Joan Gage State Manager – Regulatory Affairs

December 11, 2002





Verizon Northwest Inc. 1800 41st Street P.O. Box 1003 Everett, Washington 98201 Mailcode: WA0101RA

Phone 425 261-5238 Fax 425 261-5262

Ms. Carole J. Washburn, Executive Secretary Washington Utilities and Transportation Commission Chandler Plaza Building 1300 S. Evergreen Park Drive SW Olympia, Washington 98504

Subject: INTERCONNECTION AGREEMENT AMENDMENT

Dear Ms. Washburn:

Enclosed for filing with the Commission is an original and three (3) copies of a fully executed Amendment to the Interconnection Agreement between Verizon Northwest and Allegiance Telecom of Washington, Inc. The agreement between these companies was previously addressed by the Commission in Docket No. UT-023053.

Please call me if you have any questions.

Very truly yours,

∜oan Gage

State Manager - Regulatory Affairs

C:mydocuments/IACoverLtr.doc

Enclosure

AMENDMENT NO. 1

TO THE

INTERCONNECTION AGREEMENT

BETWEEN

VERIZON NORTHWEST INC., F/K/A GTE NORTHWEST INCORPORATED

AND

ALLEGIANCE TELECOM OF WASHINGTON, INC.

This Amendment No. 1 (this "Amendment") is entered into by and between Verizon Northwest Inc., f/k/a GTE Northwest Incorporated ("Verizon") and Allegiance Telecom of Washington, Inc. ("Allegiance") and is effective October 19, 2002. Verizon and Allegiance may be referred to herein collectively, as the "Parties" and individually as a "Party".

WITNESSETH:

WHEREAS, pursuant to Section 252(i) of the Telecommunications Act of 1996 (the "Act"), Allegiance has previously adopted in Washington terms of the Interconnection, Resale and Unbundling Agreement between Verizon and Covad Communications Company which was approved by the Washington Utilities & Transportation Commission (the "Terms");

WHEREAS, pursuant to Section 252(a)(1) of the Act, the Parties wish to supplement the Terms.

NOW, THEREFORE, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

- 1. <u>Intercarrier Compensation Internet Traffic</u>. The Parties' rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet traffic shall be governed by the Order on Remand and Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP Bound Traffic*, FCC 01-131, CC Docket Nos. 96-98 and 99-68 ("Order on Remand"), *remanded sub nom.*WorldCom, Inc. v. FCC, No. 01-1218 (D.C. Cir. May 3, 2002), including, but not limited to, the rebuttable presumption established by the Order on Remand that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic, and in accordance with the process established by the Order on Remand for rebutting such presumption before the state commission. The Parties understand and agree further that notwithstanding any other provision of the Terms, that traffic exceeding the 3:1 ratio of terminating to originating traffic as set forth in the Order in Remand shall be exchanged on a bill and keep basis.
- 2. <u>Conflict between this Amendment and the Terms</u>. This Amendment shall be deemed to revise the terms and provisions of the Terms to the extent necessary to give effect to the terms and provisions hereof. In the event of a conflict between the terms and provisions of this Amendment and the terms and provisions of the Terms, this Amendment shall govern, provided, however, that the fact that a term or provision appears in this Amendment but not in the Terms, or in the Terms but not in this Amendment, shall not be interpreted as, or deemed grounds for finding, a conflict for purposes of this Section 2.
- 3 <u>Counterparts</u>. This Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original and all of which together shall constitute one and the same instrument.

4. <u>Scope of Amendment</u>. This Amendment shall modify and revise the Terms only to the extent set forth expressly in Section 1 of this Amendment, and, except to the extent set forth in Section 1 of this Amendment, the terms and provisions of the Terms shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed and delivered by their duly authorized representatives.

Allegiance, Telecom of Washington, Inc.

Duine de 1. 60 6 17 16 18 18 18

Title: Vice President Recelet

and Interconnection

Verizon Northwest Inc.

Printed: Jeffrey A. Masoner

Title: Vice-President - Interconnection Services Policy & Planning