Internet Service Provider ("ISP") Bound Traffic Amendment to the Interconnection Agreement between Qwest Corporation and North County Communications Corporation for the State of Washington

This is an Amendment ("Amendment") to the Interconnection Agreement between Qwest Corporation ("Qwest"), formerly known as US WEST Communications, Inc., a Colorado corporation, and North County Communications Corporation ("CLEC"). CLEC and Qwest shall be known jointly as the "Parties".

RECITALS

WHEREAS, CLEC and Qwest entered into an Interconnection Agreement ("Agreement") which was approved by the Washington Utilities and Transportation Commission ("Commission"); and

WHEREAS, the FCC issued an Order on Remand and Report and Order in CC Docket 99-68 (Intercarrier Compensation for ISP-Bound Traffic); and

WHEREAS, the Parties wish to amend the Agreement to reflect the aforementioned Order under the terms and conditions contained herein.

AGREEMENT

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the language as follows in lieu of existing contract language:

1. Definitions

For purposes of this Amendment the following definitions apply:

- 1.1 "Bill and Keep" is as defined in the FCC's Order on Remand and Report and Order in CC Docket 99-68 (Intercarrier Compensation for ISP-Bound Traffic). Bill and Keep is an arrangement where neither of two (2) interconnecting networks charges the other for terminating traffic that originates on the other network. Instead, each network recovers from its own end users the cost of both originating traffic that it delivers to the other network and terminating traffic that it receives from the other network. Bill and Keep does not, however, preclude intercarrier charges for transport of traffic between carriers' networks.
- 1.2 "Information Service" is as defined in the Telecommunications Act of 1996 and FCC Order on Remand and Report and Order in CC Docket 99-68 and includes ISP-bound traffic.
- 1.3 "Information Services Access" means the offering of access to Information Services Providers.

2. Exchange Service (EAS/Local) Traffic

Pursuant to the election in Section 5 of this Amendment, the Parties agree to exchange all EAS/Local (§251(b)(5)) traffic at the FCC ordered rate, pursuant to the FCC's Order on Remand and Report and Order in CC Docket 99-68, (Intercarrier Compensation for ISP-Bound Traffic) or the state ordered reciprocal compensation rate. When the FCC ordered rate for ISP-bound traffic is applied to EAS/Local traffic, the FCC Ordered ISP rate is used in lieu of End Office call termination and Tandem Switched Transport rate elements.

3. ISP-Bound Traffic

- 3.1 Qwest elects to exchange ISP-bound traffic at the FCC ordered rates pursuant to the FCC's Order on Remand and Report and Order (Intercarrier Compensation for ISP-Bound Traffic) CC Docket 99-68 (FCC ISP Order), effective June 14, 2001, and usage based intercarrier compensation will be applied as follows:
- 3.2 Compensation for Interconnection configurations exchanging traffic pursuant to Interconnection agreements as of adoption of the FCC ISP Order, April 18, 2001:
 - 3.2.1 Identification of ISP-Bound traffic -- In lieu of the 3:1 presumption established by the FCC, Qwest and CLEC agree to bill ISP-bound traffic based on actual tracking of these minutes. Parties will work together to resolve billing disputes arising from each Party's monthly validation of bills. This cooperative effort shall require the Parties to exchange information (which may include terminating telephone numbers utilized to deliver ISP traffic in NPA-NXX-XXXX format) in a data format mutually agreed upon.
 - 3.2.1.1 If the Parties, after a good faith effort to resolve any claim, controversy or dispute, are unable to resolve the billing disputes, the Parties will go to dispute resolution as specified in the Dispute Resolution Section of the Agreement.
 - 3.2.2 Growth Ceilings for ISP-Bound Traffic -- Intercarrier compensation for ISP-bound traffic originated by one Party's end users and terminated by the other Party will be subject to growth ceilings. ISP-bound MOUs exceeding the growth ceiling will be subject to Bill and Keep compensation.
 - 3.2.2.1 For the year 2001, CLEC may receive compensation, pursuant to a particular Interconnection Agreement for ISP bound minutes up to a ceiling equal to, on annualized basis, the number of ISP bound minutes for which CLEC was entitled to compensation under that Agreement during the first quarter of 2001, plus a ten percent (10%) growth factor.
 - 3.2.2.1.1 Qwest and CLEC representatives will meet to establish mutually agreeable first quarter 2001 ISP-bound traffic minutes to identify growth ceilings.
 - 3.2.2.2 For 2002, CLEC may receive compensation, pursuant to a particular Interconnection Agreement, for ISP bound minutes up to

a ceiling equal to the minutes for which it was entitled to compensation under that Agreement in 2001, plus another ten percent (10%) growth factor.

- 3.2.2.3 In 2003, CLEC may receive compensation, pursuant to a particular Interconnection Agreement, for ISP bound minutes up to a ceiling equal to the 2002 ceiling applicable to that Agreement.
- 3.2.3 Rate Caps -- Intercarrier compensation for ISP-bound traffic exchanged between Qwest and CLEC will be billed in accordance with their existing Agreement or as follows, whichever rate is lower:
 - 3.2.3.1 \$.0015 per MOU for six (6) months from June 14, 2001 through December 13, 2001.
 - 3.2.3.2 \$.001 per MOU for eighteen (18) months from December 14, 2001 through June 13, 2003.
 - 3.2.3.3 \$.0007 per MOU from June 14, 2003 until thirty six (36) months after the effective date or until further FCC action on intercarrier compensation, whichever is later.
 - 3.2.3.4 Compensation for ISP bound traffic in Interconnection configurations not exchanging traffic pursuant to Interconnection agreements prior to adoption of the FCC ISP Order on April 18, 2001 will be on a Bill and Keep basis until further FCC action on Intercarrier compensation. This includes carrier expansion into a market it previously had not served.

4. Effective Date

This Amendment shall be deemed effective upon approval by the Commission; however, Qwest will adopt the rate-affecting provisions for both ISP bound traffic and (§251(b)(5)) of the Order as of June 14, 2001, the effective date of the Order.

5. Rate Election

The reciprocal compensation rate elected for (§251(b)(5)) traffic is (elect and sign one):

Current rate for voice traffic in the existing Interconnection Agreement:

Signature		
g		
Name Printed/Typed		

OR

The rate applied to	ISP traffic:	
	Signature	
	Name Printed/Typed	

6. Further Amendments

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. Neither the Agreement nor this Amendment may be further amended or altered except by written instrument executed by an authorized representative of both Parties. This Amendment shall constitute the entire Agreement between the Parties, and supercedes all previous Agreements and Amendments entered into between the Parties with respect to the subject matter of this Amendment.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

North County Communications Corporation	Qwest Corporation
Signature	Signature
Name Printed/Typed	L. T. Christensen Name Printed/Typed
Title	<u>Director – Business Policy</u> Title
Date	 Date