

**EXHIBIT CH-2 TO THE
DIRECT TESTIMONY OF
CHRISTOPHER HANSEN
ON BEHALF OF
MCLEODUSA TELECOMMUNICATIONS SERVICES L.L.C.
D/B/A PAETEC BUSINESS SERVICES**

**STATEMENT OF GENERALLY AVAILABLE
TERMS AND CONDITIONS FOR INTERCONNECTION, UNBUNDLED NETWORK
ELEMENTS, ANCILLARY SERVICES, AND RESALE OF TELECOMMUNICATIONS
SERVICES PROVIDED BY
U S WEST COMMUNICATIONS, INC.
IN THE STATE OF WASHINGTON**

March 22, 2000

Section 1.0 - GENERAL TERMS

1.1 This Statement of Generally Available Terms and Conditions ("SGAT") for Interconnection, unbundled network elements, Ancillary Services, and Resale of Telecommunications Services is filed by U S WEST Communications, Inc. ("U S WEST"), a Colorado Corporation with offices at 1801 California Street, Denver, Colorado 80202, pursuant to Section 252(f) of the Telecommunications Act of 1996, for purposes of fulfilling U S WEST's obligations under Sections 222, 251(a), (b), and (c), 252, 271, and other relevant provisions of the Act and the rules and regulations promulgated thereunder.

1.2 If this document is being used as the basis for negotiations of an Interconnection Agreement, it is between _____, McLeod USA, ("Competitive Local Exchange Carrier" or "CLEC") an _____ Iowa corporation, and U S WEST Communications ("U S WEST"), a Colorado corporation, pursuant to Section 252(f) of the Telecommunications Act of 1996, for purposes of fulfilling U S WEST's obligations under Sections 222, 251(a), (b), and (c), 252, 271, and other relevant provisions of the Act and the rules and regulations promulgated thereunder.

1.3 This Agreement sets forth the terms, conditions and pricing under which U S WEST will offer and provide to any requesting CLEC network Interconnection, access to unbundled network elements, Ancillary services, and Telecommunications Services available for resale within the geographical areas in which both Parties are providing local exchange service at that time, and for which U S WEST is the incumbent Local Exchange Carrier within the state of Washington for purposes of providing local Telecommunications Services. This Agreement is available for the term set forth herein.

1.4 Individual CLECs may adopt this SGAT, in lieu of entering into an individual interconnection agreement, by signing the Signature Page in Section 22 of this SGAT and by delivering a signed copy of this SGAT to U S WEST, pursuant to the notification provision of this SGAT contained in Section 5.21. Upon adoption of the SGAT by CLEC, the SGAT becomes an interconnection agreement between U S WEST and CLEC.

1.5 This SGAT, once it is approved or permitted to go into effect by the Commission, offers CLECs an alternative to negotiating an individual interconnection agreement with U S WEST or adopting an existing approved interconnection agreement between U S WEST and another CLEC pursuant to Section 252(i) of the Act. In this respect, neither the submission nor approval of this SGAT nor any provision herein shall affect U S WEST's willingness to negotiate an individual agreement with any requesting carrier pursuant to Section 252 of the Telecommunications Act of 1996.

1.6 U S WEST may modify this SGAT prior to the date it is approved or permitted to go into effect. If U S WEST files a modification, the section modified shall be considered withdrawn, and the section as modified will be approved or permitted to go into effect pursuant to the Schedule for Review set forth in 252(f) of the Act. For the purposes of the Schedule for Review set forth in section 252(f) of the Act, the sixty-day timeframe for this SGAT to take effect shall commence from the filing of this SGAT and shall not be affected by the filing of any modification.

1.7 Following the date this SGAT is approved or allowed to take effect, U S WEST may file amendments to this SGAT, which shall be approved or permitted to take effect pursuant to the Schedule for Review set forth in Section 252(f) of the Act. At the time any amendment is

the Schedule for Review set forth in Section 252(f) of the Act. At the time any amendment is filed, the section amended shall be considered withdrawn, and no CLEC may adopt the section considered withdrawn following the filing of any amendment, even if such amendment has not yet been approved or allowed to take effect.

1.8 If this document is being used as the basis for negotiations of an Interconnection Agreement, U S WEST and CLEC mutually agree as follows:

Section 2.0 - INTERPRETATION AND CONSTRUCTION

2.1 This Agreement includes this Agreement and all Exhibits appended hereto, each of which is hereby incorporated by reference in this Agreement and made a part hereof. All references to Sections and Exhibits shall be deemed to be references to Sections of, and Exhibits to, this Agreement unless the context shall otherwise require. The headings used in this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require, any reference to any agreement, other instrument (including U S WEST or other third party offerings, guides or practices), statute, regulation, rule or tariff applies to such agreement, instrument, statute, regulation, rule or tariff as amended and supplemented from time to time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).

2.2 The provisions in this Agreement are based, in large part, on the existing state of the law, rules, regulations and interpretations thereof, as of the date hereof (the "Existing Rules"). Among the Existing Rules are the results of arbitrated decisions by the Commission which are currently being challenged by U S WEST or CLEC. Among the Existing Rules are certain FCC rules and orders that are the subject of, or affected by, the opinion issued by the Supreme Court of the United States in *AT&T Corp., et al. v. Iowa Utilities Board, et al.* on January 25, 1999. Many of the Existing Rules, including rules concerning which Network Elements are subject to unbundling requirements, may be changed or modified during legal proceedings that follow the Supreme Court opinion. Among the Existing Rules are the FCC's orders regarding BOCs' applications under Section 271 of the Act. U S WEST is basing the offerings in this Agreement on the Existing Rules, including the FCC's orders on BOC 271 applications. Nothing in this Agreement shall be deemed an admission by U S WEST concerning the interpretation or effect of the Existing Rules or an admission by U S WEST that the Existing Rules should not be vacated, dismissed, stayed or modified. Nothing in this Agreement shall preclude or estop U S WEST or CLEC from taking any position in any forum concerning the proper interpretation or effect of the Existing Rules or concerning whether the Existing Rules should be changed, dismissed, stayed or modified. To the extent that the Existing Rules are changed, vacated, dismissed, stayed or modified, then this Agreement and all contracts adopting all or part of this Agreement shall be amended to reflect such modification or change of the Existing Rules. Where the Parties fail to agree upon such an amendment within sixty (60) days from the effective date of the modification or change of the Existing Rules, it shall be resolved in accordance with the Dispute Resolution provision of this Agreement. It is expressly understood that this Agreement will be corrected to reflect the outcome of generic proceedings by the Commission for pricing, service standards, or other matters covered by this Agreement. This Section 2.2 shall be considered part of the rates, terms and conditions of each interconnection service and network element arrangement contained in this Agreement, and this Section 2.2 shall be considered legitimately related to the purchase of each interconnection service and network element arrangement contained in this Agreement.

publication of telecommunications industry administrative or technical standards, or any other document specifically incorporated into this Agreement, it will be deemed to be a reference to the most recent version or edition (including any amendments, supplements, addenda, or successors) of such document that is in effect, and will include the most recent version or edition (including any amendments, supplements, addenda, or successors) of each document incorporated by reference in such a technical reference, technical publication, U S WEST practice, or publication of industry standards. The existing configuration of either Party's network may not be in immediate compliance with the latest release of applicable referenced documents.

5.25 Publicity

5.25.1 Neither Party shall publish or use any publicity materials with respect to the execution and delivery or existence of this Agreement without the prior written approval of the other Party.

5.26 Executed in Counterparts

5.26.1 This Agreement may be executed in any number of counterparts, each of which shall be deemed an original; but such counterparts shall together constitute one and the same instrument.

5.27 Compliance

5.27.1 Each Party shall comply with all applicable federal, state, and local laws, rules and regulations applicable to its performance under this Agreement. Without limiting the foregoing, U S WEST and CLEC agree to keep and maintain in full force and effect all permits, licenses, certificates, and other authorities needed to perform their respective obligations hereunder.

5.28 Compliance with the Communications Assistance Law Enforcement Act of 1994

5.28.1 Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with the Communications Assistance Law Enforcement Act of 1994 ("CALEA"). Each Party shall indemnify and hold the other Party harmless from any and all penalties imposed upon the other Party for such noncompliance and shall at the non-compliant Party's sole cost and expense, modify or replace any equipment, facilities or services provided to the other Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA.

5.29 Cooperation

5.29.1 The Parties agree that this Agreement involves the provision of U S WEST services in ways such services were not previously available and the introduction of new processes and procedures to provide and bill such services. Accordingly, the Parties agree to work jointly and cooperatively in testing and implementing processes for pre-ordering, ordering, maintenance, provisioning and billing and in reasonably resolving issues which result from such implementation on a timely basis. Electronic processes and procedures are addressed in Section 12 of this Agreement.

Section 9.0 - UNBUNDLED NETWORK ELEMENTS

9.1 General Terms

9.1.1 The provisions in this Agreement are based, in large part, on the existing state of the law, rules, regulations and interpretations thereof, as of the date hereof (the "Existing Rules"). Among the Existing Rules are the results of arbitrated decisions by the Commission which are currently being challenged by U S WEST or CLEC. Among the Existing Rules are certain FCC rules and orders that are the subject of, or affected by, the opinion issued by the Supreme Court of the United States in *AT&T Corp., et al. v. Iowa Utilities Board, et al.* on January 25, 1999. Many of the Existing Rules, including rules concerning which Network Elements are subject to unbundling requirements, may be changed or modified during legal proceedings that follow the Supreme Court opinion. Among the Existing Rules are the FCC's orders regarding BOCs' applications under Section 271 of the Act. U S WEST is basing the offerings in this Agreement on the Existing Rules, including the FCC's orders on BOC 271 applications. Nothing in this Agreement shall be deemed an admission by U S WEST concerning the interpretation or effect of the Existing Rules or an admission by U S WEST that the Existing Rules should not be vacated, dismissed, stayed or modified. Nothing in this Agreement shall preclude or estop U S WEST or CLEC from taking any position in any forum concerning the proper interpretation or effect of the Existing Rules or concerning whether the Existing Rules should be changed, dismissed, stayed or modified. To the extent that the Existing Rules are changed, vacated, dismissed, stayed or modified, then this Agreement and all contracts adopting all or part of this Agreement shall be amended to reflect such modification or change of the Existing Rules. Where the Parties fail to agree upon such an amendment within sixty (60) days from the effective date of the modification or change of the Existing Rules, it shall be resolved in accordance with the Dispute Resolution provision of this Agreement. It is expressly understood that this Agreement will be corrected to reflect the outcome of generic proceedings by the Commission for pricing, service standards, or other matters covered by this Agreement. This Section 9.1.1 shall be considered part of the rates, terms, and conditions of the unbundled network element arrangement contained in this Agreement, and this Section 9.1.1 shall be considered legitimately related to the purchase of each unbundled network element arrangement contained in this Agreement.

9.1.2 U S WEST shall provide non-discriminatory access to unbundled network elements on rates, terms and conditions that are non-discriminatory, just and reasonable. U S WEST shall provide to CLEC on a non-discriminatory basis unbundled network elements of substantially the same quality as the network facilities that U S WEST uses to provide service to its own end-users within a reasonable timeframe and with a minimum of service disruption.

9.1.3 CLEC shall not use unbundled network elements or ancillary services as substitutes for special or switched access services, except to the extent CLEC provides such services to its end users in association with local exchange services.

9.1.4 U S WEST will provide a connection between unbundled network elements and a demarcation point. Such connection is an Interconnection Tie Pair (ITP). An ITP is required for each unbundled network element, ancillary service or interconnection service delivered to CLEC. The ITP provides the connection between the unbundled network element or interconnection service and the ICDF or demarcation point. The ITP is ordered in conjunction with a UNE. There is a recurring and nonrecurring charge for the ITP as contained in Exhibit A. The ITP may be ordered per termination. The demarcation point shall be:

12.2.2 Maintenance and Repair

12.2.2.1 Maintenance and Repair electronic interfaces support the tracking and resolution of end-user's repair and maintenance needs as reported to CLEC. They facilitate the exchange of updated information and progress reports between U S WEST and CLEC while the Trouble Report (TR) is open and a U S WEST technician is working on the resolution.

12.2.2.2 CLEC shall use the electronic interface gateways for reporting trouble. The electronic interface gateways are comprised of either the Mediated Access System Electronic Bonding (MEDIACC EB) interface or the IMA GUI interface.

12.2.2.3 The MEDIACC EB interface uses CMIP protocol over X25 packet switching network using ANS T1M1.5 227/228 standards.

12.2.2.4 The IMA GUI also provides a single interface for trouble reporting from CLEC to U S WEST and is browser based. The IMA GUI interface uses a Berkley Socket interface based upon ANSI T1M1.5 227/228 standards. The IMA GUI uses JAVA as the standard.

12.2.2.5 Functions

12.2.2.5.1 Maintenance and Repair - The functions, processes and systems used in repair are based on a Trouble Report (TR), which is an electronic document maintained in one or more OSS. TR contents and business processes are documented in the IMA Repair Guide located at <http://www.uswest.com/carrier/training/imarepguide.html>.

12.2.3 Hours of Operation

12.2.3.1 U S WEST's electronic interface gateways will be available to CLECs as published in the IMA User's Guide located at http://www.uswest.com/carrier/training/imauswer_42.html.

12.2.3.2 U S WEST shall notify CLECs regarding system downtime through mass facsimile distribution and pop-up windows in the IMA GUI. All referenced times are Mountain Time.

12.2.3.3 The preceding times represent the period of when U S WEST commits that its OSS interfaces and downstream systems will be functioning (except for unforeseen system crashes) and its personnel will be available to assist CLEC. U S WEST's OSS interfaces are typically available 23 hours a day. CLEC may call any maintenance and repair issues to the applicable repair center 24 hours per day, seven days per week. U S WEST shall provide CLEC current repair contact numbers.

12.3.1 Service Levels

12.3.1.1 U S WEST will provide repair and maintenance for all services covered by this Agreement in a manner equal to that which U S WEST provides for itself.

12.3.1.2 During the term of this Agreement, U S WEST will provide necessary maintenance business process support to allow CLEC to provide similar service quality to that provided by U S WEST to its end users.

12.3.1.3 U S WEST will perform repair service that is equal in timeliness and quality to that which it provides to its own end users.

12.3.2 Branding

12.3.2.1 Should U S WEST need to use various forms for communication with CLEC end users (while out on premise dispatches on behalf of CLEC, for example), U S WEST will use unbranded forms.

12.3.2.2 If required by CLEC, U S WEST will use branded forms at CLEC's full expense, covering training costs, storage, printing, distribution and all other branding-related costs.

12.3.3 Service interruptions

12.3.3.1 The characteristics and methods of operation of any circuits, facilities or equipment of either Party connected with the services, facilities or equipment of the other Party pursuant to this Agreement shall not: 1) interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services; 2) cause damage to the plant of the other Party, its affiliated companies, or its connecting concurring carriers involved in its services; 3) violate any applicable law or regulation regarding the invasion of privacy of any communications carried over the Party's facilities; or 4) create hazards to the employees of either Party or to the public. Each of these requirements is hereinafter referred to as an "Impairment of Service".

12.3.3.2 If it is confirmed that either Party is causing an Impairment of Service, as set forth in this Section, the Party whose network or service is being impaired (the "Impaired Party") shall promptly notify the Party causing the Impairment of Service (the "Impairing Party") of the nature and location of the problem. The Impaired Party shall advise the Impairing Party that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be required. The Impairing Party and the Impaired Party agree to work together to attempt to promptly resolve the Impairment of Service. If the Impairing Party is unable to promptly remedy the Impairment of Service, the Impaired Party may temporarily discontinue use of the affected circuit, facility or equipment.

12.3.3.3 To facilitate trouble reporting and to coordinate the repair of the service provided by each Party to the other under this Agreement, each Party shall designate a repair center for such service.