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March 15, 2002

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, PA 17105

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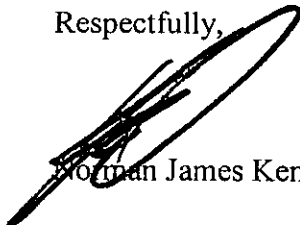
Re: Joint Application for Approval of an Amendment to an Interconnection Agreement Between Verizon North Inc. and National Telephone Exchange, Inc.; Docket No. A-310130F7001; **OPINION AND ORDER**

Dear Mr. McNulty:

By Order entered March 14, 2002 in the above-captioned matter, the Commission approved the Interconnection and Resale Agreement. Ordering Paragraph 3 directs that a copy of the Interconnection Agreement be filed with the Commission within thirty (30) days of entry of the Opinion and Order. Please be advised that the original Application filed January 18, 2002 included the executed Interconnection Agreement as an Attachment. Therefore, the requirement of Ordering Paragraph 3 has been met.

Thank you for your attention to this matter. Should you or any member of the Commission Staff have any question or comment, please do not hesitate to contact me at your convenience.

Respectfully,



Norman James Kennard

NJK/tap
Enclosures
cc: Jason T. Jacoby, Esquire

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**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held March 14, 2002

Commissioners Present:

Glen R. Thomas, Chairman
Robert K. Bloom, Vice Chairman
Kim Pizzingrilli
Aaron Wilson, Jr.
Terrance J. Fitzpatrick

Joint Petition of Verizon North Inc. and
National Telephone Exchange, Inc., for
Approval of an Interconnection and Resale
Agreement under Sections 251 and 252 of the
Telecommunications Act of 1996

A-310130F7001

OPINION AND ORDER

BY THE COMMISSION:

Before the Commission for consideration is the Joint Petition of Verizon North Inc. (Verizon North) and National Telephone Exchange, Inc., (NTE) for approval of an Interconnection and Resale Agreement (Agreement). The Agreement was filed pursuant to the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (codified as amended in scattered sections of Title 47, United States Code) (TA-96), including 47 U.S.C. §§251, 252, and 271, and the Commission's Orders in *In Re: Implementation of the Telecommunications Act of 1996*, Docket No. M-00960799 (Order entered June 3, 1996; Order on Reconsideration entered September 9, 1996) (*Implementation Orders*).

History of the Proceeding

On November 5, 2001, Verizon North and NTE filed the instant Joint Petition seeking approval of an Agreement, which sets forth the terms, conditions, and prices under which Verizon North will offer and provide to NTE certain telecommunication services available for interconnection and resale, as well as resale support services.

The Commission published notice of the Joint Petition and the Agreement in the *Pennsylvania Bulletin* on February 9, 2002, advising that any interested parties could file comments within ten days. No comments have been filed.

A. Standard of Review

The Commission's standard of review of a negotiated interconnection agreement is set forth in Section 252(e)(2) of TA-96, 47 U.S.C. §252(e)(2). Section 252(e)(2) provides in pertinent part that:

- (2) Grounds for rejection. The state commission may only reject –
 - (A) an agreement (or any portion thereof) adopted by negotiation under subsection (a) if it finds that –
 - (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
 - (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity. . .

With these criteria in mind, we shall review the Agreement submitted by Verizon North and NTE.

B. Timeliness of Filing

We note that the instant Agreement provides that the “Effective Date” is November 30, 2001. (Joint Petition, p. 1). However, we note that a period of approximately a month and a half has elapsed from the time the Agreement was executed until it was submitted to the Commission for review. Neither TA-96 nor the Federal Communications Commission (FCC) rules interpreting TA-96 provide for the specific time in which the negotiated agreement is to be filed with the state commission. However, we have addressed our expectations regarding the proper time considerations to be observed with regard to negotiated agreements. (*See Implementation Order*, June 3, 1996, slip op., p. 33).¹

We advise the Parties that failure to comply with our *Implementation Orders*, as well as this Order, could subject the Parties to civil penalties for violations under Section 3301 of the Public Utility Code, 66 Pa. C.S. §3301.

C. Summary of Terms

The key provisions of the Agreement are:

- (1) access by NTE to Verizon North’s operation support systems; (Agreement, pp. 44-45)

¹ “The Act [TA-96] does not give any express guidance as to when agreements must be filed with the state commission. However, since the period for negotiations concludes on day 160, we conclude that an executed, negotiated interconnection agreement accompanied by a joint petition for adoption of the agreement shall be filed no later than thirty (30) days following the close of the negotiations phase or by day 190 following the request for interconnection.” (*Id.*).

- (2) the resale of Verizon North's telecommunications services for an avoided cost discount, excluding Operator Services and Directory Assistance (OS/DA) of 11.1%. The avoided cost discount for OS/DA is 2.0%; (Agreement, p. 117)
- (3) routing to Directory Assistance/Operator Services platforms; (Agreement, p. 39) and,
- (4) including NTE' customers' primary listings in the appropriate alphabetical directory and shall provide initial distribution of such directories to such NTE' Customers in the same manner that it provides such directories to its own customers. (Agreement, p. 40).

Verizon North and NTE aver that the Agreement² complies with the criteria identified in TA-96 at 47 U.S.C. §252(e)(2)(i) quoted above, pursuant to which we must determine whether to accept or reject the Agreement. The Parties assert that the Agreement is not discriminatory and that the interconnection arrangements contained in the Agreement are available to any other telecommunications carrier under §252(i) of TA-96. Furthermore, the Parties note that other carriers are not bound by the terms of the Agreement and are free to pursue their own negotiated arrangements with Verizon North. (Joint Petition, p. 2, ¶4).

² It is noted that, regardless of the types of services covered by this Interconnection Agreement, it would be a violation of the Public Utility Code if the Applicant began offering services or assessing surcharges, to end users, for which it has not been authorized to provide and for which tariffs have not been authorized.

D. Disposition

Having reviewed the Agreement, we shall approve it, finding that it satisfies the two-pronged criteria of Section 252(e) of TA-96. We shall minimize the potential for discrimination against other carriers not a party to the Agreement by providing here that our conditional approval of this Agreement shall not serve as precedent for agreements to be negotiated or arbitrated by other parties. This is consistent with our policy of encouraging settlements. (52 Pa. Code §5.231; *see also*, 52 Pa. Code §69.401, *et seq.*, relating to settlement guidelines, and our Statement of Policy relating to the Alternative Dispute Resolution Process, 52 Pa. Code §69.391, *et seq.*). On the basis of the foregoing, we find that the instant Agreement does not discriminate against a telecommunications carrier not a party to the negotiations.

TA-96 requires that the terms of the Interconnection Agreement be made available for other parties to review (§252(h)). However, this availability is only for purposes of full disclosure of the terms and arrangements contained therein. The accessibility of the Interconnection Agreement and its terms to other parties does not connote any intent that our approval will affect the status of negotiations between other parties. In this context, we will not require Verizon North or NTE to embody the terms of the Interconnection Agreement in a filed tariff, but we will require that the parties file the Interconnection Agreement with this Commission. It shall be retained in the public file for inspection and copying consistent with the procedures relating to public access to documents.

With regard to the public interest element of this matter, we note that no negotiated interconnection agreement may affect those obligations of the telecommunications company in the areas of protection of public safety and welfare, service quality, and the rights of consumers. (*See, e.g.*, Section 253(b)). This is consistent with TA-96 and with Chapter 30 of the Public Utility Code, wherein service quality and standards,

i.e., universal service, 911, Enhanced 911, and Telecommunications Relay Service, are inherent obligations of the local exchange company, and continue unaffected by a negotiated agreement. We have reviewed the Agreement's terms relating to 911 and E911 service. (Agreement, pp. 110-111). We conclude that the Agreement's terms relating to 911 and E911 services are consistent with the public interest.

The initial expiration date of the Agreement between Verizon North and NTE is November 29, 2003. Thereafter, the Agreement shall continue in force and effect unless and until cancelled or terminated as provided in the Agreement. (Agreement, p. 1).

Conclusion

Based on the foregoing and pursuant to Section 252 of TA-96, *supra*, and our *Implementation Orders*, we will approve the Agreement between Verizon North and NTE filed on January 14, 2002; **THEREFORE**,

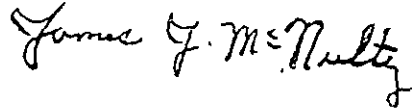
IT IS ORDERED:

1. That the Joint Petition of Verizon North Inc. and National Telephone Exchange, Inc., seeking the approval of a Interconnection and Resale Agreement filed on January 14, 2002, pursuant to the Telecommunications Act of 1996 and the Commission's Opinion and Orders in *In Re: Implementation of the Telecommunications Act of 1996*, Docket No. M-00960799 (*Order* entered on June 3, 1996; *Order on Reconsideration* entered on September 9, 1996), is granted, consistent with this Opinion and Order.

2. That approval of the Agreement shall not serve as binding precedent for negotiated or arbitrated agreements between non-parties to the instant agreement.

3. That the Parties shall file a true and correct copy of the Inter-connection Agreement with this Commission within thirty (30) days of the date of entry of this Opinion and Order.

BY THE COMMISSION,



James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: March 14, 2002

ORDER ENTERED: **MAR 14 2002**

April 10, 2002

Subject: A-310130F7001; Joint Petition of Verizon North, Inc. and National Telephone Exchange, Inc. for approval of an Interconnection Agreement

To: James J. McNulty
Secretary

From: Cheryl Walker Davis, Director
Office of Special Assistants



On January 18, 2002, the above-captioned Petition was filed with the Commission and on March 14, 2002, an Opinion and Order was entered approving the Interconnection Agreement. Please be advised that on March 18, 2002, Verizon North filed a letter indicating that a true and correct copy of the Agreement was filed with the original Petition. Accordingly, please mark this proceeding as closed with respect to this Interconnection Agreement.

If you have any questions concerning this information, please contact Teri Mathias at 7-8039.

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Daniel E. Monagle
Assistant General Counsel
Pennsylvania

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Fax: (215) 563-2658
Daniel.Monagle@Verizon.com

March 1, 2004

VIA UPS EXPRESS MAIL

RECEIVED

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

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MAR 01 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RE: Joint Petition of
Verizon North Inc. and National Telephone Exchange, Inc.
for Approval of an Interconnection Agreement,
Dkt. No. A-310130F7001

Dear Mr. McNulty:

Enclosed please find an original and three (3) copies of Amendment No. 1 to the Interconnection Agreement between Verizon North Inc. and National Telephone Exchange, Inc., which Agreement previously was filed with the Commission and approved by the Commission by Order dated March 14, 2002. This Amendment should be attached to and be made part of the originally filed agreement. Although the Amendment is effective January 13, 2004, the Amendment was signed by the two parties' signers on February 4, 2004 and February 12, 2004 respectively.

Please date stamp the enclosed additional copy of the amendment and return it to me in the enclosed self-addressed, stamped envelope.

Very truly yours,

Daniel E. Monagle

DEM/slb
Enclosure

cc: Roger J. J. Ness (via UPS Express Mail)

140

SERVICE LIST

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Office of Consumer Advocate
555 Walnut Street, 5th Floor
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William Lloyd
Office of Small Business Advocate
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Commonwealth Keystone Bldg
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Harrisburg, PA 17105-3265

Office of Special Assistants
PA Public Utility Commission
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Bureau of Consumer Services
PA Public Utility Commission
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Harrisburg, PA 17105-3265

Bureau of Fixed Utility Services
PA Public Utility Commission
P. O. Box 3265
Harrisburg, PA 17105-3265

Office of the Attorney General
- Bureau of Consumer Protection
Strawberry Square, 14th Floor
Harrisburg, PA 17120

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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AMENDMENT NO. 1

MAR 01 2004

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

to the

INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT

between

VERIZON NORTH INC.

and

NATIONAL TELEPHONE EXCHANGE, INC.

DOCKETED
MAR 12 2004

DOCUMENT

THIS AMENDMENT No. 1 (this "Amendment") is made this 13th day of January 2004 (the "Effective Date"), by and between Verizon North Inc., f/k/a GTE North Incorporated, a Wisconsin corporation ("Verizon") with its principal place of business at 1717 Arch Street, Philadelphia, Pennsylvania 19103 and National Telephone Exchange, Inc., a Pennsylvania corporation ("NTE") with its principal place of business at 2417 N. Front Street, Harrisburg, Pennsylvania 17110. (Verizon and NTE may be hereinafter referred to, each individually, as a "Party" and, collectively, as the "Parties"). This Amendment covers services in Commonwealth of Pennsylvania (the "Commonwealth").

WITNESSETH:

WHEREAS, Verizon and NTE are Parties to an interconnection agreement under Sections 251 and 252 of the Telecommunications Act of 1996 filed with the Commission dated November 30, 2001 (the "Agreement").

WHEREAS, subsequent to the approval of the Agreement, NTE notified Verizon that it desired to amend the Pricing Appendix to the Agreement as set forth herein; and

NOW, THEREFORE, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Resale Pricing. The Parties agree that Section II of Appendix A to the Pricing Attachment of the Agreement, entitled "Services Available for Resale," shall be deleted in its entirety and replaced by the Section II, "Services Available for Resale," which is attached hereto as Attachment 1.

2. Conflict between this Amendment and the Agreement. This Amendment shall be deemed to revise the terms and provisions of the Agreement to the extent necessary to give effect to the terms and provisions of this Amendment. In the event of a conflict between the terms and provisions of this Amendment and the terms and provisions of the Agreement, this Amendment shall govern, *provided, however*, that the fact that a term or provision appears in this Amendment but not in the Agreement, or in the Agreement but not in this Amendment, shall not be interpreted as, or deemed grounds for finding, a conflict for purposes of this Section 2.

3. Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original and all of which together shall constitute one and the same instrument.

4. Captions. The Parties acknowledge that the captions in this Amendment have been inserted solely for convenience of reference and in no way define or limit the scope or substance of any term or provision of this Amendment.

5. Scope of this Amendment. This Amendment shall amend, modify and revise the Agreement only to the extent set forth expressly in Section 1 of this Amendment, and, except to the extent set forth in Section 1 of this Amendment, the terms and provisions of the Agreement shall remain in full force and effect after Effective Date.

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

NATIONAL TELEPHONE EXCHANGE, INC.

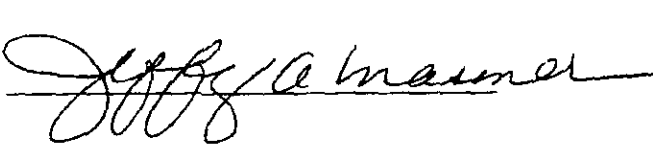
By: 

Printed: Roger J. J. Ness

Title: President

Date: 2-4-04

VERIZON NORTH INC.

By: 

Printed: Jeffrey A. Masoner

Title: Vice President – Interconnection Services

Date: 2/12/04

II. Services Available for Resale

The avoided cost discount for all Resale services is 22.80%.

Non-Recurring Charges (NRCs) for Resale Services

Pre-ordering

CLEC Account Establishment Per CLEC	\$273.71
Customer Record Search Per Account	\$ 11.72

Ordering and Provisioning

Engineered Initial Service Order (ISO) - New Service	\$282.17
Engineered Initial Service Order - As Specified	\$103.84
Engineered Subsequent Service Order	\$ 61.73
Non-Engineered Initial Service Order - New Service	\$ 38.02
Non-Engineered Initial Service Order - Changeover	\$ 21.01
Non-Engineered Initial Service Order - As Specified	\$ 68.20
Non-Engineered Subsequent Service Order	\$ 18.84
Central Office Connect	\$ 5.42
Outside Facility Connect	\$ 67.77
Manual Ordering Charge	\$ 11.93

Product Specific

NRCs, other than those for Pre-ordering, Ordering and Provisioning, and Custom Handling as listed in this Appendix, will be charged from the appropriate retail tariff. No discount applies to such NRCs.

Custom Handling

Service Order Expedite:

Engineered	\$ 36.65
Non-Engineered	\$ 11.07

Coordinated Conversions:

ISO	\$ 14.33
Central Office Connection	\$ 9.61
Outside Facility Connection	\$ 8.12

Hot Coordinated Conversion First Hour:

ISO	\$ 24.22
Central Office Connection	\$ 38.44
Outside Facility Connection	\$ 32.49

Hot Coordinated Conversion per Additional Quarter Hour:

ISO	\$ 4.95
Central Office Connection	\$ 9.61
Outside Facility Connection	\$ 8.12

Application of NRCs

Pre-ordering:

CLEC Account Establishment is a one-time charge applied the first time that NTE orders any service from this Agreement.

Customer Record Search applies when NTE requests a summary of the services currently subscribed to by the end-user.

Ordering and Provisioning:

Engineered Initial Service Order - New Service applies per Local Service Request (LSR) when engineering work activity is required to complete the order, e.g. digital loops.

Non-Engineered Initial Service Order - New Service applies per LSR when no engineering work activity is required to complete the order, e.g. analog loops.

Initial Service Order - As Specified (Engineered or Non-Engineered) applies only to Complex Services for services migrating from Verizon to NTE. Complex Services are services that require a data gathering form or has special instructions.

Non-Engineered Initial Service Order - Changeover applies only to Basic Services for services migrating from Verizon to NTE. End-user service may remain the same or change.

Central Office Connect applies in addition to the ISO when physical installation is required at the central office.

Outside Facility Connect applies in addition to the ISO when incremental fieldwork is required.

Manual Ordering Charge applies to orders that require Verizon to manually enter NTE's order into Verizon's Secure Integrated Gateway System (SIGS), e.g. faxed orders and orders sent via physical or electronic mail.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite (Engineered or Non-Engineered) applies if NTE requests service prior to the standard due date intervals.

Coordinated Conversion applies if NTE requests notification and coordination of service cut over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if NTE requests real-time coordination of a service cut-over that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

DATE: March 4, 2004

SUBJECT: A-310130F7001

TO: Office of Special Assistants

FROM: James J. McNulty, Secretary *KB*

DOCKETED
MAR 12 2004

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JOINT PETITION OF VERIZON NORTH INC. AND NATIONAL
TELEPHONE EXCHANGE, INC. FOR APPROVAL OF AMENDMENT NO. 1 TO
AN INTERCONNECTION AGREEMENT UNDER SECTION 252(e) OF THE
TELECOMMUNICATIONS ACT OF 1996.

Attached is a copy of a Joint Petition for Approval of
Amendment No. 1 to an Interconnection Agreement filed in
connection with the above-docketed proceeding.

Enclosed is a copy of the notice that we provided to
the Pennsylvania Bulletin to be published on March 20, 2004.
Comments are due on or before 10 days after the publication
of this notice.

This matter is assigned to your Office for
appropriate action.

Attachment

cc: Bureau of Fixed Utility Services
Office of Administrative Law Judge-copy of memo only

PENNSYLVANIA PUBLIC UTILITY COMMISSION

DOCUMENT

NOTICE TO BE PUBLISHED

Joint Petition of Verizon North Inc. and National Telephone Exchange, Inc. for Approval of Amendment No. 1 to an Interconnection Agreement Under Section 252(e) of The Telecommunications Act of 1996.

Docket Number: A-310130F7001.

Verizon North Inc. and National Telephone Exchange, Inc., by its counsel, filed on March 1, 2004, at the Public Utility Commission, a Joint Petition for approval of Amendment No. 1 to an Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996.

Interested parties may file comments concerning the petition and agreement with the Secretary, Pennsylvania Public Utility Commission, P. O. Box 3265, Harrisburg, PA 17105-3265. All such Comments are due on or before 10 days after the date of publication of this notice. Copies of the Verizon North Inc. and National Telephone Exchange, Inc. Joint Petition are on file with the Pennsylvania Public Utility Commission and are available for public inspection.

Contact person is Cheryl Walker Davis, Director, Office of Special Assistants, (717) 787-1827.

DOCKETED
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BY THE COMMISSION

James J. McNulty

James J. McNulty
Secretary

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