not exceed the applicable monthly recurring rate for the item(s) involved.
- 30.3 For calculating credit allowances, every month is considered to have thirty (30) days. No credit shall be allowed for an interruption of less than thirty (30) minutes. LEVEL 3 shall be credited for an interruption of thirty (30) minutes or more at the rate of 1/1440 of the monthly recurring rate.

31. CDOW (COLLOCATOR DOING OWN WORK) - LEVEL 3 RESPONSIBILITIES

- 31.1 When LEVEL 3 selects the option to provide, install, and terminate its interconnection and power cabling with an SBC-13STATE Approved Vendor, the following Sections will apply. However, the terms and conditions within CDOW are not comprehensive. There are terms and conditions from the preceding Sections of this same Appendix that still apply for CDOW for rate elements that are not specifically addressed within the Collocation Rate Summary of this Appendix.
- 31.2 LEVEL 3 has the option to provide, install and terminate its interconnection cabling between LEVEL 3's Dedicated Space and SBC-13STATE Main Distribution Frame or its equivalent by SBC-13STATE Approved Vendor. This option is only available if LEVEL 3 does all three (3) activities associated with interconnection cabling: provide, install and terminate. LEVEL 3 may not elect to do some but not all the activities. LEVEL 3 must indicate on its Physical Collocation application that it has selected this option to apply to all interconnection cabling requested on the application. If LEVEL 3 selects this option, LEVEL 3 must also select the option to provide, install and terminate its power cable leads described in Section 31.3 below. If LEVEL 3 selects this option, SBC-13STATE will install and stencil termination blocks or panels at SBC-13STATE Main Distribution Frame or its equivalent for the handoff of the Actual Point of Termination (APOT) Connection(s) to LEVEL 3. Intervals and provisioning for this option are found Section 31.4. LEVEL 3's SBC-13STATE Approved Vendor must obtain an approved Method Procedures (MOP) from

SBC-13STATE and follow SBC-13STATE's Technical Publication TP 76300MP for installation of equipment and facilities.

31.3 LEVEL 3 has the option to provide, install, and terminate its power cable leads between LEVEL 3's Dedicated Space and SBC-13STATE's Battery Distribution Fuse Bay (BDFB) by using an SBC-13STATE Approved Power Installation Vendor. When SBC-13STATE designated power termination point is at the Power Plant Primary Distribution, LEVEL 3's SBC-13STATE Approved Power Installation Vendor will provide and install the power cable leads, but not terminate. LEVEL 3 must contact SBC-13STATE Project manager five (5) business days prior to scheduling a request for the termination of LEVEL 3's power cable leads to SBC-13STATE Power Plant Primary Distribution, which will be performed by SBC-13STATE. This option is only available if LEVEL 3 does all three (3) activities associated with the power cable lead unless described otherwise within this Section. LEVEL 3 may not elect to do some but not all the activities unless otherwise permitted in this Section. If LEVEL 3 selects this option, LEVEL 3 must also select the option to provide, install and terminate its interconnection cabling described in Section 31.2 above. Intervals and provisioning for this option are found in Section 32.4. LEVEL 3's SBC-13STATE Approved Power Installation Vendor must obtain an approved Method of Procedures (MOP) from SBC-13STATE and follow SBC-13STATE's Technical Publication TP 76300MP for installation of equipment and facilities.

31.4 Interval (LEVEL 3 Installs Interconnection and Power Cabling)

31.4.1 The intervals set forth in this Section 31.4 apply only when LEVEL 3 installs interconnection and power cabling. SBC-13STATE will notify LEVEL 3 as to whether its request for space is been granted or denied due to a lack of space within ten (10) calendar days from receipt of LEVEL 3's accurate and complete Physical Collocation Application. If SBC-13STATE determines that LEVEL 3's Physical Collocation Application is unacceptable, SBC-13STATE shall advise LEVEL 3 of any deficiencies within this ten (10) calendar day period. SBC-13STATE shall provide LEVEL 3 with sufficient detail so that LEVEL 3 has a reasonable opportunity to cure each deficiency. To retain its place in the queue to obtain the Physical Collocation arrangement, LEVEL 3 must cure any deficiencies in its Application and resubmit such Application within ten (10) calendar days after being advised of deficiencies. Any changes to the amount or type of floor space, interconnection terminations, and power requested from the originally submitted Physical Collocation Application will not be considered a deficiency, but rather as a new Physical Collocation Application with a new ten (10) calendar day space notification and delivery interval.

31.4.2 The delivery interval relates to the period in which SBC-13STATE shall construct and turnover to LEVEL 3's the requested Physical Collocation

Space. The delivery interval begins on the date **SBC-13STATE** receives an accurate and complete Physical Collocation Application from **LEVEL 3**. **LEVEL 3** must provide **SBC-13STATE**, within seven (7) calendar days from the date of notification granting the application request, a confirmatory response in writing to continue construction along with the fifty percent (50%) payment of non-recurring charges (unless payment was received with application) or the delivery interval provided will not commence until such time as **SBC-13STATE** has received such response and payment. If **LEVEL 3** has not provided **SBC-13STATE** such response and payment by the twelfth (12) calendar day after the date **SBC-13STATE** notified **LEVEL 3** its request has been granted, the application will be canceled. Dedicated Space is not reserved until **SBC-13STATE**'s receipt of the confirmatory response in writing from **LEVEL 3** with applicable fees.

31.4.3 The delivery interval for Caged or Cageless Physical Collocation is determined by **SBC-13STATE** taking into consideration the various factors set forth in Table (1) below including, without limitation, the number of all Physical Collocation Applications submitted by **LEVEL 3**, the type of Dedicated Space available for collocation, and the need for additional preparation of the space such as overhead racking, additional power or HVAC.

31.4.3.1 The delivery interval assigned will be provided to **LEVEL 3** by **SBC-13STATE** with the ten (10) calendar day space notification. Each complete and accurate Physical Collocation Application received by **SBC-13STATE** from **LEVEL 3** will be processed in the order received unless **LEVEL 3** provides a priority list, whichever is applicable.

Table (1)

Number of All Applications submitted by One Collocator per state or metering region	Overhead Iron/Racking Exists for Active Collocation Space Use	Overhead Iron/Racking Does Not Exist for Active Collocation Space Use	Additional Power or HVAC is not Required for the assigned Inactive Collocation Space Use	Additional Power or HVAC is Required for the assigned Inactive Collocation Space Use
1 - 10	60 calendar days	80 calendar days	140 calendar days	180 calendar days
11 - 20	65 calendar days	85 calendar days	145 calendar days	185 calendar days

31.4.3.2 Should **LEVEL 3** submit twenty-one (21) or more applications within ten (10) business days, the above delivery intervals will be increased by five (5) days for every five (5) additional applications or fraction thereof. Any material revision to an application will be treated as a new application and will be subject to the time intervals set forth above. For example, but not by way of limitation, if **LEVEL 3** submits twelve (12) Caged/Cageless Physical Collocation Applications in a state, the delivery intervals assigned by **SBC-13STATE** will depend on which variables apply within each Premises Physical Collocation is requested.

31.4.3.3 If Applications (1-4) are for Physical Collocation Space where Active Collocation Space is available and overhead iron/racking exists, the delivery intervals assigned will be sixty (60) days. If Applications (5-6) are for Physical Collocation Space and only Inactive Collocation Space exists and additional power or HVAC is not required, the delivery interval assigned will be one hundred forty (140) calendar days. If Applications (7-12) are for Physical Collocation Space where Active Collocation Space is available and overhead iron/racking does not exist, the delivery intervals assigned to Applications (7-10) will be eighty (80) calendar days and for Applications (11-12) will be assigned eighty five (85) calendar days.

31.4.4 The second fifty percent (50%) payment must be received by **SBC-13STATE** prior to the space being turned over to **LEVEL 3**. At space turnover, the Actual Point of Termination (APOT) Connection(s) will be provided to **LEVEL 3** by **SBC-13STATE**.

31.4.5 This subsection provides for shortened intervals for the following interconnection cabling augment requests:

- up to 168 DS1 connections and/or
- up to 48 DS3 connections and/or
- up to 400 Copper (shielded or nonshielded) cable pair connections and/or
- up to 12 fiber pair connections.

For each augment request, **LEVEL 3** must submit a complete and accurate Physical Collocation Application.

31.4.5.1 Applications (except requests for Adjacent Structure Collocation) received by **SBC-13STATE** from **LEVEL 3** within a ten (10) business day period shall be treated as

submitted at the same time for purposes of administering the above staggering intervals. The Caged and Cageless Collocation delivery interval ends when roughed in and the assigned space has been distinctly marked by **SBC-13STATE**.

- 31.4.5.2 This application must include an up-front payment of the Planning Fee and fifty percent (50%) of all applicable non-recurring charges.
- 31.4.5.3 The delivery interval for the above Augments is determined by **SBC-13STATE** taking into consideration the various factors set forth in Table (2) below including, without limitation, the number of all Physical Collocation Applications for the above Augments submitted by **LEVEL 3**, the type of infrastructure available for collocation, and the need for additional preparation of the infrastructure such as overhead iron/racking and additional power.

Table (2)

Number of All Applications submitted by One Collocator per state or metering region	Necessary Elements such as Iron/Racking and Power exist for Physical Collocation Use	Necessary Elements such as Iron/Racking and Power does not exist for Physical Collocation Use
1 – 10	30 calendar days	60 calendar days
11- 20	35 calendar days	65 calendar days

- 31.4.5.4 The delivery interval assigned will be provided to **LEVEL 3** by **SBC-13STATE** with the ten (10) calendar day Augment notification. Each complete and accurate Physical Collocation Application received by **SBC-13STATE** from **LEVEL 3** will be processed in the order received unless **LEVEL 3** provides a priority list, whichever is applicable.
- 31.4.5.5 Should **LEVEL 3** submit twenty-one (21) or more Physical Collocation Applications for cabling Augments within ten (10) business days, the above delivery intervals will be increased by five (5) days for every five (5) additional application or fraction thereof. Any material revision to a Physical Collocation Application for cabling Augments will be treated as a new application and will be subject to the delivery intervals set forth in Table (2) above. All applications received by **SBC-13STATE** from **LEVEL 3** within a ten (10) business

day period shall be treated as submitted at the same time for purposes of administering the above staggering intervals.

For example, but not by way of limitation, if **LEVEL 3** submits twelve (12) Physical Collocation Applications for cabling Augments in a state, the delivery intervals assigned will depend on which variables apply within each Premises requested:

- If Applications (1-4) are for Physical Collocation cabling Augments where necessary elements such as overhead iron/racking and power exists, the delivery interval assigned will be thirty (30) days.
- If Applications (5-12) are for Physical Collocation where necessary elements such as overhead iron/racking and power does not exist, the delivery interval assigned to Applications (5-10) will be sixty (60) calendar days and for Applications (11-12) sixty five (65) calendar days.

31.4.6 For all Augments other than provided above, **SBC-13STATE** will work cooperatively with **LEVEL 3** to negotiate a mutually agreeable delivery interval.

31.4.7 Within twenty (20) calendar days or mutually agreed upon time, from **SBC-13STATE**'s receipt of the confirmatory response in writing to continue construction on the Physical Collocation job requested along with the fifty percent (50%) payment of non-recurring charges (unless payment was received with application), Network Support and/or appropriate departments will schedule a walk through visit with the telecommunications carrier and/or vendor to provide floor plans of space and the preliminary route design for the interconnection and power cabling.

31.5 Rates Elements for **SBC-13STATE** Central Offices

31.5.1 Caged Collocation

31.5.1.1 When **LEVEL 3** constructs its own cage and related equipment, **LEVEL 3** will be subject to the AC Circuit Placement charge, which includes 4" conduit and wiring from the electrical panel to cage as set forth in the Collocation Rate Summary of this Appendix. This is expressed as a non-recurring charge per sq. ft. of floor space requested.

31.5.2 DC Power Arrangement Provisioning

31.5.2.1 When **LEVEL 3** selects the option to provide and install its power cable by a SBC-13STATE Approved Power Installation vendor, only the rack occupancy and on-going maintenance of the rack charge will apply. **LEVEL 3** will not be permitted access to SBC-13STATE Battery Distribution Fuse Bay or Power Plant Primary Distribution, but SBC-13STATE approved power installation vendor will have access. Rates for extension of power cables to the Adjacent On-site structure will not apply when provided and installed by telecommunications carriers SBC-13STATE Approved Vendor. This is expressed as a monthly rate as specified the Collocation Rate Summary of this Appendix.

31.5.3 Entrance Fiber Optic Cable Arrangement

31.5.3.1 When **LEVEL 3** selects the option to pull **LEVEL 3**'s provided fire retardant entrance fiber optic cable under SBC-13STATE observation, through SBC-13STATE cable vault to **LEVEL 3**'s equipment with SBC-13STATE approved vendor, only the construction and route design charge will apply. **LEVEL 3** will not be permitted access to the cable vault, but SBC-13STATE approved vendor will have access. Rates and charges are as found in the Collocation Rate Summary of this Appendix.

31.5.4 DS0 Voice Grade Interconnection Cable Arrangement

31.5.4.1 When **LEVEL 3** selects the option to provide and install its interconnection cabling by an SBC-13STATE approved vendor, the Voice Grade Terminal blocks at the MDF, rack occupancy, and on-going maintenance charges will apply. **LEVEL 3** will not be permitted access to the Main Distribution Frame, but SBC-13STATE approved installation vendor will have access. This is expressed as a combination of a non-recurring charge and a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.5 DS-1 Interconnection Cable Arrangement to DCS

31.5.5.1 When **LEVEL 3** selects the option to provide and install the interconnection cabling by SBC-13STATE approved vendor, the DS-1 Port, rack occupancy, and on-going maintenance charges will apply. **LEVEL 3** will specify whether the cabling should terminate to a DCS in the remarks section of the

application form. **LEVEL 3** will not be permitted access to the Main Distribution Frame, but **SBC-13STATE** approved installation vendor will have access. This is expressed as a combination of a non-recurring charge and a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.6 DS-1 Interconnection Cable Arrangement to DSX

31.5.6.1 When **LEVEL 3** selects the option to provide and install the interconnection cabling by **SBC-13STATE** approved vendor, the DSX at the MDF, rack occupancy, and on-going maintenance charges will apply. **LEVEL 3** will specify whether the cabling should terminate to a DSX in the remarks section of the application form. **LEVEL 3** will not be permitted access to the Main Distribution Frame, but **SBC-13STATE** approved installation vendor will have access. This is expressed as a combination of a non-recurring charge and a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.7 DS-3 Interconnection Cable Arrangement to DCS

31.5.7.1 When **LEVEL 3** selects the option to provide and install the interconnection cabling by **SBC-13STATE** approved vendor, the DS-3 Port, rack occupancy, and on-going maintenance charges will apply. **LEVEL 3** will specify whether the cabling should terminate to a DCS in the remarks section of the application form. **LEVEL 3** will not be permitted access to the Main Distribution Frame, but **SBC-13STATE** approved installation vendor will have access. This is expressed as a combination of a non-recurring charge and a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.8 DS-3 Interconnection Cable Arrangement to DSX

31.5.8.1 When **LEVEL 3** selects the option to provide and install the interconnection cabling by **SBC-13STATE** approved vendor, the DSX at the MDF, rack occupancy, and on-going maintenance charges will apply. **LEVEL 3** will specify whether the cabling should terminate to a DSX in the remarks section of the application form. **LEVEL 3** will not be permitted access to the Main Distribution Frame, but **SBC-13STATE** approved installation vendor will have access. This is expressed as a combination of a non-recurring charge and a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.9 Fiber Interconnection Cable Arrangement

31.5.9.1 When **LEVEL 3** selects the option to provide and install the interconnection cabling by **SBC-13STATE** approved vendor, the Fiber terminating panel at the FDF-1 Port, rack occupancy, and on-going maintenance charges will apply. **LEVEL 3** will not be permitted access to the Main Distribution Frame, but **SBC-13STATE** approved installation vendor will have access. This is expressed as a combination of a non-recurring charge and a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.10 Collocation to Collocation Connection

31.5.10.1 This rate element includes virtual to virtual, and virtual to physical connection options.

31.5.10.1.1 Fiber Cable

31.5.10.1.1.1 When **LEVEL 3** selects the option to provide and install the interconnection cabling by **SBC-13STATE** approved vendor, the charge for on-going maintenance of the rack will apply. This is expressed as a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.10.1.2 Copper Cable

31.5.10.1.2.1 When **LEVEL 3** selects the option to provide and install the interconnection cabling by **SBC-13STATE** approved vendor, the charge for on-going maintenance of the rack will apply. This is expressed as a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.10.1.3 Coax Cable

31.5.10.1.3.1 When **LEVEL 3** selects the option to provide and install the

interconnection cabling by **SBC-13STATE** approved vendor, the charge for on-going maintenance will apply. This is expressed as a monthly rate as specified in the Collocation Rate Summary of this Appendix.

31.5.10.1.4 Cable Racking and Hole

31.5.10.1.4.1 This sub-element provides for cable rack space and hole for copper, coax and optical cabling between two collocation arrangements and the required terminations at each virtual collocation arrangement(s) at an Premises. This sub-element is expressed as a monthly rate specified in the Collocation Rate Summary of this Appendix.

31.5.10.1.5 Route Design

31.5.10.1.5.1 This sub-element provides the route design for collocation-to-collocation connections. This sub-element is expressed as a non-recurring charge and this charge is specific in the Collocation Rate Summary of this Appendix.

SBC-13STATE
COLLOCATION RATE SUMMARY
September 30, 2004

13-STATE/LEVEL 3
EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
2	CLEC-PROVISIONED FACILITIES & EQUIPMENT: CAGED					
3	REAL ESTATE					
4	Site Conditioning	Per Sq. Ft. of space used by CLEC	S8FWB		\$9.28	
5	Safety & Security	Per Sq. Ft. of space used by CLEC	S8F4N		\$19.56	
6	Floor Space Usage	Per Sq. Ft. of space used by CLEC	S8F4L	\$5.97		
7	COMMON SYSTEMS					
8	Common Systems - Cage	Per Sq. Ft. of space used by CLEC	S8F4A	\$0.44	\$59.86	
9	PLANNING					
10	Planning - Central Office	Per Sq. Ft. of space used by CLEC	S8GCA	\$0.09	\$7.55	
11	Planning	Per Request	NRFCB		\$5,244.43	
12	Planning - Subsequent Inter. Cabling	Per Request	NRFCF		\$2,267.04	
13	Planning - Subsequent Power Cabling	Per Request	NRFCF		\$2,306.10	
14	Planning - Subs. Inter./Power Cabling	Per Request	NRFCG		\$2,884.60	
15	Planning - Non-Standard	Per Request	NRFCH		\$1,436.00	
16	POWER PROVISIONING					
17	Power Panel:					
18	50 Amp	Per Power Panel (CLEC Provided)	NONE			
19	200 Amp	Per Power Panel (CLEC Provided)	NONE			
20	Power Cable and Infrastructure:					
21	Power Cable Rack	Per Four Power Cables or Quad	NONE			
22	2-20 Amp Feeds	Per 2-20 Amp Power Feeds (CLEC Provided)	S8GF1	0.25	48.23	
23	2-50 Amp Feeds	Per 2-50 Amp Power Feeds (CLEC Provided)	S8GF2	0.25	48.23	
24	2-100 Amp Feeds	Per 2-100 Amp Power Feeds (CLEC Provided)	S8GF3	0.25	48.23	
25	Equipment Grounding:					
26	Ground Cable Placement	Per Sq. Ft. of space used by CLEC	S8FCR	\$0.03	\$0.92	
27	DC POWER AMPERAGE CHARGE					
28	HVAC	Per 10 Amps	S8GCS	\$14.62		
29	Per Amp	Per Amp	S8GCR	\$10.61		
30	FIBER CABLE PLACEMENT					
31	Central Office:					
32	Fiber Cable	Per Fiber Cable Sheath (CLEC Vendor Pulls Cable)	S8FQ9	\$4.85	\$809.13	
33	Entrance Conduit	Per Fiber Cable Sheath	S8FW5	\$8.76		
34	MISCELLANEOUS & OPTIONAL COST:					
35	MISCELLANEOUS COSTS					
36	Timing Lead (1 pair per circuit)	Per Linear Foot, Per pair	S8F45	\$0.08	\$14.81	
37	Bits Timing	Per two circuits	S8FQT	\$3.58	\$698.82	
38	Space Availability Report	Per Premise	NRFCQ		\$168.04	
39	Security Access / ID Cards	Per Five Cards	NRFCM		\$123.35	
40	Security Access / ID Cards/Expedite	Per Five Cards	NRFCN		\$203.35	
41	CAGE COMMON COSTS					
42	AC Circuit Placement	Per Sq. Ft. (CLEC provides cage)	NRL60		\$5.29	
43	INTERCONNECTION COSTS:					
44	ILEC TO CLEC CONNECTION					
45	Voice Grade Arrangement	100 Copper Pairs (CLEC provides cable)	S8F48	\$3.86	\$156.02	
46	Voice Grade Arrangement	100 Shielded Pairs (CLEC provides cable)	S8FWU	\$3.86	\$156.02	
47	DS1 Arrangement - DCS	28 DS1 (CLEC provides cable)	S8FQM	\$295.42	\$3,105.79	
48	DS1 Arrangement - DSX	28 DS1 (CLEC provides cable)	S8F46	\$6.07	\$486.89	
49	DS3 Arrangement - DCS	1 DS3 (CLEC provides cable)	S8F47	\$115.30	\$1,809.40	
50	DS3 Arrangement - DSX	1 DS3 (CLEC provides cable)	S8FQN	\$5.69	\$116.67	
51	Fiber Arrangement	12 Fiber Pairs (CLEC provides cable)	S8FQR	\$3.76	\$495.49	
52	CLEC TO CLEC CONNECTION					
53	Cable Racking and Hole for Optical	Per Cable	S8GFE	\$0.82		
54	Cable Racking and Hole for DS1	Per Cable	S8GFF	\$0.57		
55	Cable Racking and Hole for DS3	Per Cable	S8GFG	\$0.50		
56	Route Design		NRFCX		\$424.88	
57	Connection for DS1	Per 28 Circuits (CLEC provides cable)	S8GFH	\$0.18		
58	Connection for DS3	Per Circuit (CLEC provides cable)	S8GFJ	\$0.12		
59	Connection for Optical	Per Cable (CLEC provides cable)	S8GFK	\$0.31		
60	TIME SENSITIVE ACTIVITIES					
61	PRE-VISITS					
62	Colloc. Ser. Mgr. - 2nd Level	Per 1/4 Hour	NRFCR		\$23.23	
63	Comm. Tech - Craft	Per 1/4 Hour	NRFCS		\$19.60	
64	CO Manager - 1st Level	Per 1/4 Hour	NRFCU		\$19.72	
65	Floor Space Planning - 1st Level	Per 1/4 Hour	NRFCU		\$19.24	
66	CONSTRUCTION VISITS					
67	Project Manager - 1st Level	Per 1/4 Hour	NRFCV		\$19.24	
68	Colloc. Ser. Mgr. - 2nd Level	Per 1/4 Hour	NRFCZ		\$23.23	
69	RSM Option					
70	Additional Dedicated HVAC Charge	per request	NRFCL		\$3,100.00	
71	Dedicated power Plant Floor Space	per request	S8GCQ	\$394.00		

SBC-13STATE
COLLOCATION RATE SUMMARY
September 30, 2004

13-STATE/LEVEL 3
EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
72						
73	SBC-PROVISIONED FACILITIES & EQUIPMENT: CAGED					
74	REAL ESTATE					
75	Site Conditioning	Per Sq. Ft. of space used by CLEC	S8GCE		\$9.28	
76	Safety & Security	Per Sq. Ft. of space used by CLEC	S8GCF		\$19.56	
77	Floor Space Usage	Per Sq. Ft. of space used by CLEC	S8GCD	\$5.97		
78	COMMON SYSTEMS					
79	Common Systems - Cage	Per Sq. Ft. of space used by CLEC	S8GCG	\$0.44	\$59.86	
80	PLANNING					
81	Planning - Central Office	Per Sq. Ft. of space used by CLEC	S8GCA	\$0.09	\$7.55	
82	Planning	Per Request	NRFCF		\$5,244.43	
83	Planning - Subsequent Inter. Cabling	Per Request	NRFCF		\$2,267.04	
84	Planning - Subsequent Power Cabling	Per Request	NRFCF		\$2,306.10	
85	Planning - Subs. Inter./Power Cabling	Per Request	NRFCG		\$2,884.60	
86	Planning - Non-Standard	Per Request	NRFCH		\$1,436.00	
87	POWER PROVISIONING					
88	Power Panel:					
89	50 Amp	Per Power Panel	S8GC8	\$15.77	\$3,079.47	
90	200 Amp	Per Power Panel	S8GC9	\$18.75	\$3,659.46	
91	Power Cable and Infrastructure:					
92	2-20 Amp Feeds	Per 2-20 Amp Power Feeds	S8GCU	\$7.74	\$1,570.84	
93	2-50 Amp Feeds	Per 2-50 Amp Power Feeds	S8GCV	\$9.57	\$1,954.85	
94	2-100 Amp Feeds	Per 2-100 Amp Power Feeds	S8GCW	\$11.39	\$2,344.44	
95	Equipment Grounding:					
96	Ground Cable Placement	Per Sq. Ft. of space used by CLEC	S8GDA	\$0.03	\$0.92	
97	DC POWER AMPERAGE CHARGE					
98	HVAC	Per 10 Amps	S8GCS	\$14.62		
99	Per Amp	Per Amp	S8GCR	\$10.61		
100	FIBER CABLE PLACEMENT					
101	Central Office:					
102	Fiber Cable	Per Fiber Cable Sheath	S8GDE	\$4.85	\$1,619.88	
103	Entrance Conduit to Vault	Per Fiber Cable Sheath	S8GDD	\$8.76		
104	MISCELLANEOUS & OPTIONAL COST:					
105	MISCELLANEOUS COSTS					
106	Timing Lead (1 pair per circuit)	Per Linear Foot, Per pair	S8GEK	\$0.08	\$14.81	
107	Bits Timing	Per two circuits	S8GEJ	\$3.58	\$698.82	
108	Space Availability Report	Per Premise	NRFCQ		\$168.04	
109	Security Access / ID Cards	Per Five Cards	NRFCM		\$123.35	
110	Security Access / ID Cards/Expedite	Per Five Cards	NRFCN		\$203.35	
111	CAGE COMMON COSTS					
112	Cage Preparation	Per Sq. Ft. of space used by CLEC	S8GCH	\$0.27	\$19.70	
113	INTERCONNECTION COSTS:					
114	ILEC TO CLEC CONNECTION					
115	Voice Grade Arrangement	100 Copper Pairs	S8GD4	\$4.92	\$1,027.16	
116	Voice Grade Arrangement	100 Shielded Pairs	S8GD5	\$4.92	\$1,027.16	
117	DS1 Arrangement - DCS	28 DS1	S8GDK	\$297.44	\$3,613.06	
118	DS1 Arrangement - DSX	28 DS1	S8GDP	\$9.79	\$1,346.48	
119	DS3 Arrangement - DCS	1 DS3	S8GDV	\$115.58	\$2,181.58	
120	DS3 Arrangement - DSX	1 DS3	S8GDZ	\$7.14	\$603.89	
121	Fiber Arrangement	12 Fiber Pairs (24 Fiber strands)	S8GED	\$6.55	\$1,779.78	
122	CLEC TO CLEC CONNECTION					
123	Cable Racking and Hole for Optical	Per Cable	S8GFE	\$0.82		
124	Cable Racking and Hole for DS1	Per Cable	S8GFF	\$0.57		
125	Cable Racking and Hole for DS3	Per Cable	S8GFG	\$0.50		
126	Route Design		NRFCX		\$424.88	
127	Connection for DS1	Per 28 Circuits	S8GFC	\$1.41	\$982.35	
128	Connection for DS3	Per Circuit	S8GFD	\$1.30	\$433.86	
129	Connection for Optical (Fiber)	Per Cable	S8GFB	\$1.38	\$1,404.07	
130	TIME SENSITIVE ACTIVITIES					
131	PRE-VISITS					
132	Colloc. Ser. Mgr. - 2nd Level	Per 1/4 Hour	NRFCR		\$23.23	
133	Comm. Tech - Craft	Per 1/4 Hour	NRFCS		\$19.60	
134	CO Manager - 1st Level	Per 1/4 Hour	NRFCT		\$19.72	
135	Floor Space Planning - 1st Level	Per 1/4 Hour	NRFCU		\$19.24	
136	CONSTRUCTION VISITS					
137	Project Manager - 1st Level	Per 1/4 Hour	NRFCV		\$19.24	
138	Colloc. Ser. Mgr. - 2nd Level	Per 1/4 Hour	NRFCZ		\$23.23	
139	RSM Option					
140	Additional Dedicated HVAC Charge	Per Request	NRFCL		\$3,100.00	
141	Dedicated power Plant Floor Space	Per Request	S8GCQ	\$394.00		
142						

SBC-13STATE
COLLOCATION RATE SUMMARY
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EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
	CLEC-PROVISIONED FACILITIES & EQUIPMENT: CAGELESS					
143	REAL ESTATE					
144	Site Conditioning	Per Frame (Standard Bay=10 sq ft)	S8FWC		\$92.81	
146	Safety & Security	Per Frame (Standard Bay=10 sq ft)	S8FWG		\$195.57	
147	Floor Space Usage	Per Frame (Standard Bay=10 sq ft)	S8F9C	\$64.21		
148	COMMON SYSTEMS					
149	Common Systems - Cageless	Per Frame (Standard Bay=10 sq ft)	S8FWE	\$9.35	\$760.45	
150	PLANNING					
151	Planning - Central Office	Per Frame (Standard Bay=10 sq ft)	S8GCB	\$1.13	\$75.54	
152	Planning	Per Request	NRFCJ		\$4,601.93	
153	Planning - Subsequent Inter. Cabling	Per Request	NRFCF		\$2,267.04	
154	Planning - Subsequent Power Cabling	Per Request	NRFCF		\$2,306.10	
155	Planning - Subs. Inter./Power Cabling	Per Request	NRFCG		\$2,884.60	
156	Planning - Non-Standard	Per Request	NRFCH		\$1,436.00	
157	POWER PROVISIONING					
158	Power Panel:					
159	50 Amp	Per Power Panel (CLEC Provided)	NONE			
160	200 Amp	Per Power Panel (CLEC Provided)	NONE			
161	Power Cable and Infrastructure:					
162	Power Cable Rack	Per Four Power Cables or Quad	NONE			
163	2-20 Amp Feeds	Per 2-20 Amp Power Feeds (CLEC Provided)	S8GF1	0.25	48.23	
164	2-50 Amp Feeds	Per 2-50 Amp Power Feeds (CLEC Provided)	S8GF2	0.25	48.23	
165	2-100 Amp Feeds	Per 2-100 Amp Power Feeds (CLEC Provided)	S8GF3	0.25	48.23	
166	Equipment Grounding:					
167	Ground Cable Placement	Per Frame	S8GDB	\$0.33	\$15.32	
168	DC POWER AMPERAGE CHARGE					
169	HVAC	Per 10 Amps	S8GCS	\$14.62		
170	Per Amp	Per Amp	S8GCR	\$10.61		
171	CEV, HUT & Cabinets	Per 2 inch mounting space	S8GCT	\$1.27		
172	FIBER CABLE PLACEMENT					
173	Central Office:					
174	Fiber Cable	Per Fiber Cable Sheath (CLEC Vendor Pulls Cable)	S8FQ9	\$4.85	\$809.13	
175	Entrance Conduit	Per Fiber Cable Sheath	S8FW5	\$8.76		
176	CEV, HUT & Cabinets:					
177	Fiber Cable Placement	Per Fiber Cable Sheath	S8GDH		\$53.58	
178	Entrance Conduit	Per Fiber Cable Sheath	S8GDJ	\$2.61		
179	MISCELLANEOUS & OPTIONAL COST:					
180	MISCELLANEOUS COSTS					
181	Timing Lead (1 pair per circuit)	Per Linear Foot, Per pair	S8F45	\$0.08	\$14.81	
182	Bits Timing	Per two circuits	S8FQT	\$3.58	\$698.82	
183	Space Availability Report	Per Premise	NRFCQ		\$168.04	
184	Security Access / ID Cards	Per Five Cards	NRFCM		\$123.35	
185	Security Access / ID Cards/Expedite	Per Five Cards	NRFCN		\$203.35	
186	CAGELESS / POT BAY OPTIONS					
187	Standard Equipment Bay	Each (CLEC Provided)	NONE			
188	Non-Standard Cabinet Bay	Each (CLEC Provided)	NONE			
189	VF/DS0 Termination Panel	Each (CLEC Provided)	NONE			
190	VF/DS0 Termination Module	Each (CLEC Provided)	NONE			
191	DDP-1 Panel	Each (CLEC Provided)	NONE			
192	DDP-1 Jack Access Card	Each (CLEC Provided)	NONE			
193	DS3/STS-1 Interconnect Panel	Each (CLEC Provided)	NONE			
194	DS3 Interconnect Module	Each (CLEC Provided)	NONE			
195	Fiber Optic Splitter Panel	Each (CLEC Provided)	NONE			
196	Fiber Termination Dual Module	Each (CLEC Provided)	NONE			
197	CEV, HUT, CABINET					
198	24 Foot CEV	2 Inch Mounting Space	S8GE3	\$1.64		
199	16 Foot CEV	2 Inch Mounting Space	S8GE4	\$1.77		
200	Maxi-Hut	2 Inch Mounting Space	S8GE1	\$0.77		
201	Mini-Hut	2 Inch Mounting Space	S8GE2	\$1.33		
202	Large Cabinet	2 Inch Mounting Space	S8GEX	\$1.63		
203	Medium Cabinet	2 Inch Mounting Space	S8GEY	\$2.19		
204	Small Cabinet	2 Inch Mounting Space	S8GEZ	\$3.29		
205	INTERCONNECTION COSTS:					
206	ILEC TO CLEC CONNECTION					
207	Voice Grade Arrangement	100 Copper Pairs (CLEC provides cable)	S8F3E	\$3.86	\$156.02	
208	Voice Grade Arrangement	100 Shielded Pairs (CLEC provides cable)	S8FWV	\$3.86	\$156.02	
209	DS1 Arrangement - DCS	28 DS1 (CLEC provides cable)	S8F2J	\$295.42	\$3,105.79	
210	DS1 Arrangement - DSX	28 DS1 (CLEC provides cable)	S8F2P	\$6.07	\$486.89	
211	DS3 Arrangement - DCS	1 DS3 (CLEC provides cable)	S8F21	\$115.30	\$1,809.40	
212	DS3 Arrangement - DSX	1 DS3 (CLEC provides cable)	S8F25	\$5.69	\$116.67	
213	Fiber Arrangement	12 Fiber Pairs (CLEC provides cable)	S8F49	\$3.76	\$495.49	

**SBC-13STATE
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EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
214	CLEC TO CLEC CONNECTION					
215	Cable Racking and Hole for Optical	Per Cable	S8GFE	\$0.82		
216	Cable Racking and Hole for DS1	Per Cable	S8GFF	\$0.57		
217	Cable Racking and Hole for DS3	Per Cable	S8GFG	\$0.50		
218	Route Design		NRFCX		\$424.88	
219	Connection for DS1	Per 28 Circuits (CLEC provides cable)	S8GFL	\$0.18	\$0.00	
220	Connection for DS3	Per Circuit (CLEC provides cable)	S8GFM	\$0.12	\$0.00	
221	Connection for Optical	Per Cable (CLEC provides cable)	S8GFN	\$0.31	\$0.00	
222	PROJECT MANAGEMENT					
223	CEV, HUT & CABINET					
224	Project Coordination	Per CLEC Application	NRFCX		\$631.17	
225	TIME SENSITIVE ACTIVITIES					
226	PRE-VISITS					
227	Colloc. Ser. Mgr. - 2nd Level	Per 1/4 Hour	NRFCR		\$23.23	
228	Comm. Tech - Craft	Per 1/4 Hour	NRFCS		\$19.60	
229	CO Manager - 1st Level	Per 1/4 Hour	NRFCV		\$19.72	
230	Floor Space Planning - 1st Level	Per 1/4 Hour	NRFCU		\$19.24	
231	CONSTRUCTION VISITS					
232	Project Manager - 1st Level	Per 1/4 Hour	NRFCV		\$19.24	
233	Colloc. Ser. Mgr. - 2nd Level	Per 1/4 Hour	NRFCZ		\$23.23	
234						
	SBC-PROVISIONED FACILITIES & EQUIPMENT: CAGELESS					
235	REAL ESTATE					
236	Site Conditioning	Per Frame (Standard Bay=10 sq ft)	S8GCL		\$92.81	
238	Safety & Security	Per Frame (Standard Bay=10 sq ft)	S8GCN		\$195.57	
239	Floor Space Usage	Per Frame (Standard Bay=10 sq ft)	S8GCK	\$64.21		
240	COMMON SYSTEMS					
241	Common Systems - Cageless	Per Frame (Standard Bay=10 sq ft)	S8GCM	\$9.35	\$760.45	
242	PLANNING					
243	Planning - Central Office	Per Frame (Standard Bay=10 sq ft)	S8GCB	\$1.13	\$75.54	
244	Planning	Per Request	NRFCJ		\$4,601.93	
245	Planning - Subsequent Inter. Cabling	Per Request	NRFCF		\$2,267.04	
246	Planning - Subsequent Power Cabling	Per Request	NRFCF		\$2,306.10	
247	Planning - Subs. Inter./Power Cabling	Per Request	NRFCG		\$2,884.60	
248	Planning - Non-Standard	Per Request	NRFCF		\$1,436.00	
249	POWER PROVISIONING					
250	Power Panel:					
251	50 Amp	Per Power Panel	S8GC8	\$15.77	\$3,079.47	
252	200 Amp	Per Power Panel	S8GC9	\$18.75	\$3,659.46	
253	Power Cable and Infrastructure:					
254	2-20 Amp Feeds	Per 2-20 Amp Power Feeds	S8GCX	\$7.74	\$2,262.52	
255	2-50 Amp Feeds	Per 2-50 Amp Power Feeds	S8GCY	\$9.57	\$2,749.10	
256	2-100 Amp Feeds	Per 2-100 Amp Power Feeds	S8GCZ	\$11.39	\$3,236.32	
257	Equipment Grounding:					
258	Ground Cable Placement	Per Frame	S8GDB	\$0.33	\$15.32	
259	DC POWER AMPERAGE CHARGE					
260	HVAC	Per 10 Amps	S8GCS	\$14.62		
261	Per Amp	Per Amp	S8GCR	\$10.61		
262	CEV, HUT & Cabinets	Per 2 inch mounting space	S8GCT	\$1.27		
263	FIBER CABLE PLACEMENT					
264	Central Office:					
265	Fiber Cable	Per Fiber Cable Sheath	S8GDE	\$4.85	\$1,619.88	
266	Entrance Conduit	Per Fiber Cable Sheath	S8GDD	\$8.76		
267	CEV, HUT & Cabinets:					
268	Fiber Cable Placement	Per Fiber Cable Sheath	S8GDH		\$53.58	
269	Entrance Conduit	Per Fiber Cable Sheath	S8GDJ	\$2.61		
270	MISCELLANEOUS & OPTIONAL COST:					
271	MISCELLANEOUS COSTS					
272	Timing Lead (1 pair per circuit)	Per Linear Foot, Per pair	S8GEK	\$0.08	\$14.81	
273	Bits Timing	Per two circuits	S8GEJ	\$3.58	\$698.82	
274	Space Availability Report	Per Premise	NRFCQ		\$168.04	
275	Security Access / ID Cards	Per Five Cards	NRFCM		\$123.35	
276	Security Access / ID Cards/Expedite	Per Five Cards	NRFCN		\$203.35	
277	CAGELESS / POT BAY OPTIONS					
278	Standard Equipment Bay	Each	NRFCO	\$8.89	\$721.28	
279	Non-Standard Cabinet Bay	Each	NRFCP	\$17.78	\$3,470.81	
280	VF/DS0 Termination Panel/Module	Each	S8GE5	\$3.10	\$605.64	
281	DDP-1 Panel/Jack Access Card	Each	S8GE6	\$8.08	\$1,576.65	
282	DS3/STS-1 Interconnect Panel	Each	S8GE7	\$2.38	\$465.47	
283	DS3 Interconnect Module	Each	S8GE8	\$0.45	\$87.35	
284	Fiber Optic Splitter Panel	Each	S8GE9	\$1.52	\$297.00	
285	Fiber Termination Dual Module	Each	S8GFA	\$1.37	\$267.88	

**SBC-13STATE
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	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
286	CEV, HUT, CABINET					
287	24 Foot CEV	2 Inch Mounting Space	S8GE3	\$1.64		
288	16 Foot CEV	2 Inch Mounting Space	S8GE4	\$1.77		
289	Maxi-Hut	2 Inch Mounting Space	S8GE1	\$0.77		
290	Mini-Hut	2 Inch Mounting Space	S8GE2	\$1.33		
291	Large Cabinet	2 Inch Mounting Space	S8GEX	\$1.63		
292	Medium Cabinet	2 Inch Mounting Space	S8GEY	\$2.19		
293	Small Cabinet	2 Inch Mounting Space	S8GEZ	\$3.29		
294	INTERCONNECTION COSTS:					
295	ILEC TO CLEC CONNECTION					
296	Voice Grade Arrangement	100 Copper Pairs	S8GD6	\$4.92	\$1,027.16	
297	Voice Grade Arrangement	100 Shielded Pairs	S8GD7	\$4.92	\$1,027.16	
298	DS1 Arrangement - DCS	28 DS1	S8GDL	\$297.44	\$3,613.06	
299	DS1 Arrangement - DSX	28 DS1	S8GDQ	\$9.79	\$1,346.48	
300	DS3 Arrangement - DCS	1 DS3	S8GDW	\$115.58	\$2,181.58	
301	DS3 Arrangement - DSX	1 DS3	S8GD1	\$7.14	\$603.89	
302	Fiber Arrangement	12 Fiber Pairs (24 Fiber Strands)	S8GEE	\$6.55	\$1,779.78	
303	CLEC TO CLEC CONNECTION					
304	Cable Racking and Hole for Optical	Per Cable	S8GFE	\$0.82		
305	Cable Racking and Hole for DS1	Per Cable	S8GFF	\$0.57		
306	Cable Racking and Hole for DS3	Per Cable	S8GFG	\$0.50		
307	Route Design		NRFCX		\$424.88	
308	Connection for DS1	Per 28 Circuits	S8GFC	\$1.41	\$982.35	
309	Connection for DS3	Per Circuit	S8GFD	\$1.30	\$433.86	
310	Connection for Optical (Fiber)	Per Cable	S8GFB	\$1.38	\$1,404.07	
311	PROJECT MANAGEMENT					
312	CEV, HUT & CABINET					
313	Project Coordination	Per CLEC Application	NRFCY		\$631.17	
314	TIME SENSITIVE ACTIVITIES					
315	PRE-VISITS					
316	Colloc. Ser. Mgr. - 2nd Level	Per 1/4 Hour	NRFCR		\$23.23	
317	Comm. Tech - Craft	Per 1/4 Hour	NRFCS		\$19.60	
318	CO Manager - 1st Level	Per 1/4 Hour	NRFCV		\$19.72	
319	Floor Space Planning - 1st Level	Per 1/4 Hour	NRFCU		\$19.24	
320	CONSTRUCTION VISITS					
321	Project Manager - 1st Level	Per 1/4 Hour	NRFCV		\$19.24	
322	Colloc. Ser. Mgr. - 2nd Level	Per 1/4 Hour	NRFCZ		\$23.23	
323						
324	CLEC-PROVISIONED FACILITIES & EQUIPMENT: CAGED COMMON					
325	REAL ESTATE					
326	Site Conditioning	Per Frame (Standard Bay=10 sq ft)	S8FWC		\$92.81	
327	Safety & Security	Per Frame (Standard Bay=10 sq ft)	S8FWG		\$195.57	
328	Floor Space Usage	Per Linear Foot	S8GCO	\$24.87		
329	COMMON SYSTEMS					
330	Common Systems - Common	Per Linear Foot	S8GCP	\$3.62	\$294.37	
331	PLANNING					
332	Planning - Central Office	Per Linear Foot	S8GCC	\$0.44	\$29.24	
333	Planning	Per Request	NRFCJ		\$4,601.93	
334	Planning - Subsequent Inter. Cabling	Per Request	NRFCF		\$2,267.04	
335	Planning - Subsequent Power Cabling	Per Request	NRFCF		\$2,306.10	
336	Planning - Subs. Inter./Power Cabling	Per Request	NRFCG		\$2,884.60	
337	Planning - Non-Standard	Per Request	NRFCF		\$1,436.00	
338	POWER PROVISIONING					
339	Power Panel:					
340	50 Amp	Per Power Panel (CLEC provides)	NONE			
341	200 Amp	Per Power Panel (CLEC provides)	NONE			
342	Power Cable and Infrastructure:					
343	Power Cable Rack	Per Four Power Cables or Quad	NONE			
344	2-20 Amp Feeds	Per 2-20 Amp Power Feeds (CLEC Provided)	S8GF1	\$0.25	\$48.23	
345	2-50 Amp Feeds	Per 2-50 Amp Power Feeds (CLEC Provided)	S8GF2	\$0.25	\$48.23	
346	2-100 Amp Feeds	Per 2-100 Amp Power Feeds (CLEC Provided)	S8GF3	\$0.25	\$48.23	
347	Equipment Grounding:					
348	Ground Cable Placement	Per Linear Foot	S8GDC	\$0.13	\$5.93	
349	DC POWER AMPERAGE CHARGE					
350	HVAC	Per 10 Amps	S8GCS	\$14.62		
351	Per Amp	Per Amp	S8GCR	\$10.61		
352	FIBER CABLE PLACEMENT					
353	Central Office:					
354	Fiber Cable	Per Fiber Cable Sheath (CLEC Vendor Pulls Cable)	S8FQ9	\$4.85	\$809.13	
355	Entrance Conduit	Per Fiber Cable Sheath	S8FW5	\$8.76		

SBC-13STATE
COLLOCATION RATE SUMMARY
September 30, 2004

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EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
356	MISCELLANEOUS & OPTIONAL COST:					
357	MISCELLANEOUS COSTS					
358	Timing Lead (1 pair per circuit)	Per Linear Foot, Per pair	S8F45	\$0.08	\$14.81	
359	Bits Timing	Per two circuits	S8FQT	\$3.58	\$698.82	
360	Space Availability Report	Per Premise	NRFCQ		\$168.04	
361	Security Access / ID Cards	Per Five Cards	NRFCM		\$123.35	
362	Security Access / ID Cards/Expedite	Per Five Cards	NRFCN		\$203.35	
363	CAGE COMMON COSTS					
364	Cage Preparation	Per Linear Foot	S8GCJ	\$1.00	\$157.00	
365	INTERCONNECTION COSTS:					
366	IILEC TO CLEC CONNECTION					
367	Voice Grade Arrangement	100 Copper Pairs (CLEC provides cable)	S8F3E	\$3.86	\$156.02	
368	Voice Grade Arrangement	100 Shielded Pairs (CLEC provides cable)	S8FWV	\$3.86	\$156.02	
369	DS1 Arrangement - DCS	28 DS1 (CLEC provides cable)	S8F2J	\$295.42	\$3,105.79	
370	DS1 Arrangement - DSX	28 DS1 (CLEC provides cable)	S8F2P	\$6.07	\$486.89	
371	DS3 Arrangement - DCS	1 DS3 (CLEC provides cable)	S8F21	\$115.30	\$1,809.40	
372	DS3 Arrangement - DSX	1 DS3 (CLEC provides cable)	S8F25	\$5.69	\$116.67	
373	Fiber Arrangement	12 Fiber Pairs (CLEC provides cable)	S8F49	\$3.76	\$495.49	
374	RSM Option					
375	Additional Dedicated HVAC Charge	per request	NRFCL		\$3,100.00	
376	Dedicated power Plant Floor Space	per request	S8GCQ	\$394.00		
377						
378	SBC-PROVISIONED FACILITIES & EQUIPMENT: CAGED COMMON					
379	REAL ESTATE					
380	Site Conditioning	Per Bay	S8GCL		\$92.81	
381	Safety & Security	Per Frame	S8GCN		\$195.57	
382	Floor Space Usage	Per Linear Foot	S8GCO	\$24.87		
383	COMMON SYSTEMS					
384	Common Systems - Common	Per Linear Foot	S8GCP	\$3.62	\$294.37	
385	PLANNING					
386	Planning - Central Office	Per Linear Foot	S8GCC	\$0.44	\$29.24	
387	Planning	Per Request	NRFCJ		\$4,601.93	
388	Planning - Subsequent Inter. Cabling	Per Request	NRFCF		\$2,267.04	
389	Planning - Subsequent Power Cabling	Per Request	NRFCF		\$2,306.10	
390	Planning - Subs. Inter./Power Cabling	Per Request	NRFCG		\$2,884.60	
391	Planning - Non-Standard	Per Request	NRFCH		\$1,436.00	
392	POWER PROVISIONING					
393	Power Panel:					
394	50 Amp	Per Power Panel	S8GC8	\$15.77	\$3,079.47	
395	200 Amp	Per Power Panel	S8GC9	\$18.75	\$3,659.46	
396	Power Cable and Infrastructure:					
397	2-20 Amp Feeds	Per 2-20 Amp Power Feeds	S8GC1	\$7.74	\$1,570.84	
398	2-50 Amp Feeds	Per 2-50 Amp Power Feeds	S8GC2	\$9.57	\$1,954.85	
399	2-100 Amp Feeds	Per 2-100 Amp Power Feeds	S8GC3	\$11.39	\$2,344.44	
400	Equipment Grounding:					
401	Ground Cable Placement	Per Linear Foot	S8GDC	\$0.13	\$5.93	
402	DC POWER AMPERAGE CHARGE					
403	HVAC	Per 10 Amps	S8GCS	\$14.62		
404	Per Amp	Per Amp	S8GCR	\$10.61		
405	FIBER CABLE PLACEMENT					
406	Central Office:					
407	Fiber Cable	Per Fiber Cable Sheath	S8GDE	\$4.85	\$1,619.88	
408	Entrance Conduit	Per Fiber Cable Sheath	S8GDD	\$8.76		
409	MISCELLANEOUS & OPTIONAL COST:					
410	MISCELLANEOUS COSTS					
411	Timing Lead (1 pair per circuit)	Per Linear Foot, Per pair	S8GEK	\$0.08	\$14.81	
412	Bits Timing	Per two circuits	S8GEJ	\$3.58	\$698.82	
413	Space Availability Report	Per Premise	NRFCQ		\$168.04	
414	Security Access / ID Cards	Per Five Cards	NRFCM		\$123.35	
415	Security Access / ID Cards/Expedite	Per Five Cards	NRFCN		\$203.35	
416	CAGE COMMON COSTS					
417	Cage Preparation	Per Linear Foot	S8GCJ	\$1.00	\$157.00	
418	INTERCONNECTION COSTS:					
419	IILEC TO CLEC CONNECTION					
420	Voice Grade Arrangement	100 Copper Pairs	S8GD8	\$4.92	\$1,027.16	
421	Voice Grade Arrangement	100 Shielded Pairs	S8GD9	\$4.92	\$1,027.16	
422	DS1 Arrangement - DCS	28 DS1	S8GDM	\$297.44	\$3,613.06	
423	DS1 Arrangement - DSX	28 DS1	S8GDR	\$9.79	\$1,346.48	
424	DS3 Arrangement - DCS	1 DS3	S8GDX	\$115.58	\$2,181.58	
425	DS3 Arrangement - DSX	1 DS3	S8GD2	\$7.14	\$603.89	
426	Fiber Arrangement	12 Fiber Pairs (24 Fiber Strands)	S8GEF	\$6.55	\$1,779.78	

**SBC-13STATE
COLLOCATION RATE SUMMARY
September 30, 2004**

13-STATE/LEVEL 3
EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
427	RSM Option					
428	Additional Dedicated HVAC Charge	Per Request	NRFL		\$3,100.00	
429	Dedicated power Plant Floor Space	Per Request	S8GCQ	\$394.00		
430						
431	CLEC-PROVISIONED FACILITIES & EQUIPMENT: VIRTUAL					
432	REAL ESTATE					
433	Site Conditioning	Per Frame	S8FX5		\$92.81	
434	Safety & Security	Per Frame	S8FX6		\$195.57	
435	Floor Space Usage	Per Frame	S8F62	\$28.91		
436	COMMON SYSTEMS					
437	Common Systems - Standard	Per Frame	S8F64	\$10.75		
438	Common Systems - Non-Standard	Per Cabinet	S8F65	\$19.36		
439	PLANNING					
440	Planning	Per Request	NRM99		\$5,555.76	
441	Planning - Subsequent Inter. Cabling	Per Request	NRMA3		\$2,224.49	
442	Planning - Subsequent Power Cabling	Per Request	NRMAA		\$2,303.84	
443	Planning - Subs. Inter./Power Cabling	Per Request	NRMAX		\$2,882.61	
444	POWER PROVISIONING					
445	Power Cable and Infrastructure:					
446	Power Cable Rack	Per Four Power Cables or Quad	NONE			
447	2-20 Amp Feeds	Per 2-20 Amp Power Feeds (CLEC Provided)	S8GFO	\$0.52		
448	2-50 Amp Feeds	Per 2-50 Amp Power Feeds (CLEC Provided)	S8GFP	\$0.52		
449	Equipment Grounding:					
450	Ground Cable Placement	Per Frame	S8F69	\$0.36		
451	DC POWER AMPERAGE CHARGE					
452	HVAC	Per 10 Amps	S8FXO	\$14.62		
453	Per Amp	Per Amp	S8FXN	\$10.61		
454	CEV, HUT & Cabinets	Per 2 inch mounting space	S8FXP	\$1.27		
455	FIBER CABLE PLACEMENT					
456	Central Office:					
457	Fiber Cable	Per Fiber Cable Sheath	S8F8F	\$11.01	\$1,971.42	
458	Entrance Conduit	Per Fiber Cable Sheath	S8F8G	\$8.17		
459	CEV, HUT & Cabinets:					
460	Fiber Cable Placement	Per Fiber Cable Sheath	S8FXQ		\$53.58	
461	Entrance Conduit	Per Fiber Cable Sheath	S8FXR	\$2.61		
462	MISCELLANEOUS & OPTIONAL COST:					
463	MISCELLANEOUS COSTS					
464	Timing Lead (1 pair per circuit)	Per Linear Foot, Per pair	S8FXT	\$0.08	\$14.81	
465	Bits Timing	Per two circuits	S8FXS	\$3.58	\$698.82	
466	VIRTUAL FRAME OPTIONS					
467	Standard Equipment Bay	Each (CLEC Provided)	NONE			
468	CEV, HUT, CABINET					
469	24 Foot CEV	2 Inch Mounting Space	S8FXZ	\$1.64		
470	16 Foot CEV	2 Inch Mounting Space	S8FY6	\$1.77		
471	Maxi-Hut	2 Inch Mounting Space	S8FXX	\$0.77		
472	Mini-Hut	2 Inch Mounting Space	S8FXY	\$1.33		
473	Large Cabinet	2 Inch Mounting Space	S8FXU	\$1.63		
474	Medium Cabinet	2 Inch Mounting Space	S8FXV	\$2.19		
475	Small Cabinet	2 Inch Mounting Space	S8FXW	\$3.29		
476	INTERCONNECTION COSTS:					
477	IILEC TO CLEC CONNECTION					
478	Voice Grade Arrangement	100 Copper Pairs (CLEC provides cable)	S8F82	\$3.86	\$225.02	
479	Voice Grade Arrangement	100 Shielded Pairs (CLEC provides cable)	S8F83	\$3.86	\$225.02	
480	DS1 Arrangement - DCS	28 DS1 (CLEC provides cable)	S8F8X	\$295.42	\$3,496.22	
481	DS1 Arrangement - DSX	28 DS1 (CLEC provides cable)	S8F8Y	\$6.07	\$651.13	
482	DS3 Arrangement - DCS	1 DS3 (CLEC provides cable)	S8F8Z	\$115.30	\$2,186.12	
483	DS3 Arrangement - DSX	1 DS3 (CLEC provides cable)	S8F81	\$5.69	\$204.42	
484	Fiber Arrangement	12 Fiber Pairs (CLEC provides cable)	S8F84	\$10.47	\$152.71	
485	VIRTUAL TO VIRTUAL CONNECTION					
486	Cable Racking and Hole for Optical	Per Cable	S8FY7	\$0.90		
487	Cable Racking and Hole for DS1	Per Cable	S8FY8	\$0.49		
488	Cable Racking and Hole for DS3	Per Cable	S8FY9	\$0.35		
489	Route Design		NRLWF		\$463.36	
490	Connection for DS1	Per 28 Circuits (CLEC provides cable)	S8GFQ	\$0.41	\$0.00	
491	Connection for DS3	Per Circuit (CLEC provides cable)	S8GFR	\$0.27	\$0.00	
492	Connection for Optical	Per Cable (CLEC provides cable)	S8GFS	\$0.81	\$0.00	
493	PROJECT MANAGEMENT					
494	CEV, HUT & CABINET					
495	Project Coordination	Per CLEC Application Augment	NRFCCK		\$631.17	

**SBC-13STATE
COLLOCATION RATE SUMMARY
September 30, 2004**

13-STATE/LEVEL 3
EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
496	EQUIPMENT MAINTENANCE AND SECURITY ESCORT					
497	CENTRAL OFFICE TYPE					
498	Staffed CO During Normal Business Hours	Per 1/4 Hour	NRMHK		\$15.15	
499	Staffed CO During Outside Normal Business Hours	4 Hour Minium - Initial	NRMHN		\$242.35	
500	Staffed CO During Outside Normal Business Hours	Per 1/4 Hour - Additional	NRMJ7		\$15.15	
501	Not Staffed CO/RT During Normal Business Hours	Per 1/4 Hour	NRMJ8		\$15.15	
502	Not Staffed CO/RT During Outside Normal Business Hours	4 Hour Minium - Initial	NRMJ9		\$242.35	
503	Not Staffed CO/RT During Outside Normal Business Hours	Per 1/4 Hour - Additional	NRML7		\$15.15	
504	CEV, HUT & CABINET					
505	Per Visit	4 Hour Minium - Initial	NRMJ9		\$242.35	
506	Per Visit	Per 1/4 Hour - Additional	NRML7		\$15.15	
507	ADDITIONAL LABOR ELEMENTS					
508	TRAINING					
509	Communications Tech	Per 1/2 Hour	NRMCD		\$39.21	
510	CO Manager	Per 1/2 Hour	NRME9		\$39.45	
511	Power Engineer	Per 1/2 Hour	NRMF9		\$38.47	
512	Equipment Engineer	Per 1/2 Hour	NRMHJ		\$38.47	
513	EQUIPMENT EVALUATION COST					
514	Equipment Engineer	Per 1/2 Hour	NRMO9		\$38.47	
515	TEST AND ACCEPTANCE					
516	Communications Tech	Per 1/2 Hour	NRMP2		\$39.21	
517						
518	SBC-PROVISIONED FACILITIES & EQUIPMENT: VIRTUAL					
519	REAL ESTATE					
520	Site Conditioning	Per Frame	S8FX5		\$92.81	
521	Safety & Security	Per Frame	S8FX6		\$195.57	
522	Floor Space Usage	Per Frame	S8FX1	\$28.91		
523	COMMON SYSTEMS					
524	Common Systems - Standard	Per Frame	S8FX3	\$10.75		
525	Common Systems - Non-Standard	Per Frame	S8FX4	\$19.36		
526	PLANNING					
527	Planning	Per Request	NRM99		\$5,555.76	
528	Planning - Subsequent Inter. Cabling	Per Request	NRMA3		\$2,224.49	
529	Planning - Subsequent Power Cabling	Per Request	NRMAA		\$2,303.84	
530	Planning - Subs. Inter./Power Cabling	Per Request	NRMAX		\$2,882.61	
531	POWER PROVISIONING					
532	Power Cable and Infrastructure:					
533	2-20 Amp Feeds	Per 2-20 Amp Power Feeds	S8FX7	\$7.74	\$1,570.84	
534	2-50 Amp Feeds	Per 2-50 Amp Power Feeds	S8FX8	\$9.57	\$1,954.85	
535	Equipment Grounding:					
536	Ground Cable Placement	Per Frame	S8FX9	\$0.36		
537	DC POWER AMPERAGE CHARGE					
538	HVAC	Per 10 Amps	S8FXO	\$14.62		
539	Per Amp	Per Amp	S8FXN	\$10.61		
540	CEV, HUT & Cabinets	Per 2 inch mounting space	S8FXP	\$1.27		
541	FIBER CABLE PLACEMENT					
542	Central Office:					
543	Fiber Cable	Per Fiber Cable Sheath	S8F8F	\$11.01	\$1,971.42	
544	Entrance Conduit	Per Fiber Cable Sheath	S8F8G	\$8.17		
545	CEV, HUT & Cabinets:					
546	Fiber Cable Placement	Per Fiber Cable Sheath	S8FXQ		\$53.58	
547	Entrance Conduit	Per Fiber Cable Sheath	S8FXR	\$2.61		
548	MISCELLANEOUS & OPTIONAL COST:					
549	MISCELLANEOUS COSTS					
550	Timing Lead (1 pair per circuit)	Per Linear Foot, Per pair	S8FXT	\$0.08	\$14.81	
551	Bits Timing	Per two circuits	S8FXS	\$3.58	\$698.82	
552	VIRTUAL FRAME OPTIONS					
553	Standard Equipment Bay	Each	S8FX2	\$22.19		
554	CEV, HUT, CABINET					
555	24 Foot CEV	2 Inch Mounting Space	S8FXZ	\$1.64		
556	16 Foot CEV	2 Inch Mounting Space	S8FY6	\$1.77		
557	Maxi-Hut	2 Inch Mounting Space	S8FXX	\$0.77		
558	Mini-Hut	2 Inch Mounting Space	S8FXY	\$1.33		
559	Large Cabinet	2 Inch Mounting Space	S8FXU	\$1.63		
560	Medium Cabinet	2 Inch Mounting Space	S8FXV	\$2.19		
561	Small Cabinet	2 Inch Mounting Space	S8FXW	\$3.29		

**SBC-13STATE
COLLOCATION RATE SUMMARY
September 30, 2004**

13-STATE/LEVEL 3
EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
562	INTERCONNECTION COSTS:					
563	ILEC TO CLEC CONNECTION					
564	Voice Grade Arrangement	100 Copper Pairs	S8FXC	\$4.94	\$1,481.37	
565	Voice Grade Arrangement	100 Shielded Pairs	S8FXD	\$4.94	\$1,481.37	
566	DS1 Arrangement - DCS	28 DS1	S8FXE	\$297.44	\$4,067.27	
567	DS1 Arrangement - DSX	28 DS1	S8FXF	\$9.79	\$1,800.69	
568	DS3 Arrangement - DCS	1 DS3	S8FXG	\$115.59	\$2,635.79	
569	DS3 Arrangement - DSX	1 DS3	S8FXH	\$7.14	\$1,058.10	
570	Fiber Arrangement	12 Fiber Pairs (24 Fiber Strands)	S8FXJ	\$6.55	\$1,996.19	
571	VIRTUAL TO VIRTUAL CONNECTION					
572	Cable Racking and Hole for Optical	Per Cable	S8FY7	\$0.90		
573	Cable Racking and Hole for DS1	Per Cable	S8FY8	\$0.49		
574	Cable Racking and Hole for DS3	Per Cable	S8FY9	\$0.35		
575	Route Design		NRML9		\$463.36	
576	Connection for DS1	Per 28 Circuits	S8FXL	\$3.34	\$930.53	
577	Connection for DS3	Per Circuit	S8FXM	\$3.26	\$706.77	
578	Connection for Optical	Per Cable	S8FXK	\$3.32	\$1,095.09	
579	PROJECT MANAGEMENT					
580	CEV, HUT & CABINET					
581	Project Coordination	Per CLEC Application Augment	NRFC		\$631.17	
582	EQUIPMENT MAINTENANCE AND SECURITY ESCORT					
583	CENTRAL OFFICE TYPE					
584	Staffed CO During Normal Business Hours	Per 1/4 Hour	NRMHK		\$15.15	
585	Staffed CO During Outside Normal Business Hours	4 Hour Minium - Initial	NRMHN		\$242.35	
586	Staffed CO During Outside Normal Business Hours	Per 1/4 Hour - Additional	NRMJ7		\$15.15	
587	Not Staffed CO/RT During Normal Business Hours	Per 1/4 Hour	NRMJ8		\$15.15	
588	Not Staffed CO/RT During Outside Normal Business Hours	4 Hour Minium - Initial	NRMJ9		\$242.35	
589	Not Staffed CO/RT During Outside Normal Business Hours	Per 1/4 Hour - Additional	NRML7		\$15.15	
590	CEV, HUT & CABINET					
591	Per Visit	4 Hour Minium - Initial	NRMJ9		\$242.35	
592	Per Visit	Per 1/4 Hour - Additional	NRML7		\$15.15	
593	ADDITIONAL LABOR ELEMENTS					
594	TRAINING					
595	Communications Tech	Per 1/2 Hour	NRMCD		\$39.21	
596	CO Manager	Per 1/2 Hour	NRME9		\$39.45	
597	Power Engineer	Per 1/2 Hour	NRMF9		\$38.47	
598	Equipment Engineer	Per 1/2 Hour	NRMHJ		\$38.47	
599	EQUIPMENT EVALUATION COST					
600	Equipment Engineer	Per 1/2 Hour	NRMO9		\$38.47	
601	TEST AND ACCEPTANCE					
602	Communications Tech	Per 1/2 Hour	NRMP2		\$39.21	
603	CLEC-PROVISIONED FACILITIES & EQUIPMENT: ADJACENT ON-SITE					
604	PLANNING					
606	Planning - Initial	Per Request	NRFA1		\$9,268.73	
607	Planning - Subsequent	Per Request	NRFA2		\$1,606.77	
608	REAL ESTATE					
609	Land Rental	Per Square Foot	S8GEN	\$0.44		
610	POWER PROVISIONING					
611	Power Cable and Infrastructure:					
612	2-100 Amp Feeds	Per 2-100 Amp Power Feeds (CLEC provides cable)	NONE			
613	2-200 Amp Feeds	Per 2-200 Amp Power Feeds (CLEC provides cable)	NONE			
614	2-300 Amp Feeds	Per 2-300 Amp Power Feeds (CLEC provides cable)	NONE			
615	2-400 Amp Feeds	Per 2-400 Amp Power Feeds (CLEC provides cable)	NONE			
616	AC Service:					
617	Extension of 100 Amp AC Service (Opt.)	Per Request	NRFCW		\$6,447.00	
618	AC Usage	Per KWH	S8GEO	\$0.05		

**SBC-13STATE
COLLOCATION RATE SUMMARY
September 30, 2004**

13-STATE/LEVEL 3
EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
619	DC POWER AMPERAGE CHARGE					
620	Per Amp	Per Amp	S8GCR	\$10.61		
621	FIBER CABLE PLACEMENT					
622	Fiber Installation	Per Fiber Cable Sheath (CLEC Vendor Pulls Cable)	S8GF4	\$2.13	\$488.48	
623	Entrance Fiber Racking	Per Rack/Conduit Duct	S8GDG	\$1.55		
624	CABLE RACK					
625	DC Power Cable Rack	Per Rack	S8GEP	\$13.64	\$2,667.22	
626	Fiber Cable Rack	Per Rack	S8GEQ	\$20.63		
627	Interconnection Arrangement (Copper) Racking	Per Rack	S8GER	\$30.63		
628	CONDUIT PLACEMENT					
629	DC Power Cable Rack	Per Rack	S8GES		\$7,386.71	
630	Fiber Cable Rack	Per Rack	S8GET		\$4,711.89	
631	Interconnection Arrangement (Copper) Racking	Per Rack	S8GEU		\$5,545.50	
632	INTERCONNECTION COSTS:					
633	IILEC TO CLEC CONNECTION					
634	Voice Grade Arrangement	100 Copper Pairs (CLEC provides cable)	S8F3G	\$3.86	\$156.02	
635	Voice Grade Arrangement	100 Shielded Pairs (CLEC provides cable)	S8FWW	\$3.86	\$156.02	
636	DS1 Arrangement - DCS	28 DS1 (CLEC provides cable)	S8F2L	\$295.42	\$3,105.79	
637	DS1 Arrangement - DSX	28 DS1 (CLEC provides cable)	S8F2R	\$6.07	\$486.89	
638	DS3 Arrangement - DCS	1 DS3 (CLEC provides cable)	S8F23	\$115.30	\$1,809.40	
639	DS3 Arrangement - DSX	1 DS3 (CLEC provides cable)	S8F27	\$5.69	\$116.67	
640	Fiber Arrangement	12 Fiber Pairs (CLEC provides cable)	S8F3N	\$3.76	\$495.49	
641						
642	SBC-PROVISIONED FACILITIES & EQUIPMENT: ADJACENT ON-SITE					
643	PLANNING					
644	Planning - Initial	Per Request	NRFA1		\$9,268.73	
645	Planning - Subsequent	Per Request	NRFA2		\$1,606.77	
646	REAL ESTATE					
647	Land Rental	Per Square Foot	S8GEN	\$0.44		
648	POWER PROVISIONING					
649	Power Cable and Infrastructure:					
650	2-100 Amp Feeds	Per 2-100 Amp Power Feeds	S8GC4	\$13.84	\$7,853.86	
651	2-200 Amp Feeds	Per 2-200 Amp Power Feeds	S8GC5	\$13.84	\$14,584.00	
652	2-300 Amp Feeds	Per 2-300 Amp Power Feeds	S8GC6	\$13.84	\$20,338.00	
653	2-400 Amp Feeds	Per 2-400 Amp Power Feeds	S8GC7	\$13.84	\$28,143.00	
654	AC Service:					
655	Extension of 100 Amp AC Service (Opt.)	Per Request	NRFCW		\$6,447.00	
656	AC Usage	Per KWH	S8GEO	\$0.05		
657	DC POWER AMPERAGE CHARGE					
658	Per Amp	Per Amp	S8GCR	\$10.61		
659	FIBER CABLE PLACEMENT					
660	Fiber Installation	Per Fiber Cable Sheath	S8GDF	\$2.13	\$976.96	
661	Entrance Fiber Racking	Per Rack/Conduit Duct	S8GDG	\$1.55		
662	CABLE RACK					
663	DC Power Cable Rack	Per Rack	S8GEP	\$13.64	\$2,667.22	
664	Fiber Cable Rack	Per Rack	S8GEQ	\$20.63		
665	Interconnection Arrangement (Copper) Racking	Per Rack	S8GER	\$30.63		
666	CONDUIT PLACEMENT					
667	DC Power Cable Rack	Per 2-Duct	S8GES		\$7,386.71	
668	Fiber Cable Rack	Per 1-Duct	S8GET		\$4,711.89	
669	Interconnection Arrangement (Copper) Racking	Per 2-Duct	S8GEU		\$5,545.50	
670	INTERCONNECTION COSTS:					
671	IILEC TO CLEC CONNECTION					
672	Voice Grade Arrangement	100 Copper Pairs	S8GEA	\$6.19	\$1,371.93	
673	Voice Grade Arrangement	100 Shielded Pairs	S8GEB	\$6.19	\$1,371.93	
674	DS1 Arrangement - DCS	28 DS1	S8GDN	\$439.98	\$2,341.45	
675	DS1 Arrangement - DSX	28 DS1	S8GDS	\$35.04	\$2,341.45	
676	DS3 Arrangement - DCS	1 DS3	S8GDY	\$242.36	\$598.33	
677	DS3 Arrangement - DSX	1 DS3	S8GD3	\$12.36	\$598.33	
678	Fiber Arrangement	12 Fiber Pairs(24 Fiber Strands)	S8GEG	\$8.25	\$3,751.22	
679						

SBC-13STATE
COLLOCATION RATE SUMMARY
September 30, 2004

13-STATE/LEVEL 3
EFFECTIVE DATE:

	A	B	C	D	E	F
1	Product Type	Rate Element Description	USOC	Current Monthly Recurring Rate	Current Non-Recurring Rate (Initial)	Current Non-Recurring Rate (Additional)
680	CLEC-PROVISIONED FACILITIES & EQUIPMENT: ADJACENT OFF-SITE					
681	PLANNING					
682	Planning	Per Request	NRFA3		\$1,254.32	
683	CONDUIT					
684	Conduit Space	Per Innerduct	S8GEW	\$1.17		
685	INTERCONNECTION COSTS:					
686	ILEC TO CLEC CONNECTION					
687	Voice Grade/DS0 Arrangement	900 DS0 (Hole, Racking, MDF) (CLEC Vendor Pulls and Installs Cable)	S8GF5	\$311.43		
688	DS1 Arrangement - DCS	28 DS1 (Hole, Racking, DCS) (CLEC Vendor Pulls and Installs Cable)	S8GF6	\$439.96		
689	DS1 Arrangement - DSX	28 DS1 (Hole, Racking, DSX) (CLEC Vendor Pulls and Installs Cable)	S8GF7	\$35.03		
690	DS1 Arrangement - MDF	450 DS1 (Hole, Racking, MDF) (CLEC Vendor Pulls and Installs Cable)	S8GF8	\$311.43		
691	Fiber Arrangement	12 Fiber Pairs (Hole, Racking, FDF) (CLEC Vendor Pulls and Installs Cable)	S8GF9	\$9.02		
692						
693	SBC-PROVISIONED FACILITIES & EQUIPMENT: ADJACENT OFF-SITE					
694	PLANNING					
695	Planning	Per Request	NRFA3		\$1,254.32	
696	CONDUIT					
697	Conduit Space	Per Innerduct	S8GEW	\$1.17		
698	INTERCONNECTION COSTS:					
699	ILEC TO CLEC CONNECTION					
700	Voice Grade/DS0 Arrangement	900 DS0	S8GEC	\$311.43	\$485.31	
701	DS1 Arrangement - DCS	28 DS1	S8GDO	\$439.96	\$1,830.99	
702	DS1 Arrangement - DSX	28 DS1	S8GDT	\$35.03	\$1,830.99	
703	DS1 Arrangement - MDF	450 DS1	S8GDU	\$311.43	\$485.31	
704	Fiber Arrangement	12 Fiber Pairs (24 Fiber Strands)	S8GEH	\$9.02	\$3,370.20	

**APPENDIX LAWFUL UNES
(LAWFUL PROVISION OF ACCESS TO UNBUNDLED NETWORK ELEMENTS)**

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APPENDIX LAWFUL UNES
(LAWFUL PROVISION OF ACCESS TO UNBUNDLED NETWORK ELEMENTS)

1. INTRODUCTION

- 1.1 This Appendix Lawful UNES sets forth the terms and conditions pursuant to which the applicable SBC Communications Inc. (SBC)-owned Incumbent Local Exchange Carrier (ILEC) agrees to furnish CLEC with access to lawful unbundled network elements as specifically defined in this Appendix Lawful UNES for the provision by CLEC of a Telecommunications Service ((Act, Section 251(c)(3)). For information regarding deposit, billing, payment, non-payment, disconnect, and dispute resolution, see the General Terms and Conditions of this Agreement.
- 1.2 **SBC Communications Inc. (SBC)** means the holding company which directly or indirectly owns the following ILECs: Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company d/b/a SBC Connecticut, Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin.
- 1.3 **SBC-2STATE** - As used herein, **SBC-2STATE** means **SBC CALIFORNIA** and **SBC NEVADA**, the applicable SBC-owned ILEC(s) doing business in California and Nevada.
- 1.4 **SBC-4STATE** - As used herein, **SBC-4STATE** means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, and SBC Oklahoma the applicable SBC-owned ILEC(s) doing business in Arkansas, Kansas, Missouri and Oklahoma.
- 1.5 **SBC-7STATE** - As used herein, **SBC-7STATE** means **SBC SOUTHWEST REGION 5-STATE**, **SBC CALIFORNIA** and **SBC NEVADA**, the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma and Texas.
- 1.6 **SBC-8STATE** - As used herein, **SBC-8STATE** means **SBC SOUTHWEST REGION 5-STATE**, **SBC CALIFORNIA**, **SBC NEVADA** and **SBC CONNECTICUT** the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Kansas, Missouri, Nevada, Oklahoma and Texas.
- 1.7 **SBC-10STATE** - As used herein, **SBC-10STATE** means **SBC SOUTHWEST REGION 5-STATE** and **SBC MIDWEST REGION 5-STATE** an the applicable SBC-owned ILEC(s) doing business in Arkansas, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Texas and Wisconsin.
- 1.8 **SBC-12STATE** - As used herein, **SBC-12STATE** means **SBC SOUTHWEST REGION 5-STATE**, **SBC MIDWEST REGION 5-STATE** and **SBC-2STATE** the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin.

- 1.9 **SBC-13STATE** - As used herein, **SBC-13STATE** means **SBC SOUTHWEST REGION 5-STATE, SBC MIDWEST REGION 5-STATE, SBC-2STATE and SBC CONNECTICUT** the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin.
- 1.10 **SBC ARKANSAS** - As used herein, **SBC ARKANSAS** means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, the applicable SBC-owned ILEC doing business in Arkansas.
- 1.11 **SBC CALIFORNIA** - As used herein, **SBC CALIFORNIA** means Pacific Bell Telephone Company d/b/a SBC California, the applicable SBC-owned ILEC doing business in California.
- 1.12 **SBC CONNECTICUT** - As used herein, **SBC CONNECTICUT** means The Southern New England Telephone Company d/b/a SBC Connecticut, the applicable above listed ILEC doing business in Connecticut.
- 1.13 **SBC KANSAS** - As used herein, **SBC KANSAS** means Southwestern Bell Telephone, L.P. d/b/a SBC Kansas, the applicable SBC-owned ILEC doing business in Kansas.
- 1.14 **SBC ILLINOIS** - As used herein, **SBC ILLINOIS** means Illinois Bell Telephone Company d/b/a SBC Illinois, the applicable SBC-owned ILEC doing business in Illinois.
- 1.15 **SBC INDIANA** - As used herein, **SBC INDIANA** means Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, the applicable SBC-owned ILEC doing business in Indiana.
- 1.16 **SBC MICHIGAN** - As used herein, **SBC MICHIGAN** means Michigan Bell Telephone Company d/b/a SBC Michigan, the applicable SBC-owned ILEC doing business in Michigan.
- 1.17 **SBC MIDWEST REGION 5-STATE** - As used herein, **SBC MIDWEST REGION 5-STATE** means Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Ohio, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC-owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio and Wisconsin.
- 1.18 **SBC MISSOURI** - As used herein, **SBC MISSOURI** means Southwestern Bell Telephone, L.P. d/b/a SBC Missouri, the applicable SBC-owned ILEC doing business in Missouri.
- 1.19 **SBC NEVADA** - As used herein, **SBC NEVADA** means Nevada Bell Telephone Company d/b/a SBC Nevada, the applicable SBC-owned ILEC doing business in Nevada.
- 1.20 **SBC OHIO** - As used herein, **SBC OHIO** means The Ohio Bell Telephone Company d/b/a SBC Ohio, the applicable SBC-owned ILEC doing business in Ohio.
- 1.21 **SBC OKLAHOMA** - As used herein, **SBC OKLAHOMA** means Southwestern Bell Telephone, L.P. d/b/a SBC Oklahoma, the applicable SBC-owned ILEC doing business in Oklahoma.

- 1.22 **SBC SOUTHWEST REGION 5-STATE** - As used herein, **SBC SOUTHWEST REGION 5-STATE** means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma and Texas.
- 1.23 **SBC TEXAS** - As used herein, **SBC TEXAS** means Southwestern Bell Telephone, L.P. d/b/a SBC Texas, the applicable SBC-owned ILEC doing business in Texas.
- 1.24 **SBC WISCONSIN** - As used herein, **SBC WISCONSIN** means Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC-owned ILEC doing business in Wisconsin.
- 1.25 The Prices at which **SBC-13STATE** agrees to provide electronic access to its Directory Assistance (DA) database are contained in the applicable Appendix Pricing and/or the applicable Commissioned ordered tariff where stated.

2. TERMS AND CONDITIONS

- 2.1 **Lawful UNEs and Declassification.** This Agreement sets forth the terms and conditions pursuant to which **SBC-13STATE** will provide CLEC with access to unbundled network elements under Section 251(c)(3) of the Act in **SBC-13STATE**'s incumbent local exchange areas for the provision of Telecommunications Services by CLEC; provided, however, that notwithstanding any other provision of the Agreement, **SBC-13STATE** shall be obligated to provide UNEs only to the extent required by Section 251(c)(3) of the Act, as determined by lawful and effective FCC rules and associated lawful and effective FCC and judicial orders, and may decline to provide UNEs to the extent that provision of the UNE(s) is not required by Section 251(c)(3) of the Act, as determined by lawful and effective FCC rules and associated lawful and effective FCC and judicial orders. UNEs that **SBC-13STATE** is required to provide pursuant to Section 251(c)(3) of the Act, as determined by lawful and effective FCC rules and associated lawful and effective FCC and judicial orders shall be referred to in this Agreement as “**Lawful UNEs.**”
- 2.1.1 A network element, including a network element referred to as a Lawful UNE under this Agreement, will cease to be a Lawful UNE under this Agreement if it is no longer required by Section 251(c)(3) of the Act, as determined by lawful and effective FCC rules and associated lawful and effective FCC and judicial orders. Without limitation, a Lawful UNE that has ceased to be a Lawful UNE may also be referred to as “**Declassified.**”
- 2.1.2 Without limitation, a network element, including a network element referred to as a Lawful UNE under this Agreement is Declassified, upon or by (a) the issuance of the mandate in *United States Telecom Association v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) (“USTA I”); or (b) operation of the *Triennial Review Order* released by the FCC in CC Docket Nos. 01-338, 96-98 and 98-147, FCC 03-36, 18 FCC Rcd 16978 (rel. Aug. 21, 2003), as modified by the Errata issued by the FCC in that same proceeding, FCC 03-227, 18 FCC Rcd 19020 (rel. Sept. 17, 2003) (the “Triennial Review Order” or “TRO”), which became effective as of October 2, 2003, including rules promulgated thereby; or (c) the issuance of a legally effective finding by a court or regulatory agency acting within its lawful authority that requesting Telecommunications Carriers are not impaired without access to a particular network element on an unbundled basis; or (d) the issuance

of the mandate in the D.C. Circuit Court of Appeals' decision, *United States Telecom Association v. FCC*, 359 F.3d 554 (D.C. Cir. 2004) ("*USTA II*"); or (e) the issuance of any valid law, order or rule by the Congress, FCC or a judicial body stating that SBC-13STATE is not required, or is no longer required, to provide a network element on an unbundled basis pursuant to Section 251(c)(3) of the Act. By way of example only, a network element can cease to be a Lawful UNE or be Declassified on an element-specific, route-specific or geographically-specific basis or a class of elements basis. Under any scenario, Section 2.5 "Transition Procedure" shall apply.

2.1.2.1 By way of example only, and without limitation, network elements that have been Declassified and are not provided under this Agreement include at least the following: (i) entrance facilities; (ii) dedicated transport, at any level, including but not limited to DSO, OCn, DS1, DS3, or Dark Fiber Transport ; (iii) Local Switching (as defined in Section 11 of this Appendix); (iv) OCn Loops, DS1 or DS3 Loops, or Dark Fiber Loops; (v) the Feeder portion of the Loop; (vi) Line Sharing; (vii) any Call-Related Database, other than the 911 and E911 databases, that is not provisioned in connection with CLEC's use of SBC-13STATE's Lawful ULS (as no Local Switching constitutes Lawful UNE Local Switching, SBC-13STATE is not obligated to provide, and CLEC shall not request such Call-Related Databases, other than the 911 and E911 databases, under this Agreement); (viii) SS7 signaling that is not provisioned in connection with CLEC's use of SBC-13STATE's Lawful ULS (as no Local Switching constitutes Lawful UNE Local Switching, SBC-13STATE is not obligated to provide, and CLEC shall not request, SS7 signaling under this Agreement) ; (ix) Packet switching, including routers and DSLAMs; (x) the packetized bandwidth, features, functions, capabilities, electronics and other equipment used to transmit packetized information over Hybrid Loops (as defined in 47 CFR 51.319 (a)(2)), including without limitation, xDSL-capable line cards installed in digital loop carrier ("DLC") systems or equipment used to provide passive optical networking ("PON") capabilities; (xi) Fiber-to-the-Home Loops (as defined in 47 CFR § 51.319(a)(3)) ("FTTH Loops"), except to the extent that SBC-13STATE has deployed such fiber in parallel to, or in replacement of, an existing copper loop facility and elects to retire the copper loop, in which case SBC-13STATE will provide nondiscriminatory access to a transmission path capable of voice grade service over the FTTH loop on an unbundled basis.

2.1.2.2 Additional network elements that may be Declassified and be subject to this Section 2.1 include any element or class of elements as to which a general determination is made that requesting Telecommunications Carriers are not impaired without access to such element or class of elements.

2.1.2.3 At a minimum, at least the items set forth in this Section 2.1 shall not constitute Lawful UNEs under this Agreement.

- 2.1.3 It is the Parties' intent that only Lawful UNEs shall be available under this Agreement; accordingly, if this Agreement requires or appears to require Lawful UNE(s) or unbundling without specifically noting that the UNE(s) or unbundling must be "Lawful," the reference shall be deemed to be a reference to Lawful UNE(s) or Lawful unbundling, as defined in this Section 2.1.
- 2.1.4 By way of example only, if terms and conditions of this Agreement state that SBC-13STATE is required to provide a Lawful UNE or Lawful UNE combination, and that Lawful UNE or the involved Lawful UNE (if a combination) is Declassified or otherwise no longer constitutes a Lawful UNE, then SBC-13STATE shall not be obligated to provide the item under this Agreement as an unbundled network element, whether alone or in combination with or as part of any other arrangement under the Agreement.
- 2.2 Nothing contained in the Agreement shall be deemed to constitute consent by SBC-13STATE that any item identified in this Agreement as a UNE, network element or Lawful UNE is a network element or UNE under Section 251(c)(3) of the Act, as determined by lawful and effective FCC rules and associated lawful and effective FCC and judicial orders, that SBC-13STATE is required to provide to CLEC alone, or in combination with other network elements or UNEs (Lawful or otherwise), or commingled with other network elements, UNEs (Lawful or otherwise) or other services or facilities.
- 2.3 The preceding includes without limitation that SBC-13STATE shall not be obligated to provide combinations (whether considered new, pre-existing or existing) or other arrangements (including, where applicable, Commingled Arrangements) involving SBC-13STATE network elements that do not constitute Lawful UNEs, or where Lawful UNEs are not requested for permissible purposes.
- 2.4 Notwithstanding any other provision of this Agreement or any Amendment to this Agreement, including but not limited to intervening law, change in law or other substantively similar provision in the Agreement or any Amendment, if an element described as an unbundled network element or Lawful UNE in this Agreement is Declassified or is otherwise no longer a Lawful UNE, then the Transition Procedure defined in Section 2.5, below, shall govern.
- 2.5 Transition Procedure. SBC-13STATE shall only be obligated to provide Lawful UNEs under this Agreement. To the extent an element described as a Lawful UNE or an unbundled network element in this Agreement is Declassified or is otherwise no longer a Lawful UNE, SBC-13STATE may discontinue the provision of such element, whether previously provided alone or in combination with or as part of any other arrangement with other Lawful UNEs or other elements or services. Accordingly, in the event one or more elements described as Lawful UNEs or as unbundled network elements in this Agreement is Declassified or is otherwise no longer a Lawful UNE, SBC-13STATE will provide written notice to CLEC of its discontinuance of the element(s) and/or the combination or other arrangement in which the element(s) has been previously provided. During a transitional period of thirty (30) days from the date of such notice, SBC-13STATE agrees to continue providing such element(s) under the terms of this Agreement. Upon receipt of such written notice, CLEC will cease ordering new elements that are identified as Declassified or as otherwise no longer being a Lawful UNE in the SBC-13STATE notice letter referenced in this Section 2.5. SBC-13STATE

reserves the right to audit the CLEC orders transmitted to SBC-13STATE and to the extent that the CLEC has processed orders and such orders are provisioned after this 30-day transitional period, such elements are still subject to this Section 2.5, including the options set forth in (a) and (b) below, and SBC-13STATE's rights of discontinuance or conversion in the event the options are not accomplished. During such 30-day transitional period, the following options are available to CLEC with regard to the element(s) identified in the SBC-13STATE notice, including the combination or other arrangement in which the element(s) were previously provided:

- (a) CLEC may issue an LSR or ASR, as applicable, to seek disconnection or other discontinuance of the element(s) and/or the combination or other arrangement in which the element(s) were previously provided; or
- (b) SBC-13STATE and CLEC may agree upon another service arrangement or element (e.g. via a separate agreement at market-based rates or resale), or may agree that an analogous access product or service may be substituted, if available.

Notwithstanding anything to the contrary in this Agreement, including any amendments to this Agreement, at the end of that thirty (30) day transitional period, unless CLEC has submitted a disconnect/discontinuance LSR or ASR, as applicable, under (a) above, and if CLEC and SBC-13STATE have failed to reach agreement, under (b) above, as to a substitute service arrangement or element, then SBC-13STATE may, at its sole option, disconnect the element(s), whether previously provided alone or in combination with or as part of any other arrangement, or convert the subject element(s), whether alone or in combination with or as part of any other arrangement to an analogous resale or access service, if available.

2.5.1 The provisions set forth in this Section 2.5 "Transition Period" are self-effectuating, and the Parties understand and agree that no amendment shall be required to this Agreement in order for the provisions of this Section 2.5 "Transition Period" to be implemented or effective as provided above. Further, Section 2.5 "Transition Period" governs the situation where an unbundled network element or Lawful UNE under this Agreement is Declassified or is otherwise no longer a Lawful UNE, even where the Agreement may already include an intervening law, change in law or other substantively similar provision. The rights and obligations set forth in Section 2.5, above, apply in addition to any other rights and obligations that may be created by such intervening law, change in law or other substantively similar provision.

2.5.2 Notwithstanding anything in this Agreement or in any Amendment, SBC-13STATE shall have no obligation to provide, and CLEC is not entitled to obtain (or continue with) access to any network element on an unbundled basis at rates set under Section 252(d)(1), whether provided alone, or in combination with other UNES or otherwise, once such network element has been or is Declassified or is otherwise no longer a Lawful UNE. The preceding includes without limitation that SBC-13STATE shall not be obligated to provide combinations (whether considered new, pre-existing or existing) involving SBC-13STATE network elements that do not constitute Lawful UNES, or where Lawful UNES are not requested for permissible purposes.

- 2.6 SBC-13STATE and CLEC may agree to connect CLEC's facilities with SBC-13STATE's network at any technically feasible point for access to Lawful UNEs for the provision by CLEC of a Telecommunications Service. (Act, Section 251(c)(2)(B); 47 CFR § 51.305(a)(2)(vi)).
- 2.7 SBC-13STATE will provide CLEC nondiscriminatory access to Lawful UNEs (Act, Section 251(c)(3), Act, 47 CFR § 51.307(a)):
- 2.7.1 At any technically feasible point (Act, Section 251(c)(3); 47 CFR § 51.307(a));
- 2.7.2 At the rates, terms, and conditions which are just, reasonable, and nondiscriminatory (Act, Section 251(c)(3); 47 CFR § 51.307(a));
- 2.7.3 In a manner that allows CLEC to provide a Telecommunications Service that may be offered by means of that Lawful UNE (Act, Section 251(c)(3); 47 CFR § 51.307(c));
- 2.7.4 In a manner that allows access to the facility or functionality of a requested Lawful UNE to be provided separately from access to other elements, and for a separate charge (47 CFR § 51.307(d));
- 2.7.5 With technical information regarding SBC-13STATE's network facilities to enable CLEC to achieve access to Lawful UNEs (47 CFR § 51.307(e));
- 2.7.6 Without limitations, restrictions, or requirements on requests that would impair CLEC's ability to provide a Telecommunications Service in a manner it intends (47 CFR § 51.309(a));
- 2.7.7 Where applicable, terms and conditions of access to Lawful UNEs shall be no less favorable than terms and conditions under which SBC-13STATE provides such elements to itself (47 CFR § 51.313(b));
- 2.7.8 Only to the extent it has been determined that these elements are required by the "necessary" and "impair" standards of the Act (Act, Section 251(d)(2));
- 2.7.9 Except upon request of CLEC, SBC-13STATE shall not separate CLEC-requested Lawful UNEs that are currently combined. (47 CFR § 51.315(b)) SBC-13STATE is not prohibited from or otherwise limited in separating any Lawful UNEs not requested by CLEC or a Telecommunications Carrier, including without limitation in order to provide a Lawful UNE(s) or other SBC-13STATE offering(s).
- 2.8 As provided for herein, SBC-13STATE will permit CLEC exclusive use of a Lawful UNE facility for a period of time, and when CLEC is purchasing access to a feature, function, or capability of such a facility, SBC-13STATE will provide use of that feature, function, or capability for a period of time (47 CFR § 51.309(c)).
- 2.9 SBC-13STATE will maintain, repair, or replace Lawful UNEs (47 CFR § 51.309(c)) as provided for in this Agreement.
- 2.10 To the extent technically feasible, the quality of the Lawful UNE and access to such Lawful UNE shall be at least equal to what SBC-13STATE provides other telecommunications carriers requesting access to the Lawful UNE (47 CFR § 51.311(a), (b)).
- 2.11 Each Party shall be solely responsible for the services it provides to its End Users and to other Telecommunications Carriers.

2.12 Lawful UNEs provided to CLEC under the provisions of this Appendix shall remain the property of **SBC-13STATE**.

2.13 Performance of Lawful UNEs

2.13.1 Each Lawful UNE will be provided in accordance with **SBC-13STATE** Technical Publications or other written descriptions, if any, as changed from time to time by **SBC-13STATE** at its sole discretion.

2.13.2 Nothing in this Appendix will limit either Party's ability to modify its network through the incorporation of new equipment, new software or otherwise. Each Party will provide the other Party written notice of any upgrades in its network which will materially impact the other Party's service consistent with 47 CFR § 51.325.

2.13.3 **SBC-13STATE** may elect to conduct Central Office switch conversions for the improvement of its network. During such conversions, CLEC orders for Lawful UNEs from that switch shall be suspended for a period of three days prior and one day after the conversion date, consistent with the suspension **SBC-13STATE** places on itself for orders from its End Users.

2.13.4 CLEC will be solely responsible, at its own expense, for the overall design of its Telecommunications Services and for any redesigning or rearrangement of its Telecommunications Services which may be required because of changes in facilities, operations, or procedure of **SBC-13STATE**, minimum network protection criteria, or operating or maintenance characteristics of the facilities.

2.14 Conditions for Access to Lawful UNEs

2.14.1 In order to access and use Lawful UNEs, CLEC must be a Telecommunications Carrier (Section 251(c)(3)), and must use the Lawful UNE(s) for the provision of a Telecommunications Service (Section 251(c)(3)). Together, these conditions are the "Statutory Conditions" for access to Lawful UNEs. Accordingly, CLEC hereby represents and warrants that it is a Telecommunications Carrier and that it will notify **SBC-13STATE** immediately in writing if it ceases to be a Telecommunications Carrier. Failure to so notify **SBC-13STATE** shall constitute material breach of this Agreement.

2.14.1.1 By way of example, use of a Lawful UNE (whether on a stand-alone basis, in combination with other UNEs (Lawful or otherwise), with a network element possessed by CLEC, or otherwise) to provide service to CLEC or for other administrative purpose(s) does not constitute using a Lawful UNE pursuant to the Statutory Conditions.

2.14.2 Other conditions to accessing and using any Lawful UNE (whether on a stand-alone basis or in combination with other network elements or UNEs (Lawful or otherwise)) may be applicable under lawful and effective FCC rules and associated lawful and effective FCC and judicial orders and will also apply.

2.15 New Combinations Involving Lawful UNEs

2.15.1 Subject to the provisions hereof and upon CLEC request, **SBC-13STATE** shall meet its combining obligations involving Lawful UNEs as and to the extent required by FCC rules and orders, and *Verizon Comm. Inc. v. FCC*, 535 U.S.

467(May 13, 2002) (“*Verizon Comm. Inc.*”) and, to the extent not inconsistent therewith, the rules and orders of relevant state Commission and any other Applicable Law.

2.15.1.1 Any combining obligation is limited solely to combining of Lawful UNEs; accordingly, no other facilities, services or functionalities are subject to combining, including but not limited to facilities, services or functionalities that SBC-13STATE might offer pursuant to Section 271 of the Act.

2.15.2 In the event that SBC-13STATE denies a request to perform the functions necessary to combine Lawful UNEs or to perform the functions necessary to combine Lawful UNEs with elements possessed by CLEC, SBC-13STATE shall provide written notice to CLEC of such denial and the basis thereof. Any dispute over such denial shall be addressed using the dispute resolution procedures applicable to this Agreement. In any dispute resolution proceeding, SBC-13STATE shall have the burden to prove that such denial meets one or more applicable standards for denial, including without limitation those under the FCC rules and orders, *Verizon Comm. Inc.* and the Agreement, including Section 2.15 of this Appendix.

2.15.3 In accordance with and subject to the provisions of this Section 2.15, including Section 2.15.3.2 and 2.15.5, the new Lawful UNE combinations, if any, set forth in the Schedule(s) – Lawful UNE Combinations attached and incorporated into this Appendix shall be made available to CLEC as specified in the specific Schedule for a particular State.

2.15.3.1 The Parties acknowledge that the United States Supreme Court in *Verizon Comm. Inc.* relied on the distinction between an incumbent local exchange carrier such as SBC-13STATE being required to perform the functions necessary to combine Lawful UNEs and to combine Lawful UNEs with elements possessed by a requesting Telecommunications Carrier, as compared to an incumbent LEC being required to complete the actual combination. As of the time this Appendix was agreed-to by the Parties, there has been no further ruling or other guidance provided on that distinction and what functions constitute only those that are necessary to such combining. In light of that uncertainty, SBC-13STATE is willing to perform the actions necessary to also complete the actual physical combination for those new Lawful UNE combinations, if any, set forth in the Schedule(s) – Lawful UNE Combinations to this Appendix, subject to the following:

2.15.3.1.1 Section 2.15, including any acts taken pursuant thereto, shall not in any way prohibit, limit or otherwise affect, or act as a waiver by, SBC-13STATE from pursuing any of its rights, remedies or arguments, including but not limited to those with respect to *Verizon Comm. Inc.*, the remand thereof, or any FCC or Commission or court proceeding, including its right to seek legal review or a stay of any decision regarding combinations involving UNEs. Such rights, remedies, and arguments are expressly reserved

by **SBC-13STATE**. Without affecting the foregoing, this Agreement does not in any way prohibit, limit, or otherwise affect **SBC-13STATE** from taking any position with respect to combinations including Lawful UNEs or any issue or subject addressed or related thereto.

2.15.3.1.2 Upon the effective date of any regulatory, judicial, or legislative action setting forth, eliminating, or otherwise delineating or clarifying the extent of an incumbent LEC's combining obligations, **SBC-13STATE** shall be immediately relieved of any obligation to perform any non-included combining functions or other actions under this Agreement or otherwise, and CLEC shall thereafter be solely responsible for any such non-included functions or other actions. This Section 2.15.3.1.2 shall apply in accordance with its terms, regardless of change in law, intervening law or other similarly purposed provision of the Agreement and, concomitantly, the first sentence of this Section 2.15.3.1.2 shall not affect the applicability of any such provisions in situations not covered by that first sentence.

2.15.3.1.3 Without affecting the application of Section 2.15.3.1.2 (which shall apply in accordance with its provisions), upon notice by **SBC-13STATE**, the Parties shall engage in good faith negotiations to amend the Agreement to set forth and delineate those functions or other actions that go beyond the ILEC obligation to perform the functions necessary to combine Lawful UNEs and combine Lawful UNEs with elements possessed by a requesting Telecommunications Carrier, and to eliminate any **SBC-13STATE** obligation to perform such functions or other actions. If those negotiations do not reach a mutually agreed-to amendment within sixty (60) days after the date of any such notice, the remaining disputes between the parties regarding those functions and other actions that go beyond those functions necessary to combine Lawful UNEs and combine Lawful UNEs with elements possessed by a requesting Telecommunications Carrier, shall be resolved pursuant to the dispute resolution process provided for in this Agreement. Such a notice can be given at any time, and from time to time.

2.15.3.2 A new Lawful UNE combination, if any, listed on a Schedule –Lawful UNE Combinations does not imply or otherwise indicate the availability of related support system capabilities, including without limitation, whether electronic ordering is available for any particular included new Lawful UNE combination in one or more States. Where electronic ordering is not available, manual ordering shall be used.

2.15.3.3 For a new Lawful UNE combination, if any, listed on a Schedule – Lawful UNE Combinations, CLEC shall issue appropriate service

requests. These requests will be processed by SBC-13STATE, and CLEC will be charged the applicable Lawful UNE service order charge(s), in addition to the recurring and nonrecurring charges for each individual Lawful UNE and cross connect ordered.

- 2.15.3.4 Upon notice by SBC-13STATE, the Parties shall engage in good faith negotiations to amend the Agreement to include a fee(s) for any work performed by SBC-13STATE in providing the new Lawful UNE combinations, if any, set forth in Schedule(s) – Lawful UNE Combinations, which work is not covered by the charges applicable per Section 2.16.3.3. For any such work done by SBC-13STATE under Section 2.16.1, any such fee(s) shall be a reasonable cost-based fee, and shall be calculated using the Time and Material charges as reflected in State-specific pricing. For any such work that is not so required to be done by SBC-13STATE, any such fee(s) shall be at a market-based rate. If those negotiations do not reach a mutually agreed-to amendment within sixty (60) days after the date of any such notice, the remaining disputes between the parties concerning any such fee(s) shall be resolved pursuant to the dispute resolution process provided for in this Agreement. Such a notice can be given at any time, and from time to time.
- 2.15.4 In accordance with and subject to the provisions of this Section 2.15, any request not included in Section 2.15.3 in which CLEC wants SBC-13STATE to perform the functions necessary to combine Lawful UNEs or to perform the functions necessary to combine Lawful UNEs with elements possessed by CLEC (as well as requests where CLEC also wants SBC-13STATE to complete the actual combination), shall be made by CLEC in accordance with the bona fide request (BFR) process set forth in this Agreement.
- 2.15.4.1 In any such BFR, CLEC must designate among other things the Lawful UNE(s) sought to be combined and the needed location(s), the order in which the Lawful UNEs and any CLEC elements are to be connected, and how each connection (*e.g.*, cross-connected) is to be made between an SBC-13STATE Lawful UNE and the lawful network element(s) possessed by CLEC.
- 2.15.4.2 In addition to any other applicable charges, CLEC shall be charged a reasonable cost-based fee for any combining work done by SBC-13STATE under Section 2.15.1. Such fee shall be calculated using the Time and Material charges as reflected in the State-specific Appendix Pricing. SBC-13STATE's Preliminary Analysis to the BFR shall include an estimate of such fee for the specified combining. With respect to a BFR in which CLEC requests SBC-13STATE to perform work not required by Section 2.15.1, CLEC shall be charged a market-based rate for any such work.
- 2.15.5 Without affecting the other provisions hereof, the Lawful UNE combining obligations referenced in this Section 2.16 apply only in situations where each of the following is met:

- 2.15.5.1 it is technically feasible, including that network reliability and security would not be impaired;
 - 2.15.5.2 SBC-13STATE's ability to retain responsibility for the management, control, and performance of its network would not be impaired;
 - 2.15.5.3 SBC-13STATE would not be placed at a disadvantage in operating its own network;
 - 2.15.5.4 it would not undermine the ability of other Telecommunications Carriers to obtain access to Lawful UNEs or to Interconnect with SBC-13STATE's network; and
 - 2.15.5.5 CLEC is
 - 2.15.5.5.1 unable to make the combination itself; or
 - 2.15.5.5.2 a new entrant and is unaware that it needs to combine certain Lawful UNEs to provide a Telecommunications Service, but such obligation under this Section 2.15.5.5 ceases if SBC-13STATE informs CLEC of such need to combine.
 - 2.15.6 For purposes of Section 2.15.5.5 and without limiting other instances in which CLEC may be able to make a combination itself, CLEC is deemed able to make a combination itself when the Lawful UNE(s) sought to be combined are available to CLEC, including without limitation:
 - 2.15.6.1 at an SBC-13STATE premises where CLEC is physically collocated or has an on-site adjacent collocation arrangement;
 - 2.15.6.2 for SBC CALIFORNIA only, within an adjacent location arrangement, if and as permitted by this Agreement.
 - 2.15.7 Section 2.15.5.5 shall only begin to apply thirty (30) days after notice by SBC-13STATE to CLEC. Thereafter, SBC-13STATE may invoke Section 2.15.5.5 with respect to any request for a combination involving Lawful UNEs.
- 2.16 Conversion of Wholesale Services to Lawful UNEs

With the issuance of the Court's mandate in *USTA II*, and in the absence of lawful and effective FCC rules or orders requiring conversion of special access services to combinations of Lawful UNE Loop(s) and Lawful UNE Dedicated Transport(s), SBC-13STATE is not obligated to and shall not perform such conversions, and CLEC shall not request such conversions. If lawful and effective FCC rules or orders require such conversions, and for all other conversion requests the following shall apply:

- 2.16.1 Upon request, SBC-13STATE shall convert a wholesale service, or group of wholesale services, to the equivalent Lawful UNE, or combination of Lawful UNEs, that is available to CLEC under terms and conditions set forth in this Appendix, so long as the CLEC and the wholesale service, or group of wholesale services, meets the eligibility criteria that may be applicable for such conversion. (By way of example only, the statutory conditions would constitute one such eligibility criterion.)

- 2.16.2 Where processes for the conversion requested pursuant to this Appendix are not already in place, SBC-13STATE will develop and implement processes, subject to any associated rates, terms and conditions. The Parties will comply with any applicable Change Management guidelines.
- 2.16.3 SBC-13STATE's may charge applicable service order charges and record change charges.
- 2.16.4 This Section 2.16 only applies to situations where the wholesale service, or group of wholesale services, is comprised solely of Lawful UNEs offered or otherwise provided for in this Appendix.
- 2.16.5 If CLEC does not meet the applicable eligibility criteria or, for any reason, stops meeting the eligibility criteria for a particular conversion of a wholesale service, or group of wholesale services, to the equivalent Lawful UNE, or combination of Lawful UNEs, CLEC shall not request such conversion or continue using such the Lawful UNE or Lawful UNEs that result from such conversion. To the extent CLEC fails to meet (including ceases to meet) the eligibility criteria applicable to a Lawful UNE or combination of Lawful UNEs, or Commingled Arrangement (as defined herein), SBC-13STATE may convert the Lawful UNE or Lawful UNE combination, or Commingled Arrangement, to the equivalent wholesale service, or group of wholesale services, upon written notice to CLEC.
- 2.16.5.1 This Section 2.16.5 applies to any Lawful UNE or combination of Lawful UNEs, including whether or not such Lawful UNE or combination of Lawful UNEs had been previously converted from an SBC-13STATE service.
- 2.16.5.2 SBC-13STATE may exercise its rights provided for hereunder and those allowed by law in auditing compliance with any applicable eligibility criteria.
- 2.16.6 In requesting a conversion of an SBC-13STATE service, CLEC must follow the guidelines and ordering requirements provided by SBC-13STATE that are applicable to converting the particular SBC-13STATE service sought to be converted.
- 2.16.7 Nothing contained in this Appendix or Agreement provides CLEC with an opportunity to supersede or dissolve existing contractual arrangements, or otherwise affects SBC-13STATE's ability to enforce any tariff, contractual, or other provision(s), including those providing for early termination liability or similar charges.
- 2.17 Commingling
- 2.17.1 "Commingling" means the connecting, attaching, or otherwise linking of a Lawful UNE, or a combination of Lawful UNEs, to one or more facilities or services that CLEC has obtained at wholesale from SBC-13STATE, or the combining of a Lawful UNE, or a combination of Lawful UNEs, with one or more such facilities or services. "Commingled" means the act of commingling.
- 2.17.1.1 "Commingled Arrangement" means the arrangement created by Commingling.

- 2.17.1.2 Neither Commingling nor a Commingled Arrangement shall include, involve, or otherwise encompass an SBC-13STATE offering pursuant to 47 U.S.C. § 271 that is not a Lawful UNE under 47 U.S.C. § 251(c)(3).
- 2.17.1.3 Where processes for any Commingling requested pursuant to this Agreement (including, by way of example, for existing services sought to be converted to a Commingled Arrangement) are not already in place, SBC-13STATE will develop and implement processes, subject to any associated rates, terms and conditions. The Parties will comply with any applicable Change Management guidelines.
- 2.17.1.4 Any commingling obligation is limited solely to commingling of one or more facilities or services that CLEC has obtained at wholesale from SBC-13STATE with Lawful UNEs; accordingly, no other facilities, services or functionalities are subject to commingling, including but not limited to facilities, services or functionalities that SBC might offer pursuant to Section 271 of the Act.
- 2.17.2 Except as provided in Section 2 and, further, subject to the other provisions of this Agreement, SBC-13STATE shall permit CLEC to Commingle a Lawful UNE or a combination of Lawful UNEs with facilities or services obtained at wholesale from SBC-13STATE to the extent required by FCC rules and orders.
- 2.17.3 Upon request, and subject to this Section 2, SBC-13STATE shall perform the functions necessary to Commingle a Lawful UNE or a combination of Lawful UNEs with one or more facilities or services that CLEC has obtained at wholesale from SBC-13STATE (as well as requests where CLEC also wants SBC-13STATE to complete the actual Commingling), except that SBC-13STATE shall have no obligation to perform the functions necessary to Commingle (or to complete the actual Commingling) if (i) the CLEC is able to perform those functions itself; or (ii) it is not technically feasible, including that network reliability and security would be impaired; or (iii) SBC-13STATE's ability to retain responsibility for the management, control, and performance of its network would be impaired; or (iv) SBC-13STATE would be placed at a disadvantage in operating its own network; or (v) it would undermine the ability of other Telecommunications Carriers to obtain access to Lawful UNEs or to Interconnect with SBC-13STATE's network. Where CLEC is a new entrant and is unaware that it needs to Commingle to provide a Telecommunications Service, SBC-13STATE's obligation to commingle ceases if SBC-13STATE informs CLEC of such need to Commingle.
- 2.17.3.1 For purposes of Section 2.18.3 and without limiting other instances in which CLEC may be able to Commingle for itself, CLEC is deemed able to Commingle for itself when the Lawful UNE(s), Lawful UNE combination, and facilities or services obtained at wholesale from SBC-13STATE are available to CLEC, including without limitation:
- 2.17.3.1.1 at an SBC-13STATE premises where CLEC is physically collocated or has an on-site adjacent collocation arrangement;

- 2.17.3.1.2 for SBC CALIFORNIA only, within an adjacent location arrangement, if and as permitted by this Agreement.
- 2.17.3.2 Section 2.17.3(i) shall only begin to apply thirty (30) days after notice by SBC-13STATE to CLEC. Thereafter, SBC-13STATE may invoke Section 2.17.3(i) with respect to any request for Commingling.
- 2.17.4 In accordance with and subject to the provisions of this Section 2.17, any request by CLEC for SBC-13STATE to perform the functions necessary to Commingle (as well as requests where CLEC also wants SBC-13STATE to complete the actual Commingling), shall be made by CLEC in accordance with the bona fide request (BFR) process set forth in this Agreement.
- 2.17.4.1 In any such BFR, CLEC must designate among other things the Lawful UNE(s), combination of Lawful UNEs, and the facilities or services that CLEC has obtained at wholesale from SBC-13STATE sought to be Commingled and the needed location(s), the order in which such Lawful UNEs, such combinations of Lawful UNEs, and such facilities and services are to be Commingled, and how each connection (*e.g.*, cross-connected) is to be made between them.
- 2.17.4.2 In addition to any other applicable charges, CLEC shall be charged a reasonable fee for any Commingling work done by SBC-13STATE under this Section 2.17 (including performing the actual Commingling). Such fee shall be calculated using the Time and Material charges as reflected in the State-specific Appendix Pricing. SBC-13STATE's Preliminary Analysis to the BFR shall include an estimate of such fee for the specified Commingling. With respect to a BFR in which CLEC requests SBC-13STATE to perform work not required by this Section 2.17.4, CLEC shall be charged a market-based rate for any such work.
- 2.17.5 SBC-13STATE shall not be required to, and shall not, provide "ratcheting" as a result of Commingling or a Commingled Arrangement. As a general matter, "ratcheting" is a pricing mechanism that involves billing a single circuit at multiple rates to develop a single, blended rate. SBC-13STATE shall charge the rates for Lawful UNEs (or Lawful UNE combinations) Commingled with facilities or services obtained at wholesale (including for example special access services) on an element-by-element basis, and such facilities and services on a facility-by-facility, service-by-service basis.
- 2.17.6 Nothing in this Agreement shall impose any obligation on SBC-13STATE to allow or otherwise permit Commingling, a Commingled Arrangement, or to perform the functions necessary to Commingle, or to allow or otherwise permit CLEC to Commingle or to make a Commingled Arrangement, beyond those obligations imposed by the Act, as determined by lawful and effective FCC rules and associated lawful and effective FCC and judicial orders. The preceding includes without limitation that SBC-13STATE shall not be obligated to Commingle network elements that do not constitute Lawful UNEs, or where Lawful UNEs are not requested for permissible purposes. If CLEC does not meet the applicable eligibility criteria or, for any reason, stops meeting the eligibility criteria for a particular Lawful UNE involved or to be involved in a

Commingled Arrangement, CLEC shall not request such Commingled Arrangement or continue using such Commingled Arrangement.

- 2.17.7 In the event that Commingling involves SBC-13STATE performing the functions necessary to combine Lawful UNEs (e.g., make a new combination of Lawful UNEs), and including making the actual Lawful UNE combination, then Section 2.16 shall govern with respect to that Lawful UNE combining aspect of that particular Commingling and/or Commingled Arrangement.
- 2.17.8 Subject to this 2.17, SBC-13STATE shall not deny access to a Lawful UNE or a combination of Lawful UNEs on the grounds that one or more of the Lawful UNEs is connected to, attached to, linked to, or combined with, a facility or service obtained at wholesale from SBC-13STATE.
- 2.17.9 Commingling in its entirety (including its definition, the ability of CLEC to Commingle, SBC-13STATE's obligation to perform the functions necessary to Commingle, and Commingled Arrangements) shall not apply to or otherwise include, involve or encompass SBC-13STATE offerings pursuant to 47 U.S.C. § 271 that are not Lawful UNEs under 47 U.S.C. § 251(c)(3).
- 2.18 Where processes for any Lawful UNE requested pursuant to this Agreement, whether alone or in conjunction with any other UNE(s) or service(s), are not already in place, SBC-13STATE will develop and implement processes, subject to any associated rates, terms and conditions. The Parties will comply with any applicable Change Management guidelines.
- 2.19 SBC-13STATE will combine Lawful UNEs, combine Lawful UNE(s) with network elements possessed by CLEC, and/or Commingle only as set forth in this Appendix Lawful UNEs.
- 2.20 The Parties intend that this Appendix Lawful UNEs contains the sole and exclusive terms and conditions by which CLEC will obtain Lawful UNEs from SBC-13STATE. Accordingly, except as may be specifically permitted by this Appendix Lawful UNEs, and then only to the extent permitted, CLEC and its affiliated entities hereby fully and irrevocably waive any right or ability any of them might have to purchase any unbundled network element (whether on a stand-alone basis, in combination with other UNEs (Lawful or otherwise), with a network element possessed by CLEC, or pursuant to Commingling or otherwise) directly from any SBC-13STATE tariff, and agree not to so purchase or attempt to so purchase from any such tariff. Without affecting the application or interpretation of any other provisions regarding waiver, estoppel, laches, or similar concepts in other situations, the failure of SBC-13STATE to enforce the foregoing (including if SBC-13STATE fails to reject or otherwise block orders for, or provides or continues to provide, unbundled network elements, Lawful or otherwise, under tariff) shall not act as a waiver of any part of this Section, and estoppel, laches, or other similar concepts shall not act to affect any rights or requirements hereunder. At its option, SBC-13STATE may either reject any such order submitted under tariff, or without the need for any further contact with or consent from CLEC, SBC-13STATE may process any such order as being submitted under this Appendix UNE and, further, may convert any element provided under tariff, to this Appendix UNE, effective as of the

later in time of the (i) Effective Date of this Agreement/Amendment, or (ii) the submission of the order by CLEC.

3. ACCESS TO LAWFUL UNE CONNECTION METHODS

3.1 Subject to Section 2 of this Appendix Lawful UNEs, SBC-13STATE shall provide Access to Lawful UNE Connection Methods under the following terms and conditions.

3.2 This Section describes the connection methods under which SBC-13STATE agrees to provide CLECs with access to Lawful UNE Local Loops and the conditions under which SBC-13STATE makes these methods available. These methods provide CLEC access to multiple SBC-13STATE Lawful UNEs that the CLEC may then combine. The methods listed below provide CLEC with access to Lawful UNEs without compromising the security, integrity, and reliability of the public switched network, as well as to minimize potential service disruptions.

3.2.1 Subject to availability of space and equipment, CLEC may use the methods listed below to access and combine Lawful UNE Local Loops within a requested SBC-13STATE Central Office.

3.2.1.1 (Method 1)

SBC-13STATE will extend SBC-13STATE Lawful UNEs requiring cross connection to the CLEC's Physical or Virtual Collocation Point of Termination (POT) when the CLEC is Physically Collocated, in a caged or shared cage arrangement or Virtually Collocated, within the same Central Office where the Lawful UNEs which are to be combined are located. For Collocation terms and conditions refer to the Physical and Virtual Collocation Appendices.

3.2.1.2 (Method 2)

SBC-13STATE will extend SBC-13STATE Lawful UNEs that require cross connection to the CLEC's Lawful UNE frame located in the common room space, other than the Collocation common area, within the same Central Office where the Lawful UNEs which are to be combined are located.

3.2.1.3 (Method 3)

SBC-13STATE will extend SBC-13STATE Lawful UNEs to the CLEC's Lawful UNE frame that is located outside the SBC-13STATE Central Office where the Lawful UNEs are to be combined in a closure such as a cabinet provided by SBC-13STATE on SBC-13STATE property.

3.3 The following terms and conditions apply to Methods 2 and 3 when SBC-13STATE provides access to Lawful UNEs pursuant to Sections 3.2.1. 2 and 3.2.1.3:

3.3.1 The CLEC may cancel the request at any time, but will pay SBC-13STATE's reasonable and demonstrable costs for modifying SBC-13STATE's Central Office up to the date of cancellation.

3.3.2 CLEC shall be responsible for initial testing and trouble sectionalization of facilities containing CLEC installed cross connects.

- 3.3.3 CLEC shall refer trouble sectionalized in the SBC-13STATE Lawful UNE to SBC-13STATE.
- 3.3.4 Prior to SBC-13STATE providing access to Lawful UNEs under this Appendix, CLEC and SBC-13STATE shall provide each other with a point of contact for overall coordination.
- 3.3.5 CLEC shall provide all tools and materials required to place and remove the cross connects necessary to combine and disconnect Lawful UNEs when CLEC combines or disconnects Lawful UNEs.
- 3.3.6 CLEC shall designate each Lawful UNE being ordered from SBC-13STATE. CLEC shall provide an interface to receive assignment information from SBC-13STATE regarding location of the affected Lawful UNEs. This interface may be manual or mechanized.
- 3.3.7 SBC-13STATE will provide CLEC with contact numbers as necessary to resolve assignment conflicts encountered. All contact with SBC-13STATE shall be referred to such contact numbers.
- 3.3.8 Certain construction and preparation activities may be required to modify a building or prepare the premises for access to Lawful UNEs.
 - 3.3.8.1 Where applicable, costs for modifying a building or preparing the premises for access to SBC-13STATE Lawful UNEs will be made on an individual case basis (ICB).
 - 3.3.8.2 SBC-13STATE will contract for and perform the construction and preparation activities using same or consistent practices that are used by SBC-13STATE for other construction and preparation work performed in the building.

4. ADJACENT LOCATION

- 4.1 Consistent with Section 2.1 of this Appendix Lawful UNEs, SBC-13STATE shall provide Adjacent Location provision under the following terms and conditions.
- 4.2* This Section describes the Adjacent Location Method for accessing Lawful UNEs. This Section also provides the conditions in which SBC CALIFORNIA offers the Adjacent Location Method.
- 4.3* The Adjacent Location Method allows a CLEC to access loops for a CLEC location adjacent to a SBC CALIFORNIA Central Office as identified by SBC CALIFORNIA. Under this method SBC CALIFORNIA Lawful UNEs will be extended to the adjacent location, via copper cabling provided by the CLEC, which the CLEC can then utilize to provide Telecommunications Service.
- 4.4* This method requires the CLEC to provide copper cable, greater than 600 pairs, to the last manhole outside the SBC CALIFORNIA Central Office. The CLEC shall provide enough slack for SBC CALIFORNIA to pull the cable into the Central Office and terminate the cable on the Central Office Intermediate Distribution Frame (IDF).
- 4.5* The CLEC will obtain all necessary rights of way, easements, and other third party permissions.

- 4.6* The following terms and conditions apply when SBC CALIFORNIA provides the adjacent location:
- 4.6.1 The CLEC is responsible for Spectrum Interference and is aware that not all pairs may be ADSL or POTS capable.
- 4.7* The installation interval applies on an individual application basis. The CLEC is responsible for paying all up front charges (nonrecurring and case preparation costs) before work will begin. This assumes that all necessary permits will be issued in a timely manner.
- 4.8* The CLEC will provide the excess cable length necessary to reach the SBC CALIFORNIA IDF in the SBC CALIFORNIA Central Office where CLEC requests connection.
- 4.9* The CLEC will be responsible for testing and sectionalization of facilities from the End User's location to the entrance manhole.
- 4.10* The CLEC should refer any sectionalized trouble determined to be in SBC CALIFORNIA's facilities to SBC CALIFORNIA.
- 4.11*The CLEC's employees, agents and contractors will be permitted to have access to the CLEC's cable where it is delivered to SBC CALIFORNIA (outside the entrance manhole). The CLEC is only able to enter the entrance manhole to splice under a duct lease agreement. If the CLEC leases ducts to get to the Central Office then CLEC has the right to splice the manholes on the route, including the entrance manhole.
- 4.12*In order for SBC CALIFORNIA to identify the entrance manhole for the CLEC, the CLEC must specify the direction from which the cable originates. SBC CALIFORNIA will verify that a vacant sleeve or riser duct exists at the entrance manhole. If none exists, construction of one will be required. If a vacant access sleeve or riser duct does not exist, and one must be constructed, the CLEC will pay for the construction on an Outside Plant Custom Work Order.
- 4.13*The CLEC will retain all assignment control. SBC CALIFORNIA will maintain TIRKS records for cable appearance information on the horizontal and vertical appearance on the SBC CALIFORNIA frame.
- 4.14*The CLEC will pay Time and Materials charges when SBC CALIFORNIA dispatches personnel and failure is in the CLEC's facility.
- 4.15*SBC CALIFORNIA will not assume responsibility for the quality of service provided over this special interconnection arrangement. Service quality is the responsibility of the CLEC. SBC CALIFORNIA limits each CLEC to two building entrances. Two entrances allow for CLEC growth or a diverse path.
- 4.16*Prior to SBC CALIFORNIA providing the Adjacent Location Method in this Appendix, the CLEC and SBC CALIFORNIA shall provide each other with a single point of contact for overall coordination.
- 4.17*The Adjacent Location Method of Accessing Lawful UNEs only allows for copper cable termination.

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6. BONA FIDE REQUEST

- 6.1 Subject to Section 2, SBC-13STATE shall process BFR requests under the following terms and conditions in this subsection.
- 6.2 The Bona Fide Request process described in Item I of this Section 6 applies to each Bona Fide Request submitted in the SBC-10STATE and SBC NEVADA Territory. The Bona Fide Request process described in Item II of this Section 6 shall apply to each Bona Fide Request submitted in the SBC CONNECTICUT Territory and the Bona Fide Request Process described in Item III of this Section shall apply to each Bona Fide Request submitted in the SBC CALIFORNIA Territory. If CLEC submits the same Request in more than one Territory that requires such Request to be processed under more than one Item in this Section 6 (e.g., in Territories that have different processes), separate BFRs shall be required. For purposes of this Appendix, a “Business Day” means Monday through Friday, excluding Holidays observed by SBC-13STATE.

6.3 Item I

SBC-10STATE, SBC NEVADA Bona Fide Request Process

- 6.3.1 A Bona Fide Request (“BFR”) is the process by which CLEC may request SBC-10STATE, SBC NEVADA to provide CLEC access to an additional or new, undefined Lawful UNE, Lawful UNE Combination and/or Lawful Commingling requests that constitute or involve a Lawful UNE required to be provided by SBC-10STATE, SBC NEVADA but that is not available under this Agreement at the time of CLEC’s request.
- 6.3.2 The BFR process set forth herein does not apply to those services requested pursuant to Report & Order and Notice of Proposed Rulemaking 91-141 (rel. Oct. 19, 1992) paragraph 259 and n. 603 and subsequent rulings.
- 6.3.3 All BFRs must be submitted with a BFR Application Form in accordance with the specifications and processes set forth in the respective sections of the CLEC Handbook. Included with the Application CLEC shall provide a technical description of each requested Lawful UNE, drawings when applicable, the location(s) where needed, the date required, and the projected quantity to be ordered with a 3 year forecast.
- 6.3.4 CLEC is responsible for all costs incurred by SBC-10STATE, SBC NEVADA to review, analyze and process a BFR. When submitting a BFR Application Form, CLEC has two options to compensate SBC-10STATE, SBC NEVADA for its costs incurred to complete the Preliminary Analysis of the BFR:
- 6.3.4.1 Include with its BFR Application Form a \$2,000 deposit to cover SBC-10STATE, SBC NEVADA’s preliminary evaluation costs, in which case SBC-10STATE, SBC NEVADA may not charge CLEC in excess of \$2,000 to complete the Preliminary Analysis; or
- 6.3.4.2 Not make the \$2,000 deposit, in which case CLEC shall be responsible for all preliminary evaluation costs incurred by SBC-10STATE, SBC NEVADA to complete the preliminary Analysis (regardless of whether such costs are greater or less than \$2,000).

- 6.3.5 If CLEC submits a \$2,000 deposit with its BFR, and SBC-10STATE, SBC NEVADA is not able to process the Request or determines that the Request does not qualify for BFR treatment, then SBC-10STATE, SBC NEVADA will return the \$2,000 deposit to CLEC. Similarly, if the costs incurred to complete the Preliminary Analysis are less than \$2,000, the balance of the deposit will, at the option of CLEC, either be refunded or credited toward additional developmental costs authorized by CLEC.
- 6.3.6 Upon written notice, CLEC may cancel a BFR at any time, but will pay SBC-10STATE, SBC NEVADA its reasonable and demonstrable costs of processing and/or implementing the BFR up to and including the date SBC-10STATE, SBC NEVADA received notice of cancellation. If cancellation occurs prior to completion of the preliminary evaluation, and a \$2,000 deposit has been made by CLEC, and the reasonable and demonstrable costs are less than \$2,000, the remaining balance of the deposit will be, at the option of the CLEC, either returned to CLEC or credited toward additional developmental costs authorized by CLEC.
- 6.3.7 SBC-10STATE, SBC NEVADA will promptly consider and analyze each BFR it receives. Within ten (10) Business Days of its receipt SBC-10STATE, SBC NEVADA will acknowledge receipt of the BFR and in such acknowledgement advise CLEC of the need for any further information needed to process the Request. CLEC acknowledges that the time intervals set forth in this Appendix begins once SBC-10STATE, SBC NEVADA has received a complete and accurate BFR Application Form and, if applicable, \$2,000 deposit.
- 6.3.8 Except under extraordinary circumstances, within thirty (30) calendar days of its receipt of a complete and accurate BFR SBC-10STATE, SBC NEVADA will provide to CLEC a preliminary analysis of such Request (the “Preliminary Analysis”). The Preliminary Analysis will (i) indicate that SBC-10STATE, SBC NEVADA will offer the Request to CLEC or (ii) advise CLEC that SBC-10STATE, SBC NEVADA will not offer the Request. If SBC-10STATE, SBC NEVADA indicates it will not offer the Request, SBC-10STATE, SBC NEVADA will provide a detailed explanation for the denial. Possible explanations may be, but are not limited to: (i) access to the Request is not technically feasible, (ii) that the Request is not for a Lawful UNE, or is otherwise not required to be provided by SBC-10STATE, SBC NEVADA under the Act and/or, (iii) that the BFR is not the correct process for the request.
- 6.3.9 If the Preliminary Analysis indicates that SBC-10STATE, SBC NEVADA will offer the Request, CLEC may, at its discretion, provide written authorization for SBC-10STATE, SBC NEVADA to develop the Request and prepare a “BFR Quote”. The BFR Quote shall, as applicable, include (i) the first date of availability, (ii) installation intervals, (iii) applicable rates (recurring, nonrecurring and other), (iv) BFR development and processing costs and (v) terms and conditions by which the Request shall be made available. CLEC’s written authorization to develop the BFR Quote must be received by SBC-10STATE, SBC NEVADA within thirty (30) calendar days of CLEC’s receipt of the Preliminary Analysis. If no authorization to proceed is received within such thirty (30) calendar day period, the BFR will be deemed canceled and

CLEC will pay to SBC-10STATE, SBC NEVADA all demonstrable costs as set forth above. Any request by CLEC for SBC-10STATE, SBC NEVADA to proceed with a Request received after the thirty (30) calendar day window will require CLEC to submit a new BFR.

- 6.3.10 As soon as feasible, but not more than ninety (90) calendar days after its receipt of authorization to develop the BFR Quote, SBC-10STATE, SBC NEVADA shall provide to CLEC a BFR Quote.
- 6.3.11 Within thirty (30) calendar days of its receipt of the BFR Quote, CLEC must either (i) confirm its order pursuant to the BFR Quote (ii) cancel its BFR and reimburse SBC-10STATE, SBC NEVADA for its costs incurred up to the date of cancellation, or (iii) if it believes the BFR Quote is inconsistent with the requirements of the Act and/or this Appendix, exercise its rights under the Dispute Resolution Process set forth in the General Terms and Conditions of this Agreement. If SBC-10STATE, SBC NEVADA does not receive notice of any of the foregoing within such thirty (30) calendar day period, the BFR shall be deemed canceled. CLEC shall be responsible to reimburse SBC-10STATE, SBC NEVADA for its costs incurred up to the date of cancellation (whether affirmatively canceled or deemed canceled by CLEC).
- 6.3.12 Unless CLEC agrees otherwise, all rates and costs quoted or invoiced herein shall be consistent with the pricing principles of the Act.
- 6.3.13 If a Party believes that the other Party is not requesting, negotiating or processing a BFR in good faith and/or as required by the Act, or if a Party disputes a determination, or price or cost quote, such Party may seek relief pursuant to the Dispute Resolution Process set forth in the General Terms and Conditions section of this Agreement.

6.4* **Item II**

SBC CONNECTICUT Bona Fide Request Process

- 6.4.1 The Bona Fide Request provisions set forth in 6.3 Item I shall apply to BFRs submitted to SBC CONNECTICUT, with the following exceptions:
- 6.4.2 Section 6.3.1 is amended to add the following: A CLEC may submit a BFR to request new Lawful UNEs, provided the request is not covered by one of the following conditions:
 - 6.4.2.1 The Lawful UNEs requested have not previously been identified or defined by the Department of Public Utility Control (DPUC), the Federal Communications Commission, the CLEC's approved interconnection agreement, or in the listings of combinations in Docket No. 98-02-01, DPUC Investigation into Rebundling of Telephone Company Network Elements, August 17, 1998.
 - 6.4.2.2 The Lawful UNEs requested are not currently deployed by an incumbent local exchange carrier in another jurisdiction or deemed acceptable for deployment by another state Commission or an industry standards body.

* Section 6.4 is available only in the State of Connecticut. Refer to INTERCONNECTION AGREEMENT: GENERAL TERMS AND CONDITIONS, Paragraph 2.10.1.

- 6.4.2.3 The Lawful UNEs requested are not included in a Telco tariffed offering as an existing capability or functional equivalent.
- 6.4.2.4 If the request is covered by one of the conditions listed above, **SBC CONNECTICUT** will make these items generally available.
- 6.4.3 Sections 6.3.3 and 6.3.4 are amended as follows: No charges apply for **SBC CONNECTICUT** to prepare the Preliminary Analysis.
- 6.4.4 Section 6.3.6 is amended as follows: Cancellation charges will not apply if the written notice of cancellation is received by **SBC CONNECTICUT** after **SBC CONNECTICUT** submits its Preliminary Analysis to CLEC but before CLEC's request for the BFR Quote. Cancellation charges will apply after CLEC submits its request for **SBC CONNECTICUT** to provide a BFR Quote, but before the BFR Quote is provided to CLEC. CLEC shall be liable for reimbursement of all actual costs in connection with developing the BFR Quote incurred up to the time **SBC CONNECTICUT** receives the written notice of cancellation from CLEC. However, if **SBC CONNECTICUT** receives notification from CLEC for cancellation of the BFR after receipt by CLEC of the BFR Quote, the cancellation charges shall not exceed the lesser of the actual costs incurred by **SBC CONNECTICUT** or the estimate in the BFR Quote plus twenty percent (20%).
- 6.4.5 Section 6.3.7 is amended as follows: **SBC CONNECTICUT** will promptly consider and analyze each BFR it receives. Within ten (10) Business Days of its receipt, **SBC CONNECTICUT** will acknowledge receipt of the BFR and in such acknowledgement advise CLEC of the need for any further information needed to process the Request. CLEC acknowledges that the time intervals set forth in this Appendix begin once **SBC CONNECTICUT** has received a complete and accurate BFR Application Form.
- 6.4.6 **SBC CONNECTICUT** will apply standard tariffed Processing Fees (BFR development costs) according to the Connecticut Access Service Tariff 4.11.
- 6.4.7 For **SBC CONNECTICUT**, under the Dispute Resolution Process (DRP), either Party may petition the Department for relief pursuant to its own processes and the Uniform Administrative Procedures Act regarding the issues raised during the BFR process. Upon request, a designated member of the Department staff may confer with both Parties orally or in person concerning the substance of the Parties' dispute, and may make such recommendations as he or she shall deem appropriate for consideration by both Parties to resolve expeditiously the issues in dispute. Any such participation by Department staff in such mediation shall not be construed in any subsequent proceeding as establishing precedent or any Formal position of the Department on the matter in dispute.

6.5 Item III

SBC CALIFORNIA Bona Fide Request Process

* Section 6.5 is available only in the State of California. Refer to INTERCONNECTION AGREEMENT: GENERAL TERMS AND CONDITIONS, Paragraph 2.10.1.

- 6.5.1 The Bona Fide Request provisions set forth in 6.3 Item I shall apply to BFRs submitted to **SBC CALIFORNIA**, with the following exceptions:
- 6.5.2 Section 6.3.1 is amended as follows: A Bona Fide Request (“BFR”) is the process by which CLEC may request **SBC CALIFORNIA** to provide CLEC access to an additional or new, undefined Lawful UNE.
- 6.5.3 Interconnection arrangement, or other (a “Request”), that is required to be provided by **SBC CALIFORNIA** under the Act but is not available under this Agreement or defined in a generic appendix at the time of CLEC’s request.
- 6.5.4 Section 6.3.3 is amended as follows: All BFRs must be submitted with a BFR/Interconnection or Network Element Application Form in accordance with the specifications and processes set forth in the sections of the Handbook.
- 6.5.5 Section 6.3.8 is amended as follows: Except under extraordinary circumstances, within thirty (30) calendar days of its receipt of a complete and accurate BFR, **SBC CALIFORNIA** will provide to CLEC a Preliminary Analysis of such Request. The Preliminary Analysis will confirm that **SBC CALIFORNIA** will offer the request. The Preliminary Analysis provided by **SBC CALIFORNIA** will include cost categories (material, labor and other) and high level costs for the request. **SBC CALIFORNIA** will attempt to provide a “yes” response earlier than thirty (30) calendar days if possible. CLEC acknowledges that an earlier “yes” response will not include high level costs. The costs will be sent by the 30th calendar day. When wholesale construction is required, costs will be provided within an additional twenty-four (24) calendar days (i.e., by the 54th calendar day).
- 6.5.6 If the BFR is denied, **SBC CALIFORNIA** will notify CLEC within fifteen (15) calendar days. The reason for denial will accompany the notification. Reasons for denial may include, but are not limited to: 1) not technically feasible, 2) the BFR is not the appropriate process for the Request and there is a referral to the appropriate process, and/or 3) the Request does not qualify as a new Lawful UNE, interconnection or other arrangement required by law.
- 6.5.7 If **SBC CALIFORNIA** refers CLEC to an alternate process, the details of the provision of the alternate process will accompany the notification. The details may include an application form for the alternate process and other documentation required for CLEC to submit the application for the alternate process.

7. NETWORK INTERFACE DEVICE

- 7.1 Subject to Section 2 of this Appendix Lawful UNE, **SBC-13STATE** shall provide Lawful UNE Network Interface Device under the following terms and conditions in this subsection.
- 7.2 The Lawful UNE Network Interface Device (NID) is defined as any means of interconnection of End User premises wiring to **SBC-13STATE**’s distribution loop facilities, such as a cross connect device used for that purpose. Fundamentally, the Lawful UNE NID establishes the final (and official) network demarcation point between the loop and the End User's inside wire. Maintenance and control of the End User's inside wiring (on the End User's side of the Lawful UNE NID) is under the control of the

- End User. Conflicts between telephone service providers for access to the End User's inside wire must be resolved by the End User. Pursuant to applicable FCC rules, SBC-13STATE offers nondiscriminatory access to the Lawful UNE NID on an unbundled basis to CLEC for the provision of a Telecommunications Service. CLEC access to the Lawful UNE NID is offered as specified below (SBC-12STATE) or by tariff (SBC CONNECTICUT).
- 7.3 SBC-12STATE will permit CLEC to connect its local loop facilities to End Users' premises wiring through SBC-12STATE's Lawful UNE NID, or at any other technically feasible point.
- 7.4 CLEC may connect to the End User's premises wiring through the SBC-12STATE Lawful UNE NID, as is, or at any other technically feasible point. Any repairs, upgrade and rearrangements to the Lawful UNE NID required by CLEC will be performed by SBC-12STATE based on Time and Material charges. SBC-12STATE, at the request of CLEC, will disconnect the SBC-12STATE local loop from the Lawful UNE NID, at charges reflected in the state specific Appendix Pricing.
- 7.5 With respect to multiple dwelling units or multiple-unit business premises, CLEC will connect directly with the End User's premises wire, or may connect with the End User's premises wire via SBC-12STATE's Lawful UNE NID where necessary.
- 7.6 The SBC-12STATE Lawful UNE NIDs that CLEC uses under this Appendix will be existing Lawful UNE NIDs installed by SBC-12STATE to serve its End Users.
- 7.7 CLEC shall not attach to or disconnect SBC-12STATE's ground. CLEC shall not cut or disconnect SBC-12STATE's loop from the Lawful UNE NID and/or its protector. CLEC shall not cut any other leads in the Lawful UNE NID.
- 7.8 CLEC, who has constructed its own NID at a premises and needs only to make contact with SBC-12STATE's Lawful UNE NID, can disconnect the End User's wiring from SBC-12STATE's Lawful UNE NID and reconnect it to the CLEC's NID.
- 7.9 If CLEC requests a different type of Lawful UNE NID not included with the loop, SBC-12STATE will consider the requested type of Lawful UNE NID to be facilitated via the Bona Fide Request (BFR) Process.

8. LAWFUL UNE LOCAL LOOP

- 8.1 Subject to the other terms and conditions of this Appendix, SBC-13STATE shall provide Lawful UNE Local Loop under the following terms and conditions in this subsection.
- 8.2 A Lawful UNE Local Loop is a transmission facility between a distribution frame (or its equivalent) in an SBC-13STATE Central Office and the loop demarcation point at an End User premises. SBC-13STATE will make available the Lawful UNE Local Loops set forth herein below between a distribution frame (or its equivalent) in an SBC-13STATE Central Office and the loop demarcation point at an End User premises. The Parties acknowledge and agree that SBC-13STATE shall not be obligated to provision any of the Lawful UNE Local Loops provided for herein to cellular sites or to any other location that does not constitute an End User premises. Where applicable, the Lawful UNE Local Loop includes all wire within multiple dwelling and tenant buildings and campuses that provides access to End User premises wiring, provided such wire is owned

and controlled by **SBC-13STATE**. The Lawful UNE Local Loop includes all features, functions and capabilities of the transmission facility, including attached electronics (except those electronics used for the provision of advanced services, such as Digital Subscriber Line Access Multiplexers), and CLEC requested line conditioning (subject to applicable charges in Appendix Pricing) for purposes of the deployment of xDSL-based technologies as more specifically provided in the xDSL and Line Splitting Appendix to, or elsewhere in, this Agreement. Lawful UNE Local Loops are copper loops (two-wire and four-wire analog voice-grade copper loops, digital copper loops [e.g., DS0s and integrated services digital network lines], as well as two-wire and four-wire copper loops conditioned, at CLEC request and subject to charges, to transmit the digital signals needed to provide digital subscriber line services. The terms and conditions for 2-wire and 4-wire xDSL loops are set forth in the xDSL and Line Splitting Appendix to, or elsewhere in this Agreement where xDSL loops are addressed. xDSL loops are not covered under this Appendix Lawful UNEs). CLEC agrees to operate each Lawful UNE Local Loop type within applicable technical standards and parameters.

- 8.2.1 When a Lawful UNE Local Loop is ordered to a high voltage area, the Parties understand and agree that the Lawful UNE Local Loop will require a High Voltage Protective Equipment (HVPE) (e.g., a positron), to ensure the safety and integrity of the network, the Parties' employees and/or representatives, and the CLEC's End User. Therefore, any request by CLEC for a Lawful UNE Local Loop to a high voltage area will be submitted by CLEC to **SBC-13STATE** via the BFR process set forth in Section 6 "Bona Fide Request," and CLEC shall be required to pay **SBC-13STATE** for any HVPE that is provisioned by **SBC-13STATE** to CLEC in connection with the CLEC's Lawful UNE Local Loop order to the high voltage area.
- 8.3 The following types of Lawful UNE Local Loop will be provided at the rates, terms, and conditions set forth in this Appendix (**SBC-12STATE**) or by tariff (**SBC CONNECTICUT**) and in the state specific Appendix Pricing (**SBC-12STATE**) or by tariff (**SBC CONNECTICUT**):
- 8.3.1 2-Wire Analog Lawful UNE Local Loop
- 8.3.1.1 A 2-Wire analog loop is a transmission facility which supports analog voice frequency, voice band services with loop start signaling within the frequency spectrum of approximately 300 Hz and 3000 Hz.
- 8.3.1.2 If CLEC requests one or more Lawful UNE Local Loops serviced by Integrated Digital Loop Carrier (IDLC) **SBC-12STATE** will, where available, move the requested Lawful UNE Local Loop(s) to a spare, existing all-copper or universal digital loop carrier Lawful UNE Local Loop at no additional charge to CLEC. If, however, no spare Lawful UNE Local Loop is available, as defined above, **SBC-12STATE** will within two (2) business days of CLEC's request, notify CLEC of the lack of available facilities.
- 8.3.2 4-Wire Analog Lawful UNE Local Loop
- 8.3.2.1 A 4-Wire analog loop is a transmission facility that provides a non-signaling voice band frequency spectrum of approximately 300 Hz to

3000 Hz. The 4-Wire analog loop provides separate transmit and receive paths.

8.3.3 2-Wire Digital Lawful UNE Local Loop

8.3.3.1 A 2-Wire 160 Kbps digital loop is a transmission facility which supports Basic Rate ISDN (BRI) digital exchange services. The 2-Wire digital loop 160 Kbps supports usable bandwidth up to 160 Kbps, including overhead.

8.3.4 As no other type of loop constitutes a Lawful UNE loop (other than 2-wire and 4-wire xDSL loops provided for elsewhere in this Agreement), **SBC-13STATE** is not obligated under this Section 251/252 Agreement to provide any other type of loop, including, but not limited to DS1, DS3 or higher capacity loops, or dark fiber loops. CLEC shall not request such loops under this Agreement, whether alone, in combination or Commingled. Accordingly, if CLEC requests and **SBC-13STATE** provides a loop(s) that is not described or provided for in this Agreement, **SBC-13STATE** may, at any time, even after the loop(s) has been provided to CLEC, discontinue providing such loop(s) (including any combination(s) including that loop) upon 30 days' advance written notice to CLEC. Without affecting the application or interpretation of any other provisions regarding waiver, estoppel, laches, or similar concepts in other situations, the failure of **SBC-13STATE** to refuse to provide, including if **SBC-13STATE** provides or continues to provide, access to such loop(s) (whether on a stand-alone basis, in combination with UNEs (Lawful or otherwise), with a network element possessed by CLEC, or otherwise), shall not act as a waiver of any part of this Agreement, and estoppel, laches, or other similar concepts shall not act to affect any rights or requirements hereunder.

8.4 Intentionally Left Blank.

8.5 Routine Network Modifications – Lawful UNE Local Loops

8.5.1 **SBC-13STATE** shall make routine network modifications to Lawful UNE Local Loop facilities used by requesting telecommunications carriers where the requested Lawful UNE Local Loop facility has already been constructed. **SBC-13STATE** shall perform routine network modifications to Lawful UNE Local Loop facilities in a nondiscriminatory fashion, without regard to whether the Lawful UNE Local Loop facility being accessed was constructed on behalf, or in accordance with the specifications, of any carrier.

8.5.2 A routine network modification is an activity that **SBC-13STATE** regularly undertakes for its own retail customers where there are no additional charges or minimum term commitments. Routine network modifications include rearranging or splicing of existing cable; adding an equipment case; adding a doubler or repeater; adding a smart jack; installing a repeater shelf; adding a line card; deploying a new multiplexer or reconfiguring an existing multiplexer; and attaching electronic and other equipment that the incumbent LEC ordinarily attaches to activate such loops for its own retail customers, under the same conditions and in the same manner that **SBC-13STATE** does for its own retail customers. Routine network modifications may entail activities such as

accessing manholes, deploying bucket trucks to reach aerial cable, and installing equipment casings.

- 8.5.3 Routine network modifications do not include constructing new loops; installing new cable; splicing cable at any location other than an existing splice point or at any location where a splice enclosure is not already present; securing permits, rights-of-way, or building access arrangements; constructing and/or placing new manholes, handholes, poles, ducts or conduits; installing new terminals or terminal enclosures (e.g., controlled environmental vaults, huts, or cabinets); or providing new space or power for requesting carriers; removing or reconfiguring packetized transmission facility; or the provision of electronics for the purpose of lighting dark fiber (i.e., optronics). SBC-13STATE is not obligated to perform those activities for a requesting telecommunications carrier.
- 8.5.4 SBC-13STATE shall determine whether and how to perform routine network modifications using the same network or outside plant engineering principles that would be applied in providing service to SBC-13STATE's retail customers.
- 8.5.5 This Agreement does not require SBC-13STATE to deploy time division multiplexing-based features, functions and capabilities with any copper or fiber packetized transmission facility to the extent SBC-13STATE has not already done so; remove or reconfigure packet switching equipment or equipment used to provision a packetized transmission path; reconfigure a copper or fiber packetized transmission facility to provide time division multiplexing-based features, functions and capabilities; nor does this Agreement prohibit SBC-13STATE from upgrading a customer from a TDM-based service to a packet switched or packet transmission service, or removing copper loops or subloops from the network, provided SBC-13STATE complies with the copper loop or copper subloop retirement rules in 47 C.F.R. 51.319(a)(3)(iii).
- 8.5.6 SBC-12STATE shall provide routine network modifications at the rates, terms and conditions set out in this Appendix (SBC-12STATE), and in the state specific Appendix Pricing (SBC-12STATE) or by tariff (SBC CONNECTICUT).

9. LAWFUL UNE SUBLOOPS

- 9.1 Subject to the other terms and conditions of this Appendix, SBC-12STATE shall provide Lawful UNE Subloops under the following terms and conditions in this subsection.
- 9.2 SBC-12STATE will provide Lawful UNE Subloops as set forth in this Appendix. Other than as specifically set out elsewhere in this Agreement, SBC CONNECTICUT does not offer Lawful UNE Subloops under this Agreement. Rather, Lawful UNE Subloops are available as described in Section 18 of the Connecticut Service Tariff.
- 9.2.1 A Lawful UNE Subloop is a smaller included segment of SBC-12STATE's Lawful UNE local loop plant, i.e., a portion of the Lawful UNE Loop from some technically accessible terminal beyond SBC-12STATE's central office and the network demarcation point, including that portion of the Lawful UNE Loop, if any, which SBC-12STATE's owns and controls inside the End User premises.

9.3 Definitions pertaining to the Lawful UNE Subloop

- 9.3.1 Accessible terminals contain cables and their respective wire pairs that terminate on screw posts. This allows technicians to affix cross connects between binding posts of terminals collocated at the same point. Terminals differ from splice cases, which are inaccessible because the case must be breached to reach the wires within.
- 9.3.2 “Dead Count” refers to those binding posts which have cable spliced to them but which cable is not currently terminated to any terminal to provide service.
- 9.3.3 “Demarcation Point” is defined as the point on the loop where the ILEC’s control of the wire ceases and the subscriber’s control (or on the case of some multiunit premises, the landlord’s control) of the wire begins.
- 9.3.4 “Digital Lawful UNE Subloop” may be deployed on non-loaded copper cable pairs, channels of a digital loop carrier system, channels of a fiber optic transport system or other technologies suitable for the purpose of providing 160 Kbps Lawful UNE Subloop transport.
- 9.3.5 “Distribution Cable” is defined as the cable from the SAI/FDI to the terminals from which an end user can be connected to the ILEC’s network.
- 9.3.6 “MTE” for the purpose of Term To NID Lawful UNE Subloop. “MTE” is a Multi Tenant Environment for buildings with exterior or interior mounted terminals.
- 9.3.7 “Network Terminating Wire (NTW)” is the service wire that connects the ILEC’s distribution cable to the NID at the demarcation point.
- 9.3.8 “SAI/FDI-to-Term Lawful UNE Subloop” is that portion of the Lawful UNE Loop from the SAI/FDI to an accessible terminal.
- 9.3.9 “SAI/FDI-to-NID Lawful UNE Subloop” is that portion of the Lawful UNE Loop from the SAI/FDI to the Network Interface Device (NID), which is located on an end user’s premise.
- 9.3.10 “SPOI” is defined as a Single Point of Interconnection. At the request of CLEC, and subject to charges, **SBC-12STATE** will construct a SPOI only to those multiunit premises where **SBC-12STATE** has distribution facilities to the premises and **SBC-12STATE** either owns, controls, or leases the inside wire, if any, at such premises. If **SBC-12STATE** has no facilities which it owns, controls or leases at a multiunit premises through which it serves, or can serve, End Users at such premises, it is not obligated to construct a SPOI. **SBC-12STATE**’s obligation to build a SPOI for multiunit premises only arises when CLEC indicates that it will place an order for a Lawful UNE Subloop via a SPOI.
- 9.3.11 “SAI/FDI” is defined as the point in the ILEC’s network where feeder cable is cross connected to the distribution cable. “SAI” is Serving Area Interface. “FDI” is Feeder Distribution Interface. The terms are interchangeable.
- 9.3.12 “Term-to-NID Lawful UNE Subloop” is that portion of the Lawful UNE Loop from an accessible terminal to the NID, which is located at an end user’s premise. Term-to-NID Lawful UNE Subloop includes use of the Network Terminating Wire (NTW).

- 9.4 **SBC-12STATE** will offer the following Lawful UNE Subloop types:
- 9.4.1 2-Wire Analog Lawful UNE Subloop provides a 2-wire (one twisted pair cable or equivalent) capable of transporting analog signals in the frequency range of approximately 300 to 3000 hertz (voiceband).
 - 9.4.2 4-Wire Analog Lawful UNE Subloop provides a 4-wire (two twisted pair cables or equivalent, with separate transmit and receive paths) capable of transporting analog signals in the frequency range of approximately 300 to 3000 hertz (voiceband).
 - 9.4.3 Lawful UNE xDSL Subloop is as defined in the xDSL and Line Splitting Appendix and will be available to CLEC in the **SBC-12STATE** states in those instances where CLEC has an approved and effective xDSL and Line Splitting Appendix as a part of this Agreement. In addition to the provisions set forth in the xDSL and Line Splitting Appendix, the Lawful UNE xDSL Subloop is subject to the Lawful UNE subloop terms and conditions set forth in this Appendix, the collocation provisions set forth elsewhere in this Agreement and the rates set forth in the Appendix Pricing. If there is any conflict between the provisions set forth in the xDSL and Line Splitting Appendix as to the Lawful UNE xDSL Subloop and the Lawful UNE subloop provisions set forth in this Appendix, the Lawful UNE subloop provisions set forth in this Appendix shall control.
 - 9.4.4 As no other type of Subloop constitutes a Lawful UNE subloop, **SBC-13STATE** is not obligated under this Section 251/252 Agreement to provide any other type of subloop. CLEC shall not request such subloops under this Agreement, whether alone, in combination or Commingled. Accordingly, if CLEC requests and **SBC-13STATE** provides a subloop(s) that is not described or provided for in this Agreement, **SBC-13STATE** may, at any time, even after the subloop(s) has been provided to CLEC, discontinue providing such subloop(s) (including any combination(s) including that subloop) upon 30 days' advance written notice to CLEC. Without affecting the application or interpretation of any other provisions regarding waiver, estoppel, laches, or similar concepts in other situations, the failure of **SBC-13STATE** to refuse to provide, including if **SBC-13STATE** provides or continues to provide, access to such subloop(s) (whether on a stand-alone basis, in combination with UNEs (Lawful or otherwise), with a network element possessed by CLEC, or otherwise), shall not act as a waiver of any part of this Agreement, and estoppel, laches, or other similar concepts shall not act to affect any rights or requirements hereunder.
- 9.5 Intentionally Left Blank.
- 9.6 Lawful UNE Subloops are provided "as is" unless CLEC requests loop conditioning on Lawful UNE xDSL Subloops for the purpose of offering advanced services. Lawful UNE xDSL Subloop conditioning will be provided at the rates, terms, and conditions set out in the state specific Appendix Pricing.
- 9.7 If a Term to NID Lawful UNE Subloop has been disconnected and thus an end-user is no longer receiving service via that Lawful UNE Subloop, and such Lawful UNE Subloop has been determined to be a non-defective pair, then that Lawful UNE Subloop would be considered an existing spare portion of the loop, based on a first come first served basis.

9.8 Copper Lawful UNE Subloops

9.8.1 Access to terminals for copper Lawful UNE Subloops is defined to include:

- any technically feasible point near the End User premises accessible by a cross-connect (such as the pole or pedestal, the NID, or the minimum point of entry (MPOE) to the End User premises),
- the Feeder Distribution Interface (FDI) or Serving Area Interface (SAI), where the “feeder” leading back to the central office and the “distribution” plant branching out to the subscribers meet,
- the Terminal (underground or aerial).

9.9 CLEC may request access to the following copper Lawful UNE Subloop segments:

<u>FROM:</u>	<u>TO:</u>
1. Serving Area Interface or Feeder Distribution Interface	Terminal
2. Serving Area Interface or Feeder Distribution Interface	Network Interface Device
3. Terminal	Network Interface Device
4. NID	Stand Alone
5. SPOI (Single Point of Interface) Terminal	
6. SPOI (Single Point of Interface) Network Interface Device	

9.10 Provisioning

9.10.1 Connecting Facility Arrangement (CFA) assignments must be in-place prior to ordering and assigning specific Lawful UNE Subloop circuit(s).

9.10.2 Spare Lawful UNE Subloop(s) will be assigned to CLEC only when an LSR/ASR is processed. LSR/ASRs will be processed on a “first come first serve” basis.

9.11 Maintenance

9.11.1 The Parties acknowledge that by separating switching, and distribution plant, the ability to perform mechanized testing and monitoring of the Lawful UNE Subloop from the **SBC-12STATE** switch/testing equipment will be lost.

9.11.2 CLEC shall isolate trouble to the **SBC-12STATE** Lawful UNE Subloop portion of the CLEC’s service before reporting trouble to **SBC-12STATE**.

9.11.3 **SBC-12STATE** shall charge the CLEC a Maintenance of Service Charge (MSC) when CLEC dispatches **SBC-12STATE** on a trouble report and the fault is determined to be in the CLEC’s portion of the loop. Such charges may be found in the individual state pricing appendices or tariffs.

9.11.4 Once all Lawful UNE Subloop access arrangements have been completed and balance of payment due **SBC-12STATE** is received, the CLEC may place a LSR for Subloops at this location. Prices at which **SBC-12STATE** agrees to provide CLEC with Lawful UNE Subloops are contained in the state specific Appendix Pricing.

9.11.5 In the event of Catastrophic Damage to the RT, SAI/FDI, Terminal, SPOI, or NID where CLEC has a SAA, **SBC-12STATE** repair forces will restore service in a non-discriminatory manner which will allow the greatest number of all End Users to be restored in the least amount of time. Should the CLEC cabling require replacement, **SBC-12STATE** will provide prompt notification to CLEC for CLEC to provide the replacement cable to be terminated as necessary.

9.12 Lawful UNE Subloop Access Arrangements

9.12.1 Prior to ordering Lawful UNE Subloop facilities, CLEC will establish Collocation using the Collocation process as set forth in the Collocation Appendix, or will establish a Lawful UNE Subloop Access Arrangement utilizing the Special Construction Arrangement (SCA), either of which are necessary to interconnect to the **SBC-12STATE** Lawful UNE Subloop network.

9.12.2 The space available for collocating or obtaining various Lawful UNE Subloop Access Arrangements will vary depending on the existing plant at a particular location. The CLEC will initiate an SCA by submitting a Lawful UNE Subloop Access Arrangement Application.

9.12.3 Upon receipt of a complete and correct application, **SBC-12STATE** will provide to CLEC within 30 days a written estimate for the actual construction, labor, materials, and related provisioning costs incurred to fulfill the SCA on a Time and Materials basis. When CLEC submits a request to provide a written estimate for Lawful UNE Subloop access, appropriate rates for the engineering and other associated costs performed will be charged.

9.12.4 The assignment of Lawful UNE Subloop facilities will incorporate reasonable practices used to administer outside plant loop facilities. For example, where SAI/FDI interfaces are currently administered in 25 pair cable complements, this will continue to be the practice in assigning and administering Lawful UNE Subloop facilities.

9.12.5 Subloop inquiries do not serve to reserve Lawful UNE Subloops.

9.12.6 Several options exist for Collocation or Lawful UNE Subloop Access Arrangements at technically feasible points. Sound engineering judgment will be utilized to ensure network security and integrity. Each situation will be analyzed on a case-by-case basis.

9.12.7 CLEC will be responsible for obtaining rights of way from owners of property where **SBC-12STATE** has placed the equipment necessary for the SAA prior to submitting the request for SCA.

9.12.8 Prior to submitting the Lawful UNE Subloop Access Arrangement Application for SCA, the CLEC should have the "Collocation" and "Poles, Conduit, and Row" appendices in the Agreement to provide the guidelines for both CLEC and ILEC to successfully implement Lawful UNE Subloops, should collocation, access to poles/conduits or rights of way be required.

9.12.9 Except as set forth below in this 9.12.9, construction of the Lawful UNE Subloop Access Arrangement shall be completed within 90 days of CLEC submitting to **SBC-12STATE** written approval and payment of not less than 50% of the total estimated construction costs and related provisioning costs after an estimate has

been accepted by the carrier and before construction begins, with the balance payable upon completion. **SBC-12STATE** will not begin any construction under the SCA until the CLEC has provided proof that it has obtained necessary rights of way as defined in Section 9.12.7. In the event CLEC disputes the estimate for an SAA in accordance with the dispute resolution procedures set forth in this Agreement, **SBC-12STATE** will proceed with construction of the SAA upon receipt from CLEC of notice of the dispute and not less than fifty percent (50%) of the total estimated costs, with the balance payable by CLEC upon completion of the SAA. Such payments may be subject to any “true-up”, if applicable, upon resolution of the dispute in accordance with the Dispute Resolution procedures.

- 9.12.10 Upon completion of the construction activity, the CLEC will be allowed to test the installation with a **SBC-12STATE** technician. If the CLEC desires test access to the SAA, the CLEC should place its own test point in its cable prior to cable entry into **SBC-12STATE**'s interconnection point.
- 9.12.11 A non-binding CLEC forecast shall be required as a part of the request for SAA, identifying the Lawful UNE Subloops required for line-shared and non line-shared arrangements to each subtending SAI. This will allow **SBC-12STATE** to properly engineer access to each SAI and to ensure **SBC-12STATE** does not provide more available terminations than the CLEC expects to use.
- 9.12.12 In order to maximize the availability of terminations for all CLECs, the CLEC shall provide CFA for their Lawful UNE Subloop pairs utilizing the same 25-pair binder group. The CLEC would begin utilizing the second 25-pair binder group once the first 25-pair binder group reached its capacity.
- 9.12.13 Unused CLEC terminations (in normal splicing increments such as 25-pair at a SAI/FDI) which remain unused for a period of one year after the completion of construction shall be subject to removal at CLEC expense.
- 9.12.14 In the event a CLEC elects to discontinue use of an existing SAA, or abandons such arrangement, CLEC shall pay **SBC-12STATE** for removal of their facilities from the SAA.
- 9.13 Lawful UNE Subloop Access Arrangement (SAA) Access Points
- 9.13.1 SAI/FDI, ECS, SPOI, or Terminal
- 9.13.1.1 CLEC cable to be terminated in a **SBC-12STATE** SAI/FDI, or Terminal, shall consist of 22 or 24-gauge copper twisted pair cable bonded and grounded to the power company Multi Grounded Neutral (MGN). Cable may be filled if buried or buried to aerial riser cable. CLEC's Aerial cables should be aircore.
- 9.13.1.2 The CLEC may elect to place their cable to within 3 feet of the SAA site and coil up an amount of cable, defined by the engineer in the design phase, that **SBC-12STATE** will terminate on available binding posts in the SAI/FDI or Terminal.
- 9.13.1.3 The CLEC may “stub” up a cable at a prearranged meet point, defined during the engineering site visit, and **SBC-12STATE** will stub out a cable from the SAI/FDI or Terminal, which **SBC-12STATE** will splice to the CLEC cable at the meet point.

- 9.13.1.4 Dead counts will be offered as long as they have not been placed for expansion purposes planned within the 12-month period beginning on the date of the inquiry LSR.
- 9 13.1.5 Exhausted termination points in a SAI/FDI - When a SAI/FDI's termination points are all terminated to assignable cable pairs, **SBC-12STATE** may choose to increase capacity of the SAI/FDI by the method of its choice, for which the CLEC will be charged a portion of the expense to be determined with the engineer, for the purpose of allowing the CLEC to terminate its cable at the SAI/FDI.
- 9.13.1.6 Exhausted Termination Points in a Terminal- When a terminal's termination points are all terminated to assignable cable pairs, **SBC-12STATE** may choose to increase the capacity of the Terminal or to construct an adjacent termination facility to accommodate the CLEC facilities for which the CLEC will be charged.
- 9.14 Relocation of Existing ILEC/CLEC Facilities involved in a SAA at a RT/ECS, SAI/FDI, SPOI, Terminal or NID
- 9 14.1 **SBC-12STATE** shall notify CLEC of pending relocation as soon as **SBC-12STATE** receives such notice.
- 9 14.2 CLEC shall notify **SBC-12STATE** of its intentions to remain, or not, in the SAA by way of a new Lawful UNE Subloop Access Arrangement Application for a new SCA.
- 9 14.3 **SBC-12STATE** shall then provide the CLEC an estimate to terminate their facilities as part of the relocation of the site including the applicable SAA. This process may require a site visit with the CLEC and **SBC-12STATE** engineer.
- 9.14.4 CLEC shall notify **SBC-12STATE** of acceptance or rejection of the new SCA within 10 business days of its receipt of **SBC-12STATE**'s estimate.
- 9.14.5 Upon acceptance of the **SBC-12STATE** estimate, CLEC shall pay at least 50% of the relocation costs at the same time as they notify **SBC-12STATE** of their acceptance of estimate costs.
- 9.14.6 Should CLEC decide not to continue the SAA, CLEC will notify **SBC-12STATE** as to the date that **SBC-12STATE** may remove CLEC's facilities from that SAA. CLEC will pay **SBC-12STATE** for all costs associated with the removal of the CLEC's SAA.
- 9.14.7 In the event that CLEC does not respond to **SBC-12STATE** in time to have their facilities relocated, **SBC-12STATE** shall move CLEC facilities and submit a bill for payment to the CLEC for the costs associated with the relocation. Should CLEC elect not pay this bill, then CLEC facilities will be removed from the site upon 30 days notice to the CLEC.
- 9.15 Establishment of Intermediary Box for CLEC Access to Term to NID MTE Lawful UNE Subloop Segment
- 9.15.1 As an alternative to the establishment of a Lawful UNE Subloop Access Arrangement in those instances where CLEC wishes to access/lease **SBC-12STATE** Term to NID Lawful UNE Subloop segments in order to serve its End

Users at MTEs in SBC-12STATE (“Term to NID MTE Lawful UNE Subloop Segments”), CLEC may place, own and manage, for its own use, an intermediary box, which would provide CLEC with access to a Term to NID MTE Lawful UNE Subloop Segment cross-connect leased from SBC-12STATE within the intermediary box (in order to obtain access to SBC-12STATE Term to NID MTE Lawful UNE Subloop Segments). In the event CLEC wishes to access SBC-12STATE Term to NID MTE Lawful UNE Subloop Segments via the establishment of an intermediary box, the following rates, terms and conditions shall apply:

- 9.15.1.1 CLEC would manage the process for placing its own intermediary box, including, without limitation, coordination with the property owner and/or management. CLEC may, at its discretion, choose to retain ownership in whole or to share ownership of the intermediary box with other CLECs. Intermediary box shall be placed no more than two feet from the SBC terminal.
- 9.15.1.2 The intermediary box shall contain blocks that meet SBC-12STATE’s published industry standards for the placement of services and facilities and should be labeled with CLEC’s ACNA to enable the SBC-12STATE technician the ability to run jumper/cross connect from SBC-12STATE terminal to the intermediary box.
- 9.15.1.3 LEC agrees that the SBC-12STATE technician shall run the jumper/cross-connect from SBC-12STATE’s serving terminal to CLEC’s intermediary box, in order for CLEC to access SBC-12STATE Term to NID MTE Lawful UNE Subloop Segments in SBC-12STATE. For security and safety, SBC will incase the cross connect in conduit, a protective covered common path, between the SBC terminal and the CLEC’s intermediary box.
- 9.15.1.4 CLEC must have in place Connecting Facility Arrangement (CFA) assignments prior to ordering and assigning specific Term to NID MTE Lawful UNE Subloop Segments from SBC-12STATE.
- 9.15.1.5 Following CLEC’s provisioning, placement, and completion of Connecting Facility Arrangement Assignments (“CFA”) data submission to SBC-12STATE associated with the intermediary box, CLEC would place orders and schedule activities related to access to the Term to NID MTE Lawful UNE Subloop Segment including, without limitation: transferring the End User’s service from SBC-12STATE to CLEC, providing SBC-12STATE with CFA prior to ordering and the assigning of a specific Term to NID MTE Lawful UNE Subloop Segment(s).
- 9.15.1.6 The ordering procedures for the Term to NID MTE Lawful UNE Subloop Segment will be the same as those that apply to Lawful UNE Subloop today and shall be submitted to SBC-12STATE by CLEC via a Local Service Request (“LSR”).
- 9.15.1.7 SBC-12STATE will upon receipt of the LSR from CLEC for a Term to NID MTE Lawful UNE Subloop Segment, process the order and place

the jumper/cross connect to the CFA provided by the CLEC on the LSR, from the **SBC-12STATE** terminal to the CLEC intermediary box. **SBC-12STATE** must have access to the intermediary box for completion of the order.

- 9.15.2 In connection with the MTE intermediary box for CLEC access to Term to NID MTE Lawful UNE Subloop Segments in **SBC-12STATE** only, CLEC may elect to lease from **SBC-12STATE** Term to NID MTE Lawful UNE Subloop Segments which do not include traditional testing and the associated labor, at the recurring and non-recurring rates set forth in Appendix Pricing for the “Term to NID MTE Lawful UNE Subloop Segment.” In the event CLEC wishes to lease the Term to NID MTE Lawful UNE Subloop Segment from **SBC-12STATE** in lieu of **SBC-12STATE**’s standard Term to NID Lawful UNE Subloop segment addressed in this 9.15.2, CLEC understands and agrees no performance measures and/or remedies shall apply to the Term to NID MTE Lawful UNE Subloop Segment as a result of the elimination of associated testing and reduction in functionality associated with the Term to NID MTE Lawful UNE Subloop Segment.
- 9.16 Establishment of Term to NID MTE Lawful UNE Subloop Segment When no Intermediary Box is installed
- 9.16.1 In those instances where CLEC elects not to install an intermediary box or to have **SBC-12STATE** install an intermediary box pursuant to the SAA process outlined herein above, the CLEC may still lease from **SBC-12STATE** Term to NID MTE Lawful UNE Subloop Segments which do not include traditional testing and the associated labor, at the recurring and non-recurring rates set forth in Appendix Pricing for the “Term to NID MTE Lawful UNE Subloop Segment”. In the event CLEC wishes to lease the Term to NID MTE Lawful UNE Subloop Segment from **SBC-12STATE** in lieu of **SBC-12STATE**’s standard Term to NID Lawful UNE Subloop segment addressed in Section 9.15.2 above, CLEC understands and agrees no performance measures and/or remedies shall apply to the Term to NID MTE Lawful UNE Subloop Segment as a result of the elimination of associated testing and reduction in functionality associated with the Term to NID MTE Lawful UNE Subloop Segment. In such cases, **SBC-12STATE** will provide CLEC with access to the Term To NID MTE Lawful UNE Subloop via a cross connect. The SBC technician will tag appropriately and will leave up to two feet of exposed wire at **SBC-12STATE**’s terminal. The cross connect would then be terminated by the CLEC technician in the CLEC terminal, at a time of CLEC’s own choosing. For security and safety, SBC will incase the cross connect in conduit, a protective covered common path, between the SBC terminal and the CLEC’s terminal.
- 9.16.2 If CLEC elects this option to obtain access to the Term To NID Lawful UNE Subloop in an MTE Environment, neither the **SBC-12STATE** SAA process nor the intermediary box option would be required. Because the CLEC would have full responsibility for terminating the **SBC-12STATE** cross- connect, **SBC-12STATE** could not require any CFA information from CLEC.

10. ENGINEERING CONTROLLED SPLICE (ECS)

- 10.1 Subject to the other terms and conditions of this Appendix, SBC-12STATE shall provide to Engineering controlled Splice under the following terms and conditions in this subsection.
- 10.2 SBC-12STATE will also make available an Engineering Controlled Splice (ECS), which will be owned by SBC-12STATE, for CLECs to gain access to Lawful UNE Subloops at or near remote terminals.
- 10.3 The ECS shall be made available for Lawful UNE Subloop Access Arrangements (SAA) utilizing the Special Construction Arrangement (SCA).
- 10.3.1 CLEC requesting such a SCA shall pay all of the actual construction, labor, materials and related provisioning costs incurred to fulfill its SCA on a Time and Materials basis, provided that SBC-12STATE will construct any Lawful UNE Subloop Access Arrangement requested by a Telecommunications Carrier in a cost-effective and efficient manner. If SBC-12STATE elects to incur additional costs for its own operating efficiencies and that are not necessary to satisfy an SCA in a cost-effective and efficient manner, CLEC will not be liable for such extra costs.
- 10.3.2 CLEC shall be liable only for costs associated with cable pairs that it orders to be presented at an engineering controlled splice (regardless of whether the requesting carrier actually utilizes all such pairs), even if SBC-12STATE places more pairs at the splice.
- 10.3.3 SBC-13STATE will either use existing copper or construct new copper facilities between the SAI(s) and the ECS, located in or at the remote terminal site. Although SBC-12STATE will construct the engineering controlled splice, the ECS maybe owned by SBC-12STATE or the CLEC (depending on the specific arrangement) at the option of SBC-12STATE.
- 10.3.4 If more than one requesting Telecommunications Carrier obtains space in expanded remote terminals or adjacent structures and obtains an SAA with the new copper interface point at the ECS, the initial Telecommunications Carrier which incurred the costs of construction of the engineering controlled splice and/or additional copper/fiber shall be reimbursed those costs in equal proportion to the space or lines used by the requesting carriers.
- 10.3.5 SBC-12STATE may require a separate SCA for each remote terminal site.
- 10.3.6 Except as set forth below in this Section 10.3.6, written acceptance and at least 50% of payment for the SCA must be submitted at least 90 days before access to the copper Lawful UNE Subloop is to be provisioned by SBC-12STATE. If an augment of cabling is required between the ECS and the SAI, the interval for completion of the SCA will be determined on an individual case basis. SBC-12STATE will not begin any construction of the ECS until the CLEC has provided proof that it has obtained the necessary rights of way as defined in Section 9.12.7. In the event CLEC disputes the estimate for the ECS in accordance with the dispute resolution procedures set forth in this Agreement, SBC-12STATE will proceed with construction of the ECS upon receipt from CLEC of notice of the dispute and not less than fifty percent (50%) of the total

estimated costs, with the balance payable by CLEC upon completion of the ECS. Such payments may be subject to any “true-up”, if applicable, upon resolution of the dispute in accordance with the Dispute Resolution procedures.

10.4 CLECs will have two (2) options for implementing the ECS: a “Dedicated Facility Option” (DFO) and a “Cross-connected Facility Option” (CFO).

10.4.1 Dedicated Facility Option (DFO)

10.4.1.1 CLEC may request SBC-12STATE splice the existing cabling between the ECS and the SAI to the CLEC’s SAA facility. This facility will be “dedicated” to the CLEC for subsequent Lawful UNE Subloop orders.

10.4.1.2 CLEC must designate the quantity of Lawful UNE Subloops they desire to access via this spliced, dedicated facility, specified by subtending SAI.

10.4.1.3 CLECs will compensate SBC-12STATE for each of the dedicated Lawful UNE Subloop facilities, based on recurring Lawful UNE Subloop charges, for the quantity of Lawful UNE Subloops dedicated to the CLEC between the ECS and the SAI.

10.4.2 Cross-connected Facility Option (CFO)

10.4.2.1 CLEC may request SBC-12STATE build an ECS cross-connect junction on which to terminate CLEC’s SAA facility.

10.4.2.2 The SCA associated with this option will include the charges associated with constructing the cross-connect device, including the termination of SBC-12STATE cabling between the ECS and the RT and/or SAI, and the inventorying of that SBC-12STATE cabling.

10.4.2.3 CLEC must designate the quantity of Lawful UNE Subloops they desire to access via this cross-connectable, dedicated facility, specified by subtending SAI.

10.4.2.4 CLECs will compensate SBC-12STATE for the charges incurred by SBC-12STATE derived from the CLEC’s request for the SCA.

10.5 The introduction of an ECS creates the following additional copper Lawful UNE Subloop segments:

<u>FROM:</u>	<u>TO:</u>
1. RT Interface	Serving Area Interface or Feeder Distribution
2. RT	Terminal
3. RT	NID

11. LOCAL SWITCHING (ULS)

11.1 As no local circuit switching constitutes Lawful UNE switching, SBC-13STATE is not obligated under this Section 251/252 Agreement to provide any type of local circuit or other switching, and CLEC shall not request local circuit or other switching under this Agreement, whether alone, in combination or Commingled. Accordingly, if CLEC requests and SBC-13STATE provides local circuit or other switching under this

Agreement, SBC-13STATE may, at any time, even after the local circuit or other switching has been provided to CLEC, discontinue providing such local circuit or other switching (including any combination(s) including local circuit or other switching) upon 30 days' advance written notice to CLEC. Without affecting the application or interpretation of any other provisions regarding waiver, estoppel, laches, or similar concepts in other situations, the failure of SBC-13STATE to refuse to provide, including if SBC-13STATE provides or continues to provide, access to local circuit or other switching (whether on a stand-alone basis, in combination with UNEs (Lawful or otherwise), with a network element possessed by CLEC, or otherwise), shall not act as a waiver of any part of this Agreement, and estoppel, laches, or other similar concepts shall not act to affect any rights or requirements hereunder.

11.1.1 For purposes of this Appendix, local circuit switching (Local Switching) is defined as follows:

11.1.1.1 all line-side and trunk-side facilities as defined in TRO, plus the features, functions, and capabilities of the switch. The features, functions, and capabilities of the switch shall include the basic switching function of connecting lines to lines, lines to trunks, trunks to lines, and trunks to trunks, and

11.1.1.2 all vertical features that the switch is capable of providing, including custom calling, custom local area signaling services features, and Centrex, as well as any technically feasible customized routing functions.

12. SHARED TRANSPORT (UST)

12.1 As no local circuit switching constitutes Lawful UNE switching, SBC-13STATE is not obligated under this Section 251/252 Agreement to provide any type of shared transport. CLEC shall not request shared transport under this Agreement, whether alone, in combination or Commingled. Accordingly, if CLEC requests and SBC-13STATE otherwise provides shared transport under this Agreement, SBC-13STATE may, at any time, even after the shared transport has been provided to CLEC, may discontinue providing such shared transport (including any combination(s) including shared transport) upon 30 days' advance written notice to CLEC. Without affecting the application or interpretation of any other provisions regarding waiver, estoppel, laches, or similar concepts in other situations, the failure of SBC-13STATE to refuse to provide, including if SBC-13STATE provides or continues to provide, access to shared transport (whether on a stand-alone basis, in combination with UNEs (Lawful or otherwise), with a network element possessed by CLEC, or otherwise), shall not act as a waiver of any part of this Agreement, and estoppel, laches, or other similar concepts shall not act to affect any rights or requirements hereunder.

13. DEDICATED TRANSPORT

13.1 As no dedicated transport constitutes Lawful UNE dedicated transport, SBC-13STATE is not obligated under this Section 251/252 Agreement to provide any type of dedicated transport, and CLEC shall not request dedicated transport under this Agreement, whether alone, in combination or Commingled. Accordingly, if CLEC requests and SBC-13STATE provides dedicated transport under this Agreement, SBC-13STATE may, at

any time, even after the dedicated transport has been provided to CLEC, discontinue providing such dedicated transport (including any combination(s) including dedicated transport) upon 30 days' advance written notice to CLEC. Without affecting the application or interpretation of any other provisions regarding waiver, estoppel, laches, or similar concepts in other situations, the failure of SBC-13STATE to refuse to provide, including if SBC-13STATE provides or continues to provide, access to dedicated transport (whether on a stand-alone basis, in combination with UNEs (Lawful or otherwise), with a network element possessed by CLEC, or otherwise), shall not act as a waiver of any part of this Agreement, and estoppel, laches, or other similar concepts shall not act to affect any rights or requirements hereunder.

14. DEDICATED TRANSPORT AND LOOP DARK FIBER

14.1 As no dark fiber dedicated transport or dark fiber loop constitutes Lawful UNE dark fiber dedicated transport or dark fiber loop, SBC-13STATE is not obligated under this Section 251/252 Agreement to provide any type of dark fiber dedicated transport or dark fiber loop. CLEC shall not request dark fiber dedicated transport or dark fiber loop under this Agreement, whether alone, in combination or Commingled. Accordingly, if CLEC requests and SBC-13STATE provides dark fiber dedicated transport or dark fiber loop under this Agreement, SBC-13STATE may, at any time, even after the dark fiber dedicated transport or dark fiber loop has been provided to CLEC, discontinue providing such dark fiber dedicated transport or dark fiber loop (including any combination(s) including dark fiber dedicated transport or dark fiber loop) upon 30 days' advance written notice to CLEC. Without affecting the application or interpretation of any other provisions regarding waiver, estoppel, laches, or similar concepts in other situations, the failure of SBC-13STATE to refuse to provide, including if SBC-13STATE provides or continues to provide, access to dark fiber dedicated transport or dark fiber loop (whether on a stand-alone basis, in combination with UNEs (Lawful or otherwise), with a network element possessed by CLEC, or otherwise), shall not act as a waiver of any part of this Agreement, and estoppel, laches, or other similar concepts shall not act to affect any rights or requirements hereunder.

15. INTENTIONALLY LEFT BLANK

16. CALL-RELATED DATABASES

16.1 Access to the SBC-13STATE 911 or E911 call related databases will be provided as described in the Lawful 911 and E911 Appendix. As no local circuit switching constitutes Lawful UNE switching, SBC-13STATE is not obligated to provide, and CLEC shall not request, call related databases under this Agreement (other than 911 and E911), including LIDB and CNAM-AS, LIDB and CNAM Queries, 800, or Access to AIN. CLEC access to any call related databases (other than 911 and E911) shall be pursuant to another agreement, including, where applicable, effective tariffs.

17. OPERATIONS SUPPORT SYSTEMS FUNCTIONS

17.1 Operations Support Systems Functions consist of pre-ordering, ordering, provisioning, maintenance and repair, and billing functions supported by SBC-13STATE's databases and information. SBC-13STATE will provide CLEC access to its Operations Support Systems Functions as outlined in Appendix OSS.

18. CROSS CONNECTS

- 18.1 SBC-13STATE shall provide Cross Connects under the following terms and conditions in this subsection. SBC-13STATE shall only be obligated to provide Cross Connects under this Appendix for purposes of permitting CLEC to connect SBC-13STATE Lawful UNE(s) to other Lawful UNE(s) or to CLEC's own facilities.
- 18.2 The cross connect is the media between the SBC-7STATE Lawful UNE and a CLEC designated point of access as described in various sections of this Appendix, or the media between a SBC-7STATE Lawful UNE and a Collocation area for the purpose of permitting the CLEC to connect the SBC-7STATE Lawful UNE to other Lawful UNEs or to the CLEC's own facilities. Where SBC-7STATE has otherwise committed to connect one Lawful UNE to another Lawful UNE on behalf of CLEC, or to leave connected one Lawful UNE to another Lawful UNE on behalf of CLEC the cross connect is the media between one SBC-7STATE Lawful UNE and another SBC-7STATE Lawful UNE. Nothing in this section is a commitment to connect or leave connected any two or more Lawful UNEs.
- 18.3 SBC-7STATE will provide cross connects at the rates, terms, and conditions set forth in Appendix Pricing. Pricing for SBC MIDWEST REGION 5-STATE is provided as set forth in Appendix Pricing. For all other cross-connect pricing for SBC CONNECTICUT refer to the applicable state tariff.
- 18.4 The applicable Lawful UNE Loop cross connects to point of access for the purpose of CLEC combining a SBC-13STATE Lawful UNE Loop with another SBC-13STATE Lawful UNE are as follows:
- 18.4.1 2-Wire Analog Loop to Lawful UNE Connection Methods point of access
 - 18.4.2 4-Wire Analog Loop to Lawful UNE Connection Methods point of access
 - 18.4.3 2-Wire Digital Loop to Lawful UNE Connection Methods point of access
- 18.5 The applicable Loop cross connects for the purpose of CLEC connecting a SBC SOUTHWEST REGION 5-STATE and SBC NEVADA Lawful UNE Loop to a CLEC's Collocated facilities are as follows:
- 18.5.1 2-Wire Analog Loop to Collocation
 - 18.5.2 2-Wire Analog Loop to Collocation (without testing)
 - 18.5.3 4-Wire Analog Loop to Collocation
 - 18.5.4 4-Wire Analog Loop to Collocation (without testing)
 - 18.5.5 2-Wire Digital Loop to Collocation
 - 18.5.6 2-Wire Digital Loop to Collocation (without testing)
 - 18.5.7 2-Wire DSL Shielded Cross Connect to Collocation
 - 18.5.8 4-Wire DSL Shielded Cross Connect to Collocation
 - 18.5.9 2-Wire DSL non-shielded Cross Connect to Collocation
 - 18.5.10 4-Wire DSL non-shielded Cross Connect to Collocation

- 18.6 The applicable cross connect for **SBC MIDWEST REGION 5-STATE** Lawful UNE Loop is as follows:
- 18.6.1 2-Wire
- 18.7 The applicable Lawful UNE Loop cross connects to the Adjacent Location Method of Accessing UNES for the purpose of a CLEC combining a **SBC CALIFORNIA** Lawful UNE Loop with a CLEC's own facilities are as follows:
- 18.7.1 2-Wire Analog Loop to Adjacent Location Method point of access
 - 18.7.2 4-Wire Analog Loop to Adjacent Location Method point of access
 - 18.7.3 2-Wire Digital Loop to Adjacent Location Method point of access
 - 18.7.4 DSL shielded Cross Connect to Adjacent Location point of access
- 18.8 The applicable cross connects for the purpose of a CLEC connecting a **SBC CALIFORNIA** Lawful UNE Loop to a CLEC's Collocated facility are as follows:
- 18.8.1 Voice Grade/ISDN EISCC
 - 18.8.2 DS-0 EISCC
 - 18.8.3 DSL Shielded Cross Connect to Collocation

19. **PROVISIONING/MAINTENANCE OF LAWFUL UNES**

- 19.1 Access to Lawful UNES is provided under this Agreement over such routes, technologies, and facilities as **SBC-13STATE** may elect at its own discretion. **SBC-13STATE** will provide access to Lawful UNES where technically feasible. Where facilities and equipment are not available, **SBC-13STATE** shall not be required to provide Lawful UNES. However, CLEC may request and, to the extent required by law, **SBC-13STATE** may agree to provide Lawful UNES, through the Bona Fide Request (BFR) process.
- 19.2 Subject to the terms herein, **SBC-13STATE** is responsible only for the installation, operation and maintenance of the Lawful UNES it provides. **SBC-13STATE** is not otherwise responsible for the Telecommunications Services provided by CLEC through the use of those Lawful UNES.
- 19.3 Where Lawful UNES provided to CLEC are dedicated to a single End User, if such Lawful UNES are for any reason disconnected they shall be made available to **SBC-13STATE** for future provisioning needs, unless such Lawful UNE is disconnected in error. The CLEC agrees to relinquish control of any such Lawful UNE concurrent with the disconnection of a CLEC's End User's service.
- 19.4 CLEC shall make available at mutually agreeable times the Lawful UNES provided pursuant to this Appendix in order to permit **SBC-13STATE** to test and make adjustments appropriate for maintaining the Lawful UNES in satisfactory operating condition. No credit will be allowed for any interruptions involved during such testing and adjustments.
- 19.5 CLEC's use of any **SBC-13STATE** Lawful UNE, or of its own equipment or facilities in conjunction with any **SBC-13STATE** Lawful UNE, will not materially interfere with or impair service over any facilities of **SBC-13STATE**, its affiliated companies or its connecting and concurring carriers involved in its services, cause damage to their plant, impair the privacy of any communications carried over their facilities or create hazards to

- the employees of any of them or the public. Upon reasonable written notice and opportunity to cure, SBC-13STATE may discontinue or refuse service if CLEC violates this provision, provided that such termination of service will be limited to CLEC's use of the Lawful UNE(s) causing the violation.
- 19.6 When a SBC-13STATE provided tariffed or resold service is replaced by CLEC's facility-based service using any SBC-13STATE provided Lawful UNE(s), CLEC shall issue appropriate service requests, to both disconnect the existing service and order Lawful UNEs. These requests will be processed by SBC-13STATE, and CLEC will be charged the applicable Lawful UNE service order charge(s), in addition to the recurring and nonrecurring charges for each individual Lawful UNE and cross connect ordered. Similarly, when an End User is served by one CLEC using SBC-13STATE provided Lawful UNEs is converted to a different CLEC's service which also uses any SBC-13STATE provided Lawful UNE, the requesting CLEC shall issue appropriate service requests to both disconnect the existing service and connect new service to the requesting CLEC's End User. These requests will be processed by SBC-13STATE and the CLEC will be charged the applicable service order charge(s), in addition to the recurring and nonrecurring charges for each individual Lawful UNE and cross connect ordered.
- 19.7 CLEC shall connect equipment and facilities that are compatible with the SBC-13STATE Lawful UNEs, and shall use Lawful UNEs in accordance with the applicable regulatory standards and requirements referenced in this Agreement.
- 19.8 CLEC shall not combine or use Lawful UNEs in a manner that will undermine the ability of other Telecommunications Carriers to obtain access to lawful unbundled network elements or to Interconnect with SBC-13STATE's network.
- 19.8.1 SBC-13STATE shall charge the CLEC a Maintenance of Service Charge (MSC) when CLEC reports a suspected failure of a Lawful UNE and SBC-13STATE dispatches personnel to the End User's premises or an SBC-13STATE Central Office and trouble was not caused by SBC-13STATE's facilities or equipment. Time and materials will include all technicians dispatched, including technicians dispatched to other locations for purposes of testing.
- 19.9 CLEC shall pay Time and Material charges when SBC-13STATE dispatches personnel and the trouble is in equipment or communications systems provided an entity by other than SBC-13STATE or in detariffed CPE provided by SBC-13STATE, unless covered under a separate maintenance agreement.
- 19.10 CLEC shall pay Maintenance of Service charges when the trouble clearance did not otherwise require dispatch, but dispatch was requested for repair verification or cooperative testing, and the circuit did not exceed maintenance limits.
- 19.11 If CLEC issues a trouble report allowing SBC-13STATE access to End User's premises and SBC-13STATE personnel are dispatched but denied access to the premises, then Time and Material charges will apply for the period of time that SBC-13STATE personnel are dispatched. Subsequently, if SBC-13STATE personnel are allowed access to the premises, these charges will still apply.
- 19.12 Time and Material charges apply on a first and additional basis for each half-hour or fraction thereof. If more than one technician is dispatched in conjunction with the same trouble report, the total time for all technicians dispatched will be aggregated prior to the

distribution of time between the "First Half Hour or Fraction Thereof" and "Each Additional Half Hour or Fraction Thereof" rate categories. Basic Time is work-related efforts of SBC-13STATE performed during normally scheduled working hours on a normally scheduled workday. Overtime is work-related efforts of SBC-13STATE performed on a normally scheduled workday, but outside of normally scheduled working hours. Premium Time is work related efforts of SBC-13STATE performed other than on a normally scheduled workday.

19.12.1 If CLEC requests or approves an SBC-13STATE technician to perform services in excess of or not otherwise contemplated by the nonrecurring charges herein, CLEC will pay Time and Material charges for any additional work to perform such services, including requests for installation or other work outside of normally scheduled working hours.

19.13 Maintenance of Elements

19.13.1 If trouble occurs with Lawful UNEs provided by SBC-13STATE, CLEC will first determine whether the trouble is in CLEC's own equipment and/or facilities or those of the End User. If CLEC determines the trouble is in SBC-13STATE's equipment and/or facilities, CLEC will issue a trouble report to SBC-13STATE.

19.13.2 CLEC shall pay Time and Material charges (maintenance of service charges/additional labor charges) when CLEC reports a suspected failure of a Lawful UNE and SBC-13STATE dispatches personnel to the End User's premises or an SBC-13STATE Central Office and trouble was not caused by SBC-13STATE's facilities or equipment. Time and Material charges will include all technicians dispatched, including technicians dispatched to other locations for purposes of testing.

20. RESERVATION OF RIGHTS

20.1 SBC-13STATE's provision of UNEs identified in this Agreement is subject to the provisions of the Federal Act, including but not limited to, Section 251(d). By entering into this Agreement which makes available certain UNEs, or any Amendment to this Agreement, neither Party waives, but instead expressly reserves, all of its rights, remedies and arguments with respect to any orders, decisions, legislation or proceedings and any remands thereof and any other federal or state regulatory, legislative or judicial action(s), including but not limited each Party's right to dispute whether any UNEs identified in the Agreement must be provided under Section 251(c)(3) and Section 251(d) of the Act, and under this Agreement, including, without limitation, its intervening law rights relating to the following actions, which the Parties have not yet fully incorporated into this Agreement or which may be the subject of further government review: *Verizon v. FCC, et. al*, 535 U.S. 467 (2002); *USTA, et. al v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) and following remand and appeal, *USTA v. FCC*, 359 F.3d 554 (D.C. Cir. 2004); the FCC's Triennial Review Order, CC Docket Nos. 01-338, 96-98 and 98-147 (FCC 03-36) including, without limitation, the FCC's MDU Reconsideration Order (FCC 04-191) (rel. Aug. 9, 2004) and the FCC's Order on Reconsideration (FCC 04-248) (rel. Oct. 18, 2004), and the FCC's Biennial Review Proceeding; the FCC's Supplemental Order Clarification (FCC 00-183) (rel. June 2, 2000), in CC Docket 96-98; and the FCC's Order on Remand and Report and Order in

CC Dockets No. 96-98 and 99-68, 16 FCC Rcd 9151 (2001), (rel. April 27, 2001), which was remanded in *WorldCom, Inc. v. FCC*, 288 F.3d 429 (D.C. Cir. 2002) and as to the FCC's Notice of Proposed Rulemaking as to Intercarrier Compensation, CC Docket 01-92 (Order No. 01-132) (rel. April 27, 2001) (collectively "Government Actions"). Notwithstanding anything to the contrary in this Agreement (including without limitation, this Appendix), SBC-13STATE shall have no obligation to provide UNEs, combinations of UNEs, combinations of UNE(s) and CLEC's own elements or UNEs in commingled arrangements beyond those required by the Act, including the lawful and effective FCC rules and associated FCC and judicial orders. In the event that a state or federal regulatory or legislative body or a court of competent jurisdiction, in any proceeding finds, rules and/or otherwise orders that any of the UNEs and/or UNE combinations provided for under this Agreement do not meet the necessary and impair standards set forth in Section 251(d)(2) of the Act, the affected provision will be immediately invalidated, modified or stayed as required to effectuate the subject order upon the written request of either Party ("Written Notice"). With respect to any Written Notices hereunder, the Parties shall have sixty (60) days from the Written Notice to attempt to negotiate and arrive at an agreement on the appropriate conforming modifications required to the Agreement. If the Parties are unable to agree upon the conforming modifications required within sixty (60) days from the Written Notice, any disputes between the Parties concerning the interpretations of the actions required or the provisions affected by such order shall be handled under the Dispute Resolution Procedures set forth in this Agreement.

- 20.2 Notwithstanding anything to the contrary herein, Level 3 shall be able to avail itself of any offers made by SBC to all CLECs, as a result of change of law or other regulatory action related to the subject matter of the UNE Appendix.