

**Internet Service Provider ("ISP") Bound Traffic Amendment  
to the Interconnection Agreement between  
Qwest Corporation and  
XO Washington, Inc., formally known as NEXTLINK Washington, Inc.  
for the State of Washington**

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

**RECITALS**

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

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

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

**AGREEMENT**

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

**1. Definitions**

For purposes of this Amendment the following definitions apply:

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

**2. Exchange Service (EAS/Local) Traffic**

Effective January 1, 2002, CLEC agrees to bill Qwest at the combined end office and tandem switched transport rate of \$.00297 for §251(b)(5) traffic pursuant to the terms and conditions of the Second Amendment to the Interconnection Agreement, Section VIII, Reciprocal Compensation Arrangements.

Effective January 1, 2003, CLEC agrees to bill Qwest at the then-existing state rate for §251(b)(5) traffic.

### **3. ISP-Bound Traffic**

3.1 Qwest elects to exchange ISP-bound traffic at the FCC ordered rates pursuant to the FCC's Order on Remand and Report and Order (Intercarrier Compensation for ISP-Bound Traffic) FCC 01-131 (FCC ISP Order), effective June 14, 2001, and usage based intercarrier compensation will be applied as follows:

3.2 Compensation where the Parties were exchanging traffic pursuant to Interconnection agreements as of adoption of the FCC ISP Order, April 18, 2001:

3.2.1 Identification of ISP-Bound Traffic -- The Parties will presume traffic delivered to a Party that exceeds a 3:1 ratio of terminating traffic to originating traffic is ISP-bound traffic. Either Party may rebut this presumption by demonstrating the factual ratio to the state Commission. Traffic exchanged that is not ISP bound traffic will be considered to be section 251(b)(5) traffic. For purposes of this Amendment, compensation for paging traffic shall be the same as compensation for ISP-bound traffic.

3.2.2 Growth Ceilings for ISP-Bound Traffic -- Intercarrier compensation for ISP-bound traffic will be subject to growth ceilings. ISP-bound MOUs exceeding the growth ceiling will be subject to Bill and Keep compensation.

3.2.2.1 For 2001, a Party will pay for ISP bound minutes up to the ceiling equal to, on an annualized basis, the number of ISP-bound minutes for which it was responsible for payment during first quarter 2001, plus a ten percent (10%) growth factor.

3.2.2.2 For 2002 and subsequent years, until further FCC action on intercarrier compensation, a Party will pay for ISP-bound minutes up to the ceiling equal to the minutes for which each Party was responsible for payment in 2001, plus another ten percent (10%) growth factor.

3.2.3 Rate Caps -- Intercarrier compensation for ISP-bound traffic exchanged between Qwest and CLEC, absent any agreement to the contrary, will be billed in accordance with their existing Agreement or as follows, whichever rate is lower:

3.2.3.1 \$.0015 per MOU for six (6) months from June 14, 2001 through December 13, 2001.

3.2.3.2 \$.001 per MOU for eighteen (18) months from December 14, 2001 through June 13, 2003.

3.2.3.3 \$.0007 per MOU from June 14, 2003 until thirty six (36) months after the effective date or until further FCC action on intercarrier compensation, whichever is later.

3.2.3.4 In the event the Parties were not exchanging traffic pursuant to Interconnection agreements prior to adoption of the FCC ISP Order on April 18, 2001, compensation will be on a Bill and Keep basis until further FCC action on Intercarrier compensation. This includes carrier expansion into a state it previously had not served.

**4. Effective Date**

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

**5. Further Amendments**

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

**6. Amendment not a Precedent**

The Parties agree that, by entering into this Amendment, they are doing so without prejudice to or waiver of any of their positions, whether policy, legal or otherwise. The Parties further agree that this Amendment may not be offered by either Party in any jurisdiction as evidence of any concession or as a waiver of any position taken by either Party.

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

**XO Washington, Inc.**

**Qwest Corporation**

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Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name Printed/Typed

L. T. Christensen  
\_\_\_\_\_  
Name Printed/Typed

\_\_\_\_\_  
Title

Director – Business Policy  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

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Date