U S WEST, Inc. 1600 7th Avenue, Room 3206 Seattle, Washington 98191 (206) 343-4052 Facsimile (206) 343-4040

Lisa A. Anderl Senior Attorney Law Department UT-970310

USWEST

May 18, 1998

Airborne Express

Mr. Paul Curl, Acting Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive, S.W. Olympia, Washington 98504

RE: First Amendment To Agreement For Service Resale Between

Advanced Telecommunications, Inc. And US WEST

Communications, Inc.

Dear Mr. Curl:

Enclosed for filing and Commission approval are eight (8) copies of the "First Amendment To Agreement For Service Resale" between Advanced Telecommunications, Inc. ("Advanced") and U S WEST Communications, Inc. ("U S WEST").

The parties respectfully request that this matter be set for expedited approval on the consent agenda of the next available public meeting.

Sincerely,

Lisa A. Anderl

FIRST AMENDMENT TO AGREEMENT FOR SERVICE RESALE (WASHINGTON) BETWEEN ADVANCED TELECOMMUNICATIONS, INC. AND U S WEST COMMUNICATIONS, INC.

This First Amendment ("First Amendment") is made and entered into by and between U.S.WEST Communications, Inc. ("USWC") and Advanced Telecommunications, Inc. ("Reseller").

RECITALS

USWC and Reseller entered into that certain Agreement for Service Resale executed by Reseller on December 13, 1996 and by USWC on January 17, 1997 (the "Agreement"); and

USWC and Reseller wish to amend the Agreement for the state of Washington under the terms and conditions contained herein.

AGREEMENT

In consideration of the mutual promises and advantages to the parties, the parties incorporate by reference and agree to the accuracy of the above recitals and further agree as follows:

1. DESCRIPTION OF AMENDMENT AND MODIFICATIONS:

- 1.1 A new paragraph D shall be added to Section II (Scope) of the Agreement as follows:
 - "D. This Agreement is entered into as a result of both private negotiations between the Parties and the incorporation of some of the results of arbitrated decisions by the Commission, acting pursuant to Section 252 (b) of the Act, and involving interconnection/resale agreements of other parties. The Parties have included for convenience certain rates, terms or conditions in this Agreement which reflect rates, terms or conditions established in some or all of those other arbitrations. Reseller acknowledges: (1) that those rates, terms or conditions are extended only because of the arbitrated results in other dockets, (2) that USWC intends to appeal certain of those decisions, and (3) that any negotiations, appeal, stay, injunction or similar proceeding impacting the applicability of those rates, terms or conditions to the local service providers who were parties to those arbitrations will similarly impact the applicability of those rates, terms or conditions to Reseller. The Parties further recognize that this Agreement is subject to the generic proceedings by the Commission addressing the services in this Agreement."
- 1.2 Section IV.E.1. (Resale Services/Rates and Charges) of the Agreement shall be deleted in its entirety and replaced with the following:

"1. 1. Resold services as listed in Appendix A are available for resale at the applicable discount percentage or rate per minute set forth in Appendix A or at the retail tariff rates for services available for resale but currently omitted from the wholesale pricing arrangement in this Agreement.

"The wholesale discount rates in Appendix A established in Washington Docket No. UT-960326, "In the Matter of the Petition for Arbitration of an Interconnection Agreement between TCG Seattle and U S WEST Communications, Inc. Pursuant to 47 U.S.C. Sec. 252(b) of the Telecommunications Act of 1996" (the "TCG Arbitration"), are interim rates and are pending the outcome of a final Commission decision in an interconnection cost docket. Such rates, as adopted in this Agreement, will be subject to true-up from the date those rates became effective in this Agreement to the effective date of the final interconnection cost docket order. Notwithstanding this true-up obligation, the Parties agree that rates in this Agreement will remain in effect as described below until the exhaustion of all appeals of the final order in the interconnection cost docket.

"The Parties intend that, if the TCG rates or the services in the TCG Arbitration are changed by any negotiations, appeal, stay, injunction, settlement, or similar proceeding with respect to TCG, those rates and services, if they have been adopted into this Agreement, shall be changed in this Agreement to the same extent as the rates and services in the TCG Arbitration. Notwithstanding the above, the Parties agree that in the event a stay or injunction is granted with respect to the implementation of the services and rates in the TCG Arbitration, the Parties agree that the telecommunications services still available for resale following the stay or injunction will be available to Reseller, effective as of the date of the stay order or injunction, at a wholesale discount rate of 12% (the "Standard Rate") until such time as a nonappealable order establishes a wholesale discount rate(s). If the Standard Rate becomes effective pursuant to this paragraph, the Standard Rate will also be subject to true-up to the rate(s) established in the nonappealable order for the period that the Standard Rate was in effect. If the TCG rate or the applicability of the rate to the services in Appendix A is changed by a nonappealable administrative or judicial order following approval of negotiated rates, rates reached in an approved settlement agreement, a decision on appeal or other similar proceeding, such changed rate(s) will be available to Reseller, effective as of the date of the order. The TCG rate shall be subject to true-up to the changed rates for the period of time the TCG rate was in effect. Notwithstanding the above, no true-up of either the Standard Rate or the TCG rate will occur unless ordered as a part of the nonappealable administrative or judicial order.

"USWC shall have a reasonable time necessary to make the system changes necessary to implement and bill the changed rates."

1.3 Appendix A to the Agreement shall be deleted in its entirety and replaced with Attachment 1 to this First Amendment which is attached hereto and incorporated herein and in the Agreement by this reference.

2. Effective Date.

This First Amendment shall be deemed effective upon approval by the Washington Utilities and Transportation Commission.

3. Further Amendments.

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. Neither the Agreement nor this First Amendment may be further amended or altered except by written instrument executed by an authorized representative of both parties.

The parties intending to be legally bound have executed this First 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.

Advanced Telecommunications, Inc.	U S WEST Communications, Inc.
Il min	Du Bayer
Signature	Signature
Cliff D. Williams	Katherine L. Fleming
Name Printed/Typed	Name Printed/Typed
Chief Executive Officer	Executive Director-Interconnection
Title Man	Title
~ 12,1998	4/30/98
Date /	Date / /
i	

Signature does not waive any rights of either Party to seek administrative/judicial review of all or part of the Agreement or to reform this Agreement as a result of successful administrative/judicial review and/or future settlement agreements between the Parties to this Agreement.

Attachment 1 to First Amendment APPENDIX A - WASHINGTON LOCAL EXCHANGE SERVICES RESALE OF SERVICES

The Parties agree the following charges apply to the Resale of Local Services:

- 1. Nonrecurring Charges.
 - a. Customer Transfer Charge (CTC): The following nonrecurring charges apply when converting a USWC account to a Reseller account or when changing an end user from one reseller to another.

Mediated access (OSS)	USOC	Nonrecurring Charge
Residence		
First Line		\$12.64
Each Additional Line		\$11.16
Business		
First Line		\$16.80
Each Additional Line		\$13.93
Non-Mediated Access (Manual)		
Residence and Business		
First Line		\$22.20
Each Additional Line		\$16.38

- b. Product Specific Nonrecurring Charge: As set forth in USWC tariffs, the product specific nonrecurring charges, without discount, will apply when additional lines or trunks are added or when the end user adds features or services to existing lines or trunks.
- 2. Except as qualified below, all USWC telecommunications services shall be available for resale at a 17% discount.
 - (a) The following services are not available for resale:
 - Customer Premises Equipment (separately or in a package)
 - USWC Calling Card
 - Inside Wire (including installation, sale or maintenance)
 - Enhanced service
 - Promotions of less than 90 days
 - (b) The following services are available only to the same class of customer eligible to purchase that service from USWC:
 - Grandfathered
 - Residence
 - Lifeline/Link-up
 - (c) The following services are available for resale under this Agreement but are not included in the wholesale pricing reflected above:
 - Public Access Lines
- Private Line Used For Special Access
- (d) Telecommunications services offered by USWC at a volume discount are available at the lower of the 17% discount off the retail rate or at the undiscounted volume discount.