

**INDEX TO EXHIBITS TO VERIZON'S MOTION FOR
JUDGMENT ON THE PLEADINGS OF, AND ANSWER
TO, JOINT PETITION FOR ENFORCEMENT OF
INTERCONNECTION AGREEMENT.**

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EXHIBIT 1

INTERCONNECTION, RESALE
AND UNBUNDLING

AGREEMENT

between

GTE NORTHWEST INCORPORATED

and

AT&T COMMUNICATIONS OF THE PACIFIC NORTHWEST, INC.

The filing of this arbitrated Agreement with the Washington Utilities and Transportation Commission in accordance with the Arbitrator's Report dated December 11, 1996, the Arbitrator's Supplemental Report dated February 4, 1997, the Decision Maker's Resolution of Contract Language Disputes dated June 2, 1997 and the Commission Order Approving Interconnection Agreement effective August 25, 1997 (collectively, the "Order") with respect to AT&T Communications of the Pacific Northwest, Inc.'s Petition for Arbitration pursuant to Section 252(b) of the Telecommunications Act of 1996 to establish an interconnection agreement between AT&T Communications of the Pacific Northwest, Inc. and GTE Northwest Incorporated, Docket No. UT-960307, does not in any way constitute a waiver by either AT&T Communications of the Pacific Northwest, Inc. or GTE Northwest Incorporated, of any right which any such Party may have to appeal to a competent court of law, or to petition the Washington Utilities and Transportation Commission for reconsideration of any determination contained in the Order, or any provision included in this Agreement pursuant to the Order.

In this document the Parties attempt to comply with the Order which directs the Parties to reduce to contractual language the substantive provisions and directives of the Order. Nothing contained herein shall be construed or is intended to be a concession or admission by either Party that any such provision of the Order or the language herein complies with the duties imposed by the Telecommunications Act of 1996, the decisions of the FCC and the Washington Utilities and Transportation Commission, or other law, and each Party thus expressly reserves its full right to assert and pursue claims that the Order does not comport with applicable law.

PREFACE

AGREEMENT

This Agreement is entered into as of the ____ day of _____, 1997, by and between AT&T Communications of the Pacific Northwest, Inc., a Washington Corporation having an office at 1875 Lawrence Street, Denver, Colorado 80202, in its capacity as a certified provider of local dial-tone service ("AT&T"), and GTE Northwest Incorporated, a Washington Corporation, having an office for purposes of this Agreement at 600 Hidden Ridge Drive, Irving, Texas 75038 ("GTE"), in its capacity as an incumbent local exchange carrier. This Agreement covers services only in the state of Washington (the "State").

RECITALS

WHEREAS, The Telecommunications Act of 1996 (the "Act") was signed into law on February 8, 1996; and

WHEREAS, the Act places certain duties and obligations upon, and grants certain rights to, Telecommunications Carriers, with respect to the interconnection of their networks, resale of their telecommunications services, access to their poles, ducts, conduits and rights of way and, in certain cases, the offering of certain unbundled network elements and physical collocation of equipment in Local Exchange Carrier premises, and

WHEREAS, GTE is an Incumbent Local Exchange Carrier; and

WHEREAS, AT&T is a Telecommunications Carrier and has requested that GTE negotiate an agreement with AT&T for the provision of Network Elements, Local Services for resale, collocation and access to poles, ducts, conduits and rights of way and the reciprocal provision of interconnection services pursuant to the Act and in conformance with GTE's and AT&T's duties under the Act; and

WHEREAS, interconnection between competing Local Exchange Carriers (LECs) is necessary and desirable for the mutual exchange and termination of traffic originating on each LEC's network and the Parties desire to exchange such traffic and related signaling in a technically and economically efficient manner at defined and mutually agreed upon points of interconnection.

3. **Termination of Agreement: Transitional Support**

- 3.1 Subject to any applicable restrictions and requirements contained elsewhere in this Agreement, AT&T may elect at any time to terminate this entire Agreement at AT&T's sole discretion, upon ninety (90) days prior written notice to GTE. Unless otherwise provided in this Agreement, in such case, AT&T's liability shall be limited to payment of the amounts due for Local Services, Network Elements, Combinations and Interconnection Services provided up to and including the date of termination. The Parties recognize that provision of uninterrupted service to customers is vital and services must be continued without interruption. Upon the termination or expiration of this Agreement, AT&T may itself provide or retain another vendor to provide comparable Local Services, Network Elements, or Combinations. GTE agrees to cooperate in an orderly and efficient transition to AT&T or another vendor such that the level and quality of the Local Services, Network Elements and Combinations are not degraded and to exercise reasonable efforts to assist in an orderly and efficient transition.
- 3.2 AT&T may terminate any Local Service(s), Network Element(s) or Combination(s) provided under this Agreement upon thirty (30) days written notice to GTE, unless a different notice period or different conditions are specified for termination of such Local Service(s), Network Element(s) or Combination(s) in this Agreement, in which event such specific period and conditions shall apply.
- 3.3 GTE will not discontinue any unbundled Network Element, Ancillary Function or Combination thereof during the term of this Agreement without AT&T's written consent which consent shall not be unreasonably withheld, except (1) to the extent required by network changes or upgrades, in which event GTE will comply with the network disclosure requirements stated in the Act and the FCC's implementing regulations; or (2) if required by a final order of the Court, the FCC or the Commission as a result of remand or appeal of the FCC's order In the Matter of Implementation of Local Competition Provisions of the Telecommunications Act of 1996, Docket 96-98. In the event such a final order allows but does not require discontinuance, GTE shall make a proposal for AT&T's approval, and if the Parties are unable to agree, either Party may submit the matter to the Dispute resolution procedures described in Attachment 1. GTE will not discontinue any Local Service or Combination of Local Services without providing 45 days advance written notice to AT&T, provided however, that if such services are discontinued with less than 45 days notice to the regulatory authority, GTE will notify AT&T at the same time it determines to discontinue the service. If GTE grandfathers a Local Service or combination of Local Services, GTE shall grandfather the service for all AT&T resale customers who subscribe to the service as of the date of discontinuance.

PART II: UNBUNDLED NETWORK ELEMENTS

31. Introduction

This Part II sets forth the unbundled Network Elements that GTE agrees to offer to AT&T in accordance with its obligations under Section 251(c)(3) of the Act and 47 CFR 51.307 to 51.321 of the FCC Rules. The specific terms and conditions that apply to the unbundled Network Elements are described below and in Attachment 2. Prices for Network Elements are set forth in Part V and Attachment 14 of this Agreement.

32. Unbundled Network Elements

- 32.1 GTE will offer Network Elements to AT&T on an unbundled basis at rates set forth in Attachment 14.
- 32.2 GTE will permit AT&T to interconnect AT&T's facilities or facilities provided by AT&T or by third parties with each of GTE's unbundled Network Elements at any point designated by AT&T that is technically feasible.
- 32.3 AT&T, at its option, may designate any technically feasible network interface at a Served Premises, including without limitation, DS0, DS-1, DS-3, and STS-1.
- 32.4 Pursuant to the terms of this Agreement, AT&T may use one or more Network Elements to provide any Telecommunications Service that such Network Element is capable of providing.
- 32.5 GTE shall offer each Network Element individually and in combination with any other Network Element or Network Elements, so long as such combination is technically feasible, in order to permit AT&T to combine such Network Element or Network Elements with another Network Element or other Network Elements obtained from GTE or with network components provided by itself or by third parties to provide telecommunications services to its customers.
- 32.6 For each Network Element, GTE shall provide a demarcation point (e.g., an interconnection point at a Digital Signal Cross-Connect or Light Guide Cross-Connect panels or a Main Distribution Frame) and, if necessary, access to such demarcation point, which AT&T agrees is suitable. However, where GTE provides contiguous Network Elements to AT&T, GTE may provide the existing interconnections and no demarcation point shall exist between such contiguous Network Elements.

- 3.5. Other Sub-Loop Terms and Conditions
- 3.5.1. GTE agrees to provide access to the sub-loop network elements at the Feeder Distribution Interface (FDI), based on the following conditions:
- 3.5.2. AT&T agrees to pay GTE to expand or replace the FDI (over and above the established price of the basic loop) to accommodate terminating the new AT&T cable.
- 3.5.3. AT&T agrees to pay GTE an agreed upon charge to perform all cross connections within the GTE FDI (in addition to the price of the basic sub-loop network element(s) leased by AT&T).
- 3.5.4. AT&T agrees that since all cross connects will be performed by GTE personnel, AT&T personnel will not require access to the FDI.

4. **Local Switching**

4.1. **Definition:**

Local Switching is the Network Element that provides the functionality required to connect the appropriate originating lines or trunks wired to the Main Distributing Frame (MDF) or Digital Signal Cross Connect (DSX) panel to a desired terminating line or trunk. Such functionality shall include all of the features, functions, and capabilities of the GTE switch including but not limited to: line signaling and signaling software, digit reception, dialed number translations, call screening, routing, recording, call supervision, dial tone, switching, telephone number provisioning, announcements, calling features and capabilities (including call processing), CENTRANET, Automatic Call Distributor (ACD), Carrier pre-subscription (e.g., long distance carrier, intraLATA toll), Carrier Identification Code (CIC) portability capabilities, testing and other operational features inherent to the switch and switch software. Local Switching provides access to transport, signaling (ISDN User Part (ISUP) and Transaction Capabilities Application Part (TCAP), and platforms such as adjuncts, Public Safety Systems (911), operator services, directory services and Advanced Intelligent Network (AIN). Remote Switching Module functionality is included in the Local Switching function. The switching capabilities used will be based on the line side features they support, where technically feasible. Local Switching will also be capable of routing local directory assistance and operator services calls to alternative directory assistance and operator services platforms.

4.1.1. Local Switching also includes Data Switching, which provides for ISDN Packet and Circuit Switched Data service, the data switching functionality that is required to connect between industry standard ISDN interfaces. In this case, the purpose of Data Switching is to terminate, concentrate, and switch data traffic from Customer Premises Equipment (CPE) in the digital format consistent with ISDN standards. Data Switching also provides connectivity for the purpose of conveying the customer data to its final destination.

4.2. **Technical Requirements:**

The requirements set forth in this Section 4.2 apply to Local Switching.

4.2.1. GTE shall offer to AT&T unbundled access to all facilities, functions, features and capabilities of its local switches to the extent it is technically feasible. If AT&T requests access to any facility, function, feature or capability of the GTE local switch that is technically feasible but which requires GTE to make modifications to the switch where such modifications are outside the scope of modifications that have been made in the past and are modifications that the manufacturer of the switch does not, and has not supported, GTE shall immediately seek endorsement from the manufacturer of the switch to make such modifications, and shall promptly notify AT&T that GTE has done so within thirty (30) days of receiving AT&T's request. After obtaining the vendor endorsement, GTE shall provide the unbundled access to the facility, function, feature or capability requested by AT&T. AT&T will reimburse GTE for all costs associated with such modification in accordance with section 251(d)(1) of the Act.

4.2.1.1. GTE shall offer Local Switching together with and separately from Data Switching.

4.2.1.2. When applicable, GTE shall route calls to the appropriate trunk or lines for call origination or termination.

4.2.1.3. GTE shall route local directory assistance and operator services calls on a per line or per screening class basis to (1) GTE platforms providing Network Elements or additional requirements, (2) AT&T designated platforms, or (3) third-party platforms.

4.2.1.4. GTE shall provide standard recorded announcements as designated by AT&T and call progress tones to alert callers of call progress and disposition.

"Network Element" or "Element" means a facility or equipment used in the provision of a Telecommunications Service. Network Element includes features, functions, and capabilities that are provided by means of such facility or equipment, including subscriber numbers, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a telecommunications service.

"Network Interface Device" or "NID" has the meaning set forth in Section 2.1 of Attachment 2 of the Agreement.

"New Services Request" means a request from AT&T to GTE to obtain facilities, features, capabilities, functionality or services that are not already available under this Agreement.

"North American Numbering Plan" or "NANP" means the numbering plan used in the United States that also serves Canada, Bermuda, Puerto Rico and certain Caribbean Islands. The NANP format is a 10 digit number that consists of a 3 digit NPA code (commonly referred to as the area code), followed by a 3 digit NXX code and a 4 digit line number.

"NXX" means the three digit code which appears as the first three digits of a seven digit telephone number.

"911 Service" means a universal telephone number which gives the public direct access to the PSAP. Basic 911 service collects 911 calls from one or more local exchange switches that serve a geographic area. The calls are then sent to the correct authority designated to receive such calls.

"OBF" means the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS).

"Operator Service" has the meaning set forth in Section 5.1.1 of Attachment 2 of the Agreement.

"OSS" means operations support systems.

"Parties" means AT&T and GTE.

"Permanent Number Portability (PNP)" means the use of the Location Routing Number (LRN) database solution to provide fully transparent LNP for all customers and all providers without limitation.

EXHIBIT 2

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection



GTE Network
Services

HQE03B28
600 Hidden Ridge
P.O. Box 152092
Irving, TX 75038
972/718-4586
FAX 972/719-1523

April 5, 1999

Joyce Beasley, Esq.
TCG Seattle
Room 3258D2
295 North Maple Avenue
Basking Ridge, NJ 07920

Dear Joyce:

We have received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996, TCG Seattle ("TCG") wishes to adopt the terms of the arbitrated Interconnection Agreement between AT&T Communications of the Pacific Northwest, Inc. ("AT&T") and GTE Northwest Incorporated ("GTE") that was approved by the Commission as an effective agreement in the State of Washington in Docket No. UT-960307 ("Terms" or "Agreement")¹ understand you have a copy of the Terms.

Please be advised that our position regarding the adoption of the Terms is as follows.

On January 25, 1999, the Supreme Court of the United States issued its decision on the appeals of the Eighth Circuit's decision in *Iowa Utilities Board*. Specifically, the Supreme Court vacated Rule 51.319 of the FCC's First Report and Order, FCC 96-325, 61 Fed. Reg. 45476 (1996) and modified several of the FCC's and the Eighth Circuit's rulings regarding unbundled network elements and pricing requirements under the Act. *AT&T Corp. v. Iowa Utilities Board*, No. 97-826, 1999 U.S. LEXIS 903 (1999).

Three aspects of the Court's decision are worth noting. First, the Court upheld on statutory grounds the FCC's jurisdiction to establish rules implementing the pricing provisions of the Act. The Court, though, did not address the substantive validity of the FCC's pricing rules. This issue will be decided by the Eighth Circuit on remand.

¹ *These "agreements" are not agreements in the generally accepted understanding of that term. GTE was required to accept these agreements, which were required to reflect the then-effective FCC rules.

Second, the Court held that the FCC, in requiring ILECs to make available all UNEs, had failed to implement section 251(d)(2) of the Act, which requires the FCC to apply a "necessary" or "impair" standard in determining the network elements ILECs must unbundle. The Court ruled that the FCC had improperly failed to consider the availability of alternatives outside the ILEC's network and had improperly assumed that a mere increase in cost or decrease in quality would suffice to require that the ILEC provide the UNE. The Court therefore vacated in its entirety the FCC rule setting forth the UNEs that the ILEC is to provide. The FCC must now promulgate new UNE rules that comply with the Act. As a result, any provisions in the Agreement requiring GTE to provide UNEs are nullified.

Third, the Court upheld the FCC rule forbidding ILECs from separating elements that are already combined (Rule 315(b)), but explained that its remand of Rule 319 "may render the incumbents' concern on [sham unbundling] academic." In other words, the Court recognized that ILEC concerns over UNE platforms could be mooted if ILECs are not required to provide all network elements: "If the FCC on remand makes fewer network elements unconditionally available through the unbundling requirement, an entrant will no longer be able to lease every component of the network."

The Agreement which TCG seeks to adopt does *not* reflect the Court's decision, and any provision in the Agreement that is inconsistent with the decision is nullified.

GTE anticipates that after the FCC issues new final rules on UNEs, this matter may be resolved. In the interim, GTE would prefer not to engage in the arduous task of reforming agreements to properly reflect the current status of the law and then to repeat the same process later after the new FCC rules are in place. Without waiving any rights, GTE proposes that the parties agree to hold off amending (or incorporating the impact of the decision into) the Agreement and let the section 252(i) adoption proceed by maintaining the status quo until final new FCC rules are implemented (the "New Rules"), subject to the following package of interdependent terms:

1. GTE will continue to provide all UNEs called for under the Agreement until the FCC issues the New Rules even though it is not legally obligated to do so.
2. Likewise, TCG agrees not to seek UNE "platforms," or "already bundled" combinations of UNEs.
3. If the FCC does not issue New Rules prior to the expiration of the initial term of the Agreement, GTE will agree to extend any new interconnection arrangement between the parties to the terms of this proposal until the FCC issues its New Rules.

4. By making this proposal (and by agreeing to any settlement or contract modifications that reflect this proposal), GTE does not waive any of its rights, including its rights to seek recovery of its actual costs and a sufficient, explicit universal service fund. Nor does GTE waive its position that, under the Court's decision, it is not required to provide UNEs unconditionally. Moreover, GTE does not agree that the UNE rates set forth in any agreement are just and reasonable and in accordance with the requirements of sections 251 and 252 of Title 47 of the United States Code.
5. The provisions of the contract that might be interpreted to require reciprocal compensation from GTE to the CLEC for the delivery of traffic to the Internet are not available for adoption and are not a part of the 252(i) agreement pursuant to FCC Rule 809 and paragraphs 1317 and 1318 of the First Report and Order.

GTE believes that the first four conditions above are adequately explained by the first part of this letter. The reason for the last condition is the FCC gave the ILECs the ability to except 252(i) adoptions in those instances where the cost of providing the service to the requesting carrier is higher than that incurred to serve the initial carrier or there is a technical incompatibility issue. The issue of reciprocal compensation for traffic destined for the Internet falls within FCC Rule 809. GTE never intended for Internet traffic passing through a CLEC to be included within the definition of local traffic and the corresponding obligation of reciprocal compensation. Despite the foregoing, some forums have interpreted the issue to require reciprocal compensation to be paid. This produces the situation where the cost of providing the service is not cost based under Rule 809 or paragraph 1318 of the First report and Order. As a result, that portion of the contract pertaining to reciprocal compensation is not available under this 252(i) adoption. GTE proposes that the Parties agree that either (i) in its place are provisions that exclude ISP Traffic from reciprocal compensation (specifically, the definition of "Local Traffic" must include the following provision: "Local Traffic excludes information service provider ("ISP") traffic (i.e., Internet, 900 – 976, etc)"), or (ii) the Parties negotiate new ISP provisions that are consistent with applicable law, would appear in a separate agreement, and that would expressly replace corresponding provisions in the AT&T Agreement.

In sum, GTE's proposal as described above would maintain the status quo until the legal landscape is settled.

TCG's adoption of the arbitrated AT&T agreement shall become effective upon filing of this letter with the Washington Commission and shall remain in effect no longer than the date the arbitrated AT&T agreement is terminated.

Joyce Beasley.
April 5, 1999
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As these Terms are being adopted by you pursuant to your statutory rights under section 252(i), GTE does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by GTE of the Terms does not in any way constitute a waiver by GTE of its position as to the illegality or unreasonableness of the Terms or a portion thereof, nor does it constitute a waiver by GTE of all rights and remedies it may have to seek review of the Terms, or to petition the Commission, other administrative body, or court for reconsideration or reversal of any determination made by the Commission pursuant to arbitration in Docket No. UT-960307, or to seek review in any way of any provisions included in these Terms as a result of TCG's 252(i) election.

Nothing herein shall be construed as or is intended to be a concession or admission by either GTE or TCG that any contractual provision required by the Commission in Docket No. UT-960307 (the AT&T arbitration) or any provision in the Terms complies with the rights and duties imposed by the Telecommunications Act of 1996, the decision of the FCC and the Commissions, the decisions of the courts, or other law, and both GTE and TCG expressly reserve their full right to assert and pursue claims arising from or related to the Terms. GTE contends that certain provisions of the Terms may be void or unenforceable as a result of the Supreme Court's decision of January 25, 1999 and the remand of the pricing rules to the United States Eighth Circuit Court of Appeals.

Should TCG attempt to apply such conflicting provisions, GTE reserves its rights to seek appropriate legal and/or equitable relief. Should any provision of the Terms be modified, such modification would likewise automatically apply to this 252(i) adoption.

Please indicate by your countersignature on this letter your understanding of and commitment to the following three points:

- (A) TCG adopts the Terms of the arbitrated AT&T agreement for interconnection with GTE and in applying the Terms, agrees that TCG be substituted in place of AT&T in the Terms wherever appropriate.
- (B) TCG requests that notice to TCG as may be required under the Terms shall be provided as follows:

To : Charlotte I. Field,
Director, AT&T
Room 10-01
1875 Lawrence Street
Denver, Colorado 80202
Facsimile Number : 303-298-6557

and

Joyce Beasley.
April 5, 1999
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Joyce Beasley
General Attorney, AT&T
Room 3159D1
295 North maple Ave.
Basking Ridge, New Jersey 07920
Facsimile Number : 908-953-8360

- (C) TCG represents and warrants that it is a certified provider of local dialtone service in the State of Washington, and that its adoption of the Terms will cover services in the State of Washington only.

Sincerely,

GTE Northwest Incorporated

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection

Reviewed and countersigned as to points A, B, and C:

TCG Seattle

Joyce Beasley.

c: R. Ragsdale - HQE03B75 - Irving, TX
R. Vogelzang - HQE03J41 - Irving, TX

EXHIBIT 3

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Request for)
Approval of Negotiated Agreement)
Under the Telecommunications Act of) DOCKET UT-990325
1996 Between)
)
TCG SEATTLE)
) ORDER APPROVING ADOPTION and) OF ARBITRATED
) INTERCONNECTION AGREEMENT)
GTE NORTHWEST INCORPORATED)
.....)

BACKGROUND

This matter comes before the Washington Utilities and Transportation Commission (Commission) for approval of adoption of an arbitrated Interconnection Agreement under the Telecommunications Act of 1996 between TCG Seattle (TCG), and GTE Northwest Incorporated (GTENW). On April 21, 1999, the parties jointly filed a request for approval to adopt the previously approved interconnection agreement between AT&T Communications of the Pacific Northwest, Inc. (AT&T), and GTENW (Docket UT-960307) in its entirety. The parties executed the Agreement on, or about, April 5, 1999.

On May 12, 1999, the Commission convened an open public meeting at its offices in Olympia, Washington, to consider the request for approval of the Agreement. At the open meeting, the Commission approved the Agreement.

FINDINGS OF FACT

- 1. The Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including telecommunications companies.
2. Section 252(e) of the Telecommunications Act of 1996 (Act), requires parties to submit interconnection agreements to the Commission for approval. Section 252(e) (2)(A) states that the Commission may only reject an agreement (or any portion thereof) adopted by negotiation if it finds that:
(i) the agreement (or any portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
(ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity.

3. GTENW is engaged in the business of furnishing telecommunications services, including, but not limited to, basic local exchange service within the state of Washington.
4. TCG Seattle is authorized to provide intrastate interexchange and local exchange telecommunications services in the state of Washington.
5. On April 21, 1999, the parties jointly filed with the Commission a request for approval of an Interconnection Agreement for network interconnection and service resale pursuant to the Act.
6. The Agreement is an adoption of a previously approved interconnection agreement.
7. The Agreement does not discriminate against any other telecommunications carrier.
8. The Agreement will facilitate local exchange competition in the state of Washington by enabling TCG Seattle to enter the local exchange market and provide customers with increased choices among local exchange services.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter and all parties.
2. The Agreement is consistent with the public interest, convenience, and necessity.
3. The Agreement meets the criteria of Sections 251 and 252 of the Act, including Section 252(e).
4. The laws, regulations, and Commission orders of Washington shall govern the construction and interpretation of the Agreement. The Agreement shall also be subject to the jurisdiction of the Commission and the Washington courts.

ORDER

THE COMMISSION ORDERS:

1. The Agreement for network interconnection and service resale between TCG Seattle and GTE Northwest Incorporated, which the parties executed on, or about, April 5, 1999, is approved.
2. In the event that the parties revise, modify or amend the agreement approved herein, the revised, modified, or amended agreement shall be deemed to be a new negotiated agreement under the Telecommunications Act and shall be submitted to

the Commission for approval, pursuant to 47 U.S.C. § 252(e)(1) and relevant provisions of state law, prior to taking effect.

3. The laws, regulations, and Commission orders of Washington shall govern the construction and interpretation of the Agreement. The Agreement shall also be subject to the jurisdiction of the Commission and the Washington courts.

DATED at Olympia, Washington, and effective this 12th day of May, 1999.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

WILLIAM R. GILLIS, Commissioner

EXHIBIT 4

**SUPPLEMENTAL AGREEMENT NO. 3 REGARDING
UNBUNDLED NETWORK ELEMENTS**

Verizon Northwest Inc., f/k/a GTE Northwest Incorporated ("Verizon"), a Washington corporation with offices at 1800 41st, Everett, WA 98201, and Advanced TelCom, Inc., f/k/a Advanced Telcom Group, Inc, a Delaware corporation with offices at 110 Stony Point Road, 2nd Floor, Santa Rosa, California 95401 ("ATG"), enter into this Supplemental Agreement No. 3 regarding Verizon's offering of Unbundled Network Elements, dated as of June 18, 2001 (this "Supplemental Agreement No. 3") (each of Verizon and ATG being referred to individually as a "Party" and collectively as the "Parties").

WHEREAS, ATG has previously adopted terms (the "Adopted Terms" or "Terms") of the Interconnection, Resale and Unbundling Agreement between GTE and Electric Lightwave (ELI) ("Underlying Agreement") pursuant to Section 252(i) of the Telecommunications Act of 1996 (the "Act");

WHEREAS, the Underlying Agreement was approved by the Commission's Order in Docket No. UT-980370 and ATG's adoption of the Adopted Terms has been filed with the Washington Utilities and Transportation Commission for approval;

WHEREAS, the Parties desire to amend the Terms as set forth herein;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Supplemental Agreement No. 3 to the Terms. Effective as of the date first set forth above, the Terms are hereby supplemented as follows:

A) By deleting existing Section 1.10 in Article II and inserting a new Section 1.10 in Article II as follows:

1.10 Customer means a third party residence or business end-user subscriber to Telephone Exchange Services provided by either of the Parties.

B) By deleting existing Article VII of the Terms and inserting a new Article VII as follows:

**ARTICLE VII
UNBUNDLED NETWORK ELEMENTS (UNEs)**

1. General

1.1 Verizon shall provide to ATG, in accordance with this Agreement (including, but not limited to, Verizon's applicable Tariffs) and the requirements of Applicable Law, access to Verizon's Network Elements on an unbundled basis and in combinations (Combinations); provided, however, that notwithstanding any other provision of this Agreement, Verizon shall be obligated to provide unbundled Network Elements (UNEs) and Combinations to ATG only to the extent required by Applicable Law and may decline to provide UNEs or Combination to ATG to the extent that provision of such UNEs or Combination are not required by Applicable Law.

1.2 Except as otherwise required by Applicable Law: (a) Verizon shall be obligated to provide a UNE or Combination pursuant to this Agreement only to the extent such UNE or Combination, and the equipment and facilities necessary to provide such UNE or Combination, are available in Verizon's network; (b) Verizon shall have no obligation to

construct or deploy new facilities or equipment to offer any UNE or Combination; and, (c) Verizon shall not be obligated to combine UNEs that are not already combined in Verizon's network. ATG shall not directly or through a third party (e.g., ATG's Customer) order Telecommunications Services from Verizon in order to impose on Verizon an obligation to provide a UNE or a Combination that Verizon would not otherwise have an obligation to provide. Except as otherwise required by Applicable Law, Verizon shall not be obligated, and may decline, to provide a UNE or Combination to ATG, if ATG ordered Telecommunications Services or advised its Customer to order Telecommunications Services where the UNEs or Combination desired by ATG was not available in order to permit ATG to subsequently convert the Telecommunications Services to the UNEs or Combinations desired by ATG.

- 1.3 ATG may use a UNE or Combination only for those purposes for which Verizon is required by Applicable Law to provide such UNE or Combination to ATG. Without limiting the foregoing, ATG may use a UNE or Combination (a) only to provide a Telecommunications Service and (b) to provide Exchange Access services only to the extent that Verizon is required by Applicable Law to provide such UNE or Combination to ATG in order to allow ATG to provide such Exchange Access services.
- 1.4 Notwithstanding any other provision of this Agreement:
 - 1.4.1 To the extent that Verizon is required by a change in Applicable Law to provide a UNE or Combination not offered under this Agreement to ATG as of the Effective Date, the terms, conditions and prices for such UNE or Combination (including, but not limited to, the terms and conditions defining the UNE or Combination and stating when and where the UNE or Combination will be available and how it will be used, and terms, conditions and prices for pre-ordering, ordering, provisioning, repair, maintenance and billing) shall be as provided in an applicable Tariff of Verizon, or, in the absence of an applicable Verizon Tariff, as mutually agreed by the Parties.
 - 1.4.2 Verizon shall not be obligated to provide to ATG, and ATG shall not request from Verizon, access to a proprietary advanced intelligent network service.
- 1.5 Without limiting Verizon's rights pursuant to Applicable Law or any other section of this Agreement to terminate its provision of a UNE or a Combination, if Verizon provides a UNE or Combination to ATG, and the Commission, the FCC, a court or other governmental body of appropriate jurisdiction determines or has determined that Verizon is not required by Applicable Law to provide such UNEs or Combination, Verizon may terminate its provision of such UNE or Combination to ATG. If Verizon terminates its provision of a UNE or a Combination to ATG pursuant to this Section 1.5 and ATG elects to purchase other Services offered by Verizon in place of such UNE or Combination, then: (a) Verizon shall reasonably cooperate with ATG to coordinate the termination of such UNE or Combination and the installation of such Services to minimize the interruption of service to Customers of ATG; and, (b) ATG shall pay all applicable charges for such Services, including, but not limited to, all applicable installation charges.
- 1.6 Nothing contained in this Agreement shall be deemed to constitute an agreement by Verizon that any item identified in this Agreement as a UNE is (i) a Network Element under Applicable Law, or (ii) a Network Element Verizon is required by Applicable Law to provide to ATG on an unbundled basis.
- 1.7 Except as otherwise expressly stated in this Agreement, ATG shall access Verizon's UNEs specifically identified in this Agreement via Collocation in accordance with the Collocation terms and conditions of the Adopted Terms at the Verizon Wire Center or

through the Customer's side of the Verizon NID, ATG does not need to submit a request to Verizon and Verizon shall not charge ATG for access to the Verizon NID. In such instances, ATG shall comply with the provisions of Sections 9.2 through 9.7 of this Agreement and shall access the Customer's Inside Wire in the manner set forth in Section 7 of this Agreement.

9.7 Due to the wide variety of NIDs utilized by Verizon (based on Customer size and environmental considerations), ATG may access the Customer's Inside Wire, acting as the agent of the Customer by any of the following means:

9.7.1 Where an adequate length of Inside Wire is not present or environmental conditions do not permit, ATG may enter the Customer side of the Verizon NID enclosure for the purpose of removing the Inside Wire from the terminals of Verizon's NID and connecting a connectorized or spliced jumper wire from a suitable "punch out" hole of such NID enclosure to the Inside Wire within the space of the Customer side of the Verizon NID. Such connection shall be electrically insulated and shall not make any contact with the connection points or terminals within the Customer side of the Verizon NID.

9.7.2 ATG may request Verizon to make other rearrangements to the Inside Wire terminations or terminal enclosure on a time and materials cost basis to be charged to the requesting party (i.e. ATG, its agent, the building owner or the Customer). If ATG accesses the Customer's Inside Wire as described in this Section 9.7.2, time and materials charges will be billed to the requesting party (i.e. ATG, its agent, the building owner or the Customer).

10. Unbundled Switching Elements

Subject to the conditions set forth in Section 1, Verizon shall make available to ATG the Local Switching Element and Tandem Switching Element unbundled from transport, local Loop transmission, or other services, in accordance with this Agreement. Verizon shall provide ATG with access to the Local Switching Element and the Tandem Switching Element in accordance with, but only to the extent required by, Applicable Law, at the rates set forth in the Appendix F.

10.1 Local Switching.

10.1.1 The unbundled Local Switching Element includes line side and trunk side facilities (e.g. line and trunk side Ports such as analog and ISDN line side Ports and DS1 trunk side Ports) plus the features, functions, and capabilities of the switch. It consists of the line-side Port (including connection between a Loop termination and a switch line card, telephone number assignment, basic intercept, one primary directory listing, presubscription, and access to 911, operator services, and directory assistance), line and line group features (including all vertical features and line blocking options that the switch and its associated deployed switch software is capable of providing and are currently offered to Verizon's local exchange Customers), usage (including the connection of lines to lines, lines to trunks, trunks to lines, and trunks to trunks), and trunk features (including the connection between the trunk termination and a trunk card).

10.1.2 Verizon shall offer, as an optional chargeable feature, usage tapes.

10.1.3 ATG may request activation or deactivation of features on a per-port basis at any time, and shall compensate Verizon for the non-recurring charges associated

- 12.11 Each Party shall charge the other Party mutual and reciprocal rates for any usage-based charges for CCS Signaling, toll free service access code (e.g., 800/888/877/866/855) database access, LIDB access, and access to other necessary databases, as follows: Verizon shall charge ATG in accordance with the Appendix F and the terms and conditions in applicable Tariffs. ATG shall charge Verizon rates equal to the rates Verizon charges ATG, unless ATG's Tariffs for CCS signaling provide for lower generally available rates, in which case ATG shall charge Verizon such lower rates. Notwithstanding the foregoing, to the extent a Party uses a third party vendor for the provision of CCS Signaling, such charges shall apply only to the third party vendor.

13. Operations Support Systems

Subject to the conditions set forth in Appendix H, Verizon shall provide ATG with access via electronic interfaces to databases required for pre-ordering, ordering, provisioning, maintenance and repair, and billing. All such transactions shall be submitted by ATG through such electronic interfaces.

14. Availability of Other UNEs on an Unbundled Basis

- 14.1 Any request by ATG for access to a Verizon Network Element that is not already available and that Verizon is required by Applicable Law to provide on an unbundled basis shall be treated as a Network Element Bona Fide Request pursuant to Section 14.3, below. ATG shall provide Verizon access to its Network Elements as mutually agreed by the Parties or as required by Applicable Law.

- 14.2 Notwithstanding anything to the contrary in this Section 14, a Party shall not be required to provide a proprietary Network Element to the other Party under this Section 14 except as required by Applicable Law.

- 14.3 Network Element Bona Fide Request (BFR).

14.3.1 Each Party shall promptly consider and analyze access to a new unbundled Network Element in response to the submission of a Network Element Bona Fide Request by the other Party hereunder. The Network Element Bona Fide Request 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) ¶ 259 and n.603 or subsequent orders.

14.3.2 A Network Element Bona Fide Request shall be submitted in writing and shall include a technical description of each requested Network Element.

14.3.3 The requesting Party may cancel a Network Element Bona Fide Request at any time, but shall pay the other Party's reasonable and demonstrable costs of processing and/or implementing the Network Element Bona Fide Request up to the date of cancellation.

14.3.4 Within ten (10) business days of its receipt, the receiving Party shall acknowledge receipt of the Network Element Bona Fide Request.

14.3.5 Except under extraordinary circumstances, within thirty (30) days of its receipt of a Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a preliminary analysis of such Network Element Bona Fide Request. The preliminary analysis shall confirm that the receiving Party will offer access to the Network Element or will provide a detailed explanation that access to the Network Element is not technically feasible and/or that the request

EXHIBIT 5

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection



GTE Network
Services

HQE03B28
600 Hidden Ridge
P.O. Box 152092
Irving, TX 75038
972/718-4586
FAX 972/719-1523

February 18, 2000

Ms. Kathryn L. Thomas
VP-Regulatory and Public Policy
Advanced TelCom Group, Inc.
110 Stony Point Rd., Second Floor
Santa Rosa, CA 95401

Dear Ms. Thomas:

GTE has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996 (the "Act"), Advanced TelCom Group, Inc. (ATG) wishes to adopt the terms of the Interconnection and Unbundled Network Element arrangements contained in the arbitrated Interconnection, Resale and Unbundling Agreement between Electric Lightwave, Inc. (ELI) and GTE Northwest Inc. (GTE) that was approved by the Commission as an effective agreement in the State of Washington in Docket No. UT-980370 (Interconnection and UNE Terms)¹. Attached is a copy of those Interconnection and UNE Terms. Please note the following with respect to your adoption of the Interconnection and UNE Terms.

1. By your countersignature on this letter, you hereby represent and commit to the following three points:
 - (A) ATG adopts the Interconnection and UNE Terms of the ELI arbitrated agreement for interconnection with GTE and in applying the Interconnection and UNE Terms, agrees that ATG shall be substituted in place of ELI in the Interconnection and UNE Terms wherever appropriate.
 - (B) ATG requests that notice to ATG as may be required under the Interconnection and UNE Terms shall be provided as follows:

To : Advanced TelCom Group, Inc.
Attention: Ms. Kathryn L. Thomas
110 Stony Point Rd., Second Floor
Santa Rosa, CA 95401
Telephone number: 707-284-5284
FAX number: 707-284-5486

¹ These "agreements" are not agreements in the generally accepted understanding of that term. GTE was required to accept these agreements, which were required to reflect then-effective FCC rules and other applicable law.

- (C) ATG represents and warrants that it is a certified provider of local telecommunications service in the State of Washington, and that its adoption of the Interconnection and UNE Terms will cover services in the State of Washington only.
2. ATG's adoption of the ELI arbitrated Interconnection and UNE Terms shall become effective upon GTE's filing of this letter with the Washington Utilities and Transportation Commission and remain in effect no longer than the date the ELI arbitrated Interconnection and UNE Terms are terminated. The ELI arbitrated agreement is currently scheduled to expire on May 12, 2001.
 3. As the Interconnection and UNE Terms are being adopted by you pursuant to your statutory rights under section 252(i), GTE does not provide the Interconnection and UNE Terms to you as either a voluntary or negotiated agreement. The filing and performance by GTE of the Interconnection and UNE Terms does not in any way constitute a waiver by GTE of its position as to the illegality or unreasonableness of the Interconnection and UNE Terms or a portion thereof, nor does it constitute a waiver by GTE of all rights and remedies it may have to seek review of the Interconnection and UNE Terms, or to petition the Commission, other administrative body, or court for reconsideration or reversal of any determination made by the Commission pursuant to arbitration in Docket No. UT-980370, or to seek review in any way of any provisions included in these Interconnection and UNE Terms as a result of ATG's 252(i) election.
 4. On January 25, 1999, the Supreme Court of the United States ("Court") issued its decision on the appeals of the Eighth Circuit's decision in *Iowa Utilities Board*. Specifically, the Supreme Court modified several of the FCC's and the Eighth Circuit's rulings regarding unbundled network elements and pricing requirements under the Act. *AT&T Corp. v. Iowa Utilities Board*, No. 97-826, 1999 U.S. LEXIS 903 (1999). Certain provisions of the Interconnection and UNE Terms may be void or unenforceable as a result of the Court's decision of January 25, 1999 and the remand of the pricing rules to the United States Eighth Circuit Court of Appeals. Moreover, nothing herein shall be construed as or is intended to be a concession or admission by either GTE or ATG that any contractual provision required by the Commission in Docket No. UT-980370 (the ELI arbitration) or any provision in the Interconnection and UNE Terms complies with the rights and duties imposed by the Act, the decision of the FCC and the Commissions, the decisions of the courts, or other law, and both GTE and ATG expressly reserve their full right to assert and pursue claims arising from or related to the Interconnection and UNE Terms.
 5. GTE reserves the right to deny ATG's adoption and/or application of the Interconnection and UNE Terms, in whole or in part, at any time:
 - (a) when the costs of providing the Interconnection and UNE Terms to ATG are greater than the costs of providing it to ELI;

- (b) if the provision of the Interconnection and UNE Terms to ATG is not technically feasible; and/or
 - (c) to the extent ATG already has an existing interconnection agreement (or existing 252(i) adoption) with GTE and the Interconnection and UNE Terms were approved before the date of approval of the existing interconnection agreement (or the effective date of the existing 252(i) adoption).
6. The provisions of the Interconnection and UNE Terms that might be interpreted to characterize traffic destined for Internet as local traffic or requiring the payment of reciprocal compensation are not available for adoption. As noted above, pursuant to Rule 809, the FCC gave ILECs the ability to deny 252(i) adoptions in those instances where the cost of providing the service to the requesting carrier is higher than that incurred to serve the initial carrier or there is a technical incompatibility issue. The issue of reciprocal compensation for traffic destined for the Internet falls within this exception. GTE never intended for Internet traffic passing through a telecommunications carrier to be included within the definition of local traffic and subject to the corresponding obligation of reciprocal compensation. Despite the foregoing, some forums have required reciprocal compensation to be paid. This produces the situation where the cost of providing the service is not cost based.
7. Should ATG attempt to apply the Interconnection and UNE Terms in a manner that conflicts with paragraphs 3-6 above, GTE reserves its rights to seek appropriate legal and/or equitable relief.

Please sign this letter on the space provided below and return it to the undersigned.

Sincerely,

GTE Northwest Incorporated

Connie Nicholas
Assistant Vice President
Wholesale Markets-Interconnection

Reviewed and countersigned as to points A, B, and C of paragraph 1:

Advanced TelCom Group, Incorporated

(SIGNATURE)

Kathryn L. Thomas

c: Laurel Parr - GTE

EXHIBIT 6

INTERCONNECTION AND UNBUNDLING AGREEMENT

BETWEEN

GTE NORTHWEST INCORPORATED

AND

ADVANCED TELCOM GROUP, INC.

- 1.75. **"Switched Access Service"** means the offering of facilities for the purpose of the origination or termination of traffic to or from Exchange Service customers in a given area pursuant to a switched access tariff. Switched Access Services include: Feature Group A, Feature Group B, Feature Group C, Feature Group D, 800 access and 900 access services.
- 1.76. **"Telecommunications Services"** means the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.
- 1.77. **"Third Party Contamination"** means environmental pollution that is not generated by the LEC or CLEC but results from off-site activities impacting a facility.
- 1.78. **"Trunk Side"** refers to a central office switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity, for example, to another central office switch. Trunk side connections offer those transmission and signaling features appropriate for the connection of switching entities and cannot be used for the direct connection of ordinary telephone station sets.
- 1.79. **"Unbundled Network Elements" ("UNEs")** generally means a facility or equipment used in the provision of a Telecommunications Service. Specific references to UNEs contained throughout this Agreement shall be to the network elements that are to be unbundled pursuant to Article VII of this Agreement. Such UNEs shall include the features, functions, and capabilities that are provided by means of such facility or equipment, including, where applicable, subscriber numbers, databases, signalling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a Telecommunications Service.
- 1.80. **"Undefined Terms"** means the Parties acknowledge that terms may appear in this Agreement which are not defined and agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the effective date of this Agreement.
- 1.81. **"Vertical Features" (including "CLASS Features")** means vertical services and switch functionalities provided by GTE, including but not necessarily limited to: Automatic Call Back; Automatic Recall; Call Forwarding Busy Line/Don't Answer; Call Forwarding Don't Answer; Call Forwarding Variable; Call Forwarding - Busy Line; Call Trace; Call Waiting; Call Number Delivery Blocking Per Call; Calling Number Blocking Per Line; Cancel Call Waiting; Distinctive Ringing/Call Waiting; Incoming Call Line Identification Delivery; Selective Call Forward; Selective Call Rejection; Speed Calling; and Three Way Calling/Call Transfer.

promptly remedy the Impairment of Service, then the Impaired Party may at its option temporarily discontinue the use of the affected circuit, facility or equipment.

30. Publicity. Any news release, public announcement, advertising, or any form of publicity pertaining to this Agreement, provision of Services, Unbundled Network Elements or Facilities pursuant to it, or association of the Parties with respect to provision of the services described in this Agreement, for promotional or other commercial purposes shall be subject to prior written approval of both GTE and ATG.
31. Regulatory Agency Control. This Agreement shall at all times be subject to changes, modifications, orders, and rulings by the Federal Communications Commission and/or the applicable state utility regulatory commission to the extent the substance of this Agreement is or becomes subject to the jurisdiction of such agency.
32. Changes in Legal Requirements. GTE and ATG further agree that the terms and conditions of this Agreement were composed in order to effectuate the legal requirements in effect at the time the Agreement was produced. Any modifications to those requirements that subsequently may be prescribed by final and effective action of any federal, state, or local governmental authority will be deemed to automatically supersede any terms and conditions of this Agreement. Notwithstanding this section, neither Party waives any rights it otherwise has to dispute any action taken or not taken by the other Party in reliance on this section 32.
33. Effective Date. This Agreement will be effective upon approval by the Commission in accordance with Section 252 of the Act. If this Agreement or changes or modifications thereto are subject to approval of a regulatory agency, the "effective date" of this Agreement for such purposes will be the date of such approval. Such date shall become the "effective date" of this Agreement for all purposes, except that ATG shall not submit LSR orders for resold services or unbundled network elements under the rates, terms, and conditions of this Agreement before the tenth business day after the effective date of the Agreement.
34. Regulatory Matters. Each Party shall be responsible for obtaining and keeping in effect all their own FCC, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with the performance of its obligations under this Agreement.
35. Rule of Construction. No rule of construction requiring interpretation against the drafting party hereof shall apply in the interpretation of this Agreement.

- 4.3.8 The Parties agree to offer and provide to each other B8ZS Extended Superframe Format ("ESF") facilities, where available, capable of voice and data traffic transmission.
- 4.3.9 The Parties will support intercompany 64kbps clear channel where available.
- 4.3.10 Orders between the Parties to establish, add, change, or disconnect trunks shall be processed by use of an Access Service Request ("ASR"), or another industry standard eventually adopted to replace the ASR for local service ordering as referenced in Appendix H.
- 4.3.11 The Parties will work together to establish high usage end-office trunk groups sufficient to handle the greater of the actual or reasonably forecasted traffic volumes between ATG and a GTE end office.
- 4.4 Network Redesigns Initiated by GTE. GTE will not charge ATG when GTE initiates its own network redesigns/reconfigurations, but GTE shall make best efforts to notify ATG of any GTE network redesigns/reconfigurations that will affect ATG's facilities sufficiently in advance to enable ATG to accommodate such network redesign/reconfiguration. The Parties shall coordinate deployment and accommodation of any such network redesigns/reconfigurations to avoid or minimize disruption in services provided to their end users.
- 4.5 Calling Scopes for Tandem and End Office Interconnection.
- 4.5.1 GTE Tandem Interconnection calling scope (originating and terminating) is to those GTE end offices which subtend the GTE tandem to which the connection is made except as provided for in Section 3.3 of this Article.
- 4.5.2 GTE End Office Interconnection calling scope (originating and terminating) is only to the end office to which the connection is made and its remotes.
- 4.6 Trunk Forecasting.
- 4.6.1 The Parties will work towards the development of joint forecasting of trunk groups. GTE shall share with ATG the applicable information necessary to facilitate the Parties' joint planning and forecasting efforts. Intercompany forecast information must be provided by the Parties to each other twice a year. The semi-annual forecasts will include:

EXHIBIT 7

AGREEMENT

by and between

UNITED COMMUNICATIONS, INC. D/B/A UNICOM

and

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

FOR THE STATE OF

WASHINGTON

AGREEMENT

PREFACE

This Agreement ("Agreement") is made by and between United Communications, Inc. d/b/a UNICOM (UNICOM), a Corporation organized under the laws of the State of Oregon, with offices at 497 SW Century Drive, Suite 200, Bend, Oregon 97702, and Verizon Northwest Inc., f/k/a GTE Northwest Incorporated ("Verizon"), a corporation organized under the laws of the State of Washington, with offices at 1800 41st, Everett, Washington 98201. (UNICOM and Verizon may be referred to hereinafter, each individually, as a "Party," and, collectively, as the "Parties").

In consideration of the mutual promises contained in this Agreement, and intending to be legally bound, Verizon and UNICOM hereby agree as follows:

1. The Agreement

- 1.1 This Agreement includes: (a) the Principal Document; (b) the Tariffs of each Party applicable to the Services that are offered for sale by it in the Principal Document (which Tariffs are incorporated and made a part hereof this Agreement by reference); and, (c) an Order by a Party that has been accepted by the other Party.
- 1.2 Conflicts among provisions in the Principal Document, Tariffs, and an Order by a Party which has been accepted by the other Party, shall be resolved in accordance with the following order of precedence, where the document identified in subsection "(a)" shall have the highest precedence: (a) the Principal Document; (b) the Tariffs; and, (c) an Order by a Party that has been accepted by the other Party. The fact that a provision appears in the Principal Document but not in a Tariff, or in a Tariff but not in the Principal Document, shall not be interpreted as, or deemed grounds for finding, a conflict for the purposes of this Section 1.2.
- 1.3 This Agreement constitutes the entire agreement between the Parties on the subject matter hereof, and supersedes any prior or contemporaneous agreement, understanding, or representation, on the subject matter hereof. Except as otherwise provisioned in the Principal Document, the Principal Document may not be waived or modified except by a written document that is signed by the Parties. Subject to the requirements of Applicable Law, a Party shall have the right to add, modify, or withdraw, its Tariff(s) at any time, without the consent of, or notice to, the other Party.

2. Term and Termination

- 2.1 This Agreement shall be effective as of the Effective Date and, unless cancelled or terminated earlier in accordance with the terms hereof, shall continue in effect until **May 29, 2003** (the "Initial Term"). Thereafter, this Agreement shall continue in force and effect unless and until cancelled or terminated as provided in this Agreement.
- 2.2 Either UNICOM or Verizon may terminate this Agreement effective upon the expiration of the Initial Term or effective upon any date after expiration of the Initial Term by providing written notice of termination at least ninety (90) days in advance of the date of termination.
- 2.3 If either UNICOM or Verizon provides notice of termination pursuant to Section 2.2 and on or before the proposed date of termination either UNICOM or Verizon has requested negotiation of a new interconnection agreement, unless this

Tax Administration
Verizon Communications
1095 Avenue of the Americas
Room 3109
New York, NY 10036

To UNICOM:

Mr. Michael E. Daughtry
497 SW Century Drive, Suite 200
Bend, OR 97702

Either Party may from time to time designate another address or other addressees by giving notice in accordance with the terms of this Section. Any notice or other communication shall be deemed to be given when received.

42. Technology Upgrades

Notwithstanding any other provision of this Agreement, Verizon shall have the right to deploy, upgrade, migrate and maintain its network at its discretion. The Parties acknowledge that Verizon, at its election, may deploy fiber throughout its network and that such fiber deployment may inhibit or facilitate UNICOM's ability to provide service using certain technologies. Nothing in this Agreement shall limit Verizon's ability to modify its network through the incorporation of new equipment or software or otherwise. UNICOM shall be solely responsible for the cost and activities associated with accommodating such changes in its own network.

43. Territory

- 43.1 This Agreement applies to the territory in which Verizon operates as an Incumbent Local Exchange Carrier in the State of Washington.
- 43.2 Notwithstanding any other provision of this Agreement, Verizon may terminate this Agreement as to a specific operating territory or portion thereof if Verizon sells or otherwise transfers its operations in such territory or portion thereof to a third-person. Verizon shall provide UNICOM with at least 90 calendar days prior written notice of such termination, which shall be effective upon the date specified in the notice. Verizon shall be obligated to provide Services under this Agreement only within this territory.

44. Third Party Beneficiaries

Except as expressly set forth in this Agreement, this Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein shall create or be construed to provide any third-persons (including, but not limited to, Customers or contractors of a Party) with any rights (including, but not limited to, any third-party beneficiary rights) hereunder. Except as expressly set forth in this Agreement, a Party shall have no liability under this Agreement to the Customers of the other Party or to any other third person.

45. 251 and 271 Requirements

- 45.1 The Parties agree that the performance of the terms of this Agreement will satisfy Verizon's obligations under Section 251 of the Act, and the requirements of the Checklist under Section 271 of the Act.
- 45.2 The Parties understand and agree that this Agreement will be filed with the Commission and may thereafter be filed with the FCC as an integral part of an

application by Verizon or an Affiliate of Verizon pursuant to Section 271(d) of the Act. In the event that any one or more of the provisions contained herein in Verizon's reasonable determination is likely to adversely affect the application pursuant to Section 271(d) of the Act, the Parties agree to make the revisions necessary to eliminate such adverse effect on the application.

46. 252(i) Obligations

- 46.1 To the extent required by Applicable Law, each Party shall comply with Section 252(i) of the Act and Appendix D, Sections 30 through 32, of the Merger Order ("Merger Order MFN Provisions").
- 46.2 To the extent that the exercise by UNICOM of any rights it may have under Section 252(i) or the Merger Order MFN Provisions results in the rearrangement of Services by Verizon, UNICOM shall be solely liable for all costs associated therewith, as well as for any termination charges associated with the termination of existing Verizon Services.

47. Use of Service

Each Party shall make commercially reasonable efforts to ensure that its Customers comply with the provisions of this Agreement (including, but not limited to the provisions of applicable Tariffs) applicable to the use of Services purchased by it under this Agreement.

48. Waiver

A failure or delay of either Party to enforce any of the provisions of this Agreement, or any right or remedy available under this Agreement or at law or in equity, or to require performance of any of the provisions of this Agreement, or to exercise any option which is provided under this Agreement, shall in no way be construed to be a waiver of such provisions, rights, remedies or options.

49. Warranties

EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES PROVIDED, OR TO BE PROVIDED, UNDER THIS AGREEMENT AND THE PARTIES DISCLAIM ANY OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO, **WARRANTIES OF MERCHANTABILITY, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE** WARRANTIES AGAINST INFRINGEMENT, AND WARRANTIES ARISING BY TRADE CUSTOM, TRADE USAGE, COURSE OF DEALING OR PERFORMANCE, OR OTHERWISE.

50. Withdrawal of Services

- 50.1 Notwithstanding anything contained in this Agreement, except as otherwise required by Applicable Law, Verizon may terminate its offering and/or provision of any Service under this Agreement upon thirty (30) days prior written notice to UNICOM.
- 50.2 Notwithstanding anything contained in this Agreement, except as otherwise required by Applicable Law, Verizon may with thirty (30) days prior written notice to UNICOM terminate any provision of this Agreement that provides for the payment by Verizon to UNICOM of compensation related to traffic, including, but not limited to, Reciprocal Compensation and other types of compensation for termination of traffic delivered by Verizon to UNICOM. Following such

- 2.26 Conversation Time.
The time that both Parties' equipment is used for a completed call measured from the receipt of Answer Supervision to the receipt of Disconnect Supervision.
- 2.27 Calling Party Number (CPN).
A CCS parameter that identifies the calling party's telephone number.
- 2.28 CPNI (Customer Proprietary Network Information).
Shall have the meaning set forth in Section 222 of the Act, 47 U.S.C. § 222.
- 2.29 Cross Connection.
A jumper cable or similar connection, provided in connection with a Collocation arrangement at the digital signal cross connect, Main Distribution Frame or other suitable frame or panel between (i) the Collocating Party's equipment and (ii) the equipment or facilities of the Housing Party.
- 2.30 Customer.
A third party residence or business end-user subscriber to Telephone Exchange Services provided by either of the Parties.
- 2.31 Digital Signal Level.
One of several transmission rates in the time-division multiplex hierarchy.
- 2.32 Digital Signal Level 0 (DS0).
The 64kbps zero-level signal in the time-division multiplex hierarchy.
- 2.33 Digital Signal Level 1 (DS1).
The 1.544 Mbps first-level signal in the time-division multiplex hierarchy.
- 2.34 Digital Signal Level 3 (DS3).
The 44.736 Mbps third-level signal in the time-division multiplex hierarchy.
- 2.35 Effective Date.
May 30, 2001.
- 2.36 EMI (Exchange Message Interface).
Standard used for the interexchange of telecommunications message information between exchange carriers and interexchange carriers for billable, non-billable, sample, settlement and study data. Data is provided between companies via a unique record layout that contains Customer billing information, account summary and tracking analysis. EMI format is contained in document SR-320 published by the Alliance for Telecom Industry Solutions.
- 2.37 End Office Switch or End Office.
A switching entity that is used to terminate Customer station Loops for the

digit number that consist of a 3-digit NPA Code (commonly referred to as area code), followed by a 3-digit NXX code and 4 digit line number.

2.65 Network Element.

Shall have the meaning stated in the Act.

2.66 NID (Network Interface Device).

The Verizon provided interface terminating Verizon's Telecommunications network on the property where the Customer's service is located at a point determined by Verizon. The NID contains a FCC Part 68 registered jack from which inside wire may be connected to Verizon's network.

2.67 NPA (Numbering Plan Area).

Also sometimes referred to as an area code, is the first three-digit indicator of each 10-digit telephone number within the NANP. Each NPA contains 800 possible NXX Codes. There are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs". A Geographic NPA is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that geographic area. A Non-Geographic NPA, also known as a "Service Access Code" or "SAC Code" is typically associated with a specialized Telecommunications Service that may be provided across multiple geographic NPA areas. 500, 700, 800, 888 and 900 are examples of Non-Geographic NPAs.

2.68 NXX, NXX Code, Central Office Code or CO Code.

The three-digit switch entity indicator (i.e. the first three digits of a seven-digit telephone number). Each NXX Code contains 10,000 station numbers.

2.69 Order.

An order or application to provide, change or terminate a Service (including, but not limited to, a commitment to purchase a stated number or minimum number of lines or other Services for a stated period or minimum period of time).

2.70 PIU (Percent Interstate Usage).

A percentage calculated by dividing the number of minutes of interstate traffic by the total number of minutes of interstate and intrastate traffic. A factor that is used to determine the interstate portion of minutes of traffic exchanged via Traffic Exchange Trunks. PIU is developed from the measurement of calls in which the calling and called parties are not located within the same state.

2.71 PLU (Percent Local Usage).

A percentage calculated by dividing the number of minutes of Local Traffic by the total number of minutes of intrastate traffic. A factor that is used to determine the portion of Local Traffic minutes exchanged via Traffic Exchange Trunks. PLU is developed from the measurement of calls in which the calling and called parties are located within a given local calling area or EAS area as defined in Verizon's effective Customer Tariff(s).

2.72 POI (Point of Interconnection).

2.81 Retail Prices.

The prices at which a Service is provided by Verizon at retail to subscribers who are not Telecommunications Carriers.

2.82 Routing Point.

A specific geographic point identified by a specific V&H coordinate. The Routing Point is used to route inbound traffic to specified NAP-NXXs and the Rate Center Point is used to calculate mileage measurements for distance-sensitive transport charges of switched access services. Pursuant to Telcordia Practice BR-795-100-100, the Rate Center Point may be an End Office location, or a "LEC Consortium Point Of Interconnection." The Routing Point must be located within the LATA in which the corresponding NPA-NXX is located. However, the Routing Point associated with each NPA-NXX need not be the same as the corresponding Rate Center Point, nor must it be located within the corresponding Rate Center Area, nor must there be a unique and separate Routing Point corresponding to each unique and separate Rate Center Area.

2.83 SCP (Service Control Point).

The node in the Common Channel Signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real time database system that, based on a query from a SSP and via a Signaling Transfer Point, performs subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.

2.84 Service.

Any Interconnection arrangement, Network Element, Telecommunications Service, Collocation arrangement, or other service, facility or arrangement, offered for sale by a Party under this Agreement.

2.85 (SONET) Synchronous Optical Network.

Synchronous electrical (STS) or optical channel (OC) connections between LECs.

2.86 Signaling Point (SP).

A node in the CCS network that originates and/or receives signaling messages, or transfers signaling messages from one signaling link to another, or both.

2.87 SSP (Service Switching Point).

A Signaling Point that can launch queries to databases and receive/interpret responses used to provide specific Customer services.

2.88 SS7 (Signaling System 7).

The common channel out-of-band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI). Verizon and UNICOM currently utilize this out-of-band signaling protocol.

2.89 STP (Signal Transfer Point).

UNBUNDLED NETWORK ELEMENTS (UNEs) ATTACHMENT

1. General

- 1.1 Verizon shall provide to UNICOM, in accordance with this Agreement (including, but not limited to, Verizon's applicable Tariffs) and the requirements of Applicable Law, access to Verizon's Network Elements on an unbundled basis and in combinations (Combinations); provided, however, that notwithstanding any other provision of this Agreement, Verizon shall be obligated to provide unbundled Network Elements (UNEs) and Combinations to UNICOM only to the extent required by Applicable Law and may decline to provide UNEs or Combination to UNICOM to the extent that provision of such UNEs or Combination are not required by Applicable Law.
- 1.2 Except as otherwise required by Applicable Law: (a) Verizon shall be obligated to provide a UNE or Combination pursuant to this Agreement only to the extent such UNE or Combination, and the equipment and facilities necessary to provide such UNE or Combination, are available in Verizon's network; (b) Verizon shall have no obligation to construct or deploy new facilities or equipment to offer any UNE or Combination; and, (c) Verizon shall not be obligated to combine UNEs that are not already combined in Verizon's network. UNICOM shall not directly or through a third party (e.g., UNICOM's Customer) order Telecommunications Services from Verizon in order to impose on Verizon an obligation to provide a UNE or a Combination that Verizon would not otherwise have an obligation to provide. For example, UNICOM shall not order Telecommunications Services or advise its Customer to order Telecommunications Services where existing UNEs or Combination desired by UNICOM are not available in order to permit UNICOM to subsequently convert the Telecommunications Services to the UNEs or Combinations desired by UNICOM.
- 1.3 UNICOM may use a UNE or Combination only for those purposes for which Verizon is required by Applicable Law to provide such UNE or Combination to UNICOM. Without limiting the foregoing, UNICOM may use a UNE or Combination (a) only to provide a Telecommunications Service and (b) to provide Exchange Access services only to the extent that Verizon is required by Applicable Law to provide such UNE or Combination to UNICOM in order to allow UNICOM to provide such Exchange Access services.
- 1.4 Notwithstanding any other provision of this Agreement:
- 1.4.1 To the extent that Verizon is required by a change in Applicable Law to provide a UNE or Combination not offered under this Agreement to UNICOM as of the Effective Date, the terms, conditions and prices for such UNE or Combination (including, but not limited to, the terms and conditions defining the UNE or Combination and stating when and where the UNE or Combination will be available and how it will be used, and terms, conditions and prices for pre-ordering, ordering, provisioning, repair, maintenance and billing) shall be as provided in an applicable Tariff of Verizon, or, in the absence of an applicable Verizon Tariff, as mutually agreed by the Parties.
- 1.4.2 Verizon shall not be obligated to provide to UNICOM, and UNICOM shall not request from Verizon, access to a proprietary advanced intelligent network service.
- 1.5 Without limiting Verizon's rights pursuant to Applicable Law or any other section of this Agreement to terminate its provision of a UNE or a Combination, if Verizon

provides a UNE or Combination to UNICOM, and the Commission, the FCC, a court or other governmental body of appropriate jurisdiction determines or has determined that Verizon is not required by Applicable Law to provide such UNEs or Combination, Verizon may terminate its provision of such UNE or Combination to UNICOM. If Verizon terminates its provision of a UNE or a Combination to UNICOM pursuant to this Section 1.5 and UNICOM elects to purchase other Services offered by Verizon in place of such UNE or Combination, then: (a) Verizon shall reasonably cooperate with UNICOM to coordinate the termination of such UNE or Combination and the installation of such Services to minimize the interruption of service to Customers of UNICOM; and, (b) UNICOM shall pay all applicable charges for such Services, including, but not limited to, all applicable installation charges.

- 1.6 Nothing contained in this Agreement shall be deemed to constitute an agreement by Verizon that any item identified in this Agreement as a UNE is (i) a Network Element under Applicable Law, or (ii) a Network Element Verizon is required by Applicable Law to provide to UNICOM on an unbundled basis.
- 1.7 Except as otherwise expressly stated in this Agreement, UNICOM shall access Verizon's UNEs specifically identified in this Agreement via Collocation in accordance with the Collocation Attachment at the Verizon Wire Center where those elements exist, and each Loop or Port shall, in the case of Collocation, be delivered to UNICOM's Collocation node by means of a Cross Connection.
- 1.8 If as the result of UNICOM Customer actions (i.e., Customer Not Ready ("CNR")), Verizon cannot complete requested work activity when a technician has been dispatched to the UNICOM Customer premises, UNICOM will be assessed a non-recurring charge associated with this visit. This charge will be the sum of the applicable Service Order charge specified in the Pricing Attachment and the Premises Visit Charge as specified in Verizon's applicable retail or Wholesale Tariff.

2. Verizon's Provision of UNEs

Subject to the conditions set forth in Section 1, in accordance with, but only to the extent required by, Applicable Law, Verizon shall provide UNICOM access to the following:

- 2.1 Loops, as set forth in Section 3;
- 2.2 Line Sharing, as set forth in Section 4;
- 2.3 Line Splitting, as set forth in Section 5;
- 2.4 Sub-Loops, as set forth in Section 6;
- 2.5 Inside Wire, as set forth in Section 7;
- 2.6 Dark Fiber, as set forth in Section 8;
- 2.7 Network Interface Device, as set forth in Section 9;
- 2.8 Switching Elements, as set forth in Section 10;
- 2.9 Interoffice Transmission Facilities, as set forth in Section 11;
- 2.10 Signaling Networks and Call-Related Databases, as set forth in Section 12;
- 2.11 Operations Support Systems, as set forth in Section 13; and

removing the Inside Wire from the terminals of Verizon's NID and connecting a connectorized or spliced jumper wire from a suitable "punch out" hole of such NID enclosure to the Inside Wire within the space of the Customer side of the Verizon NID. Such connection shall be electrically insulated and shall not make any contact with the connection points or terminals within the Customer side of the Verizon NID.

- 9.7.2 UNICOM may request Verizon to make other rearrangements to the Inside Wire terminations or terminal enclosure on a time and materials cost basis to be charged to the requesting party (i.e. UNICOM, its agent, the building owner or the Customer). If UNICOM accesses the Customer's Inside Wire as described in this Section 9.7.2, time and materials charges will be billed to the requesting party (i.e. UNICOM, its agent, the building owner or the Customer).

10. **Unbundled Switching Elements**

Subject to the conditions set forth in Section 1, Verizon shall make available to UNICOM the Local Switching Element and Tandem Switching Element unbundled from transport, local Loop transmission, or other services, in accordance with this Agreement. Verizon shall provide UNICOM with access to the Local Switching Element and the Tandem Switching Element in accordance with, but only to the extent required by, Applicable Law.

10.1 Local Switching.

- 10.1.1 The unbundled Local Switching Element includes line side and trunk side facilities (e.g. line and trunk side Ports such as analog and ISDN line side Ports and DS1 trunk side Ports), plus the features, functions, and capabilities of the switch. It consists of the line-side Port (including connection between a Loop termination and a switch line card, telephone number assignment, basic intercept, one primary directory listing, presubscription, and access to 911, operator services, and directory assistance), line and line group features (including all vertical features and line blocking options that the switch and its associated deployed switch software is capable of providing and are currently offered to Verizon's local exchange Customers), usage (including the connection of lines to lines, lines to trunks, trunks to lines, and trunks to trunks), and trunk features (including the connection between the trunk termination and a trunk card).

- 10.1.2 Verizon shall offer, as an optional chargeable feature, usage tapes.

- 10.1.3 UNICOM may request activation or deactivation of features on a per-port basis at any time, and shall compensate Verizon for the non-recurring charges associated with processing the order. UNICOM may submit a Bona Fide Request in accordance with Section 14.3 for other switch features and functions that the switch is capable of providing, but which Verizon does not currently provide, or for customized routing of traffic other than operator services and/or directory assistance traffic. Verizon shall develop and provide these requested services where technically feasible with the agreement of UNICOM to pay the recurring and non-recurring costs of developing, installing, updating, providing and maintaining these services.

10.2 Network Design Request (NDR).

EXHIBIT 8

AMENDMENT

To

INTERCONNECTION AGREEMENTS

THIS AMENDMENT (this "Amendment"), effective as of December 1, 2003 (the "Effective Date"), amends each of the Interconnection Agreements listed in Exhibit A hereto (the "Interconnection Agreements"), and is made by and between each of the Verizon incumbent local exchange carriers (individually and collectively "Verizon" or the "Verizon Parties") and each of the MCI competitive local exchange carriers ("CLECs") that is a party to an Interconnection Agreement with Verizon (individually and collectively "MCI" or the "MCI Parties"), all as shown in Exhibit A. Verizon and MCI are referred to herein individually as a "Party" and collectively as the "Parties". Defined terms are addressed in Section 4 hereof.

WITNESSETH:

WHEREAS, MCI, pursuant to its plan of reorganization recently confirmed and approved by the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") in the cases jointly administered under Case No. 02-13533 (AJG), is in the process of consolidating its various competitive local exchange carrier entities in each state; and

WHEREAS, the Parties collectively have engaged in negotiations, pursuant to a settlement agreement between the Parties that was approved by the Bankruptcy Court on July 29, 2003, to resolve their outstanding disputes pertaining to intercarrier compensation and wish to establish uniform terms governing intercarrier compensation arrangements for certain traffic exchanged between the Parties on and after the Effective Date, and to address certain closely related matters, including related interconnection obligations; and

WHEREAS, the Parties have agreed to establish a new unitary intercarrier compensation rate that is derived from a blending of existing Reciprocal Compensation rates and the FCC's interim rate structure for ISP-Bound Traffic as set forth in the *Order on Remand*, assuming a reasonable time period for implementation of the *Order on Remand*, and the Parties' current volumes of robust exchange of both Reciprocal Compensation Traffic and ISP-Bound Traffic; and

WHEREAS, the Parties wish to amend all of the Interconnection Agreements to effectuate the foregoing, and for the ease of administration, have elected to do so through this single Amendment.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

collocation space(s) (at a Verizon Wire Center) as an additional mutual POI(s) within a given Tandem serving area.

4. Defined Terms.

Notwithstanding anything to the contrary in the Interconnection Agreements, in any applicable tariff or SGAT, or under Applicable Law (including, without limitation, a change to Applicable Law effected after the Effective Date), the terms defined in this Section (or elsewhere in this Amendment) shall have the respective meanings set forth in this Amendment. A defined term intended to convey the meaning stated in this Amendment is capitalized when used. Other terms that are capitalized, and not defined in this Amendment, shall have the meaning set forth in the Act. Unless the context clearly indicates otherwise, any term defined in this Amendment that is defined or used in the singular shall include the plural, and any term defined in this Amendment that is defined or used in the plural shall include the singular. The words "shall" and "will" are used interchangeably, and the use of either indicates a mandatory requirement. The use of one or the other shall not confer a different degree of right or obligation for either Party. The terms defined in this Amendment have the meanings stated herein for the purpose of this Amendment only, and not for any other purpose. By agreeing to use the definitions of terms used in this Amendment, neither Party is conceding the definition of a term for any other purpose.

(a) "Act" means the Communications Act of 1934 (47 U.S.C. §151 et seq.), as amended and in effect from time to time (including, but not limited to, by the Telecommunications Act of 1996).

(b) "Applicable Law" means all effective laws and government regulations, rules, decisions and orders applicable to each Party's rights, and performance of its obligations, under this Amendment and the Interconnection Agreements.

(c) "Applicable Traffic" consists of Reciprocal Compensation Traffic (including, without limitation, for purposes of this Amendment and no other purpose, Reciprocal Compensation Traffic originated by MCI UNE-P Customers and terminated to Verizon Customers, ISP-Bound Traffic (including, for purposes of this Amendment and for no other purpose, V/FX Traffic that is ISP-Bound Traffic), and Type 1 VOIP Traffic. Applicable Traffic does not include Reciprocal Compensation Traffic originated by Verizon Customers and terminated to MCI UNE-P Customers. Applicable Traffic also does not include Type 2 VOIP Traffic or V/FX Traffic that is not ISP-bound Traffic, each of which types of traffic is subject to applicable switched exchange access tariff charges; the Parties hereby agree that, as of the Effective Date, they are exchanging only a de minimis amount of V/FX Traffic that is not ISP-bound Traffic; the Parties further agree that, from time to time, upon written request from either Party, the Parties will review whether the amount of such V/FX Traffic that is not ISP-bound Traffic exchanged between them remains de minimis. For the purpose of calculating traffic ratios only, and not for the purpose of calculating intercarrier compensation, "Applicable Traffic" also includes Reciprocal Compensation Traffic originated by Verizon Customers and

C.F.R Part 51; and, for the avoidance of any doubt, the following types of traffic, among others, do not constitute Reciprocal Compensation Traffic: Telecommunications traffic that is interstate or intrastate Exchange Access, Information Access, or exchange services for Exchange Access or Information Access; toll traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis; Optional Extended Local Calling Scope Arrangement Traffic; special access, private line, frame relay, ATM, or any other traffic that is not switched by the Receiving Party; tandem transit traffic; or voice Information Service traffic.

(o) “Switched Exchange Access Service” means the offering of transmission and switching services for the purpose of the origination or termination of toll traffic. Switched Exchange Access Services include but may not be limited to: Feature Group A, Feature Group B, Feature Group D, 700 access, 800 access, 888 access and 900 access.

(p) “Tandem” or “Tandem Switch” means a physical or logical switching entity that has billing and recording capabilities and is used to connect and switch trunk circuits between and among End Office Switches and between and among End Office Switches and carriers' aggregation points, points of termination, or points of presence, and to provide Switched Exchange Access Services.

(q) “UNE-P” means a combination of a UNE switch port and UNE loop provided by Verizon pursuant to the requirements of 47 U.S.C. Section 251(c)(3) and 47 C.F.R. Part 51.

(r) “Virtual Foreign Exchange Traffic” or “V/FX Traffic” means calls placed over the public switched telephone network or VOIP Traffic, in either case in which a Customer is assigned a telephone number with an NXX Code (as set forth in the LERG) associated with an exchange that is different than the exchange (as set forth in the LERG) associated with the actual physical location of such Customer’s station.

(s) “VOIP Traffic” means voice communications, or data communications other than ISP-Bound Traffic, that are transmitted in whole or in part over packet switching facilities using Internet Protocol or any similar packet protocol. For purposes of this Amendment only (and without affecting any other matter), VOIP Traffic shall be treated as having been generated through provision of a Telecommunications Service, and not an Information Service.

(t) “Wire Center” means a building or portion thereof which serves as the premises for one or more Central Office Switches and related facilities.

5. Waiver of Rights; Successor Terms.

(a) Each Party irrevocably waives, with respect to the other Party, any and all rights that it may have or that it may obtain, from the beginning of time through and including June 13, 2006, under the Act (including, but not limited to, under Section 252(i) thereof), under any other Applicable Law, under the Interconnection Agreements, or otherwise (i) to adopt the terms of any other interconnection agreement, law, regulation,

EXHIBIT 9

John C. Peterson, Director
Contract Performance and Administration
Wholesale Markets



Wholesale Markets
600 Hidden Ridge, HQE03D52
P.O. Box 152092
Irving, TX 75038

Phone 972-718-5988
Fax 972-719-1519
john.c.peterson@verizon.com

December 31, 2003

Mr. Marcel Henry
Vice President – National Carrier & Contract Management
MCImetro Access Transmission Services LLC
5055 North Point Parkway
Alpharetta, GA 30022

Re: Requested Adoption Under Section 252(i) of the TA96

Dear Mr. Henry:

Verizon Northwest Inc., f/k/a GTE Northwest Incorporated (“Verizon”), a Washington corporation, with principal place of business at 1800 41st, Everett, Washington 98201, has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996 (the “Act”), MCImetro Access Transmission Services LLC (“MCIm”), a Delaware Limited Liability Company, with principal place of business at 22001 Loudoun County Parkway, Ashburn, Virginia 20147, wishes to adopt the terms of the arbitrated Interconnection Agreement between AT&T Communications of the Pacific Northwest, Inc. (“AT&T”) and Verizon that was approved by the Washington Utilities and Transportation Commission (the “Commission”) as an effective agreement in the State of Washington in Docket No. UT-960307, as such agreement exists on the date hereof after giving effect to operation of law (the “Terms”). I understand MCIm has a copy of the Terms. Verizon does not oppose your adoption of the Terms at this time. Please note the following with respect to MCIm’s adoption of the Terms.

1. MCIm adopts (and agrees to be bound by) the Terms of the AT&T/Verizon arbitrated agreement for interconnection as it is in effect on the date hereof after giving effect to operation of law, and in applying the Terms, agrees that MCIm shall be substituted in place of AT&T Communications of the Pacific Northwest, Inc. and AT&T in the Terms wherever appropriate.

2. For avoidance of doubt, adoption of the Terms does not include adoption of any provision imposing an unbundling obligation on Verizon that no longer applies under the Report and Order and Order on Remand (FCC 03-36) released by the Federal Communications Commission ("FCC") on August 21, 2003 in CC Docket Nos. 01-338, 96-98, 98-147 ("Triennial Review Order"), which became effective on October 2, 2003. In light of the effectiveness of the Triennial Review Order, any reasonable period of time for adopting such provisions has expired under the FCC's rules implementing section 252(i) of the Act (*see, e.g.*, 47 CFR Section 51.809(c)).
3. Notice to MCI and Verizon as may be required under the Terms shall be provided as follows:

To: MCImetro Access Transmission Services LLC
Attention: Vice President – National Carrier & Contract
Management
5055 North Point Parkway
Alpharetta, GA 30022
Telephone Number: 678-259-5456
Facsimile Number: 678-259-5446
Internet Address: Marcel.Henry@mci.com

with copies to:

MCImetro Access Transmission Services LLC
Attention: Chief Technology & Network Counsel
1133 19th Street, N.W.
Washington, DC 20036
Telephone Number: 202-736-6578
Facsimile Number: 202-736-6903

MCImetro Access Transmission Services LLC
Attention: Senior Manager – Carrier Agreements
2678 Bishop Drive, Suite 200
San Ramon, CA 94583
Telephone Number: 925-824-2078
Facsimile Number: 925-244-1334
Internet Address: Dayna.Garvin@mci.com

MCImetro Access Transmission Services LLC
Attention: Counsel – Network & Facilities
22001 Loudoun County Parkway
Ashburn, VA 20147
Telephone Number: 703-886-5302
Facsimile Number: 703-866-4399

To Verizon:

Director-Contract Performance & Administration
Verizon Wholesale Markets
600 Hidden Ridge
HQEWMNOTICES
Irving, TX 75038
Telephone Number: 972-718-5988
Facsimile Number: 972-719-1519
Internet Address: wmnotices@verizon.com

with a copy to:

Vice President and Associate General Counsel
Verizon Wholesale Markets
1515 N. Court House Road
Suite 500
Arlington, VA 22201
Facsimile: 703-351-3664

4. MCIm represents and warrants that it is a certified provider of local telecommunications service in the State of Washington, and that its adoption of the Terms will cover services in the State of Washington only.
5. In the event that a voluntary or involuntary petition has been or is in the future filed against MCIm under bankruptcy or insolvency laws, or any law relating to the relief of debtors, readjustment of indebtedness, debtor reorganization or composition or extension of debt (any such proceeding, an "Insolvency Proceeding"), then: (i) all rights of Verizon under such laws, including, without limitation, all rights of Verizon under 11 U.S.C. § 366, shall be preserved, and MCIm's adoption of the Verizon Terms shall in no way impair such rights of Verizon; and (ii) all rights of MCIm resulting from MCIm's adoption of the Verizon terms shall be subject to and modified by any Stipulations and Orders entered in the Insolvency Proceeding, including, without limitation, any Stipulation or Order providing adequate assurance of payment to Verizon pursuant to 11 U.S.C. § 366. In the event that an interconnection agreement between Verizon and MCIm is currently in force in the State of Washington (the "Original ICA"), MCIm's adoption of the Terms (the "Amended and Restated Interconnection Agreement") shall be an amendment and restatement of, and

replace in its entirety, the Original ICA. The Amended and Restated Interconnection Agreement is not intended to be, nor shall it be construed to create, a novation or accord and satisfaction with respect to the Original ICA. All monetary obligations of the parties to one another under the Original ICA shall remain in full force and effect and shall constitute monetary obligations of the parties under the Amended and Restated Interconnection Agreement; provided, however, in the event that MCIIm is currently a debtor in an Insolvency Proceeding nothing contained herein shall convert any claim or debt that would otherwise constitute a prepetition claim or debt in MCIIm's Insolvency Proceeding into a post-petition claim or debt.

6. Verizon's standard pricing schedule for interconnection agreements in the State of Washington (as such schedule may be amended from time to time) (attached as Appendix 1 hereto) shall apply to MCIIm's adoption of the Terms. MCIIm should note that the aforementioned pricing schedule may contain rates for certain services the terms for which are not included in the Terms or that are otherwise not part of this adoption, and may include phrases or wording not identical to those utilized in the Terms. In an effort to expedite the adoption process, Verizon has not deleted such rates from the pricing schedule or attempted to customize the wording in the pricing schedule to match the Terms. However, the inclusion of such rates in no way obligates Verizon to provide the subject services and in no way waives Verizon's rights, and the use of slightly different wording or phrasing in the pricing schedule does not alter the obligations and rights set forth in the Terms.
7. MCIIm's adoption of the AT&T Terms shall become effective on January 4, 2004. Verizon shall file this adoption letter with the Commission promptly upon receipt of MCIIm's notice of filing under Paragraph 31 of the Washington Utilities and Transportation Commission Interpretive and Policy Statement. The term and termination provisions of the AT&T/Verizon agreement shall govern MCIIm's adoption of the Terms. The adoption of the Terms is currently scheduled to expire on January 24, 2004.
8. As the Terms are being adopted by you pursuant to your statutory rights under section 252(i), Verizon does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by Verizon of the Terms does not in any way constitute a waiver by Verizon of any position as to the Terms or a portion thereof, nor does it constitute a waiver by Verizon of all rights and remedies it may have to seek review of the Terms, or to petition the Commission, other administrative body, or court for reconsideration or reversal of any determination made by the Commission pursuant to arbitration in Docket No. UT-960307, or to seek review in any way of any provisions included in these Terms as a result of MCIIm's 252(i) election.
9. Nothing herein shall be construed as or is intended to be a concession or admission by Verizon that any contractual provision required by the Commission

in Docket No. UT-960307 (the AT&T arbitration) or any provision in the Terms complies with the rights and duties imposed by the Act, the decisions of the FCC and the Commissions, the decisions of the courts, or other law, and Verizon expressly reserves its full right to assert and pursue claims arising from or related to the Terms.

10. Verizon reserves the right to deny MCI's adoption and/or application of the Terms, in whole or in part, at any time:
 - (a) when the costs of providing the Terms to MCI are greater than the costs of providing them to AT&T;
 - (b) if the provision of the Terms to MCI is not technically feasible; and/or
 - (c) to the extent that Verizon otherwise is not required to make the Terms available to MCI under applicable law.

11. For avoidance of doubt, please note that adoption of the Terms will not result in reciprocal compensation payments for Internet traffic. Verizon has always taken the position that reciprocal compensation was not due to be paid for Internet traffic under section 251(b)(5) of the Act. Verizon's position that reciprocal compensation is not to be paid for Internet traffic was confirmed by the FCC in the Order on Remand and Report and Order adopted on April 18, 2001 ("*FCC Internet Order*"), which held that Internet traffic constitutes "information access" outside the scope of the reciprocal compensation obligations set forth in section 251(b)(5) of the Act.[□] Accordingly, any compensation to be paid for Internet traffic will be handled pursuant to the terms of the *FCC Internet Order*, not pursuant to adoption of the Terms.[□] Moreover, in light of the *FCC Internet Order*, even if the Terms include provisions invoking an intercarrier compensation mechanism for Internet traffic, any reasonable amount of time permitted for adopting such provisions has expired under the FCC's rules implementing section 252(i) of the Act.[□] In fact, the *FCC Internet Order* made clear that carriers may not adopt provisions of an existing interconnection agreement to the extent that such provisions provide compensation for Internet traffic.⁴

[□] Order on Remand and Report and Order, In the Matters of: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Intercarrier Compensation for ISP-Bound Traffic, CC Docket No. 99-68 (rel. April 27, 2001) ("*FCC Remand Order*") ¶44, remanded, *WorldCom, Inc. v. FCC*, No. 01-1218 (D.C. Cir. May 3, 2002). Although the D.C. Circuit remanded the *FCC Remand Order* to permit the FCC to clarify its reasoning, it left the order in place as governing federal law. See *WorldCom, Inc. v. FCC*, No. 01-1218, slip op. at 5 (D.C. Cir. May 3, 2002).

[□] For your convenience, an industry letter distributed by Verizon explaining its plans to implement the *FCC Internet Order* can be viewed at Verizon's Customer Support Website at URL www.verizon.com/wise

(select Verizon East Customer Support, Business Resources, Customer Documentation, Resources, Industry Letters, CLEC, May 21, 2001 Order on Remand).

[□] See, e.g., 47 C.F.R. Section 51.809(c).

⁴ *FCC Internet Order* ¶ 82.

12. Should MCIm attempt to apply the Terms in a manner that conflicts with paragraphs 1-11 above, Verizon reserves its rights to seek appropriate legal and/or equitable relief.

Sincerely,

VERIZON NORTHWEST INC.

John C. Peterson, Director
Contract Performance and Administration
Wholesale Markets

c: J. Dail – Verizon
M. Miller - Verizon
Telecommunications Division - WUTC
Angelica Murilla – Verizon
Elaine Duncan – Verizon

EXHIBIT 10

AMENDMENT NO. 2

to the

INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT

between

VERIZON NORTHWEST INC., f/k/a GTE NORTHWEST INCORPORATED

and

MCIMETRO ACCESS TRANSMISSION SERVICES LLC

THIS AMENDMENT No. 2 (this "Amendment") is made this 1st day of July 2004 (the "Effective Date"), by and between Verizon Northwest Inc., f/k/a GTE Northwest Incorporated ("Verizon"), a Washington corporation, with its principal place of business at 1800 41st Street, Everett, Washington 98201, and MCImetro Access Transmission Services LLC ("MCIm"), a Delaware limited liability company, with its principal place of business at 22001 Loudoun County Parkway, Ashburn, VA 20147. (Verizon and MCIm may be hereinafter referred to, each individually, as a "Party" and, collectively, as the "Parties".) This Amendment covers services in the Verizon service territory in the State of Washington (the "State").

WITNESSETH:

WHEREAS, MCIm has previously adopted the terms of the Interconnection, Resale and Unbundling Agreement between Verizon and AT&T Communications of the Pacific Northwest, Inc. ("AT&T") pursuant to Section 252(i) of the Communications Act of 1934, as amended, such adopted terms having been amended by Amendment No. 1 thereto (the adopted terms, as so amended, the "Terms");

WHEREAS, the Parties wish to amend the Terms such that Verizon would make available to MCIm Line Splitting (as defined in Section 1(a) below) pursuant to the terms hereof; and

WHEREAS, the Parties also wish to revise the rates and charges set forth in the Terms, pursuant to the terms hereof.

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:

(c) Limitations. Notwithstanding anything set forth in the Terms or this Amendment:

(1) Nothing contained in the Terms or this Amendment shall be deemed to constitute an agreement by Verizon that any item identified in the Terms or this Amendment as a network element is (A) a network element under 47 U.S.C. § 251(c)(3) or 47 C.F.R. Part 51, or (B) a network element Verizon is required by 47 U.S.C. § 251(c)(3) or 47 C.F.R. Part 51 to provide to MCI on an unbundled basis. Nothing contained in the Terms or this Amendment shall limit Verizon's or MCI's right to appeal, seek reconsideration of or otherwise seek to have stayed, modified, reversed or invalidated any order, rule, regulation, decision, ordinance or statute issued by the Washington Utilities and Transportation Commission, the FCC, any court or any other governmental authority related to, concerning or that may affect Verizon's obligations or MCI's rights under the Terms, this Amendment or Applicable Law.

(2) Notwithstanding anything set forth in the Terms or this Amendment, Verizon shall be required to provide Line Splitting only where necessary facilities are available; as such, Verizon has not agreed in this Amendment to perform network modifications (routine or otherwise) in connection with provision of Line Splitting (or a network element included as part of a Line Splitting configuration). The Parties reserve their rights to negotiate terms relating to routine network modifications in connection with provision of Line Splitting.

(d) Notwithstanding anything else set forth in the Terms or this Amendment and subject to the conditions set forth in Section 1(c) of this Amendment: Verizon shall provide access to Line Splitting, as well as Unbundled Local Loops, Local Switching Elements, shared transport network elements and other network elements, if any, included as part of a Line Splitting configuration pursuant to the applicable rates and charges set forth in Exhibit A to this Amendment. Exhibit A hereto shall supersede in its entirety the rates and charges set forth in the Terms. The rates and charges set forth in Exhibit A hereto shall apply until such time as they are replaced by new rates and charges as may be approved or allowed to go into effect by the Washington Utilities and Transportation Commission or the FCC from time to time, subject however, to any stay or other order issued by any court of competent jurisdiction for the State of Washington. Both Parties reserve all rights each may have under Applicable Law to challenge, or seek modification, on a prospective basis of the rates and charges set forth in Exhibit A hereto.

2. Conflict between this Amendment and the Terms. 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 of this Amendment. 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.