# ISP-Bound Reciprocal Compensation Amendment to the Interconnection Agreement between Qwest Corporation and Northwest Telephone Inc. for the State of Washington

This is an Amendment ("Amendment") to the Interconnection Agreement between Qwest Corporation ("Qwest"), a Colorado corporation, and Northwest Telephone Inc. ("Competitive Local Exchange Carrier" or "CLEC") a Washington corporation. CLEC and Qwest shall be known jointly as the ("Parties").

# **RECITALS**

WHEREAS, the Parties entered into an Interconnection Agreement for service in the State of Washington which was approved by the Washington Utilities and Transportation Commission ("Commission") June 13, 2001; and

WHEREAS, the FCC released Order FCC 04-241 on October 18, 2004, in *Petition of Core Communications, Inc. for Forbearance Under 47 U.S.C. 160(c) from Application of the ISP Remand Order,* WC Docket No. 03-171, effective October 8, 2004 ("Core Forbearance Petition"), which modified the terms under which the Parties must compensate each other for termination of internet service provider bound traffic ("ISP-bound traffic"); and

WHEREAS, previously, 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 replace, in its entirety, Section 7.3.6 and other selected provisions of the Interconnection Agreement governing ISP-Bound Traffic with 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 as follows:

#### **Amendment Terms**

Intercarrier Compensation for ISP-Bound Traffic shall be modified pursuant to the terms, conditions and rates set forth in Attachment 1, to this Amendment, attached hereto and incorporated herein.

#### **Effective Date**

This Amendment shall be deemed effective upon approval by the Commission.

### **Further Amendments**

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. The provisions of this Amendment, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions of this Amendment may not be given without the written consent thereto by both Parties' authorized representative. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, will be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

# **Entire Agreement**

The Agreement as amended (including the documents referred to herein) constitutes the full and entire understanding and agreement between the Parties with regard to the subjects of the Agreement as amended and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they relate in any way to the subjects of the Agreement as amended.

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.

| CLEC               | Qwest Corporation                                  |
|--------------------|--|
| Signature          | Signature  |
| Name Printed/Typed | L. T. Christensen  Name Printed/Typed              |
| Title              | <u>Director – Interconnection Agreements</u> Title |
| Date               | <br>Date   |

#### ATTACHMENT 1

# 1.0 Compensation for ISP-Bound Traffic

- 1.1 Subject to the terms of this Section, intercarrier compensation for ISP-bound traffic exchanged between Qwest and CLEC will be billed as follows, without limitation as to the number of MOU ("minutes of use") or whether the MOU are generated in "new markets" as that term has been defined by the FCC:
  - \$.0007 per MOU or the state ordered rate, whichever is lower.
- 1.2 Identification of ISP-Bound traffic -- The Parties will utilize actual traffic data to identify ISP-bound traffic.
- 1.3 In the event any action by the state or federal regulatory authority alters the interpretation of recent decisions by the Commission regarding the propriety of a network architecture where calls between end users and other end users (including ISPs) that are physically located in different local calling areas (Qwest refers to this architecture and traffic resulting from that architecture as "VNXX"), the Parties agree to implement the Change in Law or Change in Existing Rules provision of the underlying Interconnection Agreement as it relates to compensation for VNXX traffic. Such change in law for VNXX traffic shall be effective as of the effective date of the change in law and the Parties agree to pay any monies or credit each other's accounts as needed to effectuate the effective date.
- 1.4 In addition to the foregoing, the following language shall supersede and replace the existing corresponding language in the Parties' Interconnection Agreement:

#### 7.1.2 Methods of Interconnection

The Parties will negotiate the facilities arrangement used to interconnect their respective networks. CLEC shall establish at least one (1) physical Point of Interconnection in Qwest territory in each LATA CLEC has local End User Customers. The Parties shall establish, through negotiations, at least one (1) of the following Interconnection arrangements, at any Technically Feasible point: (1) a DS1 or DS3 Qwest-provided facility; (2) Collocation; (3) negotiated Mid-Span Meet POI facilities; or (4) other Technically Feasible methods of Interconnection via the Bona Fide Request (BFR) process unless a particular arrangement has been previously provided to a third party, or is offered by Qwest as a product.

7.1.2.1 Qwest-provided Facility. Interconnection may be accomplished through the provision of a DS1 or DS3 Entrance Facility, direct trunked transport, or both. An Entrance Facility extends from the Qwest Serving Wire Center to CLEC's Switch location or POI chosen by CLEC. Entrance Facilities may not extend beyond the area served by the Qwest Serving Wire Center. The rates for Entrance Facilities are provided in Exhibit A. Qwest's private line transport service is available as an alternative to Entrance Facilities, when CLEC uses such private line transport service for multiple services. Entrance Facilities may

not be used for Interconnection with Unbundled Network Elements.

- 7.1.2.2 Collocation. Interconnection may be accomplished through the Collocation arrangements offered by Qwest. The terms and conditions under which Collocation will be available are described in Section 8 of this Agreement.
- 7.1.2.3 Mid-Span Meet POI. A Mid-Span Meet POI is a negotiated Point of Interface, limited to the Interconnection of facilities between one (1) Party's Switch and the other Party's Switch. The actual physical Point of Interface and facilities used will be subject to negotiations between the Parties. Each Party will be responsible for its portion of the build to the Mid-Span Meet POI. CLEC may not use remaining capability in an existing Mid-Span Meet POI to gain access to Unbundled Network Elements. These Mid-Span Meet POIs will consist of facilities used for the Provisioning of one-way or two-way local/IntraLATA and Jointly Provided Switched Access Interconnection trunks, as well as miscellaneous trunks such as Mass Calling Trunks, OS/DA, 911 and including any dedicated DS1, DS3 transport trunk groups used to provision originating CLEC traffic.
  - 7.1.2.3.1 The Mid-Span Fiber Meet architecture requires each Party to own its equipment on its side of the Point of Interconnection (POI). CLECs may designate Mid-Span Fiber Meet as the target architecture, except in scenarios where it is not Technically Feasible or where the Parties disagree on midpoint location.
  - 7.1.2.3.2 In a Mid-Span Fiber Meet the Parties agree to establish technical interface specifications for Fiber Meet arrangements that permit the successful Interconnection and completion of traffic routed over the facilities that interconnect at the Fiber Meet. CLEC is responsible for providing at its location the Fiber Optic Terminal (FOT) equipment, multiplexing, and fiber required to terminate the optical signal provided by Qwest. Qwest is responsible for providing corresponding FOT(s), multiplexing, and fiber required to terminate the optical signal provided by CLEC.
  - 7.1.2.3.3 The Parties shall, wholly at their own expense, procure, install, and maintain the FOT(s) in each of their locations where the Parties establish a Fiber Meet with capacity sufficient to provision and maintain all trunk groups. The Parties shall mutually agree on the capacity of the FOT(s) to be utilized based on equivalent DS1s and DS3s necessary for transport of forecasted local Interconnection trunking. Each Party will also agree upon the optical frequency and wavelength necessary to implement the Interconnection.
  - 7.1.2.3.3 Qwest agree to provide local interconnection trunk diversity to the same extent it does so in it's local network.
- 7.3.1.1.3.1 The provider of the LIS two-way Entrance Facility (EF) will initially share the cost of the LIS two-way EF by assuming an initial relative use factor (RUF) of fifty percent (50%) for a minimum of one (1) quarter if the Parties have not exchanged LIS traffic previously. The nominal charge to the other Party for

the use of the EF, as described in Exhibit A, shall be reduced by this initial relative use factor. Payments by the other Party will be according to this initial relative use factor for a minimum of one (1) quarter. The initial relative use factor will continue for both bill reduction and payments until the Parties agree to a new factor, based upon actual minutes of use data. If either Party demonstrates with traffic data that actual minutes of use during the previous quarter justifies a new relative use factor that Party will send a notice to the other Party. The new factor will be calculated based upon Exhibit H. Once the Parties finalize a new factor, bill reductions and payments will apply going forward from the date the original notice was sent.

7.3.2.2.1 The provider of the LIS two-way DTT facility will initially share the cost of the LIS two-way DTT facility by assuming an initial relative use factor of fifty percent (50%) for a minimum of one (1) quarter if the Parties have not exchanged LIS traffic previously. The nominal charge to the other Party for the use of the DTT facility, as described in Exhibit A, shall be reduced by this initial relative use factor. Payments by the other Party will be according to this initial relative use factor for a minimum of one (1) quarter. The initial relative use factor will continue for both bill reduction and payments until the Parties agree to a new factor. If either Party demonstrates with data that actual minutes of use during the previous quarter justifies a new relative use factor that Party will send a notice to the other Party. The new factor will be calculated based upon Exhibit H. Once the Parties finalize a new factor, bill reductions and payments will apply going forward from the date the original notice was sent.