

STEVENS & LEE
LAWYERS & CONSULTANTS

17 North Second Street
16th Floor
Harrisburg, PA 17101
(717) 234-1090 Fax (717) 234-1099
www.stevenslee.com

Direct Dial: (717) 255-7365
Email: mag@stevenslee.com
Direct Fax: (610) 988-0852

April 16, 2012

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VIA HAND DELIVERY

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: **Core Communications, Inc. v. Verizon of Pennsylvania, Inc. and Verizon
North, Inc.**
Docket Nos. C-2011-2253750 and C-2011-2253787

Dear Secretary Chiavetta

Enclosed for filing please find the original plus three copies of the Amended Complaint of Core Communications. **Please note that this Amended Complaint and associated attachments contain highly sensitive company financial information.** As such, Public and Confidential versions of each of these documents are being filed. Core kindly requests that only the Public version be placed in the Commission's public files.

Copies of the Amended Complaint are being served on Verizon in accordance with the attached Certificate of Service. If you have any questions, please feel free to contact me.

Respectfully submitted,

STEVENS & LEE

Michael A. Gruin /KDD
Michael A. Gruin

cc: Certificate of Service
Honorable Susan Colwell, Administrative Law Judge (via email and US Mail)

Philadelphia • Reading • Valley Forge • Lehigh Valley • Harrisburg • Lancaster • Scranton
Wilkes-Barre • Princeton • Cherry Hill • New York • Wilmington

A PROFESSIONAL CORPORATION

****PUBLIC VERSION****
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

CORE COMMUNICATIONS, INC.
Complainant

v.

VERIZON PENNSYLVANIA INC.
and

VERIZON NORTH, INC.
Respondents

Docket No. C-2011-2253750
Docket No. C-2011-2253787

NOTICE TO PLEAD

To: Verizon Pennsylvania, Inc. and Verizon North, Inc.

You are hereby notified to file a written response to the attached Amended Complaint within twenty (20) days from the date of service of this notice. If you do not file a written response denying the Complaint within twenty (20) days of service, the facts set forth by Core Communications, Inc. may be deemed to be true, thereby requiring no other proof; and judgment may be entered against you. All pleadings, such as Answers to Complaints, must be filed with the Secretary of the Pennsylvania Public Utility Commission:

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street, Second Floor
Harrisburg, PA 17120

You must also serve a copy of your response on the undersigned counsel for Core Communications, Inc.

DATE: April 16, 2012

STEVENS & LEE



Michael A. Gruin, (I.D. No. 78625)
17 N. 2nd St., 16th Fl
Harrisburg, PA 17101
Tel. (717) 255-7365
Fax (610) 988-0852
COUNSEL FOR CORE
COMMUNICATIONS, INC.

RECEIVED
2012 APR 16 PM 12: 14
PA PUC
SECRETARY'S BUREAU

points-of-presence (“POPs”) in Altoona, Erie, Harrisburg, Philadelphia, Pittsburgh and Wilkes-Barre.

2. As explained in the Commission’s landmark 2006 *Core Rural Certification Order*,¹ Core is a “niche” facilities-based CLEC focused primarily on providing its enhanced service provider customers with wholesale connectivity to the Public-Switched Telecommunications Network (“PSTN”). Core’s customers include local, regional and national Internet service providers (“ISPs”) and, to a growing extent, voice-over-Internet protocol (“VOIP”) providers. Many of Core’s customers are small businesses based in Pennsylvania.

3. Core is represented in this matter by:

Michael A. Gruin, Esq.
Stevens & Lee
PA ID No. 78625
17 N. 2nd St. 16th Fl.
Harrisburg, PA 17101
(717) 255-7365
mag@stevenslee.com

Christopher F. Van de Verg, Esq.
General Counsel
Core Communications, Inc.
209 West Street
Suite 302
Annapolis, MD 21401
(410) 216-9865
chris@coretel.net

RECEIVED
2012 APR 16 PM 12:15
PA PUC
SECRETARY'S BUREAU

¹ Opinion & Order, *Application of Core Communications, Inc. for Authority to amend its existing Certificate of Public Convenience and necessity and to expand Core’s Pennsylvania operations to include the Provision of competitive residential and business Local exchange telecommunications services throughout the Commonwealth of Pennsylvania, et al.*, Docket Nos. A-310922F0002AmA & A-310922F0002AmB, (entered December 4, 2006), *aff’d*, *Rural Tel. Co. Coalition v. Pa. Pub. Util. Comm’n*, 941 A.2d 751 (Pa. Cmwlth. 2008).

4. Respondent Verizon Pennsylvania, Inc. (“Verizon PA”), is a Pennsylvania corporation with its principal place of business at 1717 Arch Street, 32nd Floor, Philadelphia, Pennsylvania 19103.

5. Respondent Verizon North, Inc. (“Verizon North”) is a Wisconsin corporation with its principal place of business at 1717 Arch Street, Philadelphia, Pennsylvania 19103.

6. In practice, Verizon PA and Verizon North are represented in all or substantially all of their dealings with Core by individuals employed by Verizon Services Corp., (“Verizon Services”) which has offices in Boston, Massachusetts, New York, New York and Arlington, Virginia. Verizon PA, Verizon North and Verizon Services shall hereinafter be referred to as “Verizon.”

7. The combined Verizon entities are by far the largest incumbent local exchange carriers (“ILECs”) operating in Pennsylvania, and are part of the Verizon Communications Corporation, one of the largest telecommunications companies in the world and recently ranked number 16 in Forbes Magazines’ annual rankings of America’s largest Corporations.

JURISDICTION

8. The Commission has jurisdiction over this matter pursuant to 66 Pa. C.S. §331, which provides in pertinent part: “The Commission may, on its own motion and whenever it may be necessary in the performance of its duties, investigate and examine the condition and management of any public utility or any other person or corporation subject to this part.”²

9. The Commission also has jurisdiction over this dispute pursuant to the Communications Act of 1934, 47 U.S.C. § 151, *et seq.*, as amended by the Telecommunications Act of 1996, 47 U.S.C. § 251, *et seq.* (hereinafter, the “Act”). State commissions have authority

² 66 Pa. C.S. §331(a).

pursuant to section 252 of the Act to review and resolve disputes arising under interconnection agreements that they have approved. *Core Communications, Inc. v. Verizon Pennsylvania Inc.*, 493 F.3d 333, 343 (3d Cir. July 18, 2007)(“interpretation and enforcement actions that arise after a state commission has approved an interconnection agreement must be litigated in the first instance before the relevant state commission. A party may then proceed to federal court to seek review of the commission’s decision or move on to the appropriate trial court to seek damages for a breach, if the commission finds one.”). The Commission approved the interconnection agreements (“ICAs”) at issue here. The ICAs are publicly available and on file with the Commission.³

FACTS

10. This case involves intercarrier compensation for interconnection traffic delivered by Verizon to Core in Pennsylvania. Core and Verizon are party to two Pennsylvania ICAs. Core and Verizon PA interconnect pursuant to an ICA dated March 31, 2000, and Core and Verizon North interconnect pursuant to an ICA dated August 24, 2005. These ICAs govern the terms of physical interconnection of networks and the exchange of traffic between the parties. The ICAs also govern the payment of intercarrier compensation for locally-dialed traffic, and incorporate by reference the parties’ intrastate and interstate switched access tariffs. Core’s Pa. P.U.C. Tariff No. 4 (“PUC Tariff”), governs intercarrier compensation for non-local traffic that is not covered by the ICA; and Core’s FCC Tariff No. 3 (“FCC Tariff”) governs intercarrier

³ For ease of reference, relevant excerpts from the Core-Verizon ICA are attached as Exhibit 1 and excerpts from the Core-Verizon North ICA as Exhibit 2.

compensation for interstate traffic. The Commission has duly reviewed and approved the ICAs and the PUC Tariff. The FCC has duly reviewed and approved the FCC Tariff.⁴

11. Under the terms of the ICAs, Verizon must pay Core for locally-dialed calls sent to Core's network for termination. The rate at which Verizon must pay is set forth in the ICA. Pursuant to the FCC's 2001 *ISP Remand Order*,⁵ and Commission orders implementing that order,⁶ the termination rate was lowered from the original contract rates of \$0.002814 per minute-of-use ("MOU") in the Core-Verizon ICA and \$0.0079536 per MOU in the Core-Verizon North ICA to the FCC's low, uniform "mirroring" rate of \$0.0007/MOU. This lowering of rates, however, was premised on the understanding that Verizon had elected to opt in to the *ISP Remand Order's* rate regime by offering to charge Core and other Pennsylvania carriers \$0.0007/MOU for termination of traffic on Verizon's network.

12. Pursuant to the ICAs, Core sends Verizon monthly intercarrier compensation invoices, which reflect the amounts due from Verizon for locally-dialed telecommunications traffic sent by Verizon to Core's network for termination in the preceding calendar month. In 2003, Core and Verizon agreed upon a specific billing procedure to implement the *ISP Remand Order's* "three-to-one ratio" rule (the "Ratio Rule"). The FCC explains the Ratio Rule as follows: We understand that some carriers are unable to identify ISP-bound traffic. In order to limit disputes and avoid costly efforts to identify this traffic, we adopt a rebuttable presumption that traffic delivered to a carrier, pursuant to a particular contract, that exceeds a 3:1 ratio of

⁴ Core's Tariffs are available on its website, www.coretel.net. For ease of reference, relevant excerpts from Core's PUC and FCC Tariffs are attached as Exhibits 3 and 4, respectively.

⁵ Order on Remand & Report and Order, *In the Matter of Implementation of the Local Competition Provision in the Telecommunications Act of 1996 – Intercarrier Compensation for ISP-Bound Traffic*, 16 FCC Rcd. 9151 (April 27, 2001) ("ISP Remand Order").

⁶ Opinion & Order, *Petition of Core Communications, Inc. for Resolution of Dispute with Verizon Pennsylvania, Inc. Pursuant to the Abbreviated Dispute Resolution Process*, Docket No. A-310922F7000 (entered May 27, 2003).

terminating to originating traffic is ISP-bound traffic that is subject to the compensation mechanism set forth in this Order. *ISP Remand Order*, ¶ 79.

13. In order to implement the Ratio Rule, Core and Verizon agreed upon the following procedure in 2003: (1) Core applies the tandem reciprocal compensation rates set forth in the ICAs to all inbound Verizon MOUs, and issues invoices accordingly; (2) Based on the number of Core outbound MOUs to Verizon in the same period, Verizon calculates the number of “below ratio” MOUs for which Core is entitled to collect the tandem reciprocal compensation rate and “above ratio” MOUs for which Core is entitled to the lower FCC rate, and disputes the difference between the amount Core invoices and the total amount due pursuant to the Ratio Rule; (3) Verizon pays the amount due pursuant to the Ratio Rule; and (4) Core credits the remainder of the invoiced amount.

14. This billing procedure has never been fully implemented for two reasons. First, in Core’s view, Verizon’s billing systems did not account for much of the outbound traffic Core sent Verizon for years, resulting in Core receiving less compensation than it was due, and thus making it impossible for Core to issue accurate credits. Second, as set forth in more detail further on, Core has questioned whether Verizon has truly implemented the FCC’s “mirroring rule,” or is instead charging Core a much higher rate for termination of section 251(b)(5) traffic than Verizon pays for termination of ISP-bound traffic.

15. Notwithstanding the problems associated with the mirroring rule, as set forth above, the parties’ billing procedure has worked inasmuch as Core regularly invoices Verizon at the tandem reciprocal compensation rate; Verizon pays for almost all of the MOUs at the FCC’s \$0.0007/MOU rate, pays for a very small number of MOUs at the tandem rate, and issues dispute letters covering the remaining invoiced amounts.

16. Since October, 2004, Verizon consistently paid Core's Pennsylvania intercarrier compensation bills for locally-dialed traffic at the FCC's mirroring rate of \$0.0007/MOU, despite the fact that the parties were engaged in several complicated disputes, in Pennsylvania and elsewhere, regarding Verizon's provision of timely "entrance facility" interconnection, Verizon's provision and billing of interconnection trunks, and Verizon's implementation of the Ratio Rule among others. In other words, even though the parties disagreed over various interconnection and billing issues, there never was any disagreement regarding Verizon's obligations to pay reciprocal compensation at a rate of at least \$0.0007/MOU for locally-dialed telephone traffic that it delivered to Core for termination.

The Parties' Discussions Regarding Interconnection Traffic Billing Issues

17. The parties' discussions regarding interconnection traffic issues date back, at a minimum, to September, 2010.

18. On September 7, 2010, Core contacted Verizon to discuss issues arising out of the fact that Core planned to begin delivering outbound traffic *to* Verizon on behalf of Core's wholesale voice customers. Previously, Core had handled almost entirely inbound traffic *from* Verizon, on behalf of its Internet service provider ("ISP") customers. In order to prevent future disputes over traffic volumes, Core requested that Verizon use its SS7 data to verify the amount of traffic delivered by Core to Verizon.

19. On September 16, 2010, Core repeated its request for Verizon to verify the amount of traffic delivered by Core. In response, Verizon denied Core's request and instead asked Core to produce information regarding telephone numbers assigned to Core's customers. Noting that such information was irrelevant, Core then asked Verizon for the third time to supply a count of the minutes it registered as delivered by Core.

20. On September 24, 2010, Core repeated its request for minute counts for the fourth time.

21. On October 6, 2010, Core repeated its request for minute counts for the fifth time. Verizon responded that it was working on gathering the requested data, and asked that Core be patient.

22. On October 14, 2010, Core repeated its request for minute counts for the sixth time, and noted its concern that Verizon was not properly registering the minutes being delivered by Core.

23. On October 19, 2010, Verizon finally provided data showing the amount of traffic it registered as being delivered by Core.

24. On January 11, 2011, Core provided Verizon with its own data showing the amount of traffic it had delivered Verizon, and noted that Verizon's counts were much lower than Core's. Core also proposed an in-person meeting at Verizon's Boston, Massachusetts office to resolve the discrepancies.

25. On January 14, 2011, Verizon requested that Core produce call detail records ("CDRs") to support its minute counts.

26. On January 18, 2011, Core produced the requested CDRs for Verizon to review.

27. On January 28, 2011, Core inquired about the status of Verizon's review.

28. On February 9, 2011, Core followed up again regarding the status Verizon's review of the CDRs Core had produced.

29. On February 24, 2011, Core once again inquired regarding the status of Verizon's review. In addition, Core referenced another issue, which was that it had become clear to Core that Verizon had not "opted in" the *ISP Remand Order* since Verizon appeared to be incapable of

billing Core at the FCC's mirroring rate of \$0.0007/MOU for the termination of Core's section 251(b)(5) traffic on Verizon's network. Noting that Verizon had become completely nonresponsive and uncooperative, Core advised Verizon that it would seek resolution of all outstanding issues in the appropriate forums.

30. Verizon never responded.

31. On May 31, 2011, Core (which operates in Maryland and Pennsylvania) and its affiliates in New York and Virginia issued their standard intercarrier compensation invoices to Verizon for locally-dialed telephone traffic, for the period May 1-31, 2011, in the same format that it had issued them over the past seven years.⁷

32. In accordance with the ICAs and the parties' standard practices, payment on the invoices was due within 30 days of Verizon's receipt thereof. Verizon received the invoices on June 3, 2011 and payment was due July 2, 2011. Upon issuance of the May 31, 2011 invoices, Core had no reason to believe that Verizon would not make timely payment of the invoices.

33. On June 14, 2011, without acknowledging the issues about which it had steadfastly refused to communicate since February, Verizon requested that Core produce additional CDRs, this time for the traffic Verizon sends to Core.

34. On June 24, 2011, Verizon followed up on its request.

35. On June 25, 2011, Core responded that it believed Verizon already had the data it was requesting.

36. On June 27, 2011, Verizon reiterated its request. Core responded by stating that since Verizon originates all the calls Core bills to Verizon, Core only has the data Verizon provides in the SS7 call flow. Verizon responded by stating that it needed the data to verify that

⁷ The Affidavit of Bret Mingo is attached as Exhibit 5. Copies of the May 31, 2011 invoices to Verizon for Pennsylvania traffic are attached hereto to the Affidavit of Bret Mingo as Tab A.

Core was billing Verizon correctly. Verizon claimed that its own data showed volumes that are much less than Core is billing.

37. On June 30, 2011, Core offered to exchange records with Verizon, so that the parties could mutually identify any discrepancies. Core noted that on previous occasions, such as the CDRs Core produced to support its outbound minute counts, Verizon ignored the data Core provided. Verizon responded by claiming that it never ignored data even though it never responded to the CDRs Core had produced in January. Verizon reiterated its unilateral demand that Core produce CDRs for the traffic Verizon sends Core, but did not agree to produce its own records. Indeed, even though it had just stated, three days previously, that its data showed that Core was billing too many minutes, Verizon claimed that it does not maintain data relating to its outbound traffic, and was entirely dependent on Core to maintain records for such traffic. Core responded by asking how Verizon had determined there was a discrepancy if does not have records.

38. On July 1, 2011, Verizon, ignoring Core's concerns, simply reiterated its unilateral demand for CDRs.

Verizon's Unilateral Refusal to Pay Any Intercarrier Compensation

39. On July 5, 2011, without warning, Verizon notified Core and its affiliates that it was "withholding payment" on Core's May 31, 2011 intercarrier compensation invoices. Verizon's notices declared that the entire amount of reciprocal compensation billed by Core to be "invalid," stating that "the traffic billed... is not in fact compensable to Core as reciprocal compensation traffic." Verizon's notices provide no explanation for its never-before-raised conclusion that Core's intercarrier compensation bills were invalid, and the notices made no reference to any provision in the ICA or any other authority which would provide Core with the

basis for the non-payment. Copies of Verizon's notices are attached to the Affidavit of Bret Mingo as Tab B.

40. On July 8, 2011 Core sent letters to Verizon, noting that Verizon failed to provide any documentation to support its non-payment and failed to provide any citation to any ICA provision or applicable law to support its non-payment. Core's letters also confirmed that Core was not recognizing Verizon's notices as *bona fide* disputes, and requested confirmation no later than July 12, 2011 that Verizon would make payment on the invoices in question. Copies of Core's July 8, 2011 letters are attached to the Affidavit of Bret Mingo as Tab C.

41. Verizon provided no basis for its non-payment. Instead Verizon sent Core a letter dated July 12, 2011, asking that Core "thoroughly investigate these disputes" even though Core had already indicated that Verizon's "disputes" were vague and nonsensical.⁸ Then, Verizon sent a new round of letters dated July 18, 2011, essentially re-stating the same inchoate allegations contained in its letters dated July 1.⁹

42. Nearly 60 days passed after Core issued its May 31, 2011 invoices, and Verizon had still remitted no payment on the invoices and had provided no basis for the non-payment. The minimum amount outstanding on these invoices in Pennsylvania was \$65,477.18 for Verizon PA and \$9,964.49 for Verizon North. These minimum amounts are calculated by multiplying the total invoiced MOUs by the FCC's mirroring rate of \$0.0007/MOU for ISP-bound traffic. While Core continues to believe that a substantially higher rate is owed for this traffic, Core expected to receive at least this minimum amount in accordance with its 7-year history of billings to Verizon.

⁸ Verizon's July 12, 2011 letter is attached to the Affidavit of Bret Mingo as Tab D.

⁹ Verizon's July 18, 2011 letters are attached to the Affidavit of Bret Mingo as Tab E.

43. Verizon gave no indication that it intended to pay the outstanding amounts due on the May 31, 2011 invoices, or to pay any further monthly intercarrier compensation invoices from Core.

44. Nor did Verizon pay subsequent rounds of invoices dated June 30, 2011¹⁰ and July 31, 2011.

Verizon's Unjustified Refusal to Pay Valid Intercarrier Compensation Charges Threatened Irreparable Harm to Core and Violated Commission Policy

45. Like most LECs, Core relies on the receipt of intercarrier compensation for a significant portion of its operating revenue. In Pennsylvania, intercarrier compensation payments from Verizon have historically comprised over 50% of Core's operating revenue. The receipt of this revenue is an absolute necessity for Core in order to maintain its Pennsylvania operations. Without such revenue, Core would certainly need to close some or all of its Pennsylvania network facilities, cease serving the bulk of its customers in Pennsylvania, and lay-off some or all of its Pennsylvania employees.

46. As set forth in detail in the Affidavit of Bret Mingo (attached hereto as Exhibit 5), Core, like most carriers, depends on its intercarrier compensation receipts to pay its employees and network costs. Because Verizon is by far the largest ILEC in Pennsylvania, a significant portion of Core's intercarrier compensation revenue arises from traffic Verizon sends Core for termination on Core's network. Reciprocal compensation is a crucial component of Core's overall revenues.

47. Core operates as a CLEC in both Maryland and Pennsylvania. In the period January 1, 2001 through June 30, 2011, Core collected a total of **BEGIN CONFIDENTIAL**
END CONFIDENTIAL in reciprocal compensation payments from Verizon

¹⁰ Core's June 30 invoices for Pennsylvania traffic are attached to the Affidavit of Bret Mingo as Tab F.

entities in these two states as follows: **BEGIN CONFIDENTIAL** [REDACTED] [REDACTED]

[REDACTED]

[REDACTED].¹¹ **END CONFIDENTIAL**

48. Core collected a total of **BEGIN CONFIDENTIAL** [REDACTED] **END CONFIDENTIAL** in revenue for all services provided during the same six month period, including reciprocal compensation, switched access, local exchange services and enhanced or unregulated services.¹² Therefore, Verizon reciprocal compensation payments make up **BEGIN CONFIDENTIAL** [REDACTED] **END CONFIDENTIAL** of Core's total revenue in this period.

49. Without reciprocal compensation payments, Core cannot keep up with its ordinary monthly expenses required to keep its network up and running. Core's total expenditures during the same period were **BEGIN CONFIDENTIAL** [REDACTED],¹³ **END CONFIDENTIAL** which means that Core ran a deficit of **BEGIN CONFIDENTIAL** [REDACTED] **END CONFIDENTIAL** during this period.¹⁴ Had Verizon paid the May 31 invoices according to its normal procedure, Core would have received an additional **BEGIN CONFIDENTIAL** [REDACTED] **END CONFIDENTIAL** in reciprocal compensation payments, and would have a modest net income of **BEGIN CONFIDENTIAL** [REDACTED] **END CONFIDENTIAL** in the same period. In other words, with Verizon's reciprocal compensation payments, Core is profitable, but without the payments, Core loses money. Furthermore, each monthly invoice that Verizon does not pay pushes Core further towards non-profitability, and potentially, insolvency.

¹¹ An accounting of Core's receipt of reciprocal compensation is attached to the Affidavit of Bret Mingo as Tab G.

¹² Core's cash basis Profit & Loss statement for this period is attached to the Affidavit of Bret Mingo as Tab H.

¹³ *Id.*

¹⁴ *Id.*

50. Further, because of the industry-wide pandemic of self-help and nonpayment, Core does not possess cash reserves from other sources needed to continue paying network expenses without reciprocal compensation payments. For example, Core entered the market for wholesale voice (as opposed to ISP) in late 2009. However, Core's attempts to collect intercarrier compensation for the resulting toll traffic terminating on its network have been stymied by an industry-wide syndrome of billing disputes and nonpayment. Consequently, Core has never been able to rely on steady or predictable revenues associated with long distance voice traffic terminating on its network.

51. Verizon's sudden and unexpected cessation of all intercarrier compensation payments to Core created an immediate crisis for Core that threatened its existence in Pennsylvania. While switched access has been an infamous breeding ground for carrier self-help and nonpayment for years, until Verizon's July 5 letters, reciprocal compensation for locally-dialed traffic exchanged pursuant to an ICA has been respected and paid. Indeed, in the topsy-turvy world of intercarrier compensation, reciprocal compensation has been rock steady and reliable—until now. Verizon has sent, and continues to send, substantial volumes of locally-dialed traffic to Core, which Core is required to terminate.

52. Core calculated that it had enough cash reserves and non-Verizon projected revenue to maintain its current state of Pennsylvania operations through September 1, 2011. At the time it filed the original Complaint in this matter, Core's cash reserves were well below the level needed to pay bills coming due in August. Had Verizon not resumed payment of its intercarrier compensation obligations, Core would have had no choice but to take drastic measures to stay in business in Pennsylvania, including laying-off its Pennsylvania-based

employees, shutting down its Pennsylvania facilities, and informing its customers that they need to obtain services from other providers.

53. As set forth above, if Verizon had not resumed payment of its intercarrier compensation obligations by that time, Core would have had no choice but to take drastic measures to stay in business in Pennsylvania, including laying-off its Pennsylvania-based employees¹⁵ and shutting down its Pennsylvania POPs.¹⁶ If Core is forced to lay-off employees, those employees will lose wages and salaries that will never be recouped, even if they are eventually hired back. If Core's customers are forced to find alternative service providers because Core is unable to serve them, those customers will almost certainly never return to Core. If Core is forced to shut-down facilities in Pennsylvania due to a lack of revenue while its dispute with Verizon is ongoing, Core will likely never re-open those facilities and will almost certainly cease operations in Pennsylvania altogether. If these events occur, Core and its employees and customers will be irreparably injured.

54. The relief that Core requests – timely payment of its intercarrier compensation invoices for locally-dialed traffic – is in the public interest. Allowing Verizon's non-payment to persist would be a catastrophic blow to competition in Pennsylvania, and would mark the end of a functioning intercarrier compensation system in Pennsylvania.

55. Non-payment of intercarrier compensation is approaching epidemic proportions. This phenomenon was epitomized by the *Palmerton v. Global Naps*¹⁷ case from 2009, wherein the Commission strongly condemned the practice of “self-help” refusal to pay intercarrier

¹⁵ A list of the job descriptions and annual salaries of Core's Pennsylvania employees is attached to the Affidavit of Bret Mingo at Tab I.

¹⁶ A list of the addresses of Core's Pennsylvania POPs is attached to the Affidavit of Bret Mingo at Tab J.

¹⁷ *Palmerton Telephone Company v. Global Naps South, Inc., Global Naps Pennsylvania Inc., and Global Naps, Inc.*, Docket No. C-2009-2093336.

compensation bills. Verizon recently settled another proceeding in Pennsylvania wherein a carrier (Armstrong Communications) alleged that Verizon has simply refused to pay significant intercarrier compensation invoices.¹⁸ Other examples of Commission complaints triggered by carriers simply refusing to pay intercarrier bills include Buffalo Valley Telephone Company's complaint against CommPartners,¹⁹ and Core's pending complaint against AT&T.²⁰

56. Core respectfully submits that Verizon's refusal to pay Core's intercarrier compensation bills is not just the most recent example of unlawful "self-help" non-payment; it is also the most egregious example. The bills at issue in this case are the most straightforward, non-controversial varieties of intercarrier bills, i.e., reciprocal compensation bills for locally-dialed telephone traffic issued pursuant to a Commission-approved ICA. They do not involve access charges. Core has billed Verizon for this same traffic for 7 years, and Verizon has always paid the bills. Verizon's sudden and unexpected refusal to pay represents a striking escalation of the "non-payment" business strategy by Verizon. Verizon is well aware of the Commission's rejection of this non-payment self-help business practice. Verizon's sudden refusal to stop paying Core's intercarrier compensation bills represents a declaration by Verizon that they have no concern about complying with the Commission's directives concerning non-payment.

Core's Petition for Emergency Interim Relief

57. Core filed its original Complaint and Petition for Interim Emergency Order on July 22, 2011. Core asked the Commission to order Verizon to pay its outstanding intercarrier compensation invoices, since it had no valid dispute pending.

¹⁸ *Armstrong Telecommunications, Inc. v. Verizon Pennsylvania, Inc., Verizon North, Inc. MCI/metro Transmission Access Services, LLC, and MCI Communications Services, Inc.*, Docket Nos. C-2010-2216205, C-2010-2216311, C-2010-2216325, and C-2010-2216293.

¹⁹ *Buffalo Valley Telephone Company v. CommPartners, LLC*, Docket No. C-2009-2105918.

²⁰ *Core Communications Inc. v. AT&T Communications of Pennsylvania, Inc. and TCG Pittsburgh, Inc.*, Docket Nos. C-2009-2108186 and C-2009-2108239.

58. A hearing was held before ALJ Susan D. Colwell on July 29, 2011. At this hearing, Verizon had an opportunity to present a witness to explain its alleged “disputes” relative to Core’s intercarrier compensation invoices, but Verizon chose not to do so.

59. On August 3, 2011, ALJ Colwell issued an Order denying Core’s Petition, and certified the question of whether the relief Core sought was appropriate to the Commission.

60. On August 4, 2011, ALJ Colwell ordered the parties to exchange CDRs with respect to Pennsylvania traffic terminating on each party’s network.

61. Verizon filed its New Matter and Counterclaim Seeking Affirmative Relief (“Verizon New Matter”) on August 16, 2011. In it, Verizon finally revealed its position relative to Core’s traffic to Verizon as well as its own traffic bound for Core.

62. With respect to Core’s traffic to Verizon, Verizon stated that its “investigation reveals that Core overstated its MOUs.” Verizon New Matter, at ¶ 113.

63. Upon information and belief, Verizon’s statement that Core overstated its MOUs was made without any substantial justification, and with the intent to prejudice Core.

64. With respect to Verizon’s traffic to Core, Verizon stated that essentially all of the calls Verizon sent Core were directed to just a handful of telephone numbers on Core’s network, leading Verizon to the conclusion that Core was self-generating “terminating minutes solely for the purpose of inflating reciprocal compensation.” Verizon New Matter, at ¶ 115.

65. Upon information and belief, Verizon’s statement that its traffic to Core went to just a handful of telephone numbers, and the Core was self-generating terminating minutes, were made without any substantial justification, and with the intent to prejudice Core.

66. The parties exchanged CDRs on or about August 19, 2011. Core sent Verizon CDRs for Maryland, Pennsylvania, New York and Virginia, while Verizon sent Core CDRs for Pennsylvania only.

67. On September 23, 2011, the Commission issued an Opinion and Order in Docket No. P-2011-2253650 granting Core the relief sought in its Petition (“*Material Question Order*”).

68. The Commission found that “Verizon’s failure to pay has an adverse financial impact on Core... This adverse financial impact, in turn, threatens Core’s ability to provide reasonably continuous service to its customers.” *Material Question Order*, at 14.

69. The Commission further found that “Verizon has instituted what amounts to a “self-help” remedy by unilaterally deciding to withhold payment to Core for the traffic at issue without providing a factual or legal basis for such unilateral action. Verizon’s conduct appears to violate the spirit, if not the letter, of the Commission-approved ICAs between the Parties. A violation of the ICAs in turn would constitute a violation of the Telecommunications Act of 1996. 47 U.S.C. §§ 251 and 252.” *Material Question Order*, at 16.

70. The Commission ordered that “within five business days of the entry of this Opinion and Order, Verizon Pennsylvania Inc. and Verizon North LLC shall pay the May and June 2011 invoices issued by Core Communications, Inc. in the same ratio by which Verizon Pennsylvania Inc. and Verizon North LLC previously paid invoices issued by Core Communications, Inc.” and that “beginning with the July 2011 invoice and continuing through the completion of this proceeding, Verizon Pennsylvania Inc. and Verizon North LLC shall make timely monthly payments to Core Communications, Inc. in the same ratio by which Verizon Pennsylvania Inc. and Verizon North LLC previously paid invoices issued by Core Communications, Inc.” *Material Question Order*, at 20 (ordering paragraphs 3 & 4).

71. On September 28, 2011, Verizon wired payment of Core's outstanding invoices for locally-dialed traffic. Since then, Verizon has continued to pay Core's invoices at the mirroring rate of \$0.0007/MOU.

72. Were Verizon to resume non-payment of Core invoices, Core would quickly find itself in the dire financial straits described in its Petition.

73. Indeed, even with the extraordinary relief the Commission granted Core, Verizon's continuing non-payment of *all forms of intercarrier compensation not covered by the Commission's order*, continues to threaten Core's ability to provide reasonably continuous service to its customers.

74. Despite the fact that Core produced CDRs to Verizon for traffic in Maryland, New York and Virginia (in addition to Pennsylvania) in August of last year, Verizon has never reviewed these CDRs, provided CDRs of its own, or articulated any coherent reason to dispute Core's invoices. Yet, Verizon continues to withhold 100% of payments due in those states.

75. Further, Verizon's wireless and long distance affiliates are also responsible for Core's collection problems and resulting financial difficulties. In February of 2011, Verizon Business disputed certain of Core's switched access charges, and abruptly stopped paying any switched access charges whatsoever. Verizon Business currently has an open balance of **BEGIN CONFIDENTIAL** [REDACTED] **END CONFIDENTIAL** with Core and its affiliates for intrastate and interstate switched access. Meanwhile, Verizon Wireless has never paid Core any compensation for the termination of calls on Core's network, hiding behind the conundrum that it has no ICA with Core, and CLECs cannot pursue ICA arbitration against wireless carriers.

Verizon's Surreptitious Transmittal of Switched Access Traffic over Local Interconnection Trunk Groups

76. Since 2004, Core has billed Verizon according to a simple, and presumably agreeable, formula. For traffic associated with a carrier access billing system (“CABS”) record supplied by Verizon’s tandems, Core billed the third-party carriers identified in the records. For all other traffic, Core billed Verizon at reciprocal compensation rates. Consistent with the ICAs, Core presumed that Verizon was delivering third-party CABS traffic over exchange access trunk groups and locally-dialed traffic over the local trunk groups.

77. As a result of the events leading up to and following Core’s 2011 Petition for Emergency Relief against Verizon, including Verizon’s unilateral decision to dispute 100% of Core’s billings without any legal or factual basis, Core reexamined the fundamental premises of its billings to Verizon. Core discovered that Verizon does not segregate CABS traffic onto exchange access trunk groups, or locally-dialed traffic onto local trunk groups. In reality, Core found, Verizon delivers both locally-dialed and non-local traffic over local trunk groups, and delivers both types of traffic over exchange access trunk groups as well.

78. In the face of these findings, Core redesigned its billing systems to accommodate Verizon’s practice of mixing various types of traffic on the same trunk group. The solution is for Core to rate each and every inbound call from Verizon, to the extent possible, based on CABS records supplied by Verizon’s tandems as well as switch records generated by Core’s own switches, which capture called and calling party number information from the SS7 signaling stream. Although laborious, Core’s new methodology is fully consistent with the ICAs, and will result in more accurate results moving forward.

79. Applying this methodology to Verizon’s historical traffic results in significant additional amounts due from Verizon to Core. This is because many of the calls Verizon has been delivering over local trunk groups are actually toll calls, based on a comparison of calling

and called party number. For these calls, Verizon owes Core compensation at the rates set forth in Core's Tariff, not the much lower rate of \$0.0007/MOU which Verizon previously paid. Core estimates that Verizon owes a minimum of **BEGIN CONFIDENTIAL [REDACTED] END CONFIDENTIAL** for intrastate and interstate switched access traffic that was originally billed at local rates, less any amounts Verizon has paid for this same traffic at the mirroring rate of \$0.0007/MOU. This amount continues to grow significantly each month. The amount due for traffic in February, 2012 alone was \$107,886.34.

80. In January, 2011, Core began issuing invoices for this traffic pursuant to its intrastate and interstate switched access Tariffs to Verizon. Verizon has neither paid nor disputed these invoices.

Verizon's Failure to Mirror Rates in Compliance with the *ISP Remand Order*

81. Core has suspected for years that Verizon has never ever effectively "opted-in" to the *ISP Remand Order's* rate regime. Under the FCC's so-called "mirroring rule," "[t]he rate caps for ISP-bound traffic that we adopt here apply... *only* if an incumbent LEC offers to exchange all traffic subject to section 251(b)(5) at the same rate. Thus, if the applicable rate cap is \$.0010/mou, the ILEC must offer to exchange section 251(b)(5) traffic at that same rate... For those incumbent LECs that choose *not* to offer to exchange section 251(b)(5) traffic subject to the same rate caps we adopt for ISP-bound traffic, we order them to exchange ISP-bound traffic at the state-approved or state-arbitrated reciprocal compensation rates reflected in their contracts. This "mirroring" rule ensures that incumbent LECs will pay the same rates for ISP-bound traffic that they receive for section 251(b)(5) traffic." *ISP Remand Order*, ¶ 89.

82. Since roughly September, 2009, Core began to send substantial amounts of locally-dialed section 251(b)(5) traffic to Verizon. Subsequently, Core discovered and has since

confirmed that Verizon bills Core either at the reciprocal compensation rate set forth in the ICAs, or switched access rates set forth in Verizon's tariffs, for the termination of Core's section 251(b)(5) traffic, but never at the FCC's mirroring rate of \$0.0007/MOU. As a result, Verizon has never opted in to the *ISP Remand Order* and is therefore not entitled to limit the rate of compensation it pays Core to \$0.0007 but instead must "exchange ISP-bound traffic at the state-approved or state-arbitrated reciprocal compensation rates reflected in their contracts," which rate is \$0.002814/MOU.

83. As noted above, Core attempted to engage Verizon in a discussion of this issue (at a minimum) in February, 2011, but Verizon ignored Core's inquiry.

84. Core estimates that Verizon owes Core in excess of **BEGIN CONFIDENTIAL** XXXXXXXXXX **END CONFIDENTIAL** for traffic that Verizon has paid at the FCC's mirroring rate of \$0.0007/MOU over the four years preceding this Amended Complaint, but which is actually payable at the reciprocal compensation rate of \$0.002814 due to Verizon's failure to mirror rates.

**COUNT I – BREACH OF ICA PAYMENT, APPLICABLE LAW & DISPUTE
RESOLUTION PROCEDURES**

85. Paragraphs 1-84 of this Amended Complaint are incorporated herein by reference.

86. Section 4.1 of the Core-Verizon PA ICA states that "[i]n consideration of the services provided under this Agreement, the purchasing Party shall pay the charges set forth in Attachment I."

87. Verizon's unjustified refusal to pay any compensation for Core's termination of traffic pursuant to the ICA for the 88 days between July 2, 2011 and September 28, 2011 clearly breached section 4.1 of the Core-Verizon PA ICA.

88. Section 6.1 of the Core-Verizon PA ICA states that “[e]ach Party shall perform terms, conditions and operations under this Agreement in a manner that complies with all Applicable Law...”

89. Verizon’s unjustified refusal to pay any compensation for Core’s termination of traffic for the 88 days between July 2, 2011 and September 28, 2011 violates the FCC’s reciprocal compensation rules and the rules for ISP-bound traffic set forth in the ISP Remand Order as incorporated into the ICA, and thereby breached section 6.1 of the Core-Verizon PA ICA.

90. Section 24.1 of the Core-Verizon PA ICA states: “In the event the Commission retains continuing jurisdiction to implement and enforce the terms and conditions of this Agreement, the Parties agree that any dispute arising out of or relating to this Agreement that the Parties themselves cannot resolve, may be submitted to the Commission for resolution. The Parties agree to seek expedited resolution by the Commission, pursuant to applicable procedures established by the Commission. During the Commission proceeding, each Party shall continue to perform its obligations under this Agreement; provided, however that neither Party shall be required to act in any unlawful fashion.”

91. Verizon’s unjustified refusal to pay compensation for the 88 days between July 2, 2011 and September 28, 2011 breached section 24.1 of the Core-Verizon PA ICA because it alleged (without any factual or legal basis) a “dispute” but did not “continue to perform its obligations” to pay pursuant to the ICA, pending expedited resolution by the Commission.

92. Section 42 of the Core-Verizon PA ICA provides: “[i]n the performance of their obligations under this Agreement, the Parties shall cooperate fully and act in good faith and consistently with the intent of the Act.

93. Verizon's unjustified refusal to pay compensation for the 88 days between July 2, 2011 and September 28, 2011 breached section 42 of the Core-Verizon PA ICA because Verizon did not articulate its alleged "dispute" with sufficient clarity as to permit Core to rebut or even understand the nature of the allegations.

94. Verizon's refusal to acknowledge or address various concerns Core raised relative to intercarrier compensation issues, as described herein, also breached section 42 of the Core-Verizon ICA because Verizon withheld data and analyses that Core could have, and would have, easily rebutted.

95. Section 5 of the General Terms and Conditions of the Core-Verizon North ICA states that "[i]n the performance of their obligations under this Agreement, the Parties shall act in good faith and consistently with the intent of the Act..."

96. Verizon's unjustified refusal to pay compensation for the 88 days between July 2, 2011 and September 28, 2011 breached section 5 of the General Terms and Conditions of the Core-Verizon North ICA because Verizon did not articulate its alleged "dispute" with sufficient clarity as to permit Core to rebut or even understand the nature of the allegations.

97. Verizon's refusal to acknowledge or address various concerns Core raised relative to intercarrier compensation issues, as described herein, also breached section 5 of the General Terms and Conditions of the Core-Verizon North ICA because Verizon withheld data and analyses that Core could have, and would have, easily rebutted.

98. Section 11 of the General Terms and Conditions of the Core-Verizon North ICA states that "[i]f any portion of an amount due to a Party... under this Agreement is subject to a bona fide dispute between the Parties" the disputing party shall give notice to the billing party "and include in such notice specific details and reasons for disputing each item."

99. Verizon's failure to articulate clear, specific, and documented reasons for its alleged disputes breached section 11 of the General Terms and Conditions of the Core-Verizon North ICA.

100. Part V, Section 2.7 of the Core-Verizon North ICA states that "The parties shall compensate each other for the transport and termination of Reciprocal Compensation Traffic over the terminating carrier's switch in accordance with Section 251(b)(5) of the Act..."

101. Verizon's unjustified refusal to pay compensation for the 88 days between July 2, 2011 and September 28, 2011 breached Part V, section 2.7 of the Core-Verizon North ICA.

102. Section 3.1.9 of Attachment VIII of the Core-Verizon North ICA provides "each Party agrees to notify the other Party upon the discovery of a billing dispute" and sets forth *timelines for dispute resolution*.

103. Verizon's unjustified refusal to pay compensation for the 88 days between July 2, 2011 and September 28, 2011 breached section 3.1.9 of Attachment VIII of the Core-Verizon North ICA because Verizon did not "notify" Core as to the specific nature of the alleged "disputes" it has raised. Indeed, Verizon's cursory allegations left no room for negotiation or resolution, and made a mockery of the dispute resolution process. That process necessarily presumes that the disputing party has discovered specific information that calls the other party's billing into doubt. Here, Verizon simply stated its unilateral legal conclusion that all of the traffic it sends Core is "is not in fact compensable to Core as reciprocal compensation traffic." This claim is impossible to resolve since Verizon did not state the legal basis supporting its view. Similarly, Verizon alleged that "Core has overstated the quantity of traffic," but provided no indication of the amount or nature of any discrepancy.

104. Section 11.1 of the General Terms and Conditions of the Core-Verizon North ICA states that “Payment of amounts billed under this Agreement, whether billed on a monthly basis or as otherwise provided herein, shall be due, in immediately available U.S. funds, on the later of (a) thirty days following the date of such statement or (b) twenty days from the receipt of such statement.”

105. Verizon’s unjustified refusal to pay compensation for the 88 days between July 2, 2011 and September 28, 2011 breached Section 11.1 of the General Terms and Conditions of the Core-Verizon North ICA.

106. Verizon’s breaches of the ICAs as set forth in this Count I have materially harmed Core.

**COUNT II – UNJUSTIFIED REFUSAL TO PAY SWITCHED ACCESS CHARGES
PURSUANT TO THE ICAS AND CORE’S TARIFFS**

107. Paragraphs 1-103 of this Amended Complaint are incorporated herein by reference.

108. Section 7.3 of Attachment IV of the Core-Verizon PA ICA provides that the terminating party “shall bill the originating Party the Local Traffic termination rates, intrastate Exchange Access rates, or interstate Exchange Access rates applicable to each minute of traffic for which CPN is passed, as provided in Attachment I and applicable tariffs.”

109. Section 2.6.2 of Part V of the Core-Verizon North ICA provides that the terminating party “shall bill the originating Party the Reciprocal Compensation Traffic call completion rate, Measured Internet Traffic Rate, intrastate Exchange Access rates, or interstate Exchange Access rates applicable to each minute of traffic for which CPN is passed, as provided in... [Core’s] applicable Tariffs...”

110. Item B.III of Appendix 2 of the Core-Verizon PA ICA provides that Verizon shall compensate Core for intrastate “Exchange Access Service” at the rates set forth in the “CORE PA tariff exchange access tariff as amended from time to time.”

111. The rates, terms and conditions governing Core’s provision of intrastate switched access services within Pennsylvania are set forth in Core’s PUC Tariff, which is on file at the Commission. This Tariff requires payment for services rendered.

112. Item B.III of Appendix 2 of the Core-Verizon PA ICA provides that Verizon shall compensate Core for interstate “Exchange Access Service” at the rates set forth in the “CORE FCC exchange access tariff as amended from time to time.”

113. The rates terms and conditions governing Core’s provision of interstate switched access services within Pennsylvania are set forth in Core’s FCC Tariff, which is on file at the FCC. This Tariff requires payment for services rendered.

114. Upon discovering that Verizon delivers both locally-dialed and non-local traffic over local trunk groups, and delivers both types of traffic over exchange access trunk groups as well, Core rerated some of the traffic previously billed as local interconnection as intrastate and interstate switched access traffic, pursuant to Core’s PUC Tariff and FCC Tariff.

115. Upon discovering the foregoing, Core informed Verizon that it would be charging switched access rates for this traffic, and invited Verizon to engage in a discussion of such charges. Verizon refused to discuss the anticipated charges.

116. Core began issuing intrastate and interstate switched access service invoices for this traffic to Verizon in January, 2012. Verizon has neither paid nor disputed these invoices.

117. Verizon's failure to pay Core's properly invoiced intrastate and interstate switched access invoices breaches the ICAs insofar as the ICAs incorporate Core's Tariffs by reference.

118. Verizon's failure to pay Core's properly invoiced intrastate switched access invoices breaches the terms of Core's PUC Tariff in its own right.

119. Verizon's breaches of the ICAs as set forth in this Count II have materially harmed Core.

**COUNT III – FAILURE TO MIRROR RATES IN COMPLIANCE WITH THE ISP
REMAND ORDER**

120. Paragraphs 1-119 of this Amended Complaint are incorporated herein by reference.

121. Paragraph 89 of the *ISP Remand Order* provides: "It would be unwise as a policy matter, and patently unfair, to allow incumbent LECs to benefit from reduced intercarrier compensation rates for ISP-bound traffic, with respect to which they are net payors, while permitting them to exchange traffic at state reciprocal compensation rates, which are much higher than the caps we adopt here, when the traffic imbalance is reversed. Because we are concerned about the superior bargaining power of incumbent LECs, we will not allow them to "pick and choose" intercarrier compensation regimes, depending on the nature of the traffic exchanged with another carrier. The rate caps for ISP-bound traffic that we adopt here apply, therefore, only if an incumbent LEC offers to exchange all traffic subject to section 251(b)(5) at the same rate. Thus, if the applicable rate cap is \$.0010/mou, the ILEC must offer to exchange section 251(b)(5) traffic at that same rate. Similarly, if an ILEC wishes to continue to exchange ISP-bound traffic on a bill and keep basis in a state that has ordered bill and keep, it must offer to

exchange all section 251(b)(5) traffic on a bill and keep basis. For those incumbent LECs that choose not to offer to exchange section 251(b)(5) traffic subject to the same rate caps we adopt for ISP-bound traffic, we order them to exchange ISP-bound traffic at the state-approved or state-arbitrated reciprocal compensation rates reflected in their contracts. This “mirroring” rule ensures that incumbent LECs will pay the same rates for ISP-bound traffic that they receive for section 251(b)(5) traffic.”

122. The terms of the *ISP Remand Order* have been incorporated into the Core-Verizon PA ICA by virtue of the Commission’s Opinion & Order in *Petition of Core Communications, Inc. for Resolution of Dispute with Verizon Pennsylvania, Inc. Pursuant to the Abbreviated Dispute Resolution Process*, Docket No. A-310922F7000 (Order entered May 27, 2003).

123. Section 2.7.5 of the Core-Verizon North ICA states that the “Parties’ rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet Traffic shall be governed by the terms of the FCC Internet Order...”

124. Verizon charges Core reciprocal compensation rates or switched access rates for its termination of Core’s section 251(b)(5) traffic, but never at the FCC’s mirroring rate of \$0.0007/MOU.

125. Accordingly, Verizon is not in compliance with the FCC’s mirroring rule, as incorporated into the ICAs.

126. Because Verizon is not mirroring rates, Core is entitled to collect reciprocal compensation rates for the ISP-bound traffic it terminates on behalf of Verizon.

127. Core has invoiced Verizon at reciprocal compensation rates for this traffic, but Verizon only pays at the FCC’s much lower mirroring rate of \$0.0007/MOU.

128. Verizon's failure to pay Core's properly invoiced reciprocal compensation invoices breaches the ICAs insofar as the ICAs incorporate the *ISP Remand Order* by reference.

129. Verizon's breaches of the ICAs as set forth in this Count III have materially harmed Core.

PRAYER FOR RELIEF

WHEREFORE, Complainant Core Communications, Inc. respectfully requests that the Commission enter an Order:

- A. Finding that Verizon Pennsylvania, Inc. has breached the terms of its ICA with Core;
- B. Finding that Verizon North, Inc. has breached the terms of its ICA with Core;
- C. Directing Verizon to refrain from any further unjustified refusal to pay intercarrier compensation pursuant to the ICAs between Core and Verizon and the Tariffs referenced therein;
- D. Directing Verizon to make timely payment of all subsequent intercarrier compensation invoices issued by Core pursuant to the ICAs between Core and Verizon and the Tariffs referenced therein;
- E. Finding that Verizon's non-payment and resulting breaches of the ICA were done intentionally, in bad faith and with a specific intent to injure Core;
- F. Assessing interest, late payment charges, collection costs and attorneys fees upon Verizon;

- G. Assessing a civil penalty in the maximum permissible amount upon Verizon for each day of its unjustified non-payment of any intercarrier compensation for the 88 days between July 2, 2011 and September 28, 2011; and
- H. Granting such other relief as the Commission may deem appropriate.

Respectfully submitted,

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU



Michael A. Gruin Esq.
Stevens & Lee
Attorney ID No.: 78625
17 N. 2nd St.
16th Floor
Harrisburg, PA 17101
Tel. (717) 255-7365
mag@stevenslee.com

Christopher F. Van de Verg, Esq.
General Counsel
Core Communications, Inc.
209 West Street
Suite 302
Annapolis, MD 21401
(410) 216-9865
chris@coretel.net

*Counsel for Complainant Core
Communications, Inc.*

April 16, 2011

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

CORE COMMUNICATIONS, INC.
Complainant

v.

Docket Nos. C-2011-2253750
& C-2011-2253787

VERIZON PENNSYLVANIA INC.
and

VERIZON NORTH, INC.
Respondents

RECEIVED

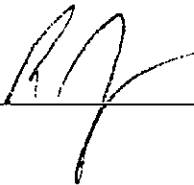
APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

VERIFICATION

I, Bret Mingo, President of Core Communications, Inc., verify that the statements and the factual allegations contained in the foregoing Amended Complaint are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that false statements herein are made subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsifications to authorities.

4/12/12
Date



RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Exhibit 1

EXHIBIT 1

V012800

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996**

Dated as of March 31, 2000

by and between

BELL ATLANTIC - PENNSYLVANIA, INC.

and

CORE COMMUNICATIONS, INC.

BA-PA/Core
Based on MCI/metro Access Transmission Services
Agreement Dated September 3, 1997

23.2 In addition to the audits described in Section 23.1, each Party may audit the other Party's books, records and documents for the purpose of evaluating compliance with CPNI where the audited Party has access to CPNI in the custody of the auditing Party pursuant to this Agreement. Such CPNI audits must be performed in a minimally disruptive fashion, and an audited Party may bring objections to the Commission, if the audits are unnecessarily intrusive and the Parties cannot resolve their disputes. Such CPNI audits may not be performed more frequently than annually; provided, however, that the frequency of CPNI audits may be increased to quarterly if violations of a Party's CPNI obligations exceeds five percent (5%) of the audit sample.

23.3 The auditing Party may employ other persons or firms for this purpose. Such audit shall take place at a time and place agreed on by the Parties; provided, that the auditing Party may require that the audit commence no later than sixty (60) days after the auditing Party has given notice of the audit to the other Party.

23.4 The audited Party shall promptly correct any error that is revealed in a billing audit, including back-billing of any underpayments and making a refund, in the form of a billing credit, of any over-payments. Such back-billing and refund shall appear on the audited Party's bill no later than the bill for the third full billing cycle after the Parties have agreed upon the accuracy of the audit results.

23.5 Each Party shall cooperate fully in any audits required hereunder, providing reasonable access to any and all employees, books, records and documents, reasonably necessary to assess the accuracy of the audited Party's bills or performance reports, or compliance with CPNI obligations, as appropriate.

23.6 Audits shall be performed at the auditing Party's expense, provided that there shall be no charge for reasonable access to the audited Party's employees, books, records and documents necessary to conduct the audits provided for hereunder.

23.7 Books, records, documents, and other information, disclosed by the audited Party to the auditing Party or the Auditing Party's employees, agents or contractors in an audit under this Section 23, shall be deemed to be Confidential Information under Section 22.

23.8 This Section 23 shall survive expiration or termination of this Agreement for a period of two (2) years after expiration or termination of this Agreement.

Section 24. Dispute Resolution Procedures

24.1 In the event the Commission retains continuing jurisdiction to implement and enforce the terms and conditions of this Agreement, the Parties agree that any dispute arising out of or relating to this Agreement that the Parties themselves cannot resolve, may be submitted to the Commission for resolution. The Parties agree to seek expedited resolution by the Commission, pursuant to applicable procedures established by the Commission. During the Commission proceeding, each Party shall continue to perform

its obligations under this Agreement; provided, however that neither Party shall be required to act in any unlawful fashion. This provision shall not preclude the Parties from seeking relief available in any other forum.

24.2 The Parties acknowledge that the terms of this Agreement were established pursuant to an order of the Commission. Any and all of the terms of this Agreement may be altered or abrogated by a successful challenge to the Agreement (or to the order approving the Agreement) as permitted by Applicable Law. By signing this Agreement, the Parties do not waive the right to pursue such a challenge.

Section 25. Bona Fide Request Process for Further Unbundling

25.1 The Parties recognize that, because MCIIm plans to maintain a technologically advanced network, it is likely to seek further unbundling of Network Elements or the introduction of new Network Elements. Accordingly, MCIIm may request such new unbundled Network Elements or arrangements from time to time by submitting a request in writing ("Bona Fide Request" or "BFR"). Bell Atlantic shall promptly consider and analyze MCIIm's submission of a Bona Fide Request that Bell Atlantic provide: (a) a method of Interconnection or access to a Network Element not otherwise provided under this Agreement at the time of such Bona Fide Request; (b) a method of Interconnection or access to a Network Element that is different in quality to that which Bell Atlantic provides to itself, its Affiliates, or its subscribers at the time of such request; (c) Collocation at a location other than a Bell Atlantic Central Office; and (d) such other arrangement, service, or Network Element for which a Bona Fide Request is required under this Agreement. Items (a) through (d) above may be referred to individually as a "BFR Item." The 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. October 19, 1992), Paragraph 259 and Footnote 603 or subsequent orders.

25.2 A Bona Fide Request shall be submitted in writing and shall contain information required to perform a preliminary analysis of the requested BFR Item. Such information will include a technical description of each BFR Item and reasonable estimates of the number or volume requested, the location(s) of each BFR Item, and the date(s) each BFR Item is desired. MCIIm shall submit each BFR via United States Postal Service or private courier, return receipt requested.

25.3 MCIIm may cancel a Bona Fide Request at any time, but shall pay Bell Atlantic's reasonable and demonstrable costs of processing and/or implementing the Bona Fide Request up to the date of cancellation; except MCIIm shall not be charged for preliminary analysis if costs do not exceed one hundred dollars (\$100). Bell Atlantic shall notify MCIIm if costs will exceed five thousand dollars (\$5,000). Bell Atlantic shall provide MCIIm with weekly status reports on the progress of its analysis and shall include the cost of such status reports in the costs of processing the BFR.

is terminated prior to the expiration of the contract period applicable to such Expiring Service, MCIIm shall pay any termination charge provided for in this Agreement, in an applicable Tariff, or in the contract applicable to the Expiring Service. Following expiration of the applicable contract period for an Expiring Service, the Expiring Service, until terminated, shall be subject to: (i) any effective agreement superseding this Agreement; or (ii) to the extent such Expiring Service is not covered by such superseding agreement, applicable Tariffs. For the purposes of this Section 3.5, "Expiring Service" means: (a) any Local Resale service that, upon expiration of the term of this Agreement, is being provided under this Agreement and is subject to a remaining contract period greater than one (1) month; or (b) any Local Resale service: (i) for which an order has been submitted and accepted pursuant to this Agreement prior to the expiration of this Agreement but such service is not being provided at the expiration of this Agreement; and (ii) that is subject to an initial contract period which is greater than one (1) month.

Section 4. Charges and Payment

4.1 In consideration of the services provided under this Agreement, the purchasing Party shall pay the charges set forth in Attachment I. The billing and payment procedures for charges incurred by a purchasing Party hereunder are set forth in Attachment VIII.

Section 5. Assignment

5.1 Any assignment or delegation by either Party to any non-affiliated entity of any right, obligation or duty, or of any other interest hereunder, in whole or in part, without the prior written consent of the other Party shall be void (except the assignment of a right to moneys due or to become due). A Party assigning or delegating this Agreement or any right, obligation, duty or other interest hereunder to an Affiliate shall provide written notice to the other Party. All obligations and duties of any Party under this Agreement shall be binding on all successors in interest and assigns of such Party. No assignment or delegation hereof shall relieve the assignor of its obligations under this Agreement.

5.2 If any obligation of either Party is performed by a subcontractor or Affiliate, such Party shall remain fully responsible for the performance of this Agreement in accordance with its terms.

Section 6. Compliance with Laws

6.1 Each Party shall perform terms, conditions and operations under this Agreement in a manner that complies with all Applicable Law, including all regulations and judicial or regulatory decisions of all duly constituted governmental authorities of competent jurisdiction. Each Party shall be responsible for obtaining and keeping in effect all 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. Each Party shall reasonably cooperate with the other in obtaining and maintaining any approvals required by this Section. In the event the Act or FCC Rules and Regulations

July 8, 1997

PART A

applicable to this Agreement are held invalid, this Agreement shall survive, and the Parties shall promptly renegotiate any provisions of this Agreement which, in the absence of such invalidated Act, Rule or Regulation, are insufficiently clear to be effectuated.

6.2 Except as otherwise specified in this Agreement, each Party shall be responsible for: (i) all costs and expenses it incurs in complying with its obligations under this Agreement; and (ii) the development, modification, technical installation and maintenance of any systems or other infrastructure which it requires to comply with and to continue complying with its responsibilities and obligations under this Agreement.

Section 7. Governing Law

7.1 The validity of this Agreement, the construction and enforcement of its terms, and the interpretation of the rights and duties of the Parties, shall be governed by the Act and the laws of the Commonwealth of Pennsylvania, without regard to its conflicts of laws rules.

Section 8. Relationship of Parties

8.1 Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement.

8.2 Each Party retains full control over the employment, direction, compensation and discharge of all of its employees, agents and contractors assisting in the performance of its obligations under this Agreement. Each Party will be solely responsible for all matters relating to payment of its employees, agents and contractors, and payment of Social Security and other taxes in association with such employees, agents and contractors, and withholding and remittance of taxes from such employees, agents and contractors.

8.3 Nothing contained within this Agreement shall:

8.3.1 Make either Party the agent, servant or employee, of the other Party;

8.3.2 Grant either Party the authority to enter into a contract on behalf of, or otherwise legally bind, the other Party in any way;

8.3.3 Create a partnership, joint venture, or other similar relationship between the Parties; or

8.3.4 Grant to either Party a franchise, distributorship, or similar interest.

8.4 The relationship of the Parties under this Agreement is a non-exclusive relationship. Each Party shall have the right:

July 8, 1997

PART A

Section 38. Headings Not Controlling

38.1 The headings of Articles and Sections of this Agreement are for convenience of reference only, and shall in no way define, modify or restrict the meaning or interpretation of the terms or provisions of this Agreement.

Section 39. Entire Agreement

39.1 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 provided in this Agreement, the terms in this Agreement may not be waived or modified except by a written document which is signed by the Parties.

Section 40. Counterparts

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

Section 41. Successors and Assigns

41.1 This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and permitted assigns.

Section 42. Good Faith Performance

42.1 In the performance of their obligations under this Agreement, the Parties shall cooperate fully and act in good faith and consistently with the intent of the Act. Where notice, approval or similar action by a Party is permitted or required by any provision of this Agreement (including, without limitation, the obligation of the Parties to further negotiate the resolution of new or open issues under this Agreement), such action shall not be unreasonably delayed, withheld or conditioned.

Section 43. Joint Work Product

43.1 This Agreement is the joint work product of the representatives of the Parties. For convenience, this Agreement has been drafted in final form by one of the Parties. Accordingly, in the event of ambiguities, no inferences shall be drawn against either Party solely on the basis of authorship of this Agreement.

October 2, 1997

ATTACHMENT IV

6.6 Compensation: Each Party shall charge the other Party for LSV and VCI at rates specified in Attachment I.

Section 7. Usage Measurement

7.1 Each Party shall calculate terminating interconnection minutes of use based on standard Automatic Message Accounting ("AMA") recordings made within each Party's network, these recordings being necessary for each Party to generate bills to the other Party.

7.2 Measurement of minutes of use over Local Interconnection Trunk Groups shall be in actual conversation seconds. The total conversation seconds over each individual Local Interconnection Trunk Group will be totaled for the entire monthly bill-round and then rounded to the next whole minute.

7.3 For billing purposes, each Party shall pass Calling Party Number ("CPN") information on each call carried over the traffic exchange trunks at such time as the originating Switch is equipped for SS7 and from all switches no later than December 31, 1998. At such time as either Party has the ability, as the Party receiving the traffic, to use such CPN information to classify on an automated basis traffic delivered by the other Party as either Local Traffic or toll traffic, such receiving Party shall bill the originating Party the Local Traffic termination rates, intrastate Exchange Access rates, or interstate Exchange Access rates applicable to each minute of traffic for which CPN is passed, as provided in Attachment I and applicable Tariffs.

7.4 If, under the circumstances set forth in Section 7.3, the originating Party does not pass CPN on up to ten percent (10%) of calls, the receiving Party shall bill the originating Party the Local Traffic termination rates, intrastate Exchange Access rates, intrastate/interstate transit traffic rates, or interstate Exchange Access rates applicable to each minute of traffic, as provided in Attachment I and applicable Tariffs, for which CPN is passed. For the remaining up to ten percent (10%) of calls without CPN information, the receiving Party shall bill the originating Party for such traffic at Local Traffic termination rates, intrastate Exchange Access rates, intrastate/interstate transit traffic rates, or interstate Exchange Access rates applicable to each minute of traffic, as provided in Attachment I and applicable Tariffs, in direct proportion to the minutes of use of calls passed with CPN information.

7.5 If the originating Party fails to pass CPN on more than ten percent (10%) of calls, either Party may require that separate trunk groups for Local Traffic and toll traffic be established. If neither Party requests such separate trunk groups, or if the receiving Party lacks the ability to use CPN information to classify on an automated basis traffic delivered by the other Party as either Local Traffic or toll traffic, and the originating Party desires to combine Local Traffic and toll traffic on the same trunk group, it will supply an auditable Percent Local Usage ("PLU") report quarterly, based on the previous three months' traffic, and applicable to the following three months. If the originating Party also desires

October 2, 1997

ATTACHMENT IV

to combine interstate and intrastate toll traffic on the same trunk group, it will supply an auditable Percent Interstate Usage ("PIU") report quarterly, based on the previous three months' terminating traffic, and applicable to the following three months. In lieu of the foregoing PLU and/or PIU reports, the Parties may agree to provide and accept reasonable surrogate measures for an agreed-upon period.

7.6 Measurement of billing minutes for purposes of determining terminating compensation shall be in conversation seconds.

Section 8. Responsibilities of the Parties

8.1 Bell Atlantic and MCI_m agree to treat each other fairly and nondiscriminatorily for all items included in this Agreement, or related to the support of items included in this Agreement.

8.2 MCI_m and Bell Atlantic agree to exchange such reports and/or data as provided in this Attachment in Section 7 to facilitate the proper billing of traffic. Either Party may request an audit of such usage reports on no fewer than ten (10) business days' written notice and any audit shall be accomplished during normal business hours at the office of the Party being audited. Such audit must be performed by a mutually agreed-to independent auditor paid for by the Party requesting the audit and may include review of the data described in Section 7 above. Such audits may be requested within six (6) months of having received the PLU factor and usage reports from the other Party.

8.3 MCI_m and Bell Atlantic will review engineering requirements on a quarterly basis and establish forecasts for trunk and facilities utilization provided under this Agreement. Bell Atlantic and MCI_m will work together to begin providing these forecasts within thirty (30) days from the Effective Date of this Agreement. New trunk groups will be implemented as dictated by engineering requirements for either Bell Atlantic or MCI_m.

8.4 Unless otherwise mutually agreed for specific facility arrangements, Bell Atlantic shall be solely responsible for Control Office functions for local interconnection trunks and trunk groups that Bell Atlantic orders from MCI_m. In addition, Bell Atlantic shall be solely responsible for the overall coordination, installation, and maintenance responsibilities for the trunks and trunk groups that MCI_m orders from Bell Atlantic. The Parties shall agree upon the assignment of Control Office, coordination, installation, and maintenance responsibilities for shared interconnection trunks and for mid-span meet trunks at such time as the Parties agree to install each such facility.

8.5 MCI_m and Bell Atlantic shall:

8.5.1 Provide trained personnel with adequate and compatible test equipment to work with each other's technicians.

July 8, 1997

ATTACHMENT VIII

preceding six (6) month period or historic data of all traffic in the LATA.

3.1.5.2.3 The INP traffic rate shall be equal to the sum of:

(Local Traffic percentage times the rate for local traffic transportation and termination set forth in Attachment I)

plus

(Intra Traffic percentage times MCIIm's effective intrastate FGD rates)

plus

(Inter Traffic percentage times MCIIm's effective interstate FGD rates).

MCIIm shall compensate Bell Atlantic for its billing and collection of charges for the intrastate and interstate FGD Access Services provided by MCIIm to a third-party through the greater of: (i) the difference between the intrastate and interstate FGD rates of MCIIm and Bell Atlantic; or (ii) three percent (3%) of Bell Atlantic's intrastate and interstate FGD revenues for ported numbers. Under no circumstances shall Bell Atlantic, in performing the billing and collections service on behalf of MCIIm, be obligated to pass through more than ninety-seven percent (97%) of its FGD access charge to MCIIm in connection with any given ported call.

3.1.6 Electronic Transmissions

3.1.6.1 The providing Party agrees to transmit bills and invoices in the appropriate CABS or SECAB format electronically via Connect:Direct (formerly known as Network Data Mover) to the purchasing Party at an agreed upon location.

3.1.7 Tape or Paper Transmissions

3.1.7.1 In the event that the Connect:Direct capabilities of either Party are not available, the Parties will transmit billing information to each other via magnetic tape or paper, as agreed to by the Parties. The Parties shall cooperate in determining such alternate billing methods, when necessary.

3.1.8 Payment Of Charges

3.1.8.1 Payments of all undisputed amounts due under this Agreement shall be made in U.S. Dollars no later than the due date on an invoice or bill. At least thirty (30) days prior to the first transmission of a bill or invoice under this Agreement, the Parties shall provide each other the name and address to whom payment shall be made, including where appropriate, the respective banks, and account and routing numbers. If

July 8, 1997

ATTACHMENT VIII

such banking information changes, each Party shall provide the other Party at least sixty (60) days written notice of the change and such notice shall include the new banking information. In the event the purchasing Party receives multiple bills or invoices from the providing Party which are payable on the same date, the purchasing Party may remit one payment for the sum of all bills and invoices. Each Party shall provide the other Party with a contact person for the handling of payment questions or problems under this Agreement.

3.1.8.2 Undisputed amounts which are not paid by the due date stated on the providing Party's bill shall be subject to a late payment charge. The late payment charge shall be in the amount provided in Bell Atlantic's interstate access tariff; provided, that in the absence of an interstate access tariff late payment charge, the late payment charge shall be in an amount specified by the providing Party, which shall not exceed a rate of one and one-half percent (1.5%) of the overdue amount (including any unpaid, previously billed late payment charges) per month.

3.1.8.3 Although it is the intent of each Party as a providing Party to submit timely and accurate bills, failure by a providing Party to present bills to a purchasing Party in a timely or accurate manner shall not constitute a breach or default of this Agreement, or a waiver of a right of payment of the incurred charges, by the providing Party. Closure of a specific billing period shall occur by joint agreement of the Parties whereby the Parties agree that such billing period is closed to any further charges, analysis and financial transactions, except those resulting from an Audit or for charges due under a "true-up" of charges pursuant to Sections 3.1.5 hereunder. Closure shall take place within nine (9) months of the Bill Date. The month being closed represents those charges that were billed or should have been billed by the respective Bill Date.

3.1.9 Billing Dispute

3.1.9.1 Subject to and without waiver of any of the providing Party's rights under Section 21.3 of Part A of this Agreement, each Party agrees to notify the other Party upon the discovery of a billing dispute. In the event of a billing dispute, the Parties will endeavor to resolve the dispute within sixty (60) days of the Bill Date on which such disputed charges appear. Resolution of the dispute is expected to occur at the first level of management resulting in a recommendation for settlement of the dispute and closure of a specific billing period. If the issues are not resolved within the allotted time frame, the following resolution procedure will begin:

3.1.9.1.1 If the dispute is not resolved within sixty (60) days of the Bill Date, the dispute will be escalated to the second level of management for each of the respective Parties for resolution.

3.1.9.1.2 If the dispute is not resolved within ninety (90) days of the Bill Date, the dispute will be escalated to the third level of management for each of the respective Parties for resolution.

3.1.9.1.3 If the dispute is not resolved within one hundred and twenty (120) days of the Bill Date, the dispute will be resolved in accordance with the dispute resolution procedures set forth in Part A of this Agreement.

3.1.9.2 Upon resolution of the dispute, the relevant Party shall pay all amounts determined to have been due in accordance with Section 21.3 of Part A.

3.2 Standards

3.2.1 At least twenty (20) days prior to the providing Party transmitting a bill or invoice to the purchasing Party for the first time via electronic transmission or tape, or at least thirty (30) days prior to changing mechanized formats (i.e., from SECAB to CABS), the providing Party will transmit to the purchasing Party a test bill or invoice in the appropriate mechanized format. The providing Party will also provide to the purchasing Party the providing Party's originating or state level company code, so that it may be added to the purchasing Party's internal tables at least twenty (20) calendar days prior to testing or a change in the providing Party's originating or state level company code. The purchasing Party will notify the providing Party within the time period agreed to by the Parties if the test bill or invoice transmission fails to meet the purchasing Party's testing specifications. The Parties will work cooperatively to resolve any problems identified by the transmission of the test bill or invoice.

3.2.2 As mutually agreed upon prior to any change in existing formats or change to a different format, the providing Party shall send to the purchasing Party connectivity bill data in the appropriate mechanized format for testing to ensure that the bills can be processed and that the bills comply with the requirements of this Attachment. The providing Party agrees that it shall not send to the purchasing Party bill data in the new mechanized format until such bill data has met the testing specifications as set forth in this subsection. The providing Party shall provide the purchasing Party documentation on proposed format changes within ninety (90) days of the implementation of such changes.

3.2.3 The providing Party agrees that if it transmits data to the purchasing Party in a mechanized format, the providing Party shall also comply with the following

B. CORE SERVICES, FACILITIES, AND ARRANGEMENTS:

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>	<u>Non-Recurring Charge:</u>
I. Local Call Termination^a		
Traffic Delivered at End Office	\$.001723/MOU	Not Applicable
Traffic Delivered at Tandem	\$.002814MOU	Not Applicable
II. Number Portability		
Permanent	Per permanent funding mechanism when established.	
III. Exchange Access Service		
Interstate	Per CORE FCC exchange access tariff as amended from time to time.	
Intrastate	Per CORE PA tariff exchange access tariff as amended from time to time.	
IV. Local Dialing Parity		No Charge
V. All Other CORE Services Available to BA for Purposes of Effectuating Local Exchange Competition	Available at CORE's tariffed or otherwise generally available rates, not to exceed BA rates for equivalent services available to CORE.	
VI. Other Services		
Information Service Billing Fee	\$.03/Call	No Charge

^a See note 9 regarding measurement and calculation of local traffic termination charges.

RECEIVED
APR 18 2012
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Exhibit 2

EXHIBIT 2



Breanna S Burleson
Contract Performance and Administration

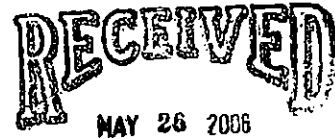
Network Services

HQE03D40
600 Hidden Ridge
P. O. Box 152082
Irving, TX 75038
(972) 718-1258
FAX (972) 719-1518

VIA DHL (27637820151)

August 29, 2005

Chris Van de Verg
General Counsel, Core Communications, Inc.
209 West Street Suite 302
Annapolis, MD 21401



STEVENS & LEE

Dear Chris:

Enclosed is the original executed document for the agreement between Core Communications, Inc. and Verizon North Inc. within the Commonwealth of Pennsylvania. A copy of this document will be filed with the State Commission.

If you do not already have an assigned Verizon Account Manager or Customer Focus Manager, please visit www.verizon.com/wholesale and select "Establish & Maintain Account". The information found at this site will cover what you need to know about Verizon to begin doing business and/or to maintain your account information as your business changes and grows.

If you have any questions, please contact your Negotiator.

Sincerely,

A handwritten signature in cursive script that reads "Breanna S Burleson".

Breanna S Burleson

:bsb

Enclosure

Ref: 15930

AGREEMENT

between

Verizon Pennsylvania Inc.

and

Sprint Communications Company L.P.

regulatory bodies with written notice of its intention to terminate the Agreement or suspend service if the default is not cured. Notice shall be posted by overnight mail, return receipt requested. If the defaulting Party cures the default or violation within the sixty (60) day period, the other Party shall not terminate the Agreement or suspend service provided hereunder but shall be entitled to recover all reasonable costs, if any, incurred by it in connection with the default or violation, including, without limitation, costs incurred to prepare for the termination of the Agreement or the suspension of service provided hereunder.

4.0 Transitional Support [Intentionally Omitted]

5.0 Good Faith Performance

In the performance of their obligations under this Agreement, the Parties shall act in good faith and consistently with the provisions of the Act and the applicable effective provisions of the Order. Except to the extent a different standard is expressly set forth in this Agreement, in which case such other standard shall apply, where notice, approval or similar action by a Party is permitted or required by any provision of this Agreement, (including, without limitation, the obligation of the Parties to further negotiate the resolution of new or open issues under this Agreement), such notice, approval or similar action shall not be unreasonably delayed or withheld.

6.0 Section 252(i)

- (a) To the extent required under Applicable Law, each Party shall comply with the requirements of Section 252(i) of the Act.
- (b) To the extent that the exercise of the foregoing Section 252(i) option requires a rearrangement of facilities by the providing Party, the opting Party shall be liable for all reasonable costs associated therewith.
- (c) The Party electing to exercise this option under Section 252(i) ("Notifying Party") shall do so by providing written notice thereof to the first Party. Upon receipt of said notice by the first Party, the Parties shall amend this Agreement so that it provides for the same rates, terms and conditions for the interconnection, service, or network element that the Notifying Party has elected to adopt as are set forth in the Interconnection agreement which the Notifying Party has elected (the "Other Agreement"), as well as all of the rates, terms, and conditions of the Other Agreement that are legitimately related to such elected interconnection, service, or network element, in each case for the remainder of the term of this Agreement or the Other Agreement, whichever is shorter.

DISCLAIM ANY OTHER WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND OF FITNESS FOR A PARTICULAR PURPOSE.

11.0 Payment Terms, Disputed Amounts and Audits

11.1 Except as may otherwise be provided in this Agreement, each Party shall submit on a monthly basis an itemized statement of charges incurred by the other Party during the preceding month(s) for services, facilities or arrangements provided hereunder. Payment of amounts billed under this Agreement, whether billed on a monthly basis or as otherwise provided herein, shall be due, in immediately available U.S. funds, on the later of (a) thirty (30) days following the date of such statement, or (b) twenty (20) days from the date of receipt of such statement, unless a longer payment period is specified on such itemized statement.

11.2 Although it is the intent of both Parties to submit timely and accurate statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and the billed Party shall not be entitled to dispute the billing Party's statement(s) based on such Party's failure to submit them in a timely fashion provided that such bills are rendered within the applicable time frame required by law.

11.3

(a) If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a *bona fide* dispute between the Parties, the Party billed (the "Non-Paying Party") shall within sixty (60) days of its receipt of the invoice containing such disputed amount give notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party and (ii) all Disputed Amounts into an interest bearing escrow account with a third party escrow agent mutually agreed upon by the Parties.

(b) If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within sixty (60) days after delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties shall appoint a designated representative who has authority to settle the dispute and who is

and accurate trunk orders and routing information. Within ten (10) business days of VERIZON's receipt of the SPRINT's notice provided for in subsection 1.5.1, VERIZON and SPRINT shall confirm the VERIZON-IP, the SPRINT-IP, and the Interconnection activation date for the new LATA, by attaching an addendum to Schedule 1.1.

2.0 TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC PURSUANT TO SECTION 251(c)(2)

2.1 Scope of Traffic

This Section 2 prescribes parameters for Traffic Exchange Trunks used for Interconnection pursuant to Section 1.0 above.

2.2 Trunk Group Connections and Ordering

2.2.1 Traffic Exchange Trunk group connections will be made at a DS-3 or DS-1 level. Subject to agreement of the Parties, higher speed connections may be made, when and where available, in accordance with the Joint Process prescribed in Section 14 of the General Terms and Conditions.

2.2.2 Each Party will identify its Carrier Identification Code, a three or four digit numeric obtained from Bellcore, to the other Party when ordering a trunk group.

2.2.3 Unless mutually agreed to by both Parties, each Party will outpulse ten (10) digits to the other Party.

2.2.4 Where One-Way Traffic Exchange Trunks are used, in the event the traffic volume between any two Central Office Switches at any time exceeds the Hundred Call Second busy hour equivalent of one DS-1 or 200,000 combined minutes of use for a single month, the originating Party will establish new direct trunk groups to the applicable End Office(s) consistent with the grade of service and quality parameters set forth in the Joint Process.

2.2.5 Each Party will use commercially reasonable efforts to monitor its trunk groups and to augment those groups using generally accepted trunk engineering standards so as to not exceed blocking objectives. Each Party agrees to use modular trunk engineering techniques where practical.

2.2.6 SPRINT and VERIZON agree to conduct a ninety (90) day trial, commencing in April, 2002, regarding (a) VERIZON's delivery to Sprint by fax of OBF compliant ASRs to establish new Traffic Exchange Trunk groups, augment existing Traffic Exchange Trunk groups, and disconnect previously established Traffic Exchange Trunk groups, and (b) SPRINT's OBF compliant response to such ASRs. The

parameters of the trial shall be specified by VERIZON prior to the commencement of the trial.

If the trial demonstrates that it is commercially feasible to establish processes for VERIZON's delivery to SPRINT by fax of OBF compliant ASRs to establish new Traffic Exchange Trunk groups, augment existing Traffic Exchange Trunk groups, and disconnect existing Traffic Exchange Trunk groups, and SPRINT's OBF compliant response to such ASRs, the Parties will make commercially reasonable efforts to establish such processes by April 30, 2003. In the event either Party encounters circumstances that will prevent it from implementing such processes by April 30, 2003, that Party will advise the other Party of this prior to April 30, 2003, and the Parties will agree upon a new commercially reasonable date for implementing the processes.

2.3 Switching System Hierarchy and Trunking Requirements

For purposes of routing SPRINT traffic to VERIZON, the subtending arrangements between VERIZON Tandem Switches and VERIZON End Office Switches shall be the same as the Tandem/End Office subtending arrangements VERIZON maintains for the routing of its own or other carriers' traffic. For purposes of routing VERIZON traffic to SPRINT, the subtending arrangements between SPRINT Tandem Switches (or functional equivalent) and SPRINT End Office Switches (or functional equivalent) shall be the same as the Tandem/End Office subtending arrangements (or functional equivalent) which SPRINT maintains for the routing of its own or other carriers' traffic.

2.4 Signaling

Each Party will provide the other Party with access to its databases and associated signaling necessary for the routing and completion of the other Party's traffic in accordance with the provisions contained in Section 1.6(a) of Part II.

2.5 Grades of Service

The Parties shall engineer and shall jointly monitor and enhance all trunk groups consistent with the Joint Process as set forth in Section 14 of the General Terms and Conditions.

2.6 Measurement and Billing

2.6.1 For billing purposes, each Party shall pass Calling Party Number ("CPN") information on at least ninety percent (90%) of calls carried over the Traffic Exchange Trunks.

2.6.1.1 If the originating Party passes CPN on ninety percent (90%) or more of its calls, the receiving Party shall bill the originating Party the Reciprocal Compensation Traffic call completion rate, Measured Internet Traffic rate, intrastate Switched Exchange Access rates, intrastate/interstate Tandem Transit Traffic rates, or interstate Exchange Access rates applicable to each minute of traffic, as provided in Part IV, the FCC Internet Order, and, if VERIZON is the receiving Party, VERIZON's applicable Tariffs, (including, but not limited to, to the extent applicable, VERIZON Tariffs Pa. P.U.C.-Nos. 216 and 302, and F.C.C. No. 1), and, if SPRINT is the receiving Party, SPRINT's applicable Tariffs (including, but not limited to, to the extent applicable, SPRINT Tariffs Pa. P.U.C.-No. 4 and F.C.C. No. 13), for which CPN is passed. For any remaining (up to 10%) calls without CPN information the receiving Party shall bill the originating Party for such traffic at the Reciprocal Compensation Traffic call completion rate, Measured Internet Traffic rate, intrastate Switched Exchange Access rates, intrastate/interstate Tandem Transit Traffic rates, or interstate Switched Exchange Access rates applicable to each minute of traffic, as provided in Part IV, the FCC Internet Order, and, if VERIZON is the receiving Party, VERIZON's applicable Tariffs (including, but not limited to, to the extent applicable, VERIZON Tariffs Pa. P.U.C.-Nos. 216 and 302, and F.C.C. No. 1), and, if SPRINT is the receiving Party, SPRINT's applicable Tariffs (including, but not limited to, to the extent applicable, SPRINT Tariffs Pa. P.U.C.- No. 4 and F.C.C. No. 13), in direct proportion to the minutes of use of calls passed with CPN information.

2.6.1.2 [Intentionally Left Blank]

2.6.1.2.1 If the originating Party passes CPN on less than ninety percent (90%) of its calls and the originating Party chooses to combine Reciprocal Compensation Traffic and Toll Traffic on the same trunk group, the terminating Party shall bill its interstate Switched Exchange Access Service rates for all traffic passed without CPN unless the Parties agree that such other rates should apply to such traffic.

2.6.1.2.2 Notwithstanding Section 2.6.1.2.1, if the originating Party fails to pass CPN on at least ninety percent (90%) of its calls during a monthly billing period, the originating Party shall be able for that monthly billing period to submit to the terminating Party call detail information other than CPN to demonstrate the rate that should apply to calls for which CPN was not provided. This information shall be of a type and in a form that can be reviewed by the terminating Party without unreasonable expense or use of unreasonable amounts of personnel time or data processing resources. If, after a good faith review of the non-CPN information, the Parties agree that this information is valid and accurate information and reliably shows that a rate other than the terminating Party's interstate Switched Exchange Access Service rate should apply to a call, such other rate shall apply to the call. The originating Party may not invoke this Section 2.6.1.2.2 for a given monthly billing period if the originating Party has invoked this Section 2.6.1.2.2 for a monthly billing period occurring within the prior six monthly billing periods.

2.6.2 At such time as either Party has the capability, on an automated basis, to use such CPN information to classify traffic delivered by the other Party as either Reciprocal Compensation Traffic/Measured Internet Traffic or Toll Traffic, such receiving Party shall bill the originating Party the Reciprocal Compensation Traffic call completion rate, Measured Internet Traffic rate, intrastate Exchange Access rates, or interstate Exchange Access rates applicable to each minute of Traffic for which CPN is passed, as provided in Part IV, the FCC Internet Order, and, if VERIZON is the receiving Party, in VERIZON's applicable Tariffs (including, but not limited to, to the extent applicable, VERIZON Tariffs Pa. P.U.C.-Nos. 216 and 302, and F.C.C. No. 1), and, if SPRINT is the receiving Party, in SPRINT's applicable Tariffs (including, but not limited to, to the extent applicable, SPRINT Tariffs Pa. P.U.C.-No. 4 and F.C.C. No. 13). If the receiving Party lacks the capability, on an automated basis, to use CPN information to classify on an automated basis traffic delivered by the other Party as either Reciprocal Compensation Traffic/Measured Internet Traffic, or Toll Traffic, the originating Party will supply Traffic Factor 1 and Traffic Factor 2. The Traffic Factors applicable upon the Effective Date are specified in Schedule 2.6. Such factors may be updated by the originating Party quarterly by written notification. The determination of whether traffic is Reciprocal Compensation Traffic or Measured Internet Traffic shall be in accordance with Section 2.7.5 below.

2.6.3 Measurement of billing minutes for purposes of determining terminating compensation shall be in conversation seconds. Measurement of billing minutes for originating toll free service access code (e.g., 800/888/877) calls shall be in accordance with applicable Tariffs (including, but not limited to, to the extent applicable, VERIZON Tariffs Pa. P.U.C.-No. 302 and F.C.C. No. 1, or SPRINT Tariffs Pa. P.U.C.- No. 4 and F.C.C. No. 13).

2.7 Reciprocal Compensation Arrangements -- Section 251(b)(5)

2.7.1 The Parties shall compensate each other for the transport and termination of Reciprocal Compensation Traffic over the terminating carrier's switch in accordance with Section 251(b)(5) of the Act at the rates provided in the Detailed Schedule of Itemized Charges (Part IV hereto), as may be amended from time to time in accordance with Part IV and Section 24.11 of the General Terms and Conditions. These rates are to be applied at the SPRINT-IP for traffic delivered by VERIZON, and at the VERIZON-IP for traffic delivered by SPRINT. No additional charges shall apply for the termination of such Reciprocal Compensation Traffic delivered to the VERIZON-IP or the SPRINT-IP by the other Party, except as set forth in Part IV. When such Reciprocal Compensation Traffic is terminated over the same trunks as Toll Traffic, any port or transport or other applicable access charges related to the delivery of Toll Traffic from the IP to an end user shall be prorated to be applied only to the Toll Traffic. The designation of traffic as Reciprocal Compensation Traffic or non-Reciprocal Compensation Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication.

2.7.2 Transport and termination of the following types of traffic shall not be subject to the Reciprocal Compensation arrangements set forth in this subsection 2.7, but instead shall be treated as described or referenced below:

(a) Tandem Transit Traffic shall be treated as provided under subsection 4.2 below.

(b) For any traffic originating with a third party carrier and delivered by SPRINT to VERIZON, SPRINT shall pay VERIZON the same amount that such third party carrier would have been obligated to pay VERIZON for termination of that traffic at the location the traffic is delivered to VERIZON by SPRINT.

(c) Subject to Section 2.7.5 below, Switched Exchange Access Service and InterLATA and IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of applicable Tariffs (including, but not limited to, to the extent applicable, VERIZON Tariffs Pa. P.U.C. No. 302 and F.C.C. No. 1, or SPRINT Tariffs Pa. P.U.C.-No. 4 and F.C.C. No. 13) and, where applicable, by a Meet-Point Billing arrangement in accordance with subsection 3.3.

(d) No Reciprocal Compensation shall apply to Internet Traffic.

(e) No Reciprocal Compensation shall apply to special access, private line, Frame Relay, ATM, or any other traffic that is not switched by the terminating Party's circuit-switched public telephone network;

(f) IntraLATA intrastate alternate-billed calls (e.g., collect, calling card, and third-party billed calls) originated or authorized by the Parties' respective Customers in Pennsylvania shall be treated in accordance with Section 11.5 of the General Terms and Conditions.

(g) Subject to Section 2.7.5 below, any other traffic not specifically addressed in this subsection 2.7 shall be treated as provided elsewhere in this Agreement, or if not so provided, as required by the applicable Tariff of the Party transporting and/or terminating traffic (including, but not limited to, where VERIZON is the Party transporting and/or terminating traffic, to the extent applicable, VERIZON Tariffs Pa. P.U.C. Nos. 1, 1A, 2C, 180A, 182, 182A, 185B, 185C, 216, 218, 296, 302 or 304, or F.C.C. Nos. 1, 5, 7 or 8, or, where SPRINT is the Party transporting and/or terminating traffic, to the extent applicable, SPRINT Tariffs Pa. P.U.C.-Nos. 2, 3 or 4, or F.C.C. No. 13).

2.7.3 Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.

2.7.4 Each Party reserves the right to audit all Traffic, up to a maximum of two audits per calendar year, to ensure that rates are being applied appropriately; provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit disclosed material errors or discrepancies. Each Party agrees to provide the necessary Traffic data in conjunction with any such audit in a timely manner.

2.7.5 The determination of whether traffic is Reciprocal Compensation Traffic or Internet Traffic shall be performed in accordance with Paragraphs 8 and 79, and other applicable provisions, of the FCC Internet Order (including, but not limited to, in accordance with the rebuttable presumption established by the FCC Internet Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic, and in accordance with the process established by the FCC Internet Order for rebutting such presumption before the Commission).

The Parties' rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet Traffic shall be governed by the terms of the FCC Internet Order, and other applicable FCC orders and FCC Regulations. Notwithstanding any other provision of this Agreement or any Tariff, a Party shall not be obligated to pay any intercarrier compensation for Internet Traffic that is in excess of the intercarrier compensation for Internet Traffic that such Party is required to pay under the FCC Internet Order and other applicable FCC orders and FCC Regulations.

In addition to those audit rights provided in section 2.7.4 above, VERIZON may conduct audits of the traffic billed by SPRINT as Reciprocal Compensation Traffic to determine whether such traffic is Reciprocal Compensation Traffic and therefore subject to Reciprocal Compensation. If any such traffic is determined not to be Reciprocal Compensation Traffic, VERIZON shall not pay Reciprocal Compensation for that portion which is determined not to be Reciprocal Compensation Traffic.

3.0 TRANSMISSION AND ROUTING OF EXCHANGE ACCESS TRAFFIC PURSUANT TO 251(c)(2)

3.1 Scope of Traffic

This Section 3 prescribes parameters for certain trunks to be established over the Interconnections specified in Section 1 above for the transmission and routing of traffic between SPRINT Telephone Exchange Service Customers and Interexchange Carriers ("Access Toll Connecting Trunks"), in any case where SPRINT elects to have

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Exhibit 3

EXHIBIT 3

Core Communications, Inc.

Supplement No. 1
PA P.U.C. Tariff No. 4
1st Revised Title Sheet
Cancels Original Title Sheet

SWITCHED ACCESS TARIFF

*This tariff, PA P.U.C. Tariff No. 4
cancels and replaces in its entirety
the Company's PA P.U.C. Tariff No. 3*

CORE COMMUNICATIONS, INC.

REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES

APPLYING TO SWITCHED ACCESS SERVICE

WITHIN THE STATE OF PENNSYLVANIA

THROUGHOUT THE SERVICE TERRITORIES OF:

Verizon, Pennsylvania, Inc., The United Telephone Company of Pennsylvania d/b/a Embarq, Verizon- (C)
North, Inc., Windstream Pennsylvania, Inc. f/k/a ALLTEL Pennsylvania, Inc., Armstrong Telephone
Company – North, Armstrong Telephone Company – Pennsylvania, The Bentleyville Telephone
Company, Buffalo Valley Telephone Company, Citizens Telecommunications Company of Kecksburg,
Citizens Telecommunications Company of New York, Inc. d/b/a Frontier Communications of New York,
Commonwealth Telephone Company, Conestoga Telephone and Telegraph Company, Denver and
Ephrata Telephone and Telegraph Company d/b/a D&E Telephone Company, TDS Telecom/Deposit
Telephone Company, Frontier Communications of Breezewood, LLC, Frontier Communications of
Canton, LLC, Frontier Communications of Lakewood, LLC, Frontier Communications of Oswayo River,
LLC, Frontier Communications of Pennsylvania, LLC, The Hancock Telephone Company, Hickory
Telephone Company, Ironton Telephone Company, Lackawaxen Telecommunications Services, Laurel
Highland Telephone Company, Marianna and Scenery Hill Telephone Company, North Penn Telephone
Company, Consolidated Communications of Pennsylvania Company, The North-Eastern Pennsylvania
Telephone Company, Palmerton Telephone Company, Pennsylvania Telephone Company, Pymatuning
Independent Telephone Company, South Canaan Telephone Company, TDS Telecom/Mahanoy &
Mahantango Telephone Company, TDS Telecom/Sugar Valley Telephone Company, Venus Telephone
Corporation, West Side Telephone Co. d/b/a West Side Telecommunications, Yukon Waltz Telephone
Company. (C)

*This tariff is on file with the Pennsylvania Public Utility
Commission and copies may be inspected during normal
business hours at the Company's principal place of business
at 209 West Street, Suite 302, Annapolis, Maryland 21401*

Issued: May 22, 2009

Effective: July 21, 2009

By: Christopher Van de Verg
General Counsel
209 West Street, Suite 302
Annapolis, Maryland 21401

PAa0902

SWITCHED ACCESS TARIFF

SECTION 2 - RULES AND REGULATIONS, (Cont'd.)

2.5 Payment Arrangements

2.5.1 Payment for Service

The Customer is responsible for payment of all charges for services and facilities furnished by the Company to the Customer or its Joint or Authorized Users.

A. Taxes

The Customer is responsible for the payment of any sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income imposed on or based upon the provision, sale or use of Access Services. All such taxes shall be *separately designated on the Company's invoices*.

Issued: July 1, 2008

Effective: July 2, 2008

By: Christopher Van de Verg
General Counsel
209 West Street, Suite 302
Annapolis, Maryland 21401

PAa0804

SWITCHED ACCESS TARIFF

SECTION 2 - RULES AND REGULATIONS, (Cont'd.)

2.5 Payment Arrangements, (Cont'd.)

2.5.2 Billing and Collection of Charges

Unless otherwise specified herein, bills are due and payable upon receipt.

The Company shall bill on a current basis all charges incurred by, and credits due to, the Customer under this rate sheet attributable to services established, provided, or discontinued during the preceding billing period.

Non-Recurring Charges are due and payable within 30 days after the invoice date.

The Company shall present invoices for all Charges monthly to the Customer.

Amounts not paid within 30 days after the date of invoice will be considered past due. Core will assess a late payment charge equal to 1.5% per month for any past due balance that exceeds 30 days. If the Company becomes concerned at any time about the ability of a Customer to pay its bills, the Company may require that the Customer pay its bills within a specified number of days and make such payments in cash or the equivalent of cash.

If a service is disconnected by the Company in accordance with Section 2.5.3 following and later restored, restoration of service will be subject to all applicable installation charges.

Issued: July 1, 2008

Effective: July 2, 2008

By: Christopher Van de Verg
General Counsel
209 West Street, Suite 302
Annapolis, Maryland 21401

PAa0804

SWITCHED ACCESS TARIFF

SECTION 4 - SWITCHED ACCESS SERVICE

4.1 General

Switched Access Service, which is available to Customers for their use in furnishing their services to end users, provides a two-point communications path between a Customer's Premises and an End User's Premises. It provides for the use of common terminating, switching and transport facilities. Switched Access Service provides the ability to originate calls from an End User's Premises to a Customer's Premises, and to terminate calls from a Customer's Premises to an End User's Premises.

Switched Access Service is available when originating or terminating calls from or to an end user which subscribes to the Company's Local Exchange Services.

Rates and charges are set forth in Section 5. The application of rates for Switched Access Service is described in Section 5.

4.2 Provision and Description of Switched Access Service Arrangements

4.2.1 Feature Group Access

FG Access is provisioned at the DS-1 level and provides trunk-side access to Local Switching Center switches, for the Customer's use in originating and terminating communications. Basic FG Access service will be provided with Multi-Frequency In Band Signaling (SS7 is also available, where capabilities exist).

All traffic is routed to and from the Company's local switching center via the Customer's tandem provider or via end office trucking, where available. Delivery of calls to, or acceptance of calls from, the Company's End User locations over Company-switched local exchange services shall constitute an agreement by the Customer to purchase switched access services as described herein. The Company reserves the right to require the Customer to submit an ASR for switched access.

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Exhibit 4

EXHIBIT 4

Core Communications, Inc., et al.

FCC Tariff No. 3
Original Page No. 1

This tariff, FCC Tariff No. 3, replaces the Company's FCC Tariff No. 2 in its entirety.

TITLE PAGE

INTERSTATE ACCESS SERVICES TARIFF

OF

CORE COMMUNICATIONS, INC., ET AL.

This tariff contains the descriptions, regulations, and rates applicable to the provision of interstate access services provided by Core Communications, Inc., et al. ("Company" or "the Company"), with principal offices at 209 West Street, Suite 302, Annapolis, MD 21404. This tariff is on file with the Federal Communications Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued: December 17, 2010

Effective: January 1, 2011

Issued By:
Christopher Van de Verg
General Counsel
209 West Street, Suite 302
Annapolis, Maryland 21401

FCC1003

SECTION 2 - RULES AND REGULATIONS, (CONT'D)

2.10 Billing and Payment For Service

2.10.1 Responsibility for Charges

The Customer is responsible for payment of all charges for Services provided pursuant to this tariff. In particular and without limitation to the foregoing, the Customer is responsible for any and all cost(s) incurred as the result of:

- A. any delegation of authority resulting in the use of Customer's communications equipment and/or network services that result in the placement of calls via the Company's network;
- B. any and all use of the service arrangement provided by the Company, including calls which the Customer did not individually authorize; and
- C. any calls placed by or through the Customer's equipment via any remote access feature(s).

2.10.2 Minimum Period

The minimum period for which services are provided and for which rates and charges are applicable is one (1) month unless otherwise specified in this tariff. When a service is discontinued prior to the expiration of the minimum period, charges are applicable, whether the service is used or not.

SECTION 3 - SWITCHED ACCESS SERVICE

3.1 General

- 3.1.1 Switched Access Service is available to Customers for their use in furnishing their services to Customer's End Users. This service provides a two-point communications path between the Customer's Point of Presence and the Company's End Users or facilities. Switched Access Service provides Customer with the ability to originate calls from Company End Users to Customer's Point of Presence, and to terminate calls from the Customer's Point of Presence to Company End Users.
- 3.1.2 When a rate as set forth in this tariff is shown to more than two decimal places, the charges will be determined using the rate shown. The resulting amount will then be rounded to the nearest penny (i.e., rounded to two decimal places).⁰
- 3.1.3 In the absence of an ASR as described in Section 3.4, Customer's delivery of calls to, or acceptance of calls from, Company End Users via direct or indirect interconnection shall constitute a Constructive Order and an agreement by the Customer to purchase the Company's Switched Access Services as described and priced herein.

Issued: December 17, 2010

Effective: January 1, 2011

Issued By:
Christopher Van de Verg
General Counsel
209 West Street, Suite 302
Annapolis, Maryland 21401

FCC1003

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Exhibit 5

State of Maryland :
County of Anne Arundel : SS

AFFIDAVIT OF BRET MINGO

I, Bret Mingo, state as follows under oath and upon personal knowledge:

Introduction

1. I am President of Core Communications, Inc. ("Core"), a competitive local exchange carrier ("CLEC") providing telecommunications services to customers in Pennsylvania and Maryland.
2. I oversee all aspects of Core's operations, and I am knowledgeable about the company's interconnection arrangements, billing practices, cash flow, expenses, customer base, and business plan. I am also very familiar with Core's past and present business dealings with Verizon.
3. Core has been certificated as a CLEC in Pennsylvania since 2000, and is currently the only CLEC authorized to provide services in every service territory in Pennsylvania, including the service territory of every Rural Incumbent Local Exchange Carrier.
4. Core maintains its network operations center in Dallas, Pennsylvania, and points-of-presence ("POPs") in Altoona, Erie, Harrisburg, Philadelphia, Pittsburgh and Wilkes-Barre.
5. Core is facilities-based CLEC. Our primary focus is providing enhanced service provider customers with wholesale connectivity to the Public-Switched Telecommunications Network ("PSTN").

6. Core's customers include local, regional and national Internet service providers ("ISPs") and, to a growing extent, voice-over-Internet protocol ("VOIP") providers. Many of Core's customers are small businesses based in Pennsylvania.

Core's Agreements with Verizon in Pennsylvania

7. Core and Verizon are party to two Pennsylvania Interconnection Agreements ("ICAs"). Core and Verizon Pennsylvania, Inc. interconnect pursuant to an ICA dated March 31, 2000, and Core and Verizon North, Inc. operate pursuant to an ICA dated August 24, 2005.
8. The Verizon entities send substantial amounts of telecommunications traffic to Core's network each month for termination. The volume of traffic that Verizon sends to our network is tens of millions of minutes *each month*.
9. Our ICAs with Verizon govern the terms of interconnection and exchange of locally-dialed telephone traffic between the parties, including setting the terms for the payment of intercarrier compensation for locally-dialed calls. Under the terms of the ICAs, Verizon must pay Core for locally-dialed calls sent to Core's network for termination. The rates at which Verizon must pay are set forth in the ICAs. However, because of the FCC's 2001 *ISP Remand Order* the termination rate for ISP-bound traffic (which makes up the bulk of the traffic exchanged between the parties) was lowered from the original TELRIC tandem reciprocal compensation rates of \$0.002814 per minute-of-use ("MOU") in the Core-Verizon ICA and \$0.0079536/MOU in the Core-Verizon North ICA to a low, uniform rate of \$0.0007.

10. In accordance with the ICAs, Core sends Verizon monthly intercarrier compensation invoices at the beginning of each calendar month, which reflect the monthly charges due from Verizon for locally-dialed telecommunications traffic sent by Verizon to Core's network for termination in the preceding calendar month. These invoices are simple and straightforward. The invoices are broken down by LATA, to show the amount of minutes of traffic that Core receives from Verizon in each LATA for the relevant month. The invoice reflects the rate charged for the traffic, and multiplies the total minutes by the rate to come up with the total monthly charges due. Our most recent monthly invoices to Verizon are attached to this Affidavit under Tabs A and G.
11. In 2003, Core and Verizon agreed upon a specific billing procedure to implement the ISP Remand Order's "three-to-one ratio" rule (the "Ratio Rule"). The FCC explains the Ratio Rule as follows

We understand that some carriers are unable to identify ISP-bound traffic. In order to limit disputes and avoid costly efforts to identify this traffic, we adopt a rebuttable presumption that traffic delivered to a carrier, pursuant to a particular contract, that exceeds a 3:1 ratio of terminating to originating traffic is ISP-bound traffic that is subject to the compensation mechanism set forth in this Order. ISP Remand Order, ¶ 79.
12. In order to implement the Ratio Rule, Core and Verizon agreed upon the following procedure: (1) Core applies the tandem reciprocal compensation rates set forth in the ICAs to all inbound Verizon MOUs (i.e., \$0.002814 for Verizon PA, and \$0.0079536 for Verizon North), and issues invoices accordingly; (2) Based on the number of Core outbound MOUs to Verizon in the same period, Verizon calculates the number of "below ratio" MOUs for which Core is entitled

to collect the tandem reciprocal compensation rate and “above ratio” MOUs for which Core is entitled to the lower FCC rate, and disputes the difference between the amount Core invoices and the total amount due pursuant to the Ratio Rule; and (3) Verizon pays the amount due pursuant to the Ratio Rule and Core credits the remainder of the invoiced amount. The net result of this process is that Verizon pays \$.0007 for the large majority of the traffic that it sends to Core, and reciprocal compensation rates (i.e., \$0.002814 for Verizon PA, and \$0.0079536 for Verizon North) for a small portion of the traffic.

13. For reasons not at issue here, the billing procedure has never been fully implemented because, Verizon’s billing systems do not account for much of the outbound traffic Core sends Verizon, resulting in Core receiving less compensation than it is due. Nonetheless, the procedure has worked inasmuch as Core regularly invoices Verizon at the tandem reciprocal compensation rate; Verizon pays for almost all of the MOUs at the FCC’s \$0.0007/MOU rate, pays for a very small number of MOUs at the tandem rate, and issues dispute letters covering the remaining invoiced amounts.
14. Since October, 2004, Verizon has consistently paid Core’s Pennsylvania intercarrier compensation bills for locally-dialed traffic, according to the billing procedure outlined above. Verizon made these payments despite the fact that the parties were and are engaged in several complicated disputes, in Pennsylvania and elsewhere, regarding Verizon’s provision of timely “entrance facility” interconnection, Verizon’s provision and billing of interconnection trunks, and Verizon’s implementation of the Ratio Rule, among others. In other words, even

though the parties disagreed over various interconnection and billing issues, there never was any disagreement regarding Verizon's obligations to pay reciprocal compensation at a rate of at least \$0.0007 per MOU for locally-dialed telephone traffic that Verizon delivered to Core for termination.

15. Like most LECs, Core relies on the receipt of intercarrier compensation for a significant portion of its operating revenue. In Pennsylvania, intercarrier compensation payments from Verizon have historically comprised over 50% of Core's operating revenue. The receipt of this revenue is an absolute necessity for Core in order to maintain its Pennsylvania operations. Without this revenue, Core likely could not pay expenses associated with its Pennsylvania employees and network facilities.
16. The intercarrier compensation that Core receives from Verizon in Pennsylvania has been a constant, and a foundation, of Core's business. While Core receives traffic from other carriers and bills those carriers accordingly, Core receives far more traffic on its network from Verizon than from all of the other carriers combined. Even though this high volume of traffic received from Verizon is only compensated at the miniscule rate of \$.0007/MOU, the monthly revenue from this traffic provides a foundation for Core that it has come to rely upon. With seven years of billing history with Verizon behind us, we never had any reason to doubt that we would be compensated for the traffic that we terminate for Verizon. Even though we disagreed with Verizon with respect to implementation of the Ratio Rule, we knew that we would at least receive the nominal rate of \$.0007 for this traffic pending final resolution of the rate issues.

17. On May 31, 2011, Core issued its standard intercarrier compensation invoices to Verizon for locally-dialed telephone traffic, for the period May 1-31, 2011, in the same format that it had issued them over the past seven years.¹ Core transmitted these invoices to Verizon by overnight delivery on June 2, and Verizon received the invoices on June 3. According to the ICAs and the invoices, payment was due on the invoices within 30 days. Since Verizon received the invoices on June 3, 2011, payment was due July 2, 2011.
18. Upon issuance of the May 31, 2011 invoices, Core had no reason to believe that Verizon would not make timely payment of the invoices.
19. To our surprise, on July 5, 2011, Verizon sent us a letter saying that they were “withholding payment” on our May 31, 2011 intercarrier compensation invoices.² Verizon’s notices declared that the entire amount of reciprocal compensation billed by Core to Verizon and Verizon North to be “invalid,” alleging that “the traffic billed... is not in fact compensable to Core as reciprocal compensation traffic.” The letters also claimed that “Core has overstated the quantity of traffic,” and that Core “has billed in excess of any rates that would apply, were the traffic compensable.”
20. Verizon’s notices shocked and confused us. The notices did not give any explanation for why Verizon suddenly believed the traffic that it sent to our network to be “not compensable”. We did not understand how the traffic that we received from Verizon (which was clearly covered by the ICAs), could suddenly become “non-compensable” overnight. As far as we know, our ICA had not

¹ Core’s May 31 invoices are attached as Tab A to this Affidavit.

² Although dated July 1, 2011, Verizon did not transmit the letters to Core until after close of business on July 5. Verizon’s letters and transmittal email are attached as Tab B.

expired. We had not changed our billing format. The traffic that Verizon sends to us was all locally dialed traffic originating on their network and terminating on our network. There was no reason that it would be “not compensable”.

21. Core’s understanding of the ICAs is that a party who wishes to dispute an intercarrier compensation invoice is permitted to do so, but the party making the dispute must provide a clear statement of the basis for the dispute to allow the other party to address it. Verizon’s notices did not provide a clear basis for its dispute. Instead, they simply stated that the traffic sent by Verizon to Core was not compensable. This did not constitute a valid dispute under the ICAs.
22. As far as I know, a carrier does not have the ability to deem the traffic emanating from its network as non-compensable.
23. Verizon’s notices of non-payment also requested for “preliminary data that will assist their resolution”. This also puzzled us, because Core had previously offered to exchange certain switch records with Verizon on a reciprocal basis to confirm the amounts of traffic being sent in both directions between the parties.
24. After we received Verizon’s notices, Core contacted Verizon to ask for clarification as to why they were refusing to pay the invoices. We did this via letters dated July 8, 2011.³
25. In response to our request for clarification and a basis for their non-payment, Verizon has provided no basis for its non-payment. Instead Verizon sent Core a letter dated July 12, 2011, asking that Core “thoroughly investigate these

³ Core’s July 8, 2011 letters to Verizon are attached as Tab C to this Affidavit

disputes” even though Core had already indicated that it did not consider Verizon’s statements of non-payment to be valid disputes under the ICAs.⁴

26. Then, Verizon sent a new round of letters to Core dated July 18, 2011, essentially re-stating the same allegations contained in its letters dated July 1, and providing no further clarification whatsoever regarding their reasons for why the traffic they send to our network has suddenly become non-compensable.⁵
27. We have had a few email exchanges with Verizon since July 18, primarily revolving around Verizon’s request to see certain switch records. I have proposed a two-way exchange of switch records (i.e., both parties provide the other with a sample of records), but Verizon has not agreed to this proposal. And, more importantly, Verizon has given us no indication that they intend to pay our May 31, 2011 invoices.
28. Nearly 60 days have now passed since Core issued its May 31, 2011 invoices, and Verizon has still remitted no payment on the invoices and has provided no rational basis for its nonpayment. The **minimum** amount outstanding on these invoices is \$65,477.18 for Verizon and \$9,964.49 for Verizon North. These minimum amounts are calculated by multiplying the total invoiced MOUs by the FCC’s rate of \$0.0007/MOU for ISP-bound traffic. While Core continues to believe that a substantially higher rate is owed for a portion of the traffic, Core expects to receive at least this minimum amount in accordance with its 7-year history of billings to Verizon.

⁴ Verizon’s July 12, 2011 letters are attached as Tab D to this Affidavit

⁵ Verizon’s July 18, 2011 letters are attached as Tab E to this Affidavit.

29. Verizon has given no indication that it intends to pay the outstanding amounts due on the May 31, 2011 invoices, or pay any further monthly intercarrier compensation invoices from Core. Core does not anticipate that Verizon PA will pay the current round of invoices dated June 30, 2011.⁶ The minimum amounts due on these June invoices are \$63,574.17 for Verizon PA and \$9,331.61 for Verizon North.
30. If Core does not receive payment from Verizon on the May 31, 2011 invoices by September 1, 2011, Core will be without sufficient funds to maintain the full extent of its Pennsylvania operations. The revenues associated with this termination service are substantial by Core's standards and constitute a critical revenue stream which allows us to pay our network costs and operate as a local exchange carrier in Pennsylvania. Without these revenues, we will be forced to take drastic actions to stay in business, including laying-off Pennsylvania employees, closing some or all of our Pennsylvania facilities, and informing customers that our services are unavailable in Pennsylvania.
31. Due to Verizon's refusal to pay even the minimum amount due on our invoices, Core has been placed in a crisis situation. We need immediate relief from the Commission. We depend on our intercarrier compensation receipts to pay our employees and network costs.
32. Because Verizon is by far the largest ILEC in Pennsylvania, Verizon is the largest sender of traffic to our network. Therefore, a very large portion of Core's intercarrier compensation revenue originates from Verizon.

⁶ Core's June 30 invoices are attached as Tab F to this Affidavit

33. The following will put the impact of Verizon's non-payment into perspective. Core operates as a CLEC in both Maryland and Pennsylvania. In the period January 1, 2001 through June 30, 2011, Core collected a total of [REDACTED] in reciprocal compensation payments from Verizon entities in these two states, broken down as follows: [REDACTED] from Verizon Maryland, Inc. [REDACTED] from Verizon Pennsylvania, Inc. and [REDACTED] from Verizon North, Inc. of Pennsylvania.⁷
34. Core collected a total of [REDACTED] in revenue for all services provided during the same six month period, including reciprocal compensation, switched access, local exchange services and enhanced or unregulated services.⁸ Therefore, Verizon reciprocal compensation payments make up [REDACTED] of Core's total revenue in this period.
35. Without reciprocal compensation payments, Core cannot keep up with its ordinary monthly expenses required to keep its network up and running. Core's total expenditures during the same period were [REDACTED]⁹ which means that Core ran a deficit of [REDACTED] during this period.¹⁰ Had Verizon paid the May 31 invoices according to its normal procedure, Core would have received an additional [REDACTED] in reciprocal compensation payments, and would have a modest net income of [REDACTED] in the same period. In other words, with Verizon's reciprocal compensation payments, Core is profitable, but without the

⁷ An accounting of Core's receipt of reciprocal compensation on a cash basis is attached as Confidential Tab G to this Affidavit

⁸ Core's cash-basis and accrual-basis Profit & Loss statements for this period are attached as Confidential Tab H to this Affidavit

⁹ *Id.*

¹⁰ *Id.*

payments, Core loses money. Each monthly invoice that Verizon does not pay will push Core further towards non-profitability, and potentially, insolvency.

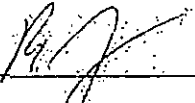
36. Core does not possess cash reserves from other sources needed to continue paying network expenses without reciprocal compensation payments.
37. Verizon's sudden and unexpected cessation of all intercarrier compensation payments to Core has created an immediate crisis for Core that threatens its existence in Pennsylvania. In our experience, reciprocal compensation for locally-dialed traffic exchanged pursuant to an ICA has been respected and paid. While the industry has certainly seen its share of compensation disputes over other forms of traffic, reciprocal compensation has been reliable and non-controversial -until now.
38. Core has calculated that it has enough cash reserves and non-Verizon projected revenue to maintain its current state of Pennsylvania operations through September 1, 2011. Core's cash reserves today are well below the level needed to pay bills coming due in August.
39. If Verizon does not resume payment of its intercarrier compensation obligations by that time, Core will have no choice but to take drastic measures to stay in business in Pennsylvania, including laying-off its Pennsylvania-based employees¹¹ and shutting down its Pennsylvania POPs.¹² If our POPs are shut-down, we will be forced to inform some or all of our customers that we can no longer serve them.

¹¹ A list of the job descriptions and annual salaries of Core's Pennsylvania employees is attached as Tab I to this Affidavit.

¹² A list of the addresses of Core's Pennsylvania POPs is attached as Tab J

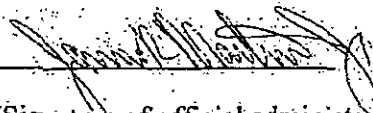
40. If Core is forced to lay-off employees, those employees will lose wages and salaries that will never be recouped, even if they are eventually hired back.
41. If Core's customers are forced to find alternative service providers because Core is unable to serve them, those customers will almost certainly never return to Core.
42. If Core is forced to shut-down facilities in Pennsylvania due to a lack of revenue while its dispute with Verizon is ongoing, Core will likely never re-open those facilities and will almost certainly cease operations in Pennsylvania altogether. If these events occur, Core and its employees and customers will be irreparably injured.

I, Bref Mingo, (Affiant) being duly sworn according to law, depose and say that I am authorized to make this affidavit on behalf of Core Communications, Inc., being the holder of the office of President with that corporation, and that, I am an employee or agent of Core Communications, Inc., and that the facts above set forth are true and correct and Core Communications, Inc. expects to be able to prove the same at any hearing hereof.




(Signature of affiant)

Sworn and subscribed before me this 22nd day of July, 2011



(Signature of official administering oath)


James R. Martin, Jr.
Notary Public Of Maryland
Anne Arundel County
(My Commission Expires 11/30, 2013)

Nov 30, 2013

TAB A

CORE MAY 31, 2011 INVOICES TO VERIZON

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

INVOICE

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Invoice #1950V
Date: 5/31/2011
Core Communications, Inc.
209 West Street
Suite 302
Annapolis, MD 21401
BILL TO:
Verizon-RC / LIB
Attn: Beth Gray
125 High Street
Rm. 655
Boston, MA 02110
TERMS:
Net 30***

QUANTITY	DESCRIPTION	RATE	AMOUNT
20,945,829.97	MOU, local, Verizon to Core May 1-31, 2011 LATA 230—Altoona (Verizon Pennsylvania, Inc.)	0.002814	\$58,941.57
16,477,752.60	MOU, local, Verizon to Core May 1-31, 2011 LATA 226—Capitol (Verizon Pennsylvania, Inc.)	0.002814	\$46,368.40
17,704,341.95	MOU, local, Verizon to Core May 1-31, 2011 LATA 228—Philadelphia (Verizon Pennsylvania, Inc.)	0.002814	\$49,820.02
15,914,400.25	MOU, local, Verizon to Core May 1-31, 2011 LATA 234—Pittsburgh (Verizon Pennsylvania, Inc.)	0.002814	\$44,783.12
22,496,499.26	MOU, local, Verizon to Core May 1-31, 2011 LATA 232—Wilkes-Barre (Verizon Pennsylvania, Inc.)	0.002814	\$63,305.15
		TOTAL:	\$263,218.25

This bill is due within 30 days of receipt by Verizon, per Interconnection Agreements

INVOICE

Invoice #1951V

Date: 5/31/2011

Core Communications, Inc.

209 West Street

Suite 302

Annapolis, MD 21401

BILL TO:

Verizon-RC / LIB

Attn: Beth Gray

125 High Street

Rm. 655

Boston, MA 02110

TERMS:

Net 30***

QUANTITY	DESCRIPTION	RATE	AMOUNT
3,763,267.13	MOU, local, Verizon to Core May 1-31, 2011 LATA 230—Altoona (Verizon North, Inc.-Pa.)	0.0079536	\$29,931.52
8,466,142.98	MOU, local, Verizon to Core May 1-31, 2011 LATA 924—Erie (Verizon North, Inc.-Pa.)	0.0079536	\$67,336.31
2,005,575.90	MOU, local, Verizon to Core May 1-31, 2011 LATA 232—Wilkes-Barre (Verizon North, Inc.-Pa.)	0.0079536	\$15,951.55
		TOTAL:	\$113,219.38

This bill is due within 30 days of receipt by Verizon, per Interconnection Agreements

From: (410) 216-9885
Amy Abitz
Core Communications, Inc.
209 West Street
Suite 302
Annapolis, MD 21401

Origin ID: GBOA



Ship Date: 02JUN11
AwtWgt: 0.1 LB
CAD: 8001180/NET3130

Delivery Address Bar Code



SHIP TO: (617) 743-6175
Attn: Kenneth Roos
Verizon - RCLIB
125 HIGH ST RM 655

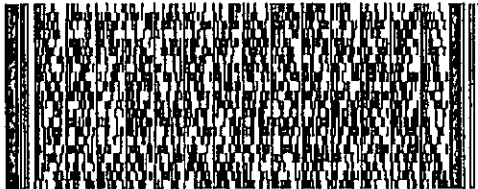
BILL SENDER

Ref #
Invoice #
PO #
Dept #

BOSTON, MA 02110

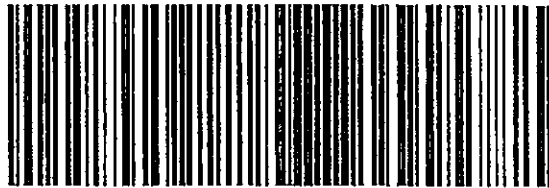
FRI - 03 JUN A1
STANDARD OVERNIGHT

TRK# 7948 2331 4949
0201



ZI LWMA

02110
MA-US
BOS



50DG10C807EP8

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

TAB B

VERIZON JULY 1, 2011 LETTERS TO CORE

Verizon Finance - Local Interconnection Billing

125 High Street
Boston, Massachusetts 02110
Phone: 617-743-6167
Fax: 617-743-2519

Bill Specialist
Ken Roos
kenneth.w.roos@verizon.com

July 05, 2011

Core Comm
Attn: Christopher Van De Verg - Secretary & General Counsel
209 West Street
Annapolis, MD 21401

Dear Christopher Van De Verg:

This letter is notification that Verizon - Pennsylvania is disputing charges totaling \$263,218.25 on Invoice 1950V dated May 31, 2011 for account CORE.

INVOICE CHARGES DISPUTED

In accordance with the FCC's April 18, 2001 Order governing intercarrier compensation for Internet traffic, effective June 14, 2001, traffic exceeding a 3:1 ratio of terminating to originating traffic is presumed to be Internet traffic. In accordance with the order noted above, from June 14, 2001 through December 13, 2001 compensable Internet minutes are rated at \$0.0015 per minute. From December 14, 2001 through June 13, 2003, compensable Internet minutes are rated at \$0.0010 per minute. From June 14, 2003 until the FCC takes further action, compensable Internet minutes are rated at \$0.0007 per minute.

Core Comm billed Verizon for local and/or Internet traffic delivered from the following bill periods at the given rates per minute:

From 5/1/2011 to 5/31/2011 at \$.002814/MOU

The disputed charges totaling \$161,304.22, represent the difference between the amount that CLEC charged Verizon, and the amount due under the FCC's order.

Verizon is disputing \$35,077.06 for a discrepancy(s) in the billed usage rate(s) for Local for the May 2011 invoice. Core Comm billed usage at a rate other than what has been agreed. The following are the products affected by this rate dispute:

Tandem: From 5/1/2011 to 5/31/2011 at \$.002814/MOU Billed, \$.002439/MOU Paid

Verizon has re-rated the billed amount to reflect the paid rate.

\$66,836.97 Disputed - See separate Dispute Letter.

Verizon wants to work with Core Comm in resolving outstanding billing disputes between our companies. Please contact me at 617-743-6167 at your earliest convenience to discuss the disputes on *this invoice*.

Sincerely,

Ken Roos

Verizon Finance - Local Interconnection Billing

125 High Street
Boston, Massachusetts 02110
Phone: 617-743-2242
Fax: 617-743-2519

Manager
Charles Bando
charles.a.bando@verizon.com

July 1, 2011

Core Comm
Attn: Brett Mingo
209 West Street
Annapolis, MD 21401

Dear Brett:

This serves as notice that Verizon is disputing and withholding payment on invoice 1950V dated May 31, 2011 for account CORE-PA.

As a threshold matter, review of the facts available to Verizon indicates that the traffic billed by Core to Verizon at reciprocal compensation rates is not in fact compensable to Core as reciprocal compensation traffic. As such, the entire amount of reciprocal compensation billed by Core for such traffic (\$263,218.25 in total on the above-referenced invoice) is invalid.

Moreover, even if this traffic was in fact properly compensable to Core (which it is not), Core's billings are grossly overstated. Among other things, Core has overstated the quantity of traffic, and has billed in excess of any rates that would apply, were the traffic compensable. The attached dispute letters are disputes that Verizon would apply, if the subject traffic was in fact compensable.

Accordingly, Verizon is disputing and withholding payment in the amount of \$66,836.97 on the above-referenced invoice. While we believe these disputes to be valid, we hope to work with you to resolve these disputes. To that end, Ken Roos has previously contacted you to request some preliminary data that will assist their resolution. Please feel free to contact him or me should you have any questions.

Very truly yours,

Charles Bando

Verizon Finance - Local Interconnection Billing

*125 High Street
Boston, Massachusetts 02110
Phone: 617-743-2242
Fax: 617-743-2519*

Manager
Charles Bando
charles.a.bando@verizon.com

July 1, 2011

Core Comm
Attn: Brett Mingo
209 West Street
Annapolis, MD 21401

Dear Brett:

This serves as notice that Verizon is disputing and withholding payment on invoice 1951V dated May 31, 2011 for account COR02_Usage.

As a threshold matter, review of the facts available to Verizon indicates that the traffic billed by Core to Verizon at reciprocal compensation rates is not in fact compensable to Core as reciprocal compensation traffic. As such, the entire amount of reciprocal compensation billed by Core for such traffic (\$113,219.38 in total on the above-referenced invoice) is invalid.

Moreover, even if this traffic was in fact properly compensable to Core (which it is not), Core's billings are grossly overstated. Among other things, Core has overstated the quantity of traffic, and has billed in excess of any rates that would apply, were the traffic compensable. The attached dispute letters are disputes that Verizon would apply, if the subject traffic was in fact compensable.

Accordingly, Verizon is disputing and withholding payment in the amount of \$10,008.78 on the above-referenced invoice. While we believe these disputes to be valid, we hope to work with you to resolve these disputes. To that end, Ken Roos has previously contacted you to request some preliminary data that will assist their resolution. Please feel free to contact him or me should you have any questions.

Very truly yours,

Charles Bando

Guin, Michael A.

From: billing <billing@coretel.net>
Sent: Wednesday, July 06, 2011 10:53 AM
To: Bret Mingo; Chris Van de Verg
Subject: Fwd: Core Comm and Core Tel Dispute Letters
Attachments: Core Comm_PA_COR02_Usage_05-31-11_Displtr_v.rtf; Core Comm MD 5-31-11.rtf; Core Comm PAe 5-31-11.rtf; Core Comm PAw 5-31-11.rtf; Core Comm_PA_CORE_05-31-11_Displtr_v1.rtf; Core Comm_MD_CORE_05-31-11_Displtr_v1.rtf; CoreTel Virginia_VA_COR01_Usage_05-31-11_Displtr_v.rtf; CoreTel Virginia VAe 5-31-11.rtf; CoreTel Virginia VAw 5-31-11.rtf; CoreTel Virginia_VA_CORETEL VA_05-31-11_Displtr_v1.rtf; CoreTel New York_NY_CORETEL NY_05-31-11_Displtr_v1.rtf; CoreTel New York 5-31-11.rtf

----- Original Message -----

Subject: Core Comm and Core Tel Dispute Letters
Date: Tue, 5 Jul 2011 17:39:31 -0400
From: Roos, Kenneth W. (Ken) <kenneth.w.roos@verizon.com>
To: billing@coretel.net <billing@coretel.net>
CC: lib, boston <lib.boston@verizon.com>

Ken Roos
Verizon Communications
Analyst-Local Interconnection Billing
Phone 617-743-6167
Fax 617-743-2519

TAB C

CORE JULY 8, 2011 LETTERS TO VERIZON

CORE COMMUNICATIONS, INC.
209 West Street
Suite 302
Annapolis, Maryland 21401

Tel. 410 216 9865
Fax 410 216 9867

By Overnight Mail

Director-Negotiations
Verizon Partner Solutions
600 Hidden Ridge
HQEWMNOTICES
Irving, TX 75038
Facsimile Number: (972) 719-1519
Internet Address: wmnotices@verizon.com

July 8, 2011

**Re: Verizon's Unlawful Refusal to Pay Compensation Due for Services
Rendered**

To Whom It May Concern:

In accordance with the notices section (Part A, § 14.1) of the current interconnection agreement ("ICA") between Core Communications, Inc. ("Core") and Verizon Pennsylvania Inc. ("Verizon"), Core hereby responds to a recent letter issued by Verizon to Core in which Verizon abruptly refuses to pay for termination services provided by Core to Verizon in Pennsylvania.¹

In the letter, Verizon sets forth three vague, nonsensical and unsubstantiated claims and concludes with an outright refusal to pay any compensation for services rendered. Verizon claims that "the traffic billed... is not in fact compensable to Core as reciprocal compensation traffic;" that "Core has overstated the quantity of traffic;" and that Core "has billed in excess of any rates that would apply, were the traffic compensable. [sic]" Verizon fails to provide any explanation of when or how it discovered these claims, fails to provide any documentation to support these claims, and fails to provide any citation to any ICA provision or applicable law underlying these claims. Accordingly, Core cannot and does not recognize Verizon's conclusory assertions as *bona fide* disputes.

Verizon's newfound refusal to pay any compensation for services rendered simply continues Verizon's longstanding pattern of anti-competitive behavior toward Core. This

¹ A copy of this letter is attached hereto.

latest action drastically threatens Core's ability to continue operations in Pennsylvania. Verizon's letter is nothing more than a bad faith refusal to pay compensation when due and makes a mockery of the billing dispute process. As such, Verizon is in violation of the terms of the ICA including but not limited to those regarding payment (Part A, § 4.1), compliance with laws (Part A, § 6.1), dispute resolution (Part A, § 24), good faith performance (Part A, § 42), compensation for local traffic transport and termination (Att. IV, § 2.4.2) and billing disputes (Att. VIII, § 3.1.9).

Core requests that Verizon confirm no later than close of business on July 12 that it will resume timely payment of Core's invoices. Unless Core receives such confirmation, Core will have no choice but to immediately seek a remedy in the appropriate forum.

Sincerely,


Chris Van de Verg
General Counsel

Copy: Verizon President and Deputy General Counsel
1320 North Courthouse Road
9th Floor
Arlington, VA 22201
Facsimile Number: (703) 351-3664

Attmt.

Verizon Finance - Local Interconnection Billing

125 High Street
Boston, Massachusetts 02110
Phone: 617-743-2242
Fax: 617-743-2519

Manager
Charles Bando
charles.a.bando@verizon.com

July 1, 2011

Core Comm
Attn: Brett Mingo
209 West Street
Annapolis, MD 21401

Dear Brett:

This serves as notice that Verizon is disputing and withholding payment on invoice 1950V dated May 31, 2011 for account CORE-PA.

As a threshold matter, review of the facts available to Verizon indicates that the traffic billed by Core to Verizon at reciprocal compensation rates is not in fact compensable to Core as reciprocal compensation traffic. As such, the entire amount of reciprocal compensation billed by Core for such traffic (\$263,218.25 in total on the above-referenced invoice) is invalid.

Moreover, even if this traffic was in fact properly compensable to Core (which it is not), Core's billings are grossly overstated. Among other things, Core has overstated the quantity of traffic, and has billed in excess of any rates that would apply, were the traffic compensable. The attached dispute letters are disputes that Verizon would apply, if the subject traffic was in fact compensable.

Accordingly, Verizon is disputing and withholding payment in the amount of \$66,836.97 on the above-referenced invoice. While we believe these disputes to be valid, we hope to work with you to resolve these disputes. To that end, Ken Roos has previously contacted you to request some preliminary data that will assist their resolution. Please feel free to contact him or me should you have any questions.

Very truly yours,

Charles Bando

CORE COMMUNICATIONS, INC.
209 West Street
Suite 302
Annapolis, Maryland 21401

Tel. 410 216 9865
Fax 410 216 9867

By Overnight Mail

Director-Negotiations
Verizon Partner Solutions
600 Hidden Ridge
HQEWMNOTICES
Irving, TX 75038
Facsimile Number: (972) 719-1519
Internet Address: wmnotices@verizon.com

July 8, 2011

**Re: Verizon's Unlawful Refusal to Pay Compensation Due for Services
Rendered**

To Whom It May Concern:

In accordance with the notices section (§ 18.0) of the current interconnection agreement ("ICA") between Core Communications, Inc. ("Core") and Verizon North Inc. of Pennsylvania ("Verizon"), Core hereby responds to a recent letter issued by Verizon to Core in which Verizon abruptly refuses to pay for termination services provided by Core to Verizon in Pennsylvania.¹

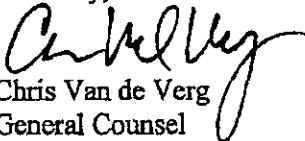
In the letter, Verizon sets forth three vague, nonsensical and unsubstantiated claims and concludes with an outright refusal to pay any compensation for services rendered. Verizon claims that "the traffic billed... is not in fact compensable to Core as reciprocal compensation traffic;" that "Core has overstated the quantity of traffic;" and that Core "has billed in excess of any rates that would apply, were the traffic compensable. [sic]" Verizon fails to provide any explanation of when or how it discovered these claims, fails to provide any documentation to support these claims, and fails to provide any citation to any ICA provision or applicable law underlying these claims. Accordingly, Core cannot and does not recognize Verizon's conclusory assertions as *bona fide* disputes.

¹ A copy of this letter is attached hereto.

Verizon's newfound refusal to pay any compensation for services rendered simply continues Verizon's longstanding pattern of anti-competitive behavior toward Core. This latest action drastically threatens Core's ability to continue operations in Pennsylvania. Verizon's letter is nothing more than a bad faith refusal to pay compensation when due and makes a mockery of the billing dispute process. As such, Verizon is in violation of the terms of the ICA including but not limited to those regarding payment (GTC, § 11.1), disputed amounts (GTC, § 11.3), government compliance (GTC, § 8.0), dispute resolution (§ 25.0), good faith performance (§ 5.0), and reciprocal compensation arrangements (Part V, § 2.7).

Core requests that Verizon confirm no later than close of business on July 12 that it will resume timely payment of Core's invoices. Unless Core receives such confirmation, Core will have no choice but to immediately seek a remedy in the appropriate forum.

Sincerely,


Chris Van de Verg
General Counsel

Copy: Verizon President and Deputy General Counsel
1320 North Courthouse Road
9th Floor
Arlington, VA 22201
Facsimile Number: (703) 351-3664

Attmt.

Verizon Finance - Local Interconnection Billing

125 High Street
Boston, Massachusetts 02110
Phone: 617-743-2242
Fax: 617-743-2519

Manager
Charles Bando
charles.a.bando@verizon.com

July 1, 2011

Core Comm
Attn: Brett Mingo
209 West Street
Annapolis, MD 21401

Dear Brett:

This serves as notice that Verizon is disputing and withholding payment on invoice 1951V dated May 31, 2011 for account COR02_Usage.

As a threshold matter, review of the facts available to Verizon indicates that the traffic billed by Core to Verizon at reciprocal compensation rates is not in fact compensable to Core as reciprocal compensation traffic. As such, the entire amount of reciprocal compensation billed by Core for such traffic (\$113,219.38 in total on the above-referenced invoice) is invalid.

Moreover, even if this traffic was in fact properly compensable to Core (which it is not), Core's billings are grossly overstated. Among other things, Core has overstated the quantity of traffic, and has billed in excess of any rates that would apply, were the traffic compensable. The attached dispute letters are disputes that Verizon would apply, if the subject traffic was in fact compensable.

Accordingly, Verizon is disputing and withholding payment in the amount of \$10,008.78 on the above-referenced invoice. While we believe these disputes to be valid, we hope to work with you to resolve these disputes. To that end, Ken Roos has previously contacted you to request some preliminary data that will assist their resolution. Please feel free to contact him or me should you have any questions.

Very truly yours,

Charles Bando

TAB D

VERIZON JULY 12, 2011 LETTERS TO CORE

William S. Carnell
Assistant General Counsel



1320 N. Court House Road
Arlington, VA 22201

Phone 703 351-3180
Fax 703 351-3664
william.s.carnell@verizon.com

July 12, 2011

Chris Van de Verg, Esq.
General Counsel
Core Communications
209 West St., #302
Annapolis, MD 21401

Re: Core's Billings to Verizon

Dear Mr. Van de Verg:

I am in receipt of six essentially identical letters from you, each dated July 8, 2011, and received by Verizon on July 11, 2011, regarding Verizon's dispute of Core's billings to Verizon. Verizon disagrees with most all the statements therein.

Nonetheless, in the spirit of good faith dispute resolution, Verizon will treat those letters as an invocation of the dispute resolution processes in our various ICAs, and as a designation of you as Core's representative in negotiations. I will serve as Verizon's representative.

I expect that Core will thoroughly investigate these disputes, and I look forward to hearing the results of that investigation. I also understand that business representatives of our companies have recently had discussions regarding Core's billings, and that Core has, to date, failed to provide certain information necessary to substantiate those billings. The sooner we receive that data, the sooner we can resolve these disputes.

Please feel free to contact me with any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read "W. S. Carnell".

William S. Carnell

TAB E

VERIZON JULY 18, 2011 LETTERS TO CORE

Gruin, Michael A.

From: billing <billing@coretel.net>
Sent: Monday, July 18, 2011 3:33 PM
To: Chris Van de Verg
Subject: Fwd: Core Comm and Core Tel Dispute Letters
Attachments: Core Comm PAw 5-31-11 rev.rtf; Core Comm PAe 5-31-11 rev..rtf; Core Comm MD 5-31-11 rev.rtf; CoreTel New York 5-31-11 rev.rtf; CoreTel Virginia VAw 5-31-11 rev.rtf; CoreTel Virginia VAe 5-31-11 rev.rtf

----- Original Message -----

Subject: Core Comm and Core Tel Dispute Letters

Date: Mon, 18 Jul 2011 14:42:23 -0400

From: Roos, Kenneth W. (Ken) <kenneth.w.roos@verizon.com>

To: billing@coretel.net <billing@coretel.net>, bret@coretel.net <bret@coretel.net>

CC: lib, boston <lib.boston@verizon.com>

Ken Roos
Verizon Communications
Analyst-Local Interconnection Billing
Phone 617-743-6167
Fax 617-743-2519

Verizon Finance - Local Interconnection Billing

125 High Street
Boston, Massachusetts 02110
Phone: 617-743-2242
Fax: 617-743-2519

Manager
Charles Bando
charles.a.bando@verizon.com

July 18, 2011

Core Comm
Attn: Brett Mingo
209 West Street
Annapolis, MD 21401

Dear Brett:

This serves as further clarification of my letter to you dated July 1, 2011, in which I provided notice that Verizon is disputing and withholding payment on invoice 1950V dated May 31, 2011 for account CORE-PA.

As a threshold matter, review of the facts available to Verizon indicates that the traffic billed by Core to Verizon at reciprocal compensation rates is not in fact compensable to Core as reciprocal compensation traffic. As such, the entire amount of reciprocal compensation billed by Core for such traffic (\$263,218.25 in total on the above-referenced invoice) is invalid.

Moreover, even if this traffic was in fact properly compensable to Core (which it is not), Core's billings are grossly overstated. Among other things, Core has overstated the quantity of traffic, and has billed in excess of any rates that would apply, were the traffic compensable. The attached dispute letters are disputes, totaling \$196,381.28, that Verizon would apply, if any of the subject traffic was in fact compensable.

Accordingly, Verizon is disputing and withholding payment in the amount of \$263,218.25 on the above-referenced invoice. While we believe these disputes to be valid, we hope to work with you to resolve these disputes. To that end, Ken Roos has previously contacted you to request some preliminary data that will assist their resolution. Please feel free to contact him or me should you have any questions.

Very truly yours,

Charles Bando

Verizon Finance - Local Interconnection Billing

*125 High Street
Boston, Massachusetts 02110
Phone: 617-743-2242
Fax: 617-743-2519*

**Manager
Charles Bando
charles.a.bando@verizon.com**

July 18, 2011

Core Comm
Attn: Brett Mingo
209 West Street
Annapolis, MD 21401

Dear Brett:

This serves as further clarification of my letter to you dated July 1, 2011, in which I provided notice that Verizon is disputing and withholding payment on invoice 1951V dated May 31, 2011 for account COR02_Usage.

As a threshold matter, review of the facts available to Verizon indicates that the traffic billed by Core to Verizon at reciprocal compensation rates is not in fact compensable to Core as reciprocal compensation traffic. As such, the entire amount of reciprocal compensation billed by Core for such traffic (\$113,219.38 in total on the above-referenced invoice) is invalid.

Moreover, even if this traffic was in fact properly compensable to Core (which it is not), Core's billings are grossly overstated. Among other things, Core has overstated the quantity of traffic, and has billed in excess of any rates that would apply, were the traffic compensable. The attached dispute letters are disputes, totaling \$103,210.60 that Verizon would apply, if any of the subject traffic was in fact compensable.

Accordingly, Verizon is disputing and withholding payment in the amount of \$113,219.38 on the above-referenced invoice. While we believe these disputes to be valid, we hope to work with you to resolve these disputes. To that end, Ken Roos has previously contacted you to request some preliminary data that will assist their resolution. Please feel free to contact him or me should you have any questions.

Very truly yours,

Charles Bando

TAB F

CORE JUNE 30, 2011 INVOICES TO VERIZON

INVOICE

Invoice #2022-V

Date: 6/30/2011

Core Communications, Inc.

209 West Street

Suite 302

Annapolis, MD 21401

BILL TO:

Verizon-RC / LIB

Attn: Beth Gray

125 High Street

Rm. 655

Boston, MA 02110

TERMS:

Net 30***

QUANTITY	DESCRIPTION	RATE	AMOUNT
19,093,986.85	MOU, local, Verizon to Core June 1-30, 2011 LATA 230—Altoona (Verizon Pennsylvania, Inc.)	0.002814	\$53,730.48
17,763,571.00	MOU, local, Verizon to Core June 1-30, 2011 LATA 226—Capitol (Verizon Pennsylvania, Inc.)	0.002814	\$49,986.69
16,716,123.00	MOU, local, Verizon to Core June 1-30, 2011 LATA 228—Philadelphia (Verizon Pennsylvania, Inc.)	0.002814	\$47,039.17
14,828,974.00	MOU, local, Verizon to Core June 1-30, 2011 LATA 234—Pittsburgh (Verizon Pennsylvania, Inc.)	0.002814	\$41,728.73
22,417,583.02	MOU, local, Verizon to Core June 1-30, 2011 LATA 232—Wilkes-Barre (Verizon Pennsylvania, Inc.)	0.002814	\$63,083.08
		TOTAL:	\$255,568.15

This bill is due within 30 days of receipt by Verizon, per Interconnection Agreements

INVOICE

Invoice #2024-V
Date: 6/30/2011
Core Communications, Inc.
209 West Street
Suite 302
Annapolis, MD 21401
BILL TO:
Verizon-RC / LIB
Attn: Beth Gray
125 High Street
Rm. 655
Boston, MA 02110
TERMS:
Net 30***

QUANTITY	DESCRIPTION	RATE	AMOUNT
3,691,512.59	MOU, local, Verizon to Core June 1-30, 2011 LATA 230—Altoona (Verizon North, Inc.-Pa.)	0.0079536	\$29,360.81
7,865,955.00	MOU, local, Verizon to Core June 1-30, 2011 LATA 924—Erie (Verizon North, Inc.- Pa.)	0.0079536	\$62,562.66
1,773,401.70	MOU, local, Verizon to Core June 1-30, 2011 LATA 232—Wilkes-Barre (Verizon North, Inc.-Pa.)	0.0079536	\$14,104.93
		TOTAL:	\$106,028.40

This bill is due within 30 days of receipt by Verizon, per Interconnection Agreements

From: (410) 216-9865
Amy Abiz
Core Communications, Inc.
209 West Street
Suite 302
Annapolis, MD 21401

Origin ID: GBOA



Ship Date: 01JUL11
ActWgt: 0.1 LB
CAD: 8001160/NET3180

Delivery Address Bar Code



SHIP TO: (617) 743-6175
Attn: Kenneth Roos
Verizon - RCLIB
125 HIGH ST RM 655

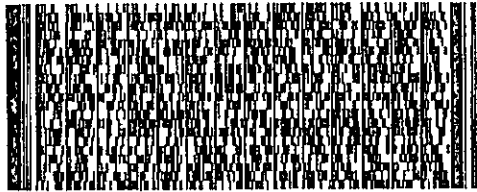
BOSTON, MA 02110

BILL SENDER

Ref #
Invoice #
PO #
Dept #

TUE - 05 JUL A1
STANDARD OVERNIGHT

TRKH 7949 3503 3060
0201



XE LWMA

02110
MA-US
BOS



50F6LDCED/FSF4

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

RECEIVED

APR 13 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

TAB G
CONFIDENTIAL

CORE STATEMENT OF RECIPROCAL COMPENSATION
CASH BASIS

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**TAB H
CONFIDENTIAL**

**CORE PROFIT AND LOSS STATEMENT
CASH BASIS and ACCRUAL BASIS**

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

TAB I

LIST OF CORE PENNSYLVANIA EMPLOYEES

RECEIVED

2012 APR 16 PM 12:15

PA PUC
SECRETARY'S BUREAU

Core's Employment Positions in Pennsylvania

Director of Network Operations, Dallas, PA

Annual salary \$92,000.00

Network Engineer, Dallas, PA

Annual Salary \$42,000.00

Outside Plant Manager, Dallas, PA

Annual Salary \$66,000.00

Network Administration (LNP and provisioning)—Part Time, Dallas, PA

Annual Salary \$20,000.00

Network Engineer, Philadelphia, PA

Annual Salary \$60,000.00

RECEIVED

APR 16 2012

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

TAB J

LIST OF CORE PENNSYLVANIA POINTS OF PRESENCE

RECEIVED

2012 APR 16 PM 12:15

PA PUC
SECRETARY'S BUREAU

Core's Pennsylvania Points of Presence ("POPs")

1215 16th Street, Suites 101 & 102, Altoona, PA

1100 Memorial Highway, Suite 1100, Dallas PA

2503 West 15th Street, Suite # 10, Erie, PA

301 Chestnut Street, Pennsylvania Place, Suite 100, Harrisburg, PA

401 North Broad Street, 9th Floor, Philadelphia, PA

322 Fourth Avenue, Suite LL-100, Pittsburgh, PA

15 Public Square, Lobby Floor Rear, Wilkes Barre, PA

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

CORE COMMUNICATIONS, INC.
Complainant

v.

VERIZON PENNSYLVANIA INC.
and

VERIZON NORTH, INC.
Respondents

RECEIVED
APR 16 2012
PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU
Docket No. C-2011-2253750
Docket No. C-2011-2253787

CERTIFICATION OF SERVICE

I hereby certify that I have this day served by Electronic Mail and Federal Express Overnight Delivery a true and correct copy of the foregoing Amended Complaint upon the parties listed below, in accordance with the requirements of § 1.54 (relating to service by a party)

VIA ELECTRONIC MAIL AND FEDERAL EXPRESS OVERNIGHT

Todd Stewart, Esq.
William Lehman, Esq.
Hawke McKeon & Sniscak
100 North 10th Street
Harrisburg, PA 17101

Joseph M. Ruggiero
Assistant General Counsel
Verizon
1515 N. Courthouse Road, Ste. 500
Arlington, VA 22201

Suzan D. Paiva, Esq.
Verizon Pennsylvania, Inc.
1717 Arch Street, 3 East
Philadelphia PA 19103

RECEIVED
2012 APR 16 PM 12:15
PA PUC
SECRETARY'S BUREAU



April 16, 2012

Michael A. Gruin, Esq.