

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Core Communications, Inc.	:	
for Arbitration of Interconnection Rates, Terms	:	Docket No. A-310922F7004
and Conditions Pursuant to 47 U.S.C.	:	09-20-07 hrg
§252(b) with Windstream	:	Hbg
Pennsylvania, Inc. f/k/a Alltel	:	

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Direct Testimony of Timothy J Gates
Core Statement 1.0
On Behalf of Core Communications, Inc.

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

August 17, 2007

BTL

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1 **Witness Introduction**

2
3 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

4 A. My name is Timothy J Gates. My business address is QSI Consulting, 819
5 Huntington Drive, Highlands Ranch, Colorado 80126.

6 **Q. WHAT IS QSI CONSULTING, INC. AND WHAT IS YOUR POSITION**
7 **WITH THE FIRM?**

8 A. QSI Consulting, Inc. ("QSI") is a consulting firm specializing in traditional and
9 non-traditional utility industries, econometric analysis and computer aided
10 modeling. QSI provides consulting services for regulated utilities, competitive
11 providers, government agencies and industry organizations. I currently serve as
12 Senior Vice President.

13 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND**
14 **WORK EXPERIENCE.**

15 A. I received a Bachelor of Science degree from Oregon State University and a
16 Master of Management degree with an emphasis in Finance and Quantitative
17 Methods from Willamette University's Atkinson Graduate School of
18 Management. Since I received my Masters, I have taken additional graduate-level
19 courses in statistics and econometrics. I have also attended numerous courses and
20 seminars specific to the telecommunications industry, including both the NARUC
21 Annual and NARUC Advanced Regulatory Studies Programs.

22 Prior to joining QSI, I was a Senior Executive Staff Member at MCI
23 WorldCom, Inc. ("MWCOM"). I was employed by MCI and/or MWCOM for 15
24 years in various public policy positions. While at MWCOM I managed various

25 functions, including tariffing, economic and financial analysis, competitive
26 analysis, witness training and MWCOM's use of external consultants. Prior to
27 joining MWCOM, I was employed as a Telephone Rate Analyst in the
28 Engineering Division at the Texas Public Utility Commission and earlier as an
29 Economic Analyst at the Oregon Public Utility Commission. I also worked at the
30 Bonneville Power Administration (United States Department of Energy) as a
31 Financial Analyst doing total electric use forecasts while I attended graduate
32 school. Prior to doing my graduate work, I worked for ten years as a reforestation
33 forester in the Pacific Northwest for multinational corporate and government
34 organizations. Exhibit TJG-1, attached hereto to this testimony, is a summary of
35 my work experience and education.

36 **Q. HAVE YOU EVER TESTIFIED BEFORE THE PENNSYLVANIA PUBLIC**
37 **UTILITY COMMISSION ("COMMISSION")?**

38 A. Yes. I testified in the following cases: I-00940034, C-20028114 and A-
39 310922F7002. I have testified more than 200 times in 44 states and Puerto Rico
40 and filed comments with the FCC on various public policy issues ranging from
41 costing, pricing, local entry and universal service to strategic planning, merger
42 and network issues. As noted above, a list of proceedings in which I have filed
43 testimony or provided comments is attached hereto as Exhibit TJG-1.

44 **Q. ON WHOSE BEHALF IS THIS TESTIMONY FILED?**

45 A. This testimony is filed on behalf of Core Communications, Inc. ("Core").

46 Purpose of the Testimony

47 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**
48

49
50 A. The purpose of this testimony is to support the Petition of Core for arbitration
51 with Windstream (f/k/a Alltel). The Petition was filed on March 30, 2006.
52 Windstream filed its Response to the Core Petition on April 24, 2006. Despite the
53 companies' best efforts, negotiations were not successful on all issues. On July 5,
54 2007, the parties filed a joint issues matrix and a draft interconnection agreement.

55 I will address issues dealing with intercarrier compensation ("ICC"), number
56 portability ("NP") and definitions. Specifically, I will address the following
57 disputed issues in this testimony:

- 58 • ICC Issue 1 – How should the jurisdiction of VNXX traffic be determined,
59 and what compensation should apply?
- 60 • ICC Issue 3 – Should reciprocal compensation apply to local traffic that is
61 roughly balanced?
- 62 • ICC Issue 4 – Does the FCC's ISP Remand Order apply to the parties and
63 facts in this proceeding?
- 64 • ICC Issue 5 – Should Windstream or Core determine for which NXX
65 codes Core may apply?
- 66 • NP Issue 1 – Should any part or all of Windstream's number portability
67 attachment be included with the Agreement to establish the detailed
68 processes for porting numbers between the parties?
- 69 • Definitions –
 - 70 1. Exchange Services
 - 71 2. Intra-LATA Toll Traffic
 - 72 3. Section 251(b)(5) Traffic

73 **ICC Issue 1 – How should the jurisdiction of VNXX traffic**
74 **be determined, and what compensation should apply?**

75
76 **Q. PLEASE INTRODUCE THE DISPUTE.**

77 A. Core argues that this issue is absolutely pertinent to the arbitration since some if
78 not most of the traffic exchanged between the parties will be VNXX traffic.
79 Windstream, on the other hand, argues that the issues of jurisdiction and
80 compensation for VNXX traffic are not properly the subject of this arbitration.

81 **Q. PLEASE DESCRIBE A VNXX CALL.**

82 A. VNXX calls are local calls to a foreign exchange. VNXX services provide a
83 virtual local presence for a customer in a rate center, exchange, or local calling
84 area where that customer does not have a physical presence.

85 **Q. YOUR DESCRIPTION SOUNDS LIKE PLAIN OLD FOREIGN**
86 **EXCHANGE OR FX SERVICE. IS THAT CORRECT?**

87 A. Traditional foreign exchange (“FX”) service provides an excellent example of the
88 use of VNXX capability. For instance, a customer located in Hop Bottom may
89 want a local number in Dunmore so that people in Dunmore do not have to dial
90 extra digits or pay toll charges to contact his business. That person would contact
91 Windstream or a CLEC and request the service. The CLEC would assign one of
92 its local numbers for Dunmore to the customer with a physical presence in Hop
93 Bottom. As you can see, this is the same functionality that has been provided
94 with FX service for decades. As such, many people refer to VNXX services as
95 “FX-like” or “FX-type” services.

96 **Q. YOU SAID THAT THE VNXX FUNCTIONALITY IS SIMILAR TO FX**
97 **FUNCTIONALITY. PLEASE DESCRIBE FX SERVICE.**

98 A. FX service is defined in Newton's Telecom Dictionary as follows:
99

100 Provides local telephone service from a central office which is
101 outside (foreign to) the subscriber's exchange area. In its simplest
102 form, a user picks up the phone in one city and receives a dial tone
103 in the foreign city. This means that people located in the foreign
104 city can place a local call to get the user. The airlines use a lot of
105 foreign exchange service. Many times, the seven digit local phone
106 number for the airline you just called will be answered in another
107 city, hundreds of miles away. (Newton's Telecom Dictionary, 16th
108 Edition, 2000, at 354)

109 The Bell System defined FX service as follows:

110 Foreign exchange (FX) service enables a customer to be served by
111 a distant or "foreign" central office rather than by the nearby
112 central office. Calls to other customers in the distant exchange
113 area are then treated as local calls instead of toll calls. For
114 customers who make enough calls to a particular distant exchange
115 area, the monthly charge for FX service is less than the sum of the
116 toll charges they would otherwise pay. Customers who find FX
117 service economical include residence customers who often call
118 friends or relatives in towns outside their local calling area and
119 businesses such as firms in New Jersey who often call companies
120 in New York City. (Engineering and Operations in the Bell
121 System; Second Edition, AT&T Bell Laboratories, 1983, at 63)

122 FX service has been offered by incumbent LECs for decades. When it was
123 initially offered, it was for situations as described by the Bell System above – a
124 local calling plan between two telephone exchanges to minimize what would
125 otherwise be a large toll expense.¹ A common example in the industry is a florist
126 in one town wanting a local presence in another town to expand its business.

127 **Q. DOES WINDSTREAM PROVIDE FX SERVICE TODAY IN**
128 **PENNSYLVANIA?**

¹ In that regard, extended area service ("EAS") provides a similar functionality for consumers.

129 A. Yes. Windstream recently cancelled the ALLTEL local exchange tariff and
130 replaced it with a new local exchange tariff effective July 17, 2007.² Section 4 of
131 that tariff describes Windstream's FX service.³

132 **Q. YOU NOTE ABOVE THAT WINDSTREAM'S FX SERVICE IS OFFERED**
133 **OUT OF ITS LOCAL EXCHANGE TARIFF. DOES WINDSTREAM**
134 **IMPOSE ACCESS CHARGES ON CALLS ASSOCIATED WITH ITS FX**
135 **SERVICE?**

136 A. No. Windstream confirmed this fact in its Response to Core interrogatory number
137 42. As such it would be both wrong and discriminatory for Windstream to
138 impose access charges on Core's FX-like VNXX calls.

139 **Q. GETTING BACK TO THE PRIMARY ISSUE, HOW SHOULD THE**
140 **JURISDICTION OF VNXX TRAFFIC BE DETERMINED?**

141 A. The jurisdiction of VNXX calls should be determined in exactly the same manner
142 as any other call – based on a comparison of the NPA/NXX of the calling and
143 called numbers. When the North American Numbering Plan (“NANP”) was
144 established in 1947, it was single provider environment. Nevertheless, that plan
145 remains largely intact today. The process used then to rate and route calls was
146 based on the NPA/NXX digits in the ten-digit number. The switches then and
147 now rate and route calls based on the NPA/NXX of the dialed number. If the
148 NPA/NXX of the calling number is in the same local calling area as the called
149 number the call is rated as local. If the called number is not in the same local
150 calling area as the calling number the call is frequently rated as a toll call. The

² See, Windstream Pennsylvania, Inc.; Rates and Rules Governing the Furnishing of Telephone Service in Pennsylvania; Issued: June 15, 2007; Effective: July 17, 2007.

³ See also Windstream's Response to Core interrogatory number 37, attached hereto as Exhibit TJG-2.

151 "1+" toll indicator prior to a number is another way to tell the switch that the call
152 is a "toll" call and that the call needs additional information for rating and
153 routing.⁴

154 It is important to note that the NPA/NXX information represents a rate
155 center and not the physical location of the customer. Toll calls are rated based on
156 the distance between rate centers and not based on the distance between the called
157 and calling parties.⁵

158 **Q. IF THE VNXX CALL IS USED FOR ISP-BOUND TRAFFIC –**
159 **REGARDLESS OF THE END POINTS OF THE COMMUNICATION – IS**
160 **THE JURISDICTION ISSUE SETTLED BY FCC ORDERS?**

161 A. Yes. One of the key issues addressed and settled in the FCC's *ISP Remand Order*
162 is the determination that ISP-bound traffic is interstate and, therefore, the
163 determination of intercarrier compensation rates falls under the FCC's
164 jurisdiction.⁶

165 **Q. DOES WINDSTREAM HAVE A DEFINITION OF VNXX TRAFFIC AS**
166 **YOU HAVE DESCRIBED ABOVE?**

167 A. No. Core specifically asked Windstream to "provide Windstream's definition of
168 "VNXX"." In response Windstream stated, "Windstream has not formulated a
169 definition of "VNXX". To the extent that Windstream develops such a definition
170 for purposes of this proceeding, such definition may be formulated and set forth in

⁴ The information required to rate and route a 1+ toll call is normally found in the "access tandem."

⁵Rate centers are designated geographic points within an exchange from which calling distances are measured. The rate centers have unique vertical and horizontal coordinates used to make the distance calculations.

⁶ *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic, Order on Remand and Report and Order, 16 FCC Rcd 9151 (2001) ("ISP Remand Order")* at paragraph 52.

171 Windstream's testimony to be filed on August 17, 2007."⁷ It appears, however,
172 that Windstream is attempting to characterize VNXX calls as toll calls to justify
173 the application of access charges and to deny Core intercarrier compensation.

174 **Q. PLEASE EXPLAIN.**

175 A. Windstream recommends the use of call end points to determine whether a call is
176 local or toll. For instance, Windstream's language in Section 3.4 is as follows:

177 Any interexchange telecommunications traffic utilizing the Public
178 Switched Telephone Network, regardless of the transport protocol
179 method, where the originating and terminating points, end-to-end
180 points, are in different LATAs, or in different local calling areas as
181 defined by the originating Party and delivered to the terminating
182 Party using switched access services shall be considered Switched
183 Access Traffic. The traffic described herein shall not be
184 considered local traffic. Irrespective of transport protocol method
185 used, a call that originates in one LATA and terminates in another
186 LATA (i.e. the end-to-end points of the call) shall not be
187 compensated as local.

188
189 This is a blatant attempt to deny Core of compensation for traffic originated by
190 Windstream customers.

191 **Q. WHAT COMPENSATION SHOULD APPLY TO VNXX CALLS?**

192 A. Core's VNXX calls are used to connect consumers with their Internet Service
193 Providers ("ISPs"). As such, the calls are ISP-bound traffic. Compensation for
194 ISP-bound traffic is controlled by the FCC's *ISP Remand Order*. Windstream, on
195 the other hand, argues that the *ISP Remand Order* applies only to "local" calls.⁸

⁷ See Attached Windstream Response To Core Interrogatory No. 3 dated August 9, 2007. (Exhibit TJG-3 attached hereto)

⁸ See Response of Windstream to Core's Petition for Arbitration, at pages 9 and 13.

196 Indeed, Windstream attempts to characterize the ISP-bound traffic as
197 interexchange traffic subject to access charges.⁹

198 **Q. IS IT APPROPRIATE TO APPLY ACCESS CHARGES TO ISP-BOUND**
199 **SERVICES OR CALLS?**

200 A. No. It is commonly recognized that ESPs and ISPs provide services that cross
201 local calling boundaries, LATA boundaries and even state boundaries. The FCC
202 has recognized that since the inception of the ESP exemption. For instance, the
203 FCC stated in 1997 that, "ISPs may pay business line rates and the appropriate
204 subscriber line charge, rather than interstate access rates, even for calls that appear
205 to traverse state boundaries."¹⁰

206 **Q. UNDER CORE'S PROPOSAL, WHAT COMPENSATION WOULD**
207 **APPLY TO THIS TRAFFIC?**

208 A. The ISP Remand Order rate structure would apply to this traffic. By way of
209 background, ISPs providing dial-up service receive local calls from their
210 customers in order to allow those customers to access the Internet. ISPs do not
211 market and do not expect to receive long distance calls from customers seeking to
212 connect to the Internet because long distance calls have traditionally had per-

⁹ At page 7 of its Response to Core's Arbitration Petition, Windstream states, "However, Alltel PA believes that ISP-bound VNXX traffic is interexchange traffic subject to originating access charges and that Section 251(b)(5) reciprocal compensation is not applicable thereto." At various other parts of its Response it makes similar statements. For instance, at page 12 of its Response, Windstream states "...Alltel PA submits that originating access charges would be appropriate."

¹⁰ See *MTS and WATS Market Structure Order*, 97 FCC2d at 715 (ESPs have been paying local business service rates for their interstate access and would experience rate shock that could affect their viability if full access charges were instead applied); see also *Amendments of Part 69 of the Commission's Rules Relating to Enhanced Service Providers*, CC Docket 87-215, Order, 3 FCC Rcd 2631, 2633 (1988) (*ESP Exemption Order*) ("the imposition of access charges at this time is not appropriate and could cause such disruption in this industry segment that provision of enhanced services to the public might be impaired"); *Access Charge Reform*, CC Docket No. 96-262, First Report and Order, 12 FCC Rcd 15982, 16133 (1997) (*1997 Access Charge Reform Order*), *aff'd*, *Southwestern Bell Telephone Co. v. FCC*, 153 F.3d 523 (8th Cir. 1998 ("[m]aintaining the existing pricing structure ... avoids disrupting the still-evolving information services industry.")). Specifically see paragraph 342.

213 minute charges associated with them.¹¹ Thus, making long-distance calls to ISPs
214 is uneconomical for end users. For the ISP, this means that it is important for end
215 users to be able to reach the ISP by means of a local call. The ISPs don't provide
216 local service so they purchase those services from ILECs such as Windstream or
217 CLECs such as Core.

218 **Q. DO ISPS NORMALLY HAVE FACILITIES IN EVERY LOCAL**
219 **EXCHANGE IN THE COUNTRY?**

220 A. No. It would be terribly inefficient for an ISP to establish a physical presence in
221 each and every ILEC-established local calling area where the ISP might have
222 customers or where it might want to attract customers. Therefore, the standard
223 operating arrangement in the industry is for ISPs to obtain telephone numbers
224 from CLECs or ILECs that are "local" to areas where they have customers.
225 Because the CLECs or ILECs are providing local service for the ISPs, where they
226 have no local presence, the service is frequently referred to as virtual NXX or
227 VNXX service by the ILEC industry, and as described above, is in essence
228 identical to the FX service offered by Windstream and other ILECs, at least from
229 an end user customer perspective.

230 **Q. PLEASE EXPLAIN THE HISTORY OF COMPENSATION FOR ISP-**
231 **BOUND TRAFFIC.**

232 A. In 1996, the FCC established rules that required ILECs to pay CLECs "reciprocal
233 compensation" for ILEC-originated traffic that CLECs terminated. The

¹¹ Of course it is technically possible for a person to use a long-distance call to connect to his or her ISP. The point of this testimony is that experience has shown that consumers are not willing to pay long-distance charges to access the Internet.

234 underlying statute (47 U.S.C. § 251(b)(5)) requires such compensation for all
235 “telecommunications” the ILEC might send to the CLEC (or vice versa). The
236 FCC, however, initially viewed the statute as applying only to “local” traffic, and
237 its rules referred to “local” traffic.¹²

238 **Q. WAS INTERNET TRAFFIC SIGNIFICANT WHEN THE FCC ISSUED**
239 **ITS RULES IN 1996?**

240 A. Yes. At the time, consumer demand for dial-up Internet access was booming, and
241 for any number of reasons ISPs found CLECs to be superior suppliers of the
242 PSTN connectivity that the ISPs needed.

243 **Q. DID THE FIRST INTERCONNECTION AGREEMENTS SPECIFICALLY**
244 **IDENTIFY “LOCAL” TRAFFIC AS OPPOSED TO ISP-BOUND**
245 **TRAFFIC?**

246 A. No. But as the ILECs started receiving large bills from CLECs for reciprocal
247 compensation for calls to ISPs, the ILECs objected and industry parties in mid-
248 1997 sought an explicit ruling from the FCC that ISP-bound calls counted as
249 “local” calls for purposes of the FCC’s then-existing reciprocal compensation
250 rule.¹³

251 **Q. HOW DID THE FCC RESPOND TO THE INDUSTRY’S CONCERNS?**

252 A. In February 1999 the FCC issued a convoluted answer to this question.¹⁴ The
253 FCC said that ISP-bound calls were jurisdictionally interstate – which few had

¹² See *Local Competition Order* at Appendix B (1996 version of 47 C.F.R. § 51.701).

¹³ See *In the Matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Inter-carrier Compensation for ISP-Bound Traffic, Declaratory Ruling* in CC Docket No. 96-98 and *Notice of Proposed Rulemaking* in CC Docket No. 99-68, CC Docket Nos. 96-98, 99-69 (February 26, 1999) (“*ISP Declaratory Ruling*”) at ¶ 1 n.1.

¹⁴ *Id.*

254 actually contested. It then said that, because the calls were interstate, they could
255 not be “local.”¹⁵ It then said that it had no rule addressing such traffic,¹⁶ and it
256 initiated a rulemaking proceeding to set a general rule.

257 **Q. WAS THE ISP DECLARATORY RULING REVIEWED BY THE COURTS?**

258 A. Yes. I am not a lawyer, but I will provide my understanding of the impact of the
259 court’s ruling from a business perspective. The D.C. Circuit concluded that the
260 FCC’s order did not make any sense.¹⁷ The fact that ISP-bound calls were
261 jurisdictionally interstate, the court found, had no particular bearing on whether
262 the calls were subject to reciprocal compensation or not.¹⁸ The question was
263 whether calls to ISPs were more like “normal” LEC-to-LEC local calls, or more
264 like calls where two LECs collaborate to help a toll carrier to which they both
265 connect complete a call.¹⁹ The court vacated the ruling “for want of reasoned
266 decision-making”²⁰ and sent it back to the FCC for another try.

267 **Q. WHAT WAS THE RESULT OF THE REMAND TO THE FCC?**

268 A. In April 2001 the FCC issued its *ISP Remand Order*. The FCC noted that Section
269 251(b)(5)’s reciprocal compensation requirement on its face applied to all
270 telecommunications, which would include all “information access” traffic,
271 including, specifically, calls to ISPs. It further noted that its original decision –
272 the *ISP Declaratory Ruling* -- to limit the reach of Section 251(b)(5) to “local”

¹⁵ There are plenty of calls that are simultaneously “local” and interstate, most notably landline-wireless calls that cross a state line but remain within a “Major Trading Area.” The same FCC ruling that limited reciprocal compensation to “local” calls specifically defined any such intra-MTA traffic to be “local” for these purposes. See *Local Competition Order* at ¶¶ 1033-35; 47 C.F.R. § 51.701(b)(3). There are also EAS areas and local callings areas that span state and LATA boundaries.

¹⁶ *ISP Declaratory Ruling* at ¶26.

¹⁷ *Bell Atlantic v. FCC*, 206 F.3d 1 (D.C. Cir. 2000).

¹⁸ *Id.* at 3.

¹⁹ *Id.* at 5.

²⁰ *Id.* at 3.

273 traffic was a “mistake” that had created “ambiguity,” because “local” was not a
274 term that was used or defined in the underlying statute.²¹ As a result, it amended
275 its reciprocal compensation rules to remove all references to “local” traffic.

276 **Q. IF THE FCC REMOVED ALL REFERENCES TO “LOCAL” IN ITS**
277 **RULES, HOW THEN DID IT DISTINGUISH TRADITIONAL 251(b)(5)**
278 **TRAFFIC FROM ISP-BOUND TRAFFIC?**

279 A. The FCC concluded that two classes of traffic identified in another section of the
280 law – Section 251(g) – were properly viewed as excluded from 251(b)(5). These
281 two supposedly excluded categories were “information access” and “exchange
282 access.”

283 In the *ISP Remand Order*, the FCC did not set up any special
284 compensation rule for “exchange access.” This is not a surprising result since the
285 existing access charge regime already ensured that compensation would be
286 payable in connection with toll calls. The FCC, however, re-affirmed its
287 interstate jurisdictional authority over ISP-bound traffic as a form of “information
288 access,” and set up a special interim intercarrier compensation regime.²² Under
289 that regime, ISP-bound traffic and non-toll traffic (that is, traffic that isn’t
290 “exchange access”) are to be treated the same as outlined in paragraph 89 of the
291 *ISP Remand Order*.²³

²¹ *ISP Remand Order* at ¶¶ 45-46.

²² *Id.* at ¶ 77.

²³ Under the FCC’s rule, the ILEC can choose whether the rate that applies is a state-determined “reciprocal compensation” rate or the FCC’s own low rate (now \$0.0007 per minute), but *the same rate applies to all non-toll traffic*. To deal with what it saw as an immediate problem of “arbitrage,” the FCC initially ruled that the rate of growth in CLEC bills for ISP-bound traffic would be limited to a 10% annual traffic growth cap, and that no compensation for ISP-bound traffic would be due to CLECs who were not serving ISPs in a particular market as of the first quarter of 2001. These restrictions were removed as of October 2004 in

292 In reaching this conclusion, as noted above, the FCC expressly disclaimed
293 its previous reliance on the idea that intercarrier compensation was limited to
294 "local" traffic and removed that term from its rules. As such, Windstream's
295 adherence to a "local" distinction is also misplaced and must be rejected.

296 **Q. ABOVE YOU REFERRED TO THE ILEC SELECTION OF**
297 **COMPENSATION FOR ISP-BOUND TRAFFIC. HAS WINDSTREAM**
298 **DECLARED WHETHER IT HAS SELECTED TO EXCHANGE TRAFFIC**
299 **AT THE FCC MANDATED RATE OF \$.0007?**

300 A. In response to Core's interrogatory number 34 (attached hereto as Exhibit TJG-4),
301 Windstream stated in pertinent part, "Windstream has not opted into the
302 compensation scheme set forth in the FCC's *ISP Remand Order*."

303 **Q. SINCE WINDSTREAM HAS NOT OPTED INTO THE *ISP REMAND***
304 ***ORDER* COMPENSATION REGIME, WHAT COMPENSATION IS**
305 **WINDSTREAM REQUIRED TO PAY CORE FOR ITS ISP-BOUND**
306 **TRAFFIC?**

307 A. Windstream must pay the state approved reciprocal compensation rates for all
308 251(b)(5) and ISP-bound traffic.

309 **Q. IF WINDSTREAM DOES OPT IN TO THE *ISP REMAND ORDER***
310 **COMPENSATION REGIME, WHAT RATES WOULD IT PAY?**

311 A. Under the FCC's mirroring rule, the ILEC can choose whether the rate is a state-
312 determined "reciprocal compensation" rate or the FCC's own low rate (now

the *Core* ruling. In re Petition of Core Communications, Inc. for Forbearance Under 47 U.S.C. § 160(c) from Application of the *ISP Remand Order*, *Order*, 19 FCC Rcd 20179 (FCC rel. Oct. 18, 2004).

313 \$0.0007 per minute), but *the same rate applies to all non-toll traffic*. As noted in
314 the FCC's *ISP Remand Order* at paragraph 89, "This "mirroring" rule ensures that
315 incumbent LECs will pay the same rates for ISP-bound traffic that they receive
316 for section 251(b)(5) traffic." This is the proper result from an economic
317 perspective since the FCC found that there were no "inherent differences between
318 the costs on any one network of delivering a voice call to a local end-user and a
319 data call to an ISP."²⁴

320 **Q. HOW SHOULD THE COMMISSION RESOLVE THESE DISPUTES?**

321 A. The Commission should reject Windstream's proposals for lack of support.
322 Core's proposal for intercarrier compensation is consistent with the *ISP Remand*
323 *Order* and the history of the treatment of ISP-bound traffic. When VNXX is used
324 to deliver ISP-bound traffic the compensation for that traffic is governed by the
325 *ISP Remand Order*. Windstream's attempt to re-insert the "local" distinction for
326 ISP-bound traffic which has been rejected by the FCC and the courts is self-
327 serving and should be rejected.

328
329 **ICC Issue 3: Should reciprocal compensation apply to**
330 **local traffic that is roughly balanced?**

331
332 **Q. PLEASE INTRODUCE THE DISPUTE.**

333 A. Core proposes that the party originating Section 251(b)(5) traffic compensate the
334 terminating party for the transport and termination of the traffic to its customer
335 consistent with Section 251(b)(5) of the Act.²⁵ Windstream proposes bill and

²⁴ *ISP Remand Order* at ¶¶ 90, 93.

²⁵ Core Section 3.0.

336 keep until the traffic exchanged between the parties is no longer roughly
337 balanced.²⁶

338 **Q. WHY IS CORE'S POSITION PREFERABLE TO WINDSTREAM'S**
339 **POSITION ON THIS ISSUE?**

340 A. To the best of my knowledge there is no information in this proceeding that would
341 allow the Commission to find that the traffic exchanged will be roughly balanced.
342 To date, the parties have not exchanged any traffic. If there were records showing
343 that over a period of time, say one year, that the traffic was roughly balanced, then
344 putting bill and keep in place might make sense. In the absence of such a
345 showing, however, the risk is that one carrier may benefit at the expense of the
346 other.

347 **Q. DO THE FCC'S RULES SUPPORT YOUR POSITION?**

348 A. Yes. Section 51.713(b) states that "A state commission may impose bill-and-keep
349 arrangements if the state commission determines that the amount of
350 telecommunications traffic from one network to the other is roughly balanced
351 with the amount of telecommunications traffic flowing in the opposite direction,
352 and is expected to remain so, and no showing has been made pursuant to
353 §51.711(b)." In this proceeding there is no data on current traffic and there
354 certainly is no information on whether the current traffic patterns are expected to
355 remain the same. Given this lack of data, the prudent way to proceed would be to
356 assess reciprocal compensation.

²⁶ Windstream Attachment 12, Section 3.0.

357 **Q. IF THE TRAFFIC IS OUT OF BALANCE IS IT FAIR FOR THE ONE**
358 **PARTY TO HAVE TO PAY THE OTHER PARTY A**
359 **DISPROPORTIONATE AMOUNT OF RECIPROCAL COMPENSATION?**

360 A. Yes. First of all, the reciprocal compensation would not be disproportionate; it
361 would be tied directly to the number of calls. Second, recall that the rules allow
362 for bill and keep if and only if the traffic is roughly balanced and is expected to
363 remain so. In all other circumstances, the state approved reciprocal compensation
364 rates apply to all traffic exchanged between the co-carriers.

365 The purpose of reciprocal compensation is to compensate the terminating
366 carrier for the cost of transport and termination of calls originated by the other
367 party's customers. The carrier of the originating customer has been compensated
368 by that customer for all aspects of the call – origination, transport and termination.
369 As such, in a co-carrier environment where another carrier is performing some of
370 these functions (transport and termination) it is only fair and equitable that the
371 carrier be compensated for the work. If the originating carrier did not compensate
372 the terminating carrier it would be contrary to the reciprocal compensation rules
373 and also result in a free-ride on the terminating carrier's network.

374 **Q. IF THERE WERE NO COMPENSATION FOR TRANSPORT AND**
375 **TERMINATION OF CALLS, WOULD THAT VIOLATE THE FCC'S**
376 **RULES?**

377 A. Yes. Section 51.703(a) requires Windstream and Core to establish reciprocal
378 compensation for transport and termination of traffic. Section 51.703(b) states
379 that "A LEC may not assess charges on any other telecommunications carrier for

380 telecommunications traffic that originates on the LEC's network." As such, in the
381 absence of compensation, the originating LEC is in effect imposing costs on the
382 terminating carrier. The absence of compensation is a charge imposed on the
383 terminating carrier since the terminating carrier is incurring costs to terminate the
384 originating carrier's traffic.

385 **Q. WOULD WINDSTREAM'S PROPOSAL TO CHARGE CORE**
386 **ORIGINATING ACCESS CHARGES FOR CALLS ORIGINATED BY ITS**
387 **CUSTOMERS VIOLATE SECTION 51.703(B) AS DESCRIBED ABOVE?**

388 A. While I am not a lawyer, a lay person's interpretation would indicate that
389 imposing any charges on the terminating carrier for traffic originated by another
390 carrier would be wrong. It would also be wrong from an economic perspective.

391 **Q. WHAT IS YOUR RECOMMENDATION ON THIS ISSUE?**

392 A. Windstream's position puts one of the carrier's at risk. It is not reasonable to
393 assume that the traffic is or will be roughly balanced. Instead, the parties should
394 begin their relationship by exchanging traffic and reciprocal compensation. If the
395 traffic does appear to be in balance say for three consecutive months as proposed
396 by Windstream, then implementation of bill and keep might possibly benefit both
397 parties. Core's position is the most reasonable approach given the uncertainty
398 with respect to the traffic patterns and our *a priori* expectations for the traffic
399 patterns.

400

401 **ICC Issue 4: Does the FCC's *ISP Remand Order* apply to**
402 **the parties and facts in this proceeding?**

403

404 **Q. PLEASE INTRODUCE THIS DISPUTE.**

405 A. It is indisputable that much of the traffic that will be exchanged between the
406 parties is ISP-bound traffic. Given that fact Core maintains that the parties are
407 bound by the FCC's *ISP Remand Order* with respect to compensation for that
408 traffic. Windstream, on the other hand, argues that "the *ISP Remand Order* by its
409 own terms does not apply to the parties and the facts in this proceeding."²⁷

410 **Q. HOW DOES THE ISP REMAND ORDER IMPACT COMPENSATION**
411 **FOR ISP-BOUND TRAFFIC?**

412 A. I discussed this at length earlier in this testimony. The *ISP Remand Order*
413 specifically identified a compensation regime for ISP-bound traffic in response to
414 concerns raised by ILECs as the dial-up market was expanding.²⁸

415 **Q. IS THE *ISP REMAND ORDER* COMPENSATION REGIME AN INTERIM**
416 **REGIME?**

417 A. Yes. At paragraph 77 of the *ISP Remand Order* it states, "The interim regime we
418 establish here will govern intercarrier compensation for ISP-bound traffic until we
419 have resolved the issues raised in the intercarrier compensation NPRM." While it
420 is disappointing that the FCC is taking so long to resolve the intercarrier
421 compensation issues, the fact is that the *ISP Remand Order* regime remains in
422 place today.

423 **Q. IS WINDSTREAM CORRECT THAT THE *ISP REMAND ORDER* DOES**
424 **NOT APPLY?**

²⁷ See Windstream's position in the Consolidated Issues List at page 6.

²⁸ Today we know that dial-up Internet access is being replaced by broadband Internet access at a rapid rate. Nevertheless, dial-up Internet access is still important to consumers and the public interest where broadband is not available or where consumers cannot afford broadband access alternatives.

425 A. No. At page 12 of its Response to Core's Arbitration Petition, Windstream states,
426 without any support, that "the FCC's *ISP Remand Order* does not apply to
427 interexchange traffic nor does the portion of the *ISP Remand Order* cited by Core
428 apply to Alltel PA, because VNXX is by definition an interexchange service. If
429 this issue is allowed to proceed, originating access charges under Alltel PA's
430 intrastate tariff should be applied." Windstream fails to provide cites because
431 there are none that support its position.

432 As noted above, the fact that a call may result in communications that
433 cross exchange boundaries does not make the call a "toll" call subject to access
434 charges. Extended area service, remote call forwarding, foreign exchange, ISP-
435 bound and other calls result in "interexchange" calls that are rightfully treated as
436 local calls. But again, Windstream's attempt to restrict the *ISP Remand Order*
437 compensation regime to "local" calls is wrong. The FCC spent pages and pages
438 in its *ISP Remand Order* explaining why its use of "local" was wrong and resulted
439 in unnecessary confusion.

440 **Q. CAN YOU THINK OF ANY SCENARIO IN WHICH ACCESS CHARGES**
441 **SHOULD BE APPLIED TO THIS TRAFFIC?**

442 A. No. Even setting aside the fact that intercarrier compensation for ISP-bound
443 traffic is governed by FCC rules; and that access charges are generally imposed
444 on traffic other than local traffic, access charges are not cost-based, and it has
445 been federal and state policy in recent years to drive access charges down to
446 forward-looking economic cost. It makes no sense to impose an out-dated
447 compensation regime on an artificial category of traffic. At a time when

448 regulators and the industry are looking to move to more competitive market
449 models by eliminating implicit subsidies in telecommunications rates and
450 intercarrier payments, it would seem contrary to that movement to foist
451 originating switched access charges on only one certain type of local traffic.

452 **Q. WHAT IS YOUR RECOMMENDED RESOLUTION TO THIS DISPUTE?**

453 A. I recommend that the Commission adopt Core's position and find that the *ISP*
454 *Remand Order* does apply to the facts and the parties in this proceeding. The vast
455 majority of the traffic that will be exchanged between the parties will be
456 originated by Windstream's customers and terminated to Core's customers. The
457 FCC has classified the traffic as interstate for purposes of its jurisdiction and has
458 specifically identified the interim compensation regime in the *ISP Remand Order*.

459

460 **ICC Issue 5: Should Windstream or Core determine for**
461 **which NXX codes Core may apply?**

462

463 **Q. PLEASE INTRODUCE THIS DISPUTE.**

464 A. Core recommends that numbering resources be requested and deployed by
465 carriers in the standard industry fashion. Windstream wants Core to use multiple
466 NPA/NXXs, apparently in the same rate center. While the Windstream proposal
467 is not clear, it is wrong to waste numbering resources in an attempt to control
468 another provider. Such a recommendation results in an inefficient use of the
469 numbering resources.

470 **Q. DO YOU UNDERSTAND WINDSTEAM'S APPROACH TO**
471 **CONTROLLING CORE'S USE OF CODES?**

472 A. No. In section 5.2 of Windstream's Attachment 12 (Compensation), it states, "At
473 such time as both Parties have implemented billing and routing capabilities to
474 determine traffic jurisdiction on a basis other than NXX codes separate NXX
475 codes as specified in this paragraph will not be required."

476 **Q. DO SWITCHES AND THE PSTN IN GENERAL HAVE OTHER WAYS –**
477 **OTHER THAN A COMPARISON OF THE NPA/NXXS – TO**
478 **DETERMINE TRAFFIC JURISDICTION?**

479 A. No. Today in the industry there is no other way to determine jurisdiction of calls.
480 It appears that Windstream is suggesting that both Core and Windstream develop
481 some new technology or systems that would identify jurisdiction. Such a
482 suggestion is not in the public interest since the rest of the industry uses a
483 comparison of NPA/NXXs to determine call routing and billing.

484 **Q. IS IT COMMON IN THE INDUSTRY FOR A CARRIER TO ATTEMPT**
485 **TO CONTROL ANOTHER CARRIER'S USE OF NUMBERING**
486 **RESOURCES?**

487 A. No. No carrier should be able to control or influence another carrier's request for
488 numbers. This is improper and unheard of in the industry. CLECs abide by the
489 Central Office Code Assignment Guidelines in order to receive codes required for
490 offering service.

491 **Q. HOW DOES USING MULTIPLE NPA/NXXS RESULT IN THE**
492 **INEFFICIENT USE OF NUMBERS?**

493 A. If a carrier uses numbers from several different NPA/NXX blocks, those blocks
494 become contaminated and that makes it difficult to return numbers should they

495 not be needed in the future. By not contaminating the numbers in the other
496 thousand blocks, should jeopardy occur and pooling be imposed, CLECs can
497 return numbers to the administrator. The use of a single NPA/NXX results in
498 greater efficiency in numbering resources since the other unused NPA/NXX
499 blocks are available for other carriers.

500

501 **NP Issue 1: Should any part or all of Windstream's**
502 **number portability attachment be included with the**
503 **Agreement to establish the detailed processes for**
504 **porting numbers between the parties?**

505

506 **Q. PLEASE INTRODUCE THIS DISPUTE.**

507 A. The parties disagree on how much detail is required to ensure accurate and timely
508 porting of numbers. Core prefers a simple reference to the FCC rules and
509 regulations, while Windstream proposes a lengthy attachment (Attachment 14 to
510 its Response to Core's Petition for Arbitration) which includes language that is
511 potentially divisive.

512 **Q. DID CORE ATTEMPT TO COMPROMISE WITH WINDSTREAM ON**
513 **THIS ISSUE?**

514 A. Yes. Core initially opposed Windstream's lengthy and convoluted Attachment 14
515 ("Number Portability") in its entirety. In an attempt to compromise, Core
516 recommended deletions or changes to sections 2.2, 2.3, 2.5, 2.6, 2.7, 2.9, 3.1, 3.7,
517 4.1, 4.3 and 4.4 of Windstream's Attachment 14. Unfortunately, the suggested
518 changes were rejected.

519 Q. WHAT LANGUAGE DOES CORE PROPOSE ON NUMBER
520 PORTABILITY?

521 A. Core recommends the following statement – “The parties shall provide Number
522 Portability (NP) in accordance with rules and regulations as from time to time
523 prescribed by the FCC.” Since Core does not anticipate any problems with
524 porting, this simple statement should be sufficient to guide the number portability
525 responsibilities of the two parties.

526 Q. WHY IS WINDSTREAM’S ATTACHMENT 14 OBJECTIONABLE?

527 A. Windstream’s Attachment 14 contains references to things such as “network
528 overload”, “congestion”, “seamless transfer”, “choke networks”, and other terms
529 and statements that are subject to debate. Rather than risk adoption of language
530 that will result in disputes during implementation, Core recommends a simple
531 reference to the industry standards and FCC rules and guidelines.

532

533 Definitions – “Exchange Services”

534 Q. PLEASE INTRODUCE THE DISPUTE OVER THIS DEFINITION.
535

536 A. Core does not propose to include a definition for “exchange services” because
537 there is no such definition in the Act or the FCC’s rules. The Act does contain a
538 definition of “telephone exchange services”, but that definition is far different
539 from that proposed by Windstream.

540 Q. WHAT DEFINITION DOES WINDSTREAM PROPOSE?

541 A. Windstream proposes the following definition for “exchange services” – “two-
542 way switched voice grade telecommunications services with access to the public
543 switched network, which originate and terminate within an exchange.”

544 Q. **WHAT IS THE DEFINITION OF “TELEPHONE EXCHANGE**
545 **SERVICES” FOUND IN THE ACT?**

546 A. The Act defines “telephone exchange service” as follows: The term “telephone
547 exchange service” means (A) service within a telephone exchange, or within a
548 connected system of telephone exchanges within the same exchange area operated
549 to furnish to subscribers intercommunicating service of the character ordinarily
550 furnished by a single exchange, and which is covered by the exchange service
551 charge, or (B) comparable service provided through a system of switches,
552 transmission equipment, or other facilities (or combination thereof) by which a
553 subscriber can originate and terminate a telecommunications service.²⁹

554 Q. **WHAT IS YOUR RECOMMENDED SOLUTION TO THIS DISPUTE?**

555 A. I recommend that the Commission reject Windstream’s definition of “exchange
556 services.” Windstream has not shown a need for this definition and it is not
557 consistent with the definition of “telephone exchange service” in the Act.

558

559 **Definitions – “IntraLATA Toll Traffic”**

560 Q. **PLEASE INTRODUCE THE DISPUTE OVER THIS DEFINITION.**

562 A. Windstream recommends a definition that supports its position on the physical or
563 geographic end points of calls. As pointed out above, that end to end distinction

²⁹ Sec. 3 [47 U.S.C. 153] Definitions; (47)(A) and (B).

564 is not relevant for jurisdiction or compensation. Windstream is attempting to
565 characterize all intraLATA calls that are interexchange to be subject to access
566 charges.

567 **Q. WHAT IS THE PROPOSED DEFINITION AS SUBMITTED BY**
568 **WINDSTREAM?**

569 A. Windstream proposes the following definition for “intraLATA toll traffic” – “all
570 IntraLATA calls provided by a LEC other than traffic completed in the LECs [sic]
571 local exchange boundary.” As one can see, application of this definition would
572 include EAS, remote call forwarding, foreign exchange, and other traffic that
573 might cross an exchange boundary but would normally be treated and billed as
574 local.

575 **Q. HOW WOULD CORE DEFINE “INTRALATA TOLL TRAFFIC”?**

576 A. Core recommends the following definition: “IntraLATA Toll Traffic includes
577 calls made through a presubscribed service and dialed on a 1+ basis for which
578 additional toll charges apply.” This definition captures the presubscription
579 characteristics of toll services and the use of the toll indicator digit.

580

581 **Definitions – “Section 251(b)(5) Traffic”**

582

583 **Q. PLEASE INTRODUCE THE DISPUTE.**

584 A. Core proposes a definition of Section 251(b)(5) traffic that is consistent with the
585 applicable FCC rule. Core’s proposed language is as follows:

586 Section 251(b)(5) Traffic means (1) telecommunications traffic
587 exchanged between a LEC and a telecommunications carrier other
588 than a CMRS provider, except for telecommunications traffic that

589 is interstate or intrastate exchange access, information access or
590 exchange services for such access (see FCC ISP Order on Remand,
591 34, 36, 39, 42-43); and/or (2) telecommunications traffic
592 exchanged by a LEC and a CMRS provider that originates and
593 terminates within the same Major Trading Area, as defined in 47
594 CFR § 24.202(a).³⁰
595
596

Windstream refers to its definition of local traffic in its Attachment 12.

597 **Q. WHY IS IT WRONG FOR WINDSTREAM TO SIMPLY REFER TO ITS**
598 **DEFINITION OF LOCAL TRAFFIC?**

599 A. The distinction between 251(b)(5) traffic and other traffic is important for
600 reciprocal compensation purposes. Windstream seems to refer to “local” traffic
601 because it believes that position supports its position on VNXX traffic. Indeed,
602 Windstream incorrectly argues that VNXX traffic should be treated as intraLATA
603 toll traffic to which access charges would apply.

604 **Q. HAS THE FCC CLARIFIED ITS RECIPROCAL COMPENSATION**
605 **RULES?**

606 A. Yes. As discussed at length in the testimony above, the FCC admitted its
607 “error” in focusing on the nature of the call. To correct that error, it
608 specifically eliminated all references to “local” and amended its rules
609 accordingly pursuant to the ISP Remand Order.³¹

610 **Q. GIVEN THE FCC’S CLARIFICATIONS IN THE ISP REMAND ORDER,**
611 **IS CORE’S DEFINITION OF SECTION 251(B)(5) TRAFFIC**
612 **CONSISTENT WITH THAT INTERCARRIER COMPENSATION**
613 **SCHEME?**

³⁰ See 47 C.F.R. §51.701(b)(“Telecommunications Traffic”).

³¹ See page 60 of the *ISP Remand Order* (Amendments to the Code of Federal Regulations).

614 A. Yes. Core's position on this issue is correct, comprehensive, consistent with the
615 FCC rules and should be adopted. Windstream's position would not resolve the
616 different reciprocal compensation issues associated with traditional and ISP-
617 bound traffic.

618 Core asks that the Commission resolve this issue by maintaining the status
619 quo in the industry. Windstream has proposed language to be included in the
620 interconnection agreement that would allow it to avoid its obligation under law to
621 provide compensation to Core for terminating local traffic originating with a
622 Windstream retail customer. Core's position is consistent with the provisions of
623 the Act, in that section 251(b)(5) of the Act imposes on each local exchange
624 carrier the duty to establish reciprocal compensation arrangements for the
625 transport and termination of telecommunications.

626 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

627 A. Yes, it does.

628

EXHIBIT TJG 1



Qualifications of Timothy J Gates Exhibit TJG-1

Q. PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE.

- A. Prior to my current position with QSI Consulting, I was a Senior Executive Staff Member in MCI WorldCom's ("MCIW") National Public Policy Group. In this position, I was responsible for providing public policy expertise in key cases across the country and for managing external consultants for MCIW's state public policy organization. In certain situations, I also provided testimony in regulatory and legislative proceedings.

Prior to my position with MCIW in Denver, I was an Executive Staff Member II at MCI Telecommunications ("MCI") World Headquarters in Washington D.C.. In that position I managed economists, external consultants, and provided training and policy support for regional regulatory staffs. Prior to that position I was a Senior Manager in MCI's Regulatory Analysis Department, which provided support in state regulatory and legislative matters to the various operating regions of MCI. In that position I was given responsibility for assigning resources from our group for state regulatory proceedings throughout the United States. At the same time, I prepared and presented testimony on various telecommunications issues before state regulatory and legislative bodies. I was also responsible for managing federal tariff reviews and presenting MCI's position on regulatory matters to the Federal Communications Commission. Prior to my assignment in the Regulatory Analysis Department, I was the Senior Manager of Economic Analysis and Regulatory Policy in the Legal, Regulatory and Legislative Affairs Department for the Midwest Division of MCI. In that position I developed and promoted regulatory policy within what was then a five-state operating division of MCI. I promoted MCI policy positions through negotiations, testimony and participation in industry forums.

Prior to my positions in the Midwest, I was employed as Manager of Tariffs and Economic Analysis with MCI's West Division in Denver, Colorado. In that position I was responsible for managing the development and application of MCI's tariffs in the fifteen MCI West states. I was also responsible for managing regulatory dockets and for providing economic and financial expertise in the areas of discovery and issue analysis. Prior to joining the West Division, I was a Financial Analyst III and then a Senior Staff Specialist with MCI's Southwest Division in Austin, Texas. In those positions, I was responsible for the management of regulatory dockets and liaison with outside counsel. I was also



responsible for discovery, issue analysis, and for the development of working relationships with consumer and business groups. Just prior to joining MCI, I was employed by the Texas Public Utility Commission as a Telephone Rate Analyst in the Engineering Division responsible for examining telecommunications cost studies and rate structures.

I was employed as an Economic Analyst with the Public Utility Commissioner of Oregon from July, 1983 to December, 1984. In that position, I examined and analyzed cost studies and rate structures in telecommunications rate cases and investigations. I also testified in rate cases and in private and public hearings regarding telecommunications services. Before joining the Oregon Commissioner's Staff, I was employed by the Bonneville Power Administration (United States Department of Energy) as a Financial Analyst, where I made total regional electric use forecasts and automated the Average System Cost Review Methodology. Prior to joining the Bonneville Power Administration, I held numerous positions of increasing responsibility in areas of forest management for both public and private forestry concerns.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL CREDENTIALS.

A. I received a Bachelor of Science degree from Oregon State University and a Master of Management degree in Finance and Quantitative Methods from Willamette University's Atkinson Graduate School of Management. I have also attended numerous courses and seminars specific to the telecommunications industry, including the NARUC Annual and Advanced Regulatory Studies Program.

Q. WHAT ARE YOUR CURRENT RESPONSIBILITIES?

A. Effective April 1, 2000, I joined QSI Consulting as Senior Vice President and Partner. In this position I provide analysis and testimony for QSI's many clients. The deliverables include written and oral testimony, analysis of rates, cost studies and policy positions, position papers, presentations on industry issues and training.

Q. PLEASE IDENTIFY THE JURISDICTIONS IN WHICH YOU HAVE TESTIFIED.

A. I have filed testimony or comments on telecommunications issues in the following 44 states: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Georgia, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi,



Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Washington, West Virginia, Wisconsin, Wyoming and Puerto Rico. I have also filed comments with the FCC and made presentations to the Department of Justice.



I have testified or presented formal comments in the following proceedings and forums:

Alabama:

October 18, 2000; Docket No. 27867; Adelphia Business Solutions Arbitration with BellSouth Telecommunications; Direct Testimony on Behalf of Adelphia.

January 31, 2001; Docket No. 27867; Adelphia Business Solutions Arbitration with BellSouth Telecommunications; Rebuttal Testimony on Behalf of Adelphia.

Arkansas:

September 7, 2004; Docket No. 04-0999-U; In the Matter of Level 3 Petition for Arbitration with Southwestern Bell Telephone, L.P. D/B/A SBC Arkansas; Direct Testimony on Behalf of Level 3.

Arizona:

September 23, 1987; Arizona Corporation Commission Workshop on Special Access Services; Comments on Behalf of MCI.

August 21, 1996; Affidavit in Opposition to USWC Motion for Partial Summary Judgment; No. CV 95-14284, No. CV-96-03355, No. CV-96-03356, (consolidated); On Behalf of MCI.

October 24, 1997; Comments to the Universal Service Fund Working Group; Docket No. R-0000-97-137; On Behalf of MCI.

May 8, 1998; Comments to the Universal Service Fund Working Group; Docket No. R-0000-97-137; On Behalf of MCI.

November 9, 1998; Docket No. T-03175A-97-0251; Application of MCImetro Access Transmission Services, Inc. to Expand It's CCN to Provide IntraLATA Services and to Determine that Its IntraLATA Services are Competitive; Direct Testimony on Behalf of MCI WorldCom, Inc.

September 20, 1999; Docket No. T-00000B-97-238; USWC OSS Workshop; Comments on Behalf of MCI WorldCom, Inc.

January 8, 2001; Docket Nos. T-03654A-00-0882, T-01051B-00-0882; Petition of



Level 3 Communications, LLC, for Arbitration with Qwest Corporation; Direct Testimony on Behalf of Level 3.

February 20, 2001; Superior Court of Arizona; Count of Maricopa; ESI Ergonomic Solutions, LLC, Plaintiff, vs. United Artists Theatre Circuit; No. CV 99-20649; Affidavit on Behalf of United Artists Theatre Circuit.

September 2, 2001; Docket No. T-00000A-00-0194 Phase II – A; Investigation into Qwest's Compliance with Wholesale Pricing Requirements for Unbundled Network Elements and Resale Discounts; Rebuttal Testimony on Behalf of WorldCom, Inc.

January 9, 2004; Docket No. T-00000A-03-0369; In the Matter of ILEC Unbundling Obligations as a Result of the Federal Triennial Review Order; Direct Testimony on Behalf of WorldCom, Inc. (MCI).

November 18, 2004; Docket No. T-01051B-0454; In the Matter of Qwest Corporation's Amended Renewed Price Regulation Plan; Direct Testimony on Behalf of Time Warner Telecom, Inc.

July 15, 2005; Docket No. T-03654-05-0350, T-01051B-05-0350; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation, Direct Testimony on Behalf of Level 3.

August 15, 2005; Docket No. T-03654-05-0350, T-01051B-05-0350; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation, Rebuttal Testimony on Behalf of Level 3.

Arkansas:

September 7, 2004; Docket No. 04-099-U; In the Matter of Level 3 Petition for Arbitration Pursuant to Section 252(b) with Southwestern Bell Telephone, L.P. D/B/A SBC Arkansas; Direct Testimony on Behalf of Level 3 Communications, LLC.

California:

August 30, 1996; Application No. 96-08-068; MCI Petition for Arbitration with Pacific Bell; Direct Testimony on Behalf of MCI.



September 10, 1996; Application No. 96-09-012; MCI Petition for Arbitration with GTE California, Inc.; Direct Testimony on Behalf of MCI.



June 5, 2000; Docket No. A0004037; Petition of Level 3 Communications for Arbitration of an Interconnection Agreement with Pacific Bell Telephone Company; Direct Testimony on Behalf of Level 3 Communications, LLC.

June 1, 2004; Docket No. A.04-06-004; Petition of Level 3 Communications for Arbitration with SBC; Direct Testimony on Behalf of Level 3 Communications LLC.

Colorado:

December 1, 1986; Investigation and Suspension Docket No. 1720; Rate Case of Mountain States Telephone and Telegraph Company; Direct Testimony on Behalf of MCI.

October 26, 1988; Investigation and Suspension Docket No. 1766; Mountain States Telephone and Telegraph Company's Local Calling Access Plan; Direct Testimony of Behalf of MCI.

September 6, 1996; MCImetro Petition for Arbitration with U S WEST Communications, Inc.; Docket No. 96A-366T (consolidated); Direct Testimony on Behalf of MCI.

September 17, 1996; MCImetro Petition for Arbitration with U S WEST Communications, Inc.; Docket No. 96A-366T (consolidated); Rebuttal Testimony on Behalf of MCI.

September 26, 1996; Application of U S WEST Communications, Inc. To Modify Its Rate and Service Regulation Plan; Docket No. Docket No. 90A-665T (consolidated); Direct Testimony on Behalf of MCI.

October 7, 1996; Application of U S WEST Communications, Inc. To Modify Its Rate and Service Regulation Plan; Docket No. Docket No. 90A-665T (consolidated); Rebuttal Testimony on Behalf of MCI.

July 18, 1997; Complaint of MCI to Reduce USWC Access Charges to Economic Cost; Docket Nos. 97K-237T, 97F-175T (consolidated) and 97F-212T (consolidated); Direct Testimony on Behalf of MCI.

August 15, 1997; Complaint of MCI to Reduce USWC Access Charges to Economic Cost; Docket Nos. 97K-237T, 97F-175T (consolidated) and 97F-212T (consolidated); Rebuttal Testimony on Behalf of MCI.





March 10, 1998; Application of WorldCom, Inc. for Approval to Transfer Control of MCI to WorldCom, Inc.; Docket No. 97A-494T; Supplemental Direct Testimony on Behalf of MCI.

March 26, 1998; Application of WorldCom, Inc. for Approval to Transfer Control of MCI to WorldCom, Inc.; Docket No. 97A-494T; Rebuttal Testimony on Behalf of MCI.

May 8, 1998; Application of WorldCom, Inc. for Approval to Transfer Control of MCI to WorldCom, Inc.; Docket No. 97A-494T; Affidavit in Response to GTE.

November 4, 1998; Proposed Amendments to the Rules Prescribing IntraLATA Equal Access; Docket No. 98R-426T; Comments to the Commission on Behalf of MCI WorldCom and AT&T Communications of the Mountain States, Inc.

May 13, 1999; Proposed Amendments to the Rules on Local Calling Area Standards; Docket No. 99R-128T; Oral Comments before the Commissioners on Behalf of MCIW.

January 4, 2001; Petition of Level 3 Communications, LLC for Arbitration with Qwest Corporation; Docket No. 00B-601T; Direct Testimony on Behalf of Level 3.

January 16, 2001; Petition of Level 3 Communications, LLC for Arbitration with Qwest Corporation; Docket No. 00B-601T; Rebuttal Testimony on Behalf of Level 3.

January 29, 2001; Qwest Corporation, Inc., Plaintiff, v. IP Telephony, Inc., Defendant. District Court, City and County of Denver, State of Colorado; Case No. 99CV8252; Direct Testimony on Behalf of IP Telephony.

June 27, 2001; US WEST Statement of Generally Available Terms and Conditions; Docket No. 991-577T; Direct Testimony on Behalf of Covad Communications Company, Rhythms Links, Inc., and New Edge Networks, Inc.

January 26, 2004; Regarding the Unbundling Obligations of ILECs Pursuant to the Triennial Review Order; Docket No. 03I-478T; Direct Testimony on Behalf of WorldCom, Inc. (MCI).

February 18, 2005; Regarding Application of Qwest for Reclassification and Deregulation of Certain Products and Services; Docket No. 04A-411T; Direct Testimony on Behalf of Time Warner Telecom.



July 11, 2005; Petition of Level 3 Communications, LLC for Arbitration with Qwest Corporation; Docket No. 05B-210T; Direct Testimony on Behalf of Level 3.

December 19, 2005; Petition of Level 3 Communications, LLC for Arbitration with Qwest Corporation; Docket No. 05B-210T; Rebuttal Testimony on Behalf of Level 3.

Connecticut:

November 2, 2004; Petition of Level 3 Communications, LLC for Arbitration Pursuant to Section 252(b) with Southern New England Telephone Company d/b/a/ SBC Connecticut; Level 3/SNET Arbitration; Direct Testimony on Behalf of Level 3 Communications, LLC.

Delaware:

February 12, 1993; Diamond State Telephone Company's Application for a Rate Increase; Docket No. 92-47; Direct Testimony on Behalf of MCI.

Florida:

July 1, 1994; Investigation into IntraLATA Presubscription; Docket No. 930330-TP; Direct Testimony on Behalf of MCI.

October 5, 2000; Petition of Level 3 for Arbitration with BellSouth; Docket No. 000907-TP; Direct Testimony On Behalf of Level 3.

October 13, 2000; Petition of BellSouth for Arbitration with US LEC of Florida Inc.; Docket No. 000084-TP; Direct Testimony On Behalf of US LEC.

October 27, 2000; Petition of BellSouth for Arbitration with US LEC of Florida Inc.; Docket No. 000084-TP; Rebuttal Testimony On Behalf of US LEC.

November 1, 2000; Petition of Level 3 for Arbitration with BellSouth; Docket No. 000907-TP; Rebuttal Testimony On Behalf of Level 3.

June 11, 2004; Petition of KMC Telecom for Arbitration with Sprint Communications; Docket No. 031047-TP; Direct Testimony on Behalf of KMC Telecom III, L.L.C, KMC Telecom V, Inc., and KMC Data, L.L.C.



July 9, 2004; Petition of KMC Telecom for Arbitration with Sprint Communications; Docket No. 031047-TP; Rebuttal Testimony on Behalf of KMC Telecom III, L.L.C, KMC Telecom V, Inc., and KMC Data, L.L.C.



December 19, 2005; Petition and complaint for suspension and cancellation of Transit Traffic Service Tariff No. FL2004-284 filed by BellSouth Telecommunications, Inc., by AT&T Communications of the Southern States, LLC.; Docket Nos. 050119-TP/050125-TP; Direct Testimony on Behalf of CompSouth.

January 30, 2005; Petition and complaint for suspension and cancellation of Transit Traffic Service Tariff No. FL2004-284 filed by BellSouth Telecommunications, Inc., by AT&T Communications of the Southern States, LLC.; Docket Nos. 050119-TP/050125-TP; Rebuttal Testimony on Behalf of CompSouth.

Georgia:

December 6, 2000; Docket No. 12645-U; Petition of Level 3 for Arbitration with BellSouth; Direct Testimony on Behalf of Level 3.

December 20, 2000; Docket No. 12645-U; Petition of Level 3 for Arbitration with BellSouth; Rebuttal Testimony on Behalf of Level 3.

April 13, 2007; Docket No. 24844; Petition of Neutral Tandem for the Establishment of Interconnection with Level 3; Direct Testimony on Behalf of Level 3.

April 24, 2007; Docket No. 24844; Petition of Neutral Tandem for the Establishment of Interconnection with Level 3; Rebuttal Testimony on Behalf of Level 3.

Idaho:

November 20, 1987; Case No. U-1150-1; Petition of MCI for a Certificate of Public Convenience and Necessity; Direct Testimony on Behalf of MCI.

March 17, 1988; Case No. U-1500-177; Investigation of the Universal Local Access Service Tariff; Direct Testimony on Behalf of MCI.

April 26, 1988; Case No. U-1500-177; Investigation of the Universal Local Access Service Tariff; Rebuttal Testimony on Behalf of MCI.



November 25, 2002; Case No. GNR-T-02-16; Petition of Potlatch, CenturyTel, the Idaho Telephone Association for Declaratory Order Prohibiting the Use of "Virtual" NXX Calling; Comments/Presentation on Behalf of Level 3, AT&T, WorldCom, and Time Warner Telecom.

August 12, 2005; Case No. QWE-T-05-11; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation; Direct Testimony on Behalf of Level 3.

September 16, 2005; Case No. QWE-T-05-11; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation; Rebuttal Testimony on Behalf of Level 3.

Illinois:

January 16, 1989; Docket No. 83-0142; Appropriate Methodology for Intrastate Access Charges; Rebuttal Testimony Regarding Toll Access Denial on Behalf of MCI.

February 16, 1989; Docket No. 83-0142; Appropriate Methodology for Intrastate Access Charges; Testimony Regarding ICTC's Access Charge Proposal on Behalf of MCI.

May 3, 1989; Docket No. 89-0033; Illinois Bell Telephone Company's Rate Restructuring; Direct Testimony on Behalf of MCI.

July 14, 1989; Docket No. 89-0033; Illinois Bell Telephone Company's Rate Restructuring; Rebuttal Testimony on Behalf of MCI.

November 22, 1989; Docket No. 88-0091; IntraMSA Dialing Arrangements; Direct Testimony on Behalf of MCI.

February 9, 1990; Docket No. 88-0091; IntraMSA Dialing Arrangements; Rebuttal Testimony on Behalf of MCI.

November 19, 1990; Docket No. 83-0142; Industry presentation to the Commission re Docket No. 83-0142 and issues for next generic access docket; Comments re the Imputation Trial and Unitary Pricing/Building Blocks on Behalf of MCI.

July 29, 1991; Case No. 90-0425; Presentation to the Industry Regarding MCI's



Position on Imputation.



November 18, 1993; Docket No. 93-0044; Complaint of MCI and LDDS re Illinois Bell Additional Aggregated Discount and Growth Incentive Discount Services; Direct Testimony on Behalf of MCI and LDDS.

January 10, 1994; Docket No. 93-0044; Complaint of MCI and LDDS re Illinois Bell Additional Aggregated Discount and Growth Incentive Discount Services; Rebuttal Testimony on Behalf of MCI and LDDS.

May 30, 2000; Docket No. 00-0332; Level 3 Petition for Arbitration to Establish and Interconnection Agreement with Illinois Bell Telephone Company; Direct Testimony on Behalf of Level (3) Communications, LLC.

July 11, 2000: Docket No. 00-0332; Level 3 Petition for Arbitration to Establish and Interconnection Agreement with Illinois Bell Telephone Company; Supplemental Verified Statement on Behalf of Level (3) Communications, LLC.

June 22, 2004; Docket No. 04-0428; Level 3 Petition for Arbitration to Establish an Interconnection Agreement with Illinois Bell Telephone Company; Direct Testimony on Behalf of Level (3) Communications, LLC.

September 3, 2004; Docket No. 04-0428; Level 3 Petition for Arbitration to Establish an Interconnection Agreement with Illinois Bell Telephone Company; Direct Testimony on Behalf of Level (3) Communications, LLC.

Indiana:

October 28, 1988; Cause No. 38561; Deregulation of Customer Specific Offerings of Indiana Telephone Companies; Direct Testimony on Behalf of MCI.

December 16, 1988; Cause No. 38561; Deregulation of Customer Specific Offerings of Indiana Telephone Companies; Direct Testimony on Behalf of MCI Regarding GTE.

April 14, 1989; Cause No. 38561; Deregulation of Customer Specific Offerings of Indiana Telephone Companies; Direct Testimony on Behalf of MCI Regarding Staff Reports.

June 21, 1989; Cause No. 37905; Intrastate Access Tariffs -- Parity with Federal Rates; Direct Testimony on Behalf of MCI.

June 29, 1989; Cause No. 38560; Reseller Complaint Regarding 1+ IntraLATA



Calling; Direct Testimony on Behalf of MCI.



October 25, 1990; Cause No. 39032; MCI Request for IntraLATA Authority; Direct Testimony on Behalf of MCI.

April 4, 1991; Rebuttal Testimony in Cause No. 39032 re MCI's Request for IntraLATA Authority on Behalf of MCI.

September 2, 2004; Cause No. 42663-INT-01; In the Matter of Level 3 Communications, LLC Petition for Arbitration with SBC Indiana; Direct Testimony on Behalf of Level 3 Communications, LLC.

October 5, 2004; Cause No. 42663-INT-01; In the Matter of Level 3 Communications, LLC Petition for Arbitration with SBC Indiana; Rebuttal Testimony on Behalf of Level 3 Communications, LLC.

Iowa:

September 1, 1988; Docket No. RPU 88_6; IntraLATA Competition in Iowa; Direct Testimony on Behalf of MCI.

September 20, 1988; Docket No. RPU_88_1; Regarding the Access Charges of Northwestern Bell Telephone Company; Direct Testimony on Behalf of MCI.

September 25, 1991; Docket No. RPU-91-4; Investigation of the Earnings of U S WEST Communications, Inc.; Direct Testimony on Behalf of MCI.

October 3, 1991; Docket No. NOI-90-1; Presentation on Imputation of Access Charges and the Other Costs of Providing Toll Services; On Behalf of MCI.

November 5, 1991; Docket No. RPU-91-4; Investigation of the Earnings of U S WEST Communications, Inc.; Rebuttal Testimony on Behalf of MCI.

December 23, 1991; Docket No. RPU-91-4; Investigation of the Earnings of US WEST Communications; Inc.; Supplemental Testimony on Behalf of MCI.

January 10, 1992; Docket No. RPU-91-4; Investigation of the Earnings of U S WEST Communications, Inc.; Rebuttal Testimony on Behalf of MCI.

January 20, 1992; Docket No. RPU-91-4; Investigation of the Earnings of U S WEST Communications, Inc.; Surrebuttal Testimony on Behalf of MCI.

June 8, 1999; Docket NOI-99-1; Universal Service Workshop; Participated on



numerous panels during two day workshop; Comments on Behalf of MCIW.



October 27, 1999; Docket NOI-99-1; Universal Service Workshop; Responded to questions posed by the Staff of the Board during one day workshop; Comments on Behalf of MCIW and AT&T.

November 14, 2003; Docket Nos. INU-03-4, WRU-03-61; In Re: Qwest Corporation; Sworn Statement of Position on Behalf of MCI.

December 15, 2003; Docket Nos. INU-03-4, WRU-03-61; In Re: Qwest Corporation; Sworn Counter Statement of Position on Behalf of MCI.

July 20, 2005; Docket No. ARB-05-4; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest; Direct Testimony on Behalf of Level 3.

August 12, 2005; Docket No. ARB-05-4; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest; Rebuttal Testimony on Behalf of Level 3.

August 24, 2005; Docket No. ARB-05-4; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest; Surrebuttal Testimony on Behalf of Level 3.

July 14, 2006; Docket No. FCU-06-42; In the Matter of Coon Creek Telecommunications Corp. Complaint Against Iowa Telecommunications Services; Direct Testimony on Behalf of CCTC.

August 21, 2006; Docket No. FCU-06-42; In the Matter of Coon Creek Telecommunications Corp. Complaint Against Iowa Telecommunications Services; Rebuttal Testimony on Behalf of CCTC.

Kansas:

June 10, 1992; Docket No. 181,097-U; General Investigation into IntraLATA Competition within the State of Kansas; Direct Testimony on Behalf of MCI.

September 16, 1992; Docket No. 181,097-U; General Investigation into IntraLATA Competition within the State of Kansas; Rebuttal Testimony on Behalf of MCI.

August 31, 2004; Docket No. 04-L3CT-1046-ARB; In the Matter of Arbitration Between Level 3 Communications LLC and SBC Communications; Direct Testimony on Behalf of Level 3 Communications, LLC.





Kentucky:

May 20, 1993; Administrative Case No. 323, Phase I; An Inquiry into IntraLATA Toll Competition, an Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS Jurisdictionality; Direct Testimony on Behalf of MCI.

December 21, 2000; Case No. 2000-404; Petition of Level 3 Communications, LLC for Arbitration with BellSouth; Direct Testimony on Behalf of Level 3.

January 12, 2001; Case No. 2000-477; Petition of Adelphia Business Solutions for Arbitration with BellSouth; Direct Testimony on Behalf of Adelphia.

Louisiana:

December 28, 2000; Docket No. U-25301; Petition of Adelphia Business Solutions for Arbitration with BellSouth; Direct Testimony on Behalf of Adelphia.

January 5, 2001; Docket No. U-25301; Petition of Adelphia Business Solutions for Arbitration with BellSouth; Rebuttal Testimony on Behalf of Adelphia.

Maryland:

November 12, 1993; Case No. 8585; Competitive Safeguards Required re C&P's Centrex Extend Service; Direct Testimony on Behalf of MCI.

January 14, 1994; Case No. 8585; Competitive Safeguards Required re C&P's Centrex Extend Service; Rebuttal Testimony on Behalf of MCI.

May 19, 1994; Case No. 8585; Re Bell Atlantic Maryland, Inc.'s Transmittal No. 878; Testimony on Behalf of MCI.

June 2, 1994; Case No. 8585; Competitive Safeguards Required re C&P's Centrex Extend Service; Rebuttal Testimony on Behalf of MCI.

September 5, 2001; Case No. 8879; Rates for Unbundled Network Elements Pursuant to the Telecommunications Act of 1996; Rebuttal Testimony on behalf of the Staff of the Public Service Commission of Maryland.

October 15, 2001; Case No. 8879; Rates for Unbundled Network Elements Pursuant to the Telecommunications Act of 1996; Surrebuttal Testimony on



behalf of the Staff of the Public Service Commission of Maryland.



Massachusetts:

April 22, 1993; D.P.U. 93-45; New England Telephone Implementation of Interchangeable NPAs; Direct Testimony on Behalf of MCI.

May 10, 1993; D.P.U. 93-45; New England Telephone Implementation of Interchangeable NPAs; Rebuttal Testimony on Behalf of MCI.

Michigan:

September 29, 1988; Case Nos. U-9004, U-9006, U-9007 (Consolidated); Industry Framework for IntraLATA Toll Competition; Direct Testimony on Behalf of MCI.

November 30, 1988; Case Nos. U-9004, U-9006, U-9007 (Consolidated); Industry Framework for IntraLATA Toll Competition; Rebuttal Testimony on Behalf of MCI.

June 30, 1989; Case No. U-8987; Michigan Bell Telephone Company Incentive Regulation Plan; Direct Testimony on Behalf of MCI.

July 31, 1992; Case No. U-10138; MCI v Michigan Bell and GTE re IntraLATA Equal Access; Direct Testimony on Behalf of MCI.

November 17, 1992; Case No. U-10138; MCI v Michigan Bell and GTE re IntraLATA Equal Access; Rebuttal Testimony on Behalf of MCI.

July 22, 1993; Case No. U-10138 (Reopener); MCI v Michigan Bell and GTE re IntraLATA Equal Access; Direct Testimony on Behalf of MCI.

February 16, 2000; Case No. U-12321; AT&T Communications of Michigan, Inc. Complainant v. GTE North Inc. and Contel of the South, Inc., d/b/a GTE Systems of Michigan; Direct Testimony on Behalf of AT&T. (Adopted Testimony of Michael Starkey)

May 11, 2000; Case No. U-12321; AT&T Communications of Michigan, Inc. Complainant v. GTE North Inc. and Contel of the South, Inc., d/b/a GTE Systems of Michigan; Rebuttal Testimony on Behalf of AT&T.

June 8, 2000; Case No. U-12460; Petition of Level 3 Communications for Arbitration to Establish an Interconnection Agreement with Ameritech Michigan;



Direct Testimony on Behalf of Level (3) Communications, LLC.



September 27, 2000; Case No. U-12528; In the Matter of the Implementation of the Local Calling Area Provisions of the MTA; Rebuttal Testimony on Behalf of Focal Communications, Inc.

June 1, 2004; Case No. U-14152; Petition of Level 3 Communications LLC for Arbitration with SBC Michigan; Direct Testimony on Behalf of Level 3 Communications, LLC.

Minnesota:

January 30, 1987; Docket No. P_421/CI_86_88; Summary Investigation into Alternative Methods for Recovery of Non-traffic Sensitive Costs; Comments to the Commission on Behalf of MCI.

September 7, 1993; Docket No. P-999/CI-85-582, P-999/CI-87-697 and P-999/CI-87-695, In the Matter of an Investigation into IntraLATA Equal Access and Presubscription; Comments of MCI on the Report of the Equal Access and Presubscription Study Committee on Behalf of MCI.

September 20, 1996; Petition for Arbitration with U S WEST Communications, Inc.; Docket No. P-442, 421/M-96-855; P-5321, 421/M-96-909; and P-3167, 421/M-96-729 (consolidated); Direct Testimony on Behalf of MCI.

September 30, 1996; Petition for Arbitration with U S WEST Communications, Inc.; Docket No. P-442, 421/M-96-855; P-5321, 421/M-96-909; and P-3167, 421/M-96-729 (consolidated); Rebuttal Testimony on Behalf of MCI.

September 14-16, 1999; USWC OSS Workshop; Comments on Behalf of MCI WorldCom, Inc. re OSS Issues.

September 28, 1999; Docket No. P-999/R-97-609; Universal Service Group; Comments on Behalf of MCI WorldCom, Inc. and AT&T Communications.

April 18, 2002; Commission Investigation of Qwest's Pricing of Certain Unbundled Network Elements; Docket Nos. P-442, 421, 3012/M-01-1916; P-421/C1-01-1375; OAH Docket No. 12-2500-14490; Rebuttal Testimony on Behalf of McLeod USA Telecommunications Services, Inc., Eschelon Telecom of Minnesota, Inc., US Link, Inc., Northstar Access, LLC, Otter Tail Telecomm LLC, VAL-Ed Joint Venture, LLP, dba 702 Communications.

January 23, 2004; In the Matter of the Commission Investigation into ILEC



Unbundling Obligations as a Result of the Federal Triennial Review Order; Docket No.: P-999/CI-03-961; Direct Testimony on Behalf of WorldCom, Inc. (MCI).

Mississippi:

February 2, 2001; Docket No. 2000-AD-846; Petition of Adelphia Business Solutions for Arbitration with BellSouth Telecommunications; Direct Testimony on Behalf of Adelphia.

February 16, 2001; Docket No. 2000-AD-846; Petition of Adelphia Business Solutions for Arbitration with BellSouth Telecommunications; Rebuttal Testimony on Behalf of Adelphia.

Montana:

May 1, 1987; Docket No. 86.12.67; Rate Case of AT&T Communications of the Mountain States, Inc.; Direct Testimony on Behalf of MCI.

September 12, 1988; Docket No. 88.1.2; Rate Case of Mountain States Telephone and Telegraph Company; Direct Testimony on Behalf of MCI.

May 12, 1998; Docket No. D97.10.191; Application of WorldCom, Inc. for Approval to Transfer Control of MCI Communications Corporation to WorldCom, Inc.; Rebuttal Testimony on Behalf of MCI.

June 1, 1998; Docket No. D97.10.191; Application of WorldCom, Inc. for Approval to Transfer Control of MCI Communications Corporation to WorldCom, Inc.; Amended Rebuttal Testimony on Behalf of MCI.

Nebraska:

November 6, 1986; Application No. C-627; Nebraska Telephone Association Access Charge Proceeding; Direct Testimony on Behalf of MCI.

March 31, 1988; Application No. C-749; Application of United Telephone Long Distance Company of the Midwest for a Certificate of Public Convenience and Necessity; Direct Testimony on Behalf of MCI.

New Hampshire:



April 30, 1993; Docket DE 93-003; Investigation into New England Telephone's Proposal to Implement Seven Digit Dialing for Intrastate Toll Calls; Direct Testimony on Behalf of MCI.

January 12, 2001; Docket No. DT 00-223; Investigation Into Whether Certain Calls are Local; Direct Testimony on Behalf of BayRing Communications.

April 5, 2002; Docket No. DT 00-223; Investigation Into Whether Certain Calls are Local; Rebuttal Testimony on Behalf of BayRing Communications.

New Jersey:

September 15, 1993; Docket No. TX93060259; Notice of Pre-Proposal re IntraLATA Competition; Comments in Response to the Board of Regulatory Commissioners on Behalf of MCI.

October 1, 1993; Docket No. TX93060259; Notice of Pre-Proposal re IntraLATA Competition; Reply Comments in Response to the Board of Regulatory Commissioners on Behalf of MCI.

April 7, 1994; Docket Nos. TX90050349, TE92111047, and TE93060211; Petitions of MCI, Sprint and AT&T for Authorization of IntraLATA Competition and Elimination of Compensation; Direct Testimony on Behalf of MCI.

April 25, 1994; Docket Nos. TX90050349, TE92111047, and TE93060211; Petitions of MCI, Sprint and AT&T for Authorization of IntraLATA Competition and Elimination of Compensation; Rebuttal Testimony on Behalf of MCI.

New Mexico:

September 28, 1987; Docket No. 87-61-TC; Application of MCI for a Certificate of Public Convenience and Necessity; Direct Testimony on Behalf of MCI.

August 30, 1996; Docket No. 95-572-TC; Petition of AT&T for IntraLATA Equal Access; Rebuttal Testimony on Behalf of MCI.

September 16, 2002; Utility Case No. 3495, Phase B; Consideration of Costing and Pricing Rules for OSS, Collocation, Shared Transport, Nonrecurring Charges, Spot Frames, Combination of Network Elements and Switching; Direct Testimony on Behalf of the Staff of the New Mexico Public Regulation Commission.



February 9, 2004; Case Nos. 03-00403-UT and 03-00404-UT; Triennial Review Proceedings (Batch Hot Cut and Local Circuit Switching); Testimony on Behalf of WorldCom, Inc. (MCI).

May 11, 2004; Case No. 00108-UT; Regarding Unfiled Agreements between Qwest Corporation and Competitive Local Exchange Carriers; Testimony on Behalf of Time Warner Telecom

September 14, 2005; Case No. 05-00211-UT; In the Matter of a Notice of Inquiry to Develop a Rule to Implement House Bill 776, Relating to Access Charge Reform, Oral Comments on Behalf of MCI.

December 5, 2005; Case No. 05-00094-UT; In the Matter of the Implementation and Enforcement of Qwest Corporations' Amended Alternative Form of Regulation; Direct Testimony on Behalf of the New Mexico Attorney General.

December 15, 2005; Case No. 05-00484-UT; In the Matter of Level 3 Communications, LLC's Petition for Arbitration with Qwest Corporation; Direct Testimony on Behalf of Level 3.

February 24, 2006; Case No. 05-00466-UT; In the Matter of the Development of an Alternative Form of Regulation for Qwest Corporation; Direct Testimony on Behalf of the New Mexico Attorney General.

March 31, 2006; Case No. 05-00466-UT; In the Matter of the Development of an Alternative Form of Regulation for Qwest Corporation; Rebuttal Testimony on Behalf of the New Mexico Attorney General.

July 24, 2006; Case No. 05-00094-UT Phase II; In the Matter of the Implementation and Enforcement of Qwest Corporation's Amended Alternative Form of Regulation; Direct Testimony on Behalf of the New Mexico Attorney General.

September 25, 2006; Case No. 05-00094-UT; Phase II – Proposed Settlement Agreement; Direct Testimony on Behalf of the New Mexico Attorney General.

December 15, 2006; Case No. 06-00325-UT (Settlement Agreement); Direct Testimony on Behalf of the New Mexico Attorney General.

New York:



April 30, 1992; Case 28425; Comments of MCI Telecommunications Corporation on IntraLATA Presubscription.

June 8, 1992; Case 28425; Reply Comments of MCI Telecommunications Corporation on IntraLATA Presubscription.

March 23, 2007; Case No. 07-C-0233; Petition of Neutral Tandem for Interconnection with Level 3 Communications, LLC and Request for Interim Order; Direct Testimony on Behalf of Level 3.



North Carolina:

August 4, 2000; Docket No. P779 SUB4; Petition of Level (3) Communications, LLC for Arbitration with Bell South; Direct Testimony on Behalf of Level (3) Communications, LLC.

September 18, 2000; Docket No. P779 SUB4; Petition of Level (3) Communications, LLC for Arbitration with Bell South; Rebuttal Testimony on Behalf of Level (3) Communications, LLC.

October 18, 2000; Docket No. P-886, SUB 1; Petition of Adelpia Business Solutions of North Carolina, LP for Arbitration with BellSouth; Direct Testimony on Behalf of Adelpia.

December 8, 2000; Docket No. P-886, SUB 1; Petition of Adelpia Business Solutions of North Carolina, LP for Arbitration with BellSouth; Rebuttal Testimony on Behalf of Adelpia.

North Dakota:

June 24, 1991; Case No. PU-2320-90-183 (Implementation of SB 2320 -- Subsidy Investigation); Direct Testimony on Behalf of MCI.

October 24, 1991; Case No. PU-2320-90-183 (Implementation of SB 2320 -- Subsidy Investigation); Rebuttal Testimony on Behalf of MCI.

December 4, 2002; Case No. PU-2065-02-465; Petition of Level 3 for Arbitration with SRT Communications Cooperative; Direct Testimony on Behalf of Level (3) Communications, LLC.

May 2, 2003; Case No. PU-2342-01-296; Qwest Corporation Price Investigation; Direct Testimony on Behalf of the CLEC Coalition (US Link, Inc., VAL-ED Joint Venture LLP d/b/a 702 Communications, McLeodUSA Telecommunications, Inc. and IdeaOne Telecom Group, LLC).

December 21, 2005; Case No. PU-05-451; Midcontinent Communications v. North Dakota Telephone Company; Direct Testimony on Behalf of Midcontinent.

January 16, 2006; Case No. PU-05-451; Midcontinent Communications v. North Dakota Telephone Company; Rebuttal Testimony on Behalf of Midcontinent.



Ohio:

February 26, 2004; Case No. 04-35-TP-COI; In the Matter of the Implementation of the FCC's Triennial Review Regarding Local Circuit Switching in the Cincinnati Bell Telephone Company's Mass Market; Direct Testimony on Behalf of AT&T.

Oklahoma:

April 2, 1992; Cause No. 28713; Application of MCI for Additional CCN Authority to Provide IntraLATA Services; Direct Testimony on Behalf of MCI.

June 22, 1992; Cause No. 28713; Application of MCI for Additional CCN Authority to Provide IntraLATA Services; Rebuttal Testimony on Behalf of MCI.

Oregon:

October 27, 1983; Docket No. UT 9; Pacific Northwest Bell Telephone Company Business Measured Service; Direct Testimony on Behalf of the Public Utility Commissioner of Oregon.

April 23, 1984; Docket No. UT 17; Pacific Northwest Bell Telephone Company Business Measured Service; Direct Testimony on Behalf of the Public Utility Commissioner of Oregon.

May 7, 1984; Docket No. UT 17; Pacific Northwest Bell Telephone Company Business Measured Service; Rebuttal Testimony on Behalf of the Public Utility Commissioner of Oregon.

October 31, 1986; Docket No. AR 154; Administrative Rules Relating to the Universal Service Protection Plan; Rebuttal Testimony on Behalf of MCI.

September 6, 1996; Docket ARB3/ARB6; Petition of MCI for Arbitration with U S WEST Communications, Inc.; Direct Testimony on Behalf of MCI.

October 11, 1996; Docket No. ARB 9; Interconnection Contract Negotiations Between MCImetro and GTE; Direct Testimony on Behalf of MCI.

November 5, 1996; Docket No. ARB 9; Interconnection Contract Negotiations Between MCImetro and GTE; Rebuttal Testimony on Behalf of MCI.

November 6, 2002; Docket No. UM 1058; Investigation into the Use of Virtual



NPA/NXX Calling Patterns; Comments/Presentation on Behalf of Level (3) Communications, LLC.

August 12, 2005; Docket No. ARB 665; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation; Direct Testimony on Behalf of Level 3.

September 6, 2005; Docket No. ARB 665; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation; Rebuttal Testimony on Behalf of Level 3.

Pennsylvania:

December 9, 1994; Docket No. I-00940034; Investigation Into IntraLATA Interconnection Arrangements (Presubscription); Direct Testimony on Behalf of MCI.

September 5, 2002; Docket No. C-20028114; Level 3 Communications, LLC v. Marianna & Scenery Hill Telephone Company; Direct Testimony on Behalf of Level (3) Communications, LLC.

June, 27, 2007, Docket No. A-310922F7002, Petition of Core Communications, Inc. for Arbitration of Interconnection Rates, Terms and Conditions with the United Telephone Company of Pennsylvania, d/b/a Embarq, Direct and Rebuttal Testimony on Behalf of Core Communications, Inc.

Puerto Rico:

January 19, 2006; Case Nos. JRT-2005-Q-0121, JRT-2005-Q-0128, JRT-2003-Q-0297, JRT-2004-Q-0068; TELEFÓNICA LARGA DISTANCIA DE PUERTO RICO, INC., WORLDNET TELECOMMUNICATIONS, INC., SPRINT COMMUNICATIONS COMPANY, LP, and AT&T OF PUERTO RICO, INC., v. PUERTO RICO TELEPHONE COMPANY, INC., Direct Testimony on Behalf of Centennial Puerto Rico License Corporation.

Rhode Island:

April 30, 1993; Docket No. 2089; Dialing Pattern Proposal Made by the New England Telephone Company; Direct Testimony on Behalf of MCI.

South Carolina:



October 2000; Docket No. 2000-0446-C; US LEC of South Carolina Inc. Arbitration with BellSouth Telecommunications; Direct Testimony on Behalf of US LEC.

November 22, 2000; Docket No. 2000-516-C; Adelphia Business Solutions of South Carolina, Inc. Arbitration with BellSouth Telecommunications; Direct Testimony on Behalf of Adelphia.



December 14, 2000; Docket No. 2000-516-C; Adelphia Business Solutions of South Carolina, Inc. Arbitration with BellSouth Telecommunications; Rebuttal Testimony on Behalf of Adelphia.

South Dakota:

November 11, 1987; Docket No. F_3652_12; Application of Northwestern Bell Telephone Company to Introduce Its Contract Toll Plan; Direct Testimony on Behalf of MCI.

May 27, 2003; Docket No. TC03-057; Application of Qwest to Reclassify Local Exchange Services as Fully Competitive; Direct Testimony on Behalf of WorldCom, Inc., Black Hills FiberCom and Midcontinent Communications.

Tennessee:

January 31, 2001; Petition of Adelphia Business Solutions for Arbitration with BellSouth Telecommunications; Direct Testimony on Behalf of Adelphia.

February 7, 2001; *Petition of Adelphia Business Solutions for Arbitration with BellSouth Telecommunications; Rebuttal Testimony on Behalf of Adelphia.*

Texas:

June 5, 2000; PUC Docket No. 22441; Petition of Level 3 for Arbitration with Southwestern Bell Telephone Company; Direct Testimony on Behalf of Level (3) Communications, LLC.

June 12, 2000; PUC Docket No. 22441; Petition of Level 3 for Arbitration with Southwestern Bell Telephone Company; Rebuttal Testimony on Behalf of Level (3) Communications, LLC.

October 10, 2002; PUC Docket No. 26431; Petition of Level 3 for Arbitration with CenturyTel of Lake Dallas, Inc. and CenturyTel of San Marcos, Inc.; Direct Testimony on Behalf of Level (3) Communications, LLC.

October 16, 2002; PUC Docket No. 26431; Petition of Level 3 for Arbitration with CenturyTel of Lake Dallas, Inc. and CenturyTel of San Marcos, Inc.; Reply Testimony on Behalf of Level (3) Communications, LLC.

July 19, 2004; PUC Docket No. 28821; Arbitration of Non-costing Issues for



Successor Interconnection Agreement to the Texas 271 Agreement; Direct Testimony on Behalf of KMC Telecom III, L.L.C, KMC Telecom V, Inc. (d/b/a KMC Network Services, Inc.), and KMC Data, L.L.C.

August 23, 2004; PUC Docket No. 28821; Arbitration of Non-costing Issues for Successor Interconnection Agreement to the Texas 271 Agreement; Rebuttal Testimony on Behalf of KMC Telecom III, L.L.C, KMC Telecom V, Inc. (d/b/a KMC Network Services, Inc.), and KMC Data, L.L.C.

Utah:

November 16, 1987; Case No. 87_049_05; Petition of the Mountain State Telephone and Telegraph Company for Exemption from Regulation of Various Transport Services; Direct Testimony on Behalf of MCI.

July 7, 1988; Case No. 83_999_11; Investigation of Access Charges for Intrastate InterLATA and IntraLATA Telephone Services; Direct Testimony on Behalf of MCI.

November 8, 1996; Docket No. 96-095-01; MCImetro Petition for Arbitration with USWC Pursuant to 47 U.S.C. Section 252; Direct Testimony on Behalf of MCI.

November 22, 1996; Docket No. 96-095-01; MCImetro Petition for Arbitration with USWC Pursuant to 47 U.S.C. Section 252; Rebuttal Testimony on Behalf of MCI.

September 3, 1997; Docket No. 97-049-08; USWC Rate Case; Surrebuttal Testimony on Behalf of MCI.

September 29, 1997; Docket No. 97-049-08; USWC Rate Case; Revised Direct Testimony on Behalf of MCI.

February 2, 2001; Docket No. 00-999-05; In the Matter of the Investigation of Inter-Carrier Compensation for Exchanged ESP Traffic; Direct Testimony on Behalf of Level 3 Communications, LLP.

January 13, 2004; Docket No. 03-999-04; In the Matter of a Proceeding to Address Actions Necessary to Respond to the FCC's Triennial Review Order; Direct Testimony on Behalf of WorldCom, Inc.

Washington:



September 27, 1988; Docket No. U-88-2052-P; Petition of Pacific Northwest Bell Telephone Company for Classification of Services as Competitive; Direct Testimony on Behalf of MCI.



October 11, 1996; Docket No. UT-96-0338; Petition of MCImetro for Arbitration with GTE Northwest, Inc., Pursuant to 47 U.S.C.252; Direct Testimony on Behalf of MCI.

November 20, 1996; Docket No. UT-96-0338; Petition of MCImetro for Arbitration with GTE Northwest, Inc., Pursuant to 47 U.S.C.252; Rebuttal Testimony on Behalf of MCI.

January 13, 1998; Docket No. UT-97-0325; Rulemaking Workshop re Access Charge Reform and the Cost of Universal Service; Comments and Presentation on Behalf of MCI.

December 21, 2001; Docket No. UT-003013, Part D; Continued Costing and Pricing of Unbundled Network Elements, Transport, and Termination; Direct Testimony on Behalf of WorldCom, Inc.

October 18, 2002; Docket No. UT-023043; Petition of Level 3 for Arbitration with CenturyTel of Washington, Inc.; Direct Testimony on Behalf of Level (3) Communications, LLC.

November 1, 2002; Docket No. UT-023043; Petition of Level 3 for Arbitration with CenturyTel of Washington, Inc.; Rebuttal Testimony on Behalf of Level (3) Communications, LLC.

January 31, 2003; Docket No. UT-021569; Developing an Interpretive or Policy Statement relating to the Use of Virtual NPA/NXX Calling Patterns; Comments on Behalf of WorldCom, Inc. and KMC Telecom.

May 1, 2003; Docket No. UT-021569; Developing an Interpretive or Policy Statement relating to the Use of Virtual NPA/NXX Calling Patterns; Workshop Participation on Behalf of MCI, KMC Telecom, and Level (3) Communications, LLC.

August 13, 2003; Docket No. UT-030614; In the Matter of the Petition of Qwest Corporation for Competitive Classification of Basic Exchange Telecommunications Services; Direct Testimony on Behalf of MCI, Inc.

August 29, 2003; UT-030614; In the Matter of the Petition of Qwest Corporation for Competitive Classification of Basic Exchange Telecommunications Services; Rebuttal Testimony on Behalf of MCI, Inc.



September 13, 2004; Docket No. UT-033011; In the Matter of Washington Utilities and Transportation Commission, Petitioners, v. Advanced Telecom Group, Inc., et al, Respondents; Direct Testimony on Behalf of Time Warner Telecom of Washington, LLC.

West Virginia:

October 11, 1994; Case No. 94-0725-T-PC; Bell Atlantic - West Virginia Incentive Regulation Plan; Direct Testimony on Behalf of MCI.

June 18, 1998; Case No. 97-1338-T-PC; Petition of WorldCom, Inc. for Approval to Transfer Control of MCI Communications Corporation to WorldCom, Inc.; Rebuttal Testimony on Behalf of MCI.

Wisconsin:

October 31, 1988; Docket No. 05_TR_102; Investigation of Intrastate Access Costs, Settlements, and IntraLATA Access Charges; Direct Testimony on Behalf of MCI.

November 14, 1988; Docket No. 05_TR_102; Investigation of Intrastate Access Costs, Settlements, and IntraLATA Access Charges; Rebuttal Testimony on Behalf of MCI.

December 12, 1988; Docket No. 05_TI_116; In the Matter of Provision of Operator Services; Rebuttal Testimony on Behalf of MCI.

March 6, 1989; Docket No. 6720_TI_102; Review of Financial Data Filed by Wisconsin Bell, Inc.; Direct Testimony on Behalf of MCI.

May 1, 1989; Docket No. 05_NC_100; Amendment of MCI's CCN for Authority to Provide IntraLATA Dedicated Access Services; Direct Testimony on Behalf of MCI.

May 11, 1989; Docket No. 6720_TR_103; Investigation Into the Financial Data and Regulation of Wisconsin Bell, Inc.; Rebuttal Testimony on Behalf of MCI.

July 5, 1989; Docket No. 05-TI-112; Disconnection of Local and Toll Services for Nonpayment – Part A; Direct Testimony on Behalf of MCI.

July 5, 1989; Docket No. 05-TI-112; Examination of Industry Wide Billing and



Collection Practices – Part B; Direct Testimony on Behalf of MCI.



July 12, 1989; Docket No. 05-TI-112; Rebuttal Testimony in Parts A and B on Behalf of MCI.

October 9, 1989; Docket No. 6720-TI-102; Review of the WBI Rate Moratorium; Direct Testimony on Behalf of MCI.

November 17, 1989; Docket No. 6720-TI-102; Review of the WBI Rate Moratorium; Rebuttal Testimony on Behalf of MCI.

December 1, 1989; Docket No. 05-TR-102; Investigation of Intrastate Access Costs, Settlements, and IntraLATA Access Charges; Direct Testimony on Behalf of MCI.

April 16, 1990; Docket No. 6720-TR-104; Wisconsin Bell Rate Case; Direct Testimony on Behalf of MCI.

October 1, 1990; Docket No. 2180-TR-102; GTE Rate Case and Request for Alternative Regulatory Plan; Direct Testimony on Behalf of MCI.

October 15, 1990; Docket No. 2180-TR-102; GTE Rate Case and Request for Alternative Regulatory Plan; Rebuttal Testimony on Behalf of MCI.

November 15, 1990; Docket No. 05-TR-103; Investigation of Intrastate Access Costs and Intrastate Access Charges; Direct Testimony on Behalf of MCI.

April 3, 1992; Docket No. 05-NC-102; Petition of MCI for IntraLATA 10XXX 1+ Authority; Direct Testimony on Behalf of MCI.

September 30, 2002; Docket No. 05-MA-130; Petition of Level 3 for Arbitration with CenturyTel; Direct Testimony on Behalf of Level (3) Communications, LLC.

October 9, 2002; Docket No. 05-MA-130; Petition of Level 3 for Arbitration with CenturyTel; Reply Testimony on Behalf of Level (3) Communications, LLC.

September 1, 2004; Docket No. 05-MA-135; Petition of Level 3 for Arbitration with Wisconsin Bell, Inc. d/b/a/ SBC Wisconsin; Direct Testimony on Behalf of Level (3) Communications, LLC.

Wyoming:



June 17, 1987; Docket No. 9746 Sub 1; Application of MCI for a Certificate of Public Convenience and Necessity; Direct Testimony on Behalf of MCI.

May 19, 1997; Docket No. 72000-TC-97-99; In the Matter of Compliance with Federal Regulations of Payphones; Oral Testimony on Behalf of MCI.

September 8, 2005; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation; Direct Testimony on Behalf of Level 3.

November 18, 2005; In the Matter of Level 3 Communications, LLC Petition for Arbitration with Qwest Corporation; Rebuttal Testimony on Behalf of Level 3.

Comments Submitted to the Federal Communications Commission and/or the Department of Justice

March 6, 1991; Ameritech Transmittal No. 518; Petition to Suspend and Investigate on Behalf of MCI re Proposed Rates for OPTINET 64 Kbps Service.

April 17, 1991; Ameritech Transmittal No. 526; Petition to Suspend and Investigate on Behalf of MCI re Proposed Flexible ANI Service.

August 30, 1991; Ameritech Transmittal No. 555; Petition to Suspend and Investigate on Behalf of MCI re Ameritech Directory Search Service.

September 30, 1991; Ameritech Transmittal No. 562; Petition to Suspend and Investigate on Behalf of MCI re Proposed Rates and Possible MFJ Violations Associated with Ameritech's OPTINET Reconfiguration Service (AORS).

October 15, 1991; CC Docket No. 91-215; Opposition to Direct Cases of Ameritech and United (Ameritech Transmittal No. 518; United Transmittal No. 273) on Behalf of MCI re the introduction of 64 Kbps Special Access Service.

November 27, 1991; Ameritech Transmittal No. 578; Petition to Suspend and Investigate on Behalf of MCI re Ameritech Directory Search Service.

September 4, 1992; Ameritech Transmittal No. 650; Petition to Suspend and Investigate on Behalf of MCI re Ameritech 64 Clear Channel Capability Service.

February 16, 1995; Presentation to FCC Staff on the Status of Intrastate Competition on Behalf of MCI.



November 9, 1999; Comments to FCC Staff of Common Carrier Bureau on the Status of OSS Testing in Arizona on Behalf of MCI WorldCom, Inc.



November 9, 1999; Comments to the Department of Justice (Task Force on Telecommunications) on the Status of OSS Testing in Arizona and the USWC Collaborative on Behalf of MCI WorldCom, Inc.

Presentations Before Legislative Bodies:

April 8, 1987; Minnesota; Senate File 677; Proposed Deregulation Legislation; Comments before the House Committee on Telecommunications.

October 30, 1989; Michigan; Presentation Before the Michigan House and Senate Staff Working Group on Telecommunications; "A First Look at Nebraska, Incentive Rates and Price Caps," Comments on Behalf of MCI.

May 16, 1990; Wisconsin; Comments Before the Wisconsin Assembly Utilities Committee Regarding the Wisconsin Bell Plan for Flexible Regulation, on Behalf of MCI.

March 20, 1991; Michigan; Presentation to the Michigan Senate Technology and Energy Committee re SB 124 on behalf of MCI.

May 15, 1991; Michigan; Presentation to the Michigan Senate Technology and Energy Commission and the House Public Utilities Committee re MCI's Building Blocks Proposal and SB 124/HB 4343.

March 8, 2000; Illinois; Presentation to the Environment & Energy Senate Committee re Emerging Technologies and Their Impact on Public Policy, on Behalf of MCI WorldCom, Inc.

February 19, 2004; Presentation to the Iowa Senate Committee Regarding House Study Bill 622/Senate Study Bill 3035; Comments on Behalf of MCI.

November 30, 2004; A Report to the Wyoming Legislature: The Wyoming Universal Service Fund – Basis and Qualification for Funding.

Presentations Before Industry Groups -- Seminars:

May 17, 1989; Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation; May 15-18, 1989; Panel Presentation -- Interexchange Service Pricing Practices Under Price Cap Regulation; Comments on Behalf of MCI.

July 24, 1989; National Association of Regulatory Utility Commissioners --



Summer Committee Meeting, San Francisco, California. Panel Presentation -- Specific IntraLATA Market Concerns of Interexchange Carriers; Comments on Behalf of MCI.

May 16, 1990; Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation; May 14-18, 1990; Presentation on Alternative Forms of Regulation.

October 29, 1990; Illinois Telecommunications Sunset Review Forum; Two Panel Presentations: Discussion of the Illinois Commerce Commission's Decision in Docket No. 88-0091 for the Technology Working Group; and, Discussion of the Treatment of Competitive Services for the Rate of Return Regulation Working Group; Comments on Behalf of MCI.

May 16, 1991; Wisconsin Public Utility Institute -- Telecommunications Utilities and Regulation Course; May 13-16, 1991; Participated in IntraLATA Toll Competition Debate on Behalf of MCI.

November 19, 1991; TeleStrategies Conference -- "Local Exchange Competition: The \$70 Billion Opportunity." Presentation as part of a panel on "IntraLATA 1+ Presubscription" on Behalf of MCI.

July 9, 1992; North Dakota Association of Telephone Cooperatives Summer Conference, July 8-10, 1992. Panel presentations on "Equal Access in North Dakota: Implementation of PSC Mandate" and "Open Network Access in North Dakota" on Behalf of MCI.

December 2-3, 1992; TeleStrategies Conference -- "IntraLATA Toll Competition - A Multi-Billion Dollar Market Opportunity." Presentations on the interexchange carriers' position on intraLATA dialing parity and presubscription and on technical considerations on behalf of MCI.

March 14-17, 1993; NARUC Introductory Regulatory Training Program; Panel Presentation on Competition in Telecommunications on Behalf of MCI.

May 13-14, 1993; TeleStrategies Conference -- "IntraLATA Toll Competition -- Gaining the Competitive Edge"; Presentation on Carriers and IntraLATA Toll Competition on Behalf of MCI.

May 23-26, 1994; The 12th Annual National Telecommunications Forecasting Conference; Represented IXCs in Special Town Meeting Segment Regarding the



Convergence of CATV and Telecommunications and other Local Competition Issues.



March 14-15, 1995; "The LEC-IXC Conference"; Sponsored by Telecommunications Reports and Telco Competition Report; Panel on Redefining the IntraLATA Service Market -- Toll Competition, Extended Area Calling and Local Resale.

August 28-30, 1995; "Phone+ Supershow '95"; Playing Fair: An Update on IntraLATA Equal Access; Panel Presentation.

August 29, 1995; "TDS Annual Regulatory Meeting"; Panel Presentation on Local Competition Issues.

December 13-14, 1995; "NECA/Century Access Conference"; Panel Presentation on Local Exchange Competition.

October 23, 1997; "Interpreting the FCC Rules of 1997"; The Annenberg School for Communication at the University of Southern California; Panel Presentation on Universal Service and Access Reform.

February 5-6, 2002; "Litigating Telecommunications Cost Cases and Other Sources of Enlightenment"; Educational Seminar for State Commission and Attorney General Employees on Litigating TELRIC Cases; Denver, Colorado.

February 19-20, 2003; Seminar for the New York State Department of Public Service entitled "Emerging Technologies and Convergence in the Telecommunications Network". Presented with Ken Wilson of Boulder Telecommunications Consultants, LLC.

July 25, 2003; National Association of Regulatory Utility Commissioners Summer Committee Meetings; Participated in Panel regarding "Wireless Substitution of Wireline – Policy Implications."

December 8-9, 2005, CLE International 8th Annual Conference, "Telecommunications Law", "VoIP and Brand X – Legal and Regulatory Developments."

EXHIBIT TJG 2

Windstream's Services

37. Does Windstream PA offer any kind of foreign exchange ("FX") service in PA? If so, please provide a service description (including, but not limited to, tariff pages) for each such service.

RESPONSE: Windstream offers FX service in Pennsylvania. For details with respect to such service, please refer to Section S4. (*Extensions and Foreign Exchange Service*) of Windstream's tariff which is on file with the Public Utility Commission.

Windstream Representative Supporting Response: Scott Terry.

EXHIBIT TJG 3

3. Please provide Windstream's definition of "VNXX".

RESPONSE: Windstream has not formulated a definition of "VNXX". To the extent that Windstream develops such a definition for purposes of this proceeding, such definition may be formulated and set forth in Windstream's testimony to be filed on August 17, 2007.

Windstream Representative Supporting Response: Scott Terry.

EXHIBIT TJG 4

34. Please admit that Windstream has never "opted in" to the FCC's intercarrier compensation scheme for Pennsylvania as set forth in paragraph 89 of the FCC's ISP Remand Order (FCC 01-131).

RESPONSE: At this time, Windstream has not opted into the compensation scheme set forth in the FCC's *ISP Remand Order*. Further, whether Windstream will opt in and when Windstream may make that determination is wholly within Windstream's sole discretion.

Windstream Representative Supporting Response: Scott Terry.

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of August, 2007 copies of the foregoing Direct Testimony has been served upon the persons listed below in accordance with the requirements of 52 Pa Code Sections 1.54 and 1.55 of the Commission's rules.

VIA Electronic Mail and US Mail

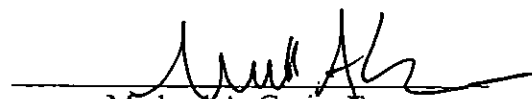
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Tel. (717) 255-7365

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Core Communications, Inc.	:	
for Arbitration of Interconnection Rates, Terms	:	Docket No. A-310922F7004
and Conditions Pursuant to 47 U.S.C.	:	9-20-07 hrg
§252(b) with Windstream	:	Hbg
Pennsylvania, Inc. f/k/a Alltel	:	

Rebuttal Testimony of Timothy J Gates
Core Statement 1.1

On Behalf of Core Communications, Inc.

PUBLIC VERSION

**DOCUMENT
FOLDER**

RECEIVED

SEP 25 2007

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

September 6, 2007

DOCKETED
SEP 28 2007

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1 **Witness Introduction**

2
3 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

4 A. My name is Timothy J Gates. My business address is QSI Consulting, 819
5 Huntington Drive, Highlands Ranch, Colorado 80126.

6 **Q. WHAT IS QSI CONSULTING, INC. AND WHAT IS YOUR POSITION**
7 **WITH THE FIRM?**

8 A. QSI Consulting, Inc. ("QSI") is a consulting firm specializing in traditional and
9 non-traditional utility industries, econometric analysis and computer aided
10 modeling. QSI provides consulting services for regulated utilities, competitive
11 providers, government agencies (including public utility commissions) and
12 industry organizations. I currently serve as Senior Vice President.

13 **Q. ARE YOU THE SAME TIMOTHY J GATES WHO FILED DIRECT**
14 **TESTIMONY IN THIS PROCEEDING?**

15 A. Yes, I am.

16 **Q. ON WHOSE BEHALF IS THIS REBUTTAL TESTIMONY FILED?**

17 A. This testimony is filed on behalf of Core Communications, Inc. ("Core").

18 **Purpose of the Testimony**

19
20 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

21
22 A. The purpose of this testimony is to respond to the testimony of Mr. Scott Terry on
23 behalf of Windstream.

24 **ICC Issue 1 – How should the jurisdiction of VNXX traffic**
25 **be determined, and what compensation should apply?**

26
27 **Q. DOES MR. TERRY ADDRESS VNXX TRAFFIC AND COMPENSATION?**

28 A. Not really. At page 21 of his testimony he states, “Issues surrounding jurisdiction
29 and compensation of VNxx traffic were not in dispute during the negotiations
30 between Core and Windstream.” He makes a similar statement at page five of his
31 testimony.

32 **Q. DO YOU AGREE WITH MR. TERRY?**

33 A. No. One look at the issue matrix shows that VNXX traffic is at issue in this
34 proceeding. Mr. Terry’s attempt to somehow discount this traffic is surprising
35 given Windstream’s knowledge of Core’s business plan as addressed elsewhere in
36 Mr. Terry’s testimony.

37 **Q. WHILE MR. TERRY SUGGESTS VNXX IS NOT AN ISSUE HE DOES**
38 **CLAIM THAT “VARIOUS COURTS HAVE DECIDED THIS ISSUE AND**
39 **DETERMINED THAT VNXX ARRANGEMENTS ARE SUBJECT TO**
40 **ACCESS COMPENSATION.” (TERRY AT 22) HOW DO YOU**
41 **RESPOND?**

42 A. Mr. Terry provides no support for his statement. Core attempted to determine the
43 basis of Mr. Terry’s statement through discovery, but Windstream objected to the
44 request. (See Windstream’s Response to Core Interrogatories and Requests for
45 Production of Documents, Set II-30, attached hereto as Exhibit TJG-9).

46 **Q. IN YOUR DIRECT YOU SAID THAT IT WAS INAPPROPRIATE TO**
47 **APPLY ACCESS CHARGES TO LOCALLY DIALED CALLS. (SEE**

48 **DIRECT OF GATES AT 6 – 10) DO YOU HAVE ANYTHING TO ADD**
49 **TO THAT TESTIMONY BASED ON MR. TERRY’S TESTIMONY?**

50 A. Yes. FX/VNXX service is a “local” service to which access charges do not apply.
51 Instead, the VNXX calls are ISP-bound calls that terminate (from Windstream’s
52 perspective) at the POI. Neither Windstream nor Core imposes any sort of toll
53 charge in connection with calls to VNXX numbers. As a result, there is no
54 economic basis on which any sort of “access charge” could be imposed.

55 **Q. DOES WINDSTREAM APPLY ACCESS CHARGES TO ITS FX OR FX-**
56 **TYPE SERVICES?**

57 A. No. A quick review of the relevant tariffs shows that access charges are not
58 applied to any portion of the ILEC FX service. Further, in response to Core
59 Request I-42, Windstream confirmed that it “...has not assessed access charges
60 for FX calls.”¹ As such, Windstream does not apply access charges to its FX
61 service. This confirms Core’s position that there are and have been different
62 types of calls that might cross traditional exchange boundaries but are billed and
63 routed as local calls.

64 **Q. DO YOU HAVE AN OPINION AS TO WHY THE FX CALLS ARE NOT**
65 **BILLED AS TOLL CALLS?**

66 A. Yes. The jurisdiction of calls is determined based on a comparison of the
67 NPA/NXX of the calling and called numbers. If the NPA/NXX of the calling
68 number is in the same local calling area as the called number the call is rated as
69 local. An FX call, and for that matter a VNXX call, has the calling and called

¹ Attached hereto as Exhibit TJG-5

70 numbers in the same local calling area, so the calls are rated and billed as local
71 calls.

72 **Q. DOES MR. TERRY AGREE THAT A COMPARISON OF THE CALLING**
73 **AND CALLED NUMBERS US USED TO DETERMINE**
74 **COMPENSATION?**

75 A. Yes. At page 25 of his testimony he states, "The industry standard for
76 determining the compensation due to a party for termination of a call is based
77 upon the NPA-Nxx."

78 **Q. HAS THIS COMMISSION AGREED WITH CORE THAT ITS NVXX**
79 **SERVICE IS A "LOCAL" SERVICE?**

80 A. Yes. At page 31 of its Opinion and Order in Case No. A-310922F0002 dated
81 December 4, 2006, the Commission stated, "With regard to the local nature of
82 Core's exchange service as a result of its use of VNXX, we would further agree
83 with Core." At page 22 of that same Opinion and Order the Commission finds,
84 "The service Core provides is comparable to and in direct competition to the
85 service offerings provided by certain of the rural ILECs through affiliates."²

86 **Q. WHAT WOULD BE THE ECONOMIC EFFECT OF ADOPTING**
87 **WINDSTREAM'S PROPOSAL?**

88 A. Windstream's proposal would eliminate an efficient and technologically advanced
89 means of providing dial-up Internet access to customers throughout the State of
90 Pennsylvania. This would obviously be counter to the public interest and the
91 development of competition.

² In Response to Core Request II-31, Mr. Terry cited to this same Commission order to support his position regarding "Core's status as an ISP aggregator." The negative connotation regarding Core's business plan was specifically rejected by the Commission.

92 Q. IS DIAL-UP ACCESS TO THE INTERNET IMPORTANT TO THE
93 STATE OF PENNSYLVANIA?

94 A. Yes. Dial-up for Internet access is the universal service equivalent of a primary
95 line for voice service. In other words, not all people have access to or can afford
96 broadband access to the Internet, but most people have a single line with which
97 they can access the Internet over a dial-up connection. Dial-up access is
98 especially important where broadband connections are not yet available.

99 Q. IS DIAL-UP INTERNET ACCESS ESPECIALLY IMPORTANT IN
100 RURAL AREAS?

101 A. Yes. Rural residents report less broadband availability than their counterparts in
102 suburban or urban areas of the United States. In fact, a Pew Internet & American
103 Life Project study found that rural residents were two to five times more likely to
104 not have broadband availability than urban and suburban residents.³ Pew research
105 associate Peter Bell also noted:

106 While gaps in income and age appear to be partly responsible, the
107 difficulty of getting Internet access remains a big barrier for many
108 rural users. Major Internet service providers accounted for about
109 40 percent of use among rural residents, whose most frequent
110 reason for choosing an ISP was that it was the only one available
111 to them. In contrast, online users in metropolitan areas usually
112 chose from a range of providers by seeking the best deal.⁴

113
114 Although dial-up Internet access is critical in rural areas, as a percentage of the
115 total, it is decreasing. While DSL and cable broadband connections showed large
116 increases, from 2001 to 2003 dial-up Internet access actually decreased by 12.7

³ See, Pew Internet & American Life Project; Rural Areas and the Internet; "Rural American's Internet Use Has Grown, But They Continue to Lag Behind Others"; February 17, 2004.

⁴ See, TodaysSeniorsNetwork.com; "Rural use of Internet continue to lag, Costs, access remain barriers, new data shows," June 7, 2005.

117 percent. The same study showed that in rural areas 74.7 percent of the Internet
118 connections were dial-up connections.⁵

119 **Q. IS DIAL-UP STILL AN IMPORTANT SOURCE OF INTERNET ACCESS**
120 **IN PENNSYLVANIA?**

121 A. Yes. Although broadband is growing dramatically and dial-up is becoming a
122 smaller proportion of the total, in Pittsburgh as of September of 2004, 66.7
123 percent of Internet access was by dial-up and 33.3 percent was by broadband.⁶
124 On a national basis, according to the US Government Accountability Office, 71
125 percent of American households either don't have access to the Internet or use
126 dial-up Internet access.⁷

127 **Q. DESPITE THE DOWNWARD TREND IN DIAL-UP ACCESS, DO**
128 **INDUSTRY EXPERTS BELIEVE THAT IT WILL REMAIN AN**
129 **IMPORTANT TYPE OF INTERNET ACCESS?**

130 A. Yes. As I mentioned above, dial-up is critical to rural consumers where
131 broadband is not always available and competitive alternatives are limited. Garry
132 Betty, Earthlink's chief executive stated,

133 Despite compelling reasons to switch to broadband, dial-up lines
134 will always have a place in American homes. Customers in rural
135 areas where broadband is not available will continue to log on via a
136 dial-up connection; other people may prefer the simplicity of dial-
137 up.⁸

⁵ See, "A Nation Online: Entering the Broadband Age"; U.S. Department of Commerce, Economics and Statistics Administration, National Telecommunications and Information Administration; September, 2004, at 5, 13.

⁶ See, ClickZ Stats; Global Broadband Tops 123M, September 17, 2004. (<http://www.clickz.com/stats/sectors/broadband/article.php/3409671>) While this data is somewhat dated the trend towards broadband is continuing. That trend, however, does not change the fact that dial-up is still important, especially in rural areas where broadband might not be available and for people who cannot afford a broadband connection even if it is available.

⁷ "Rural Broadband Remains Spotty," by Enid Burns, May 8, 2006.

⁸ See, The New York Times, "Dial-up Internet Going the Way of Rotary Phones"; June 21, 2005.

138
139 For those citizens of Pennsylvania that can't either afford or don't have available
140 to them broadband connectivity, dial-up internet provides access to one of – if not
141 the - cornerstone of economic and community vitality. The ability to apply for
142 jobs, get weather reports, crop price forecasts on a real time basis, participate in
143 educational endeavors, gain community information on safety and health, and
144 communicate via e-mail to friends and businesses, form the very fabric of
145 commerce in the world we live in. Lack of access to the Internet, simply stated,
146 sentences portions of our society to second class status. Without vigorous
147 competition to ensure low cost dial-up Internet access, both the citizens of
148 Pennsylvania and the State itself will suffer irreparable harm as a significant
149 segment of the population is unable to compete economically, advance
150 educationally and establish community ties.

151 **Q. GETTING BACK TO THE PRIMARY ISSUE, HOW SHOULD THE**
152 **JURISDICTION OF VNXX TRAFFIC BE DETERMINED?**

153 A. The jurisdiction of VNXX calls should be determined in exactly the same manner
154 as any other call – based on a comparison of the NPA/NXX of the calling and
155 called numbers. When the North American Numbering Plan NANP was
156 established in 1947, it was single provider environment. Nevertheless, that plan
157 remains largely intact today. The process used then to rate and route calls was
158 based on the NPA/NXX digits in the ten-digit number. The switches then and
159 now rate and route calls based on the NPA/NXX of the dialed number. If the
160 NPA/NXX of the calling number is in the same local calling area as the called
161 number the call is rated as local. If the called number is not in the same local

162 calling area as the calling number the call is frequently rated as a toll call. The
163 “1+” toll indicator prior to a number is another way to tell the switch that the call
164 is a “toll” call and that the call needs additional information for rating and
165 routing.⁹

166 It is important to note that the NPA/NXX information represents a rate
167 center and not the physical location of the customer. Toll calls are rated based on
168 the distance between rate centers and not based on the distance between the
169 physical location of the called and calling parties.¹⁰

170 **Q. IF THE VNXX CALL IS USED FOR ISP-BOUND TRAFFIC –**
171 **REGARDLESS OF THE END POINTS OF THE COMMUNICATION -- IS**
172 **THE JURISDICTION ISSUE SETTLED BY FCC ORDERS?**

173 A. Yes. One of the key issues addressed and settled in the FCC’s *ISP Remand Order*
174 is the determination that ISP-bound traffic is interstate and, therefore, the
175 determination of intercarrier compensation rates falls under the FCC’s
176 jurisdiction.¹¹

177 **Q. DOES WINDSTREAM HAVE A DEFINITION OF VNXX TRAFFIC AS**
178 **YOU HAVE DESCRIBED ABOVE?**

179 A. No. Core specifically asked Windstream to “provide Windstream’s definition of
180 “VNXX”.” In response Windstream stated, “Windstream has not formulated a
181 definition of “VNXX”. To the extent that Windstream develops such a definition:

⁹ The information required to rate and route a 1+ toll call is normally found in the “access tandem.”

¹⁰ Rate centers are designated geographic points within an exchange from which calling distances are measured. The rate centers have unique vertical and horizontal coordinates used to make the distance calculations.

¹¹ *Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic, Order on Remand and Report and Order, 16 FCC Rcd 9151 (2001) (“ISP Remand Order”) at paragraph 52.*

182 for purposes of this proceeding, such definition may be formulated and set forth in
183 Windstream's testimony to be filed on August 17, 2007."¹² It appears, however,
184 that Windstream is attempting to characterize VNXX calls as toll calls to justify
185 the application of access charges and to deny Core intercarrier compensation.

186 **Q. PLEASE EXPLAIN.**

187 A. Windstream recommends the use of call end points to determine whether a call is
188 local or toll. For instance, Windstream's language in Section 3.4 is as follows:

189 Any interexchange telecommunications traffic utilizing the Public
190 Switched Telephone Network, regardless of the transport protocol
191 method, where the originating and terminating points, end-to-end
192 points, are in different LATAs, or in different local calling areas as
193 defined by the originating Party and delivered to the terminating
194 Party using switched access services shall be considered Switched
195 Access Traffic. The traffic described herein shall not be
196 considered local traffic. Irrespective of transport protocol method
197 used, a call that originates in one LATA and terminates in another
198 LATA (i.e. the end-to-end points of the call) shall not be
199 compensated as local.

200 This is a blatant attempt to deny Core of compensation for traffic originated by
201 Windstream customers.

202 **Q. WHAT COMPENSATION SHOULD APPLY TO VNXX CALLS?**

203 A. Core's VNXX calls are used to connect consumers with their ISPs. As such, the
204 calls are ISP-bound traffic. Compensation for ISP-bound traffic is controlled by
205 the FCC's *ISP Remand Order*.¹³ Windstream, on the other hand, argues that the
206 *ISP Remand Order* applies only to "local" calls.¹⁴ Indeed, Windstream attempts
207

¹² See Windstream Response To Core Interrogatory I-3, attached as Exhibit TJG-6

¹³ See ¶89 of the *ISP Remand Order* for a description of the rates that would apply under different circumstances.

¹⁴ See Response of Windstream to Core Petition for Arbitration, at pages 9 and 13.

208 to characterize the ISP-bound traffic as interexchange traffic subject to access
209 charges.¹⁵

210 **Q. IS IT APPROPRIATE TO APPLY ACCESS CHARGES TO ISP-BOUND**
211 **SERVICES OR CALLS?**

212 A. No. It is commonly recognized that ESPs and ISPs provide services that cross
213 traditional local calling boundaries, LATA boundaries and even state boundaries.
214 The FCC has recognized that fact since the inception of the ESP exemption. For
215 instance, the FCC stated in 1997 that, "ISPs may pay business line rates and the
216 appropriate subscriber line charge, rather than interstate access rates, even for
217 calls that appear to traverse state boundaries."¹⁶

218 **Q. UNDER CORE'S PROPOSAL, WHAT COMPENSATION WOULD**
219 **APPLY TO THIS TRAFFIC?**

220 A. The *ISP Remand Order* provides specific guidance on this issue. Paragraph 89 of
221 that order is of particular importance and is reproduced below:

222 It would be unwise as a policy matter, and patently unfair, to allow
223 incumbent LECs to benefit from reduced intercarrier compensation
224 rates for ISP-bound traffic, with respect to which they are net
225 payors, while permitting them to exchange traffic at state
226 reciprocal compensation rates, which are much higher than the

¹⁵ At page 7 of its Response to Core's Petition for Arbitration Windstream states, "However, Alltel PA believes that ISP-bound VNXX traffic is interexchange traffic subject to originating access charges and that Section 251(b)(5) reciprocal compensation is not applicable thereto." At various other parts of its Response it makes similar statements. For instance, at page 12 of its Response, Windstream states "...Alltel PA submits that originating access charges would be appropriate."

¹⁶ See *MTS and WATS Market Structure Order*, 97 FCC2d at 715 (ESPs have been paying local business service rates for their interstate access and would experience rate shock that could affect their viability if full access charges were instead applied); see also *Amendments of Part 69 of the Commission's Rules Relating to Enhanced Service Providers*, CC Docket 87-215, Order, 3 FCC Rcd 2631, 2633 (1988) (*ESP Exemption Order*) ("the imposition of access charges at this time is not appropriate and could cause such disruption in this industry segment that provision of enhanced services to the public might be impaired"); *Access Charge Reform*, CC Docket No. 96-262, First Report and Order, 12 FCC Rcd 15982, 16133 (1997) (*1997 Access Charge Reform Order*), *aff'd*, *Southwestern Bell Telephone Co. v. FCC*, 153 F.3d 523 (8th Cir. 1998 ("[m]aintaining the existing pricing structure ... avoids disrupting the still-evolving information services industry.")). Specifically see paragraph 342.

227 caps we adopt here, when the traffic imbalance is reversed.
228 Because we are concerned about the superior bargaining power of
229 incumbent LECs, we will not allow them to “pick and choose”
230 intercarrier compensation regimes, depending on the nature of the
231 traffic exchanged with another carrier. The rate caps for ISP-
232 bound traffic that we adopt here apply, therefore, only if an
233 incumbent LEC offers to exchange all traffic subject to section
234 251(b)(5) at the same rate. Thus, if the applicable rate cap is
235 \$.0010/mou, the ILEC must offer to exchange section 251(b)(5)
236 traffic at that same rate. Similarly, if an ILEC wishes to continue
237 to exchange ISP-bound traffic on a bill and keep basis in a state
238 that has ordered bill and keep, it must offer to exchange all section
239 251(b)(5) traffic on a bill and keep basis. For those incumbent
240 LECs that choose *not* to offer to exchange section 251(b)(5) traffic
241 subject to the same rate caps we adopt for ISP-bound traffic, we
242 order them to exchange ISP-bound traffic at the state-approved or
243 state-arbitrated reciprocal compensation rates reflected in their
244 contracts. this “mirroring” rule ensures that incumbent LECs
245 will pay the same rates for ISP-bound traffic that they receive for
246 section 251(b)(5) traffic. (emphasis added)

247 Based on this language and because Windstream has not opted into the *ISP*
248 *Remand Order’s* compensation regime, the reciprocal compensation rates
249 ultimately approved by this Commission would apply.

250 **Q. WHAT RECIPROCAL COMPENSATION RATES HAVE**
251 **WINDSTREAM AND CORE NEGOTIATED?**

252 A. Windstream and Core have negotiated a composite reciprocal compensation rate
253 of **BEGIN PROPRIETARY** **END PROPRIETARY** per minute of use. In
254 Windstream’s response to Core Interrogatory II-33 (attached hereto as Exhibit
255 TJG-7), Mr. Terry agreed that this rate would apply if Windstream does not elect
256 to participate in the *ISP Remand Order’s* compensation regime for ISP-bound
257 traffic.

259 **ICC Issue 3: Should reciprocal compensation apply to**
260 **local traffic that is roughly balanced?**

261 **Q. DOES MR. TERRY ACCURATELY PORTRAY CORE'S POSITION ON**
262 **THIS ISSUE?**

263
264 A. No. At page 23 of his testimony Mr. Terry states, "Core's position appears to be
265 that even though local traffic may be roughly balanced, the parties, nevertheless,
266 should bear the burden of tracking minutes of use, rendering bills, reviewing bills,
267 and remitting compensation in similar amounts to each other." This is not Core's
268 position.

269 **Q. WHAT IS CORE'S POSITION ON THIS TOPIC?**

270 A. Core proposes that the party originating Section 251(b)(5) traffic compensate the
271 terminating party for the transport and termination of the traffic to its customer
272 consistent with Section 251(b)(5) of the Act.¹⁷ Windstream proposes bill and
273 keep until the traffic exchanged between the parties is no longer roughly
274 balanced.¹⁸

275 **Q. DID CORE ATTEMPT TO UNDERSTAND WINDSTREAM'S**
276 **POSITIONS THROUGH DISCOVERY?**

277 A. Yes. Core asked Windstream whether it was the position of Mr. Terry that the
278 traffic exchanged between the parties will be "roughly balanced". (See Core
279 Request II-6 and Windstream's Response) The question and answer are
280 reproduced below:

¹⁷ Core Section 3.0.

¹⁸ Windstream Attachment 12, Section 3.0.

281

11-6. Based on the testimony of Mr. Terry at page five, lines 18 through 20, is it Mr. Terry's position that the traffic exchanged between Windstream and Core will be "roughly balanced"? If not, please provide all support for the use of a bill-and-keep compensation arrangement.

RESPONSE: Without waiving its objections, Windstream states that detail supporting the use of a bill-and-keep arrangement is set forth already in Windstream's direct testimony. Further, any predictions as to whether traffic exchanged between these particular parties will be roughly balanced are irrelevant to the issue of whether the interconnection agreement should provide language establishing a bill-and-keep compensation arrangement for instances where traffic between Windstream and Core or any other carrier adopting the agreement is, in fact, roughly balanced. Windstream's proposed language also provides for compensation arrangements where traffic between the interconnecting parties may not be roughly balanced.

Windstream representative sponsoring response: Scott A. Terry

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283

284 Based on this response it is still not clear what form of compensation Windstream
285 proposes for the exchange of traffic once the two parties establish interconnection
286 facilities. If Windstream agrees to impose bill-and-keep if and only if the traffic
287 has been "roughly balanced" for a period of time, then there may not be a dispute.

288 **Q. WOULD CORE OPPOSE A BILL-AND-KEEP ARRANGEMENT IF THE**
289 **TRAFFIC WAS "ROUGHLY BALANCED" AND EXPECTED TO**
290 **REMAIN SO CONSISTENT WITH § 51.713(B)?**

291 A. No.

292 **Q. WHY DOES CORE OPPOSE STARTING THE BUSINESS**
293 **RELATIONSHIP WITH A BILL-AND-KEEP BILLING**
294 **ARRANGEMENT?**

295 A. The reasonable approach to this dispute is to start by billing each party based on
296 actual traffic exchanged between the two carriers. At least initially it is not

397 reasonable to assume the traffic will be “roughly balanced” since the majority of
398 the traffic will be originated by Windstream customers and terminated by Core to
399 its customers. With the expected traffic pattern, Windstream’s position would
300 result in no compensation for Core which is not equitable or fair.

301 **Q. BEFORE BILL-AND-KEEP CAN BE IMPOSED BY A STATE**
302 **COMMISSION DOES THERE NEED TO BE SOME ASSURANCE THAT**
303 **THE TRAFFIC WILL BE ROUGHLY BALANCED?**

304 A. Yes. The language in §51.713(b) states that “A state commission may impose
305 bill-and-keep arrangements if the state commission determines that the amount of
306 telecommunications traffic from one network to the other is roughly balanced...”
307 To date, since no traffic has been exchanged, and both parties expect the vast
308 majority of traffic to flow from Windstream to Core, there is no support for the
309 conclusion that traffic will be roughly balanced.¹⁹ Absent that finding or
310 determination by the Commission, it would inconsistent with the FCC rules to
311 impose bill-and-keep and it would result in harm to Core to make such a ruling.

312 **Q. DO YOU UNDERSTAND WINDSTREAM’S POSITION TO BE THAT**
313 **VNXX TRAFFIC WOULD BE INCLUDED IN ANY TRAFFIC STUDIES**
314 **TO DETERMINE WHETHER THE TRAFFIC EXCHANGED IS**
315 **“ROUGHLY BALANCED”?**

316 A. I am not sure. We attempted to clarify that question in Core Request II-32, but
317 the Windstream answer did not provide any clarity. The question and answer are
318 reproduced below:

¹⁹ In response to Core Request II-22, attached hereto as Exhibit TJG-8, Windstream states in pertinent part that “...traffic may be expected to flow only from Windstream to Core...”

319

II-32 With regard to Mr. Terry's position on "roughly balanced" traffic at pages 22 through 24 of his testimony, is VNXX traffic included in the "roughly balanced" traffic calculation? If not, why not?

RESPONSE: See Response to Question II-31 above. Additionally, VNxx traffic is not local traffic subject to reciprocal compensation.

Windstream representative sponsoring response: Scott A. Terry

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321

While I agree that ISP-bound VNXX traffic is not subject to reciprocal compensation when the ILEC opts in to the *ISP Remand Order* compensation regime, that does not resolve the question of whether Windstream would include that traffic in traffic studies.²⁰ Like most of the interrogatory responses, this Windstream answer does little to clarify its position.

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Q. BASED ON YOUR EXPERIENCE IN THE INDUSTRY, WOULD THE VNXX TRAFFIC BE INCLUDED IN ANY TRAFFIC STUDIES?

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A. Yes. The handling and routing of VNXX calls is no different from any other locally dialed calls. Even if Windstream could distinguish between traditional and VNXX calls, all of the calls are used to calculate the relative percentages of originated traffic.

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Q. WHY IS CORE'S POSITION PREFERABLE TO WINDSTREAM'S POSITION ON THIS ISSUE?

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A. To the best of my knowledge there is no information in this proceeding that would allow the Commission to find that the traffic exchanged between Windstream and Core will be roughly balanced. To date, the parties have not exchanged any traffic. If there were records showing that over a period of time, say one year,

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²⁰ Instead, that traffic would be compensated at the FCC mandated rate of \$0.0007 per minute of use.

338 that the traffic was roughly balanced, then putting bill and keep in place might
339 make sense. In the absence of such a showing, however, the risk is that one
340 carrier may benefit at the expense of the other.

341 **Q. WHAT IS YOUR RECOMMENDATION ON THIS ISSUE?**

342 A. Windstream's position puts one of the carriers at risk. It is not reasonable to
343 assume that the traffic is or will be roughly balanced. Instead, the parties should
344 begin their relationship by exchanging traffic and the appropriate intercarrier
345 compensation. If the traffic does appear to be in balance say for three consecutive
346 months as proposed by Windstream, then implementation of bill and keep might
347 benefit both parties. Core's position is the most reasonable approach given the
348 uncertainty with respect to the traffic patterns and our *a priori* expectations for the
349 traffic patterns.

350

351 **ICC Issue 4: Does the FCC's *ISP Remand Order* apply to**
352 **the parties and facts in this proceeding?**

353 **Q. PLEASE INTRODUCE THIS DISPUTE.**
354

355 A. It is indisputable that much of the traffic that will be exchanged between the
356 parties is ISP-bound traffic. Given that fact Core maintains that the parties are
357 bound by the FCC's *ISP Remand Order* with respect to compensation for that
358 traffic. Windstream, on the other hand, argues that "the *ISP Remand Order* by its
359 own terms does not apply to the parties and the facts in this proceeding."²¹

360 **Q. DOES MR. TERRY ADDRESS THIS ISSUE IN HIS TESTIMONY?**

²¹ See Windstream's position in the Consolidated Issues List at page 6.

361 A. Mr. Terry devotes only a few questions and answers to this issue. He suggests
362 that this question is primarily a legal issue that will be addressed in the briefs.

363 **Q. AT PAGE 23 OF HIS TESTIMONY MR. TERRY SAYS "...I AM AWARE**
364 **GENERALLY THAT THE *ISP REMAND ORDER* DOES NOT REQUIRE**
365 **WINDSTREAM TO ELECT, OR LIKEWISE PRECLUDE WINDSTREAM**
366 **FROM ELECTING AT A LATER TIME, THE RATES FOR**
367 **TERMINATION. OF ISP-BOUND TRAFFIC SET FORTH**
368 **THEREUNDER." DO YOU AGREE?**

369 A. Yes. I agree that it is up to Windstream to decide whether to opt in to the *ISP*
370 *Remand Order* compensation regime. In the absence of such an election the
371 reciprocal compensation rate that this Commission approves will apply to all
372 251(b)(5) traffic, including ISP-bound traffic, exchanged between the parties.²²

373 **Q. MR. TERRY STATES AT PAGE 25 OF HIS TESTIMONY THAT "I ALSO**
374 **BELIEVE THAT THE APPLICABILITY OF THE *ISP REMAND ORDER***
375 **TO THE FACTS IN THIS PROCEEDING IS QUESTIONABLE SINCE IT**
376 **APPEARS THAT CORE MAY PROVISION ITS *ISP SERVICES***
377 **THROUGH THE USE OF VNXX ARRANGEMENTS." DO YOU AGREE**
378 **WITH THAT STATEMENT?**

379 A. No. Mr. Terry provides no support for his statement. There is nothing in the *ISP*
380 *Remand Order* that says that the interim compensation regime it establishes for
381 ISP bound traffic only applies if the provider does not use a VNXX arrangement.

²² As noted above, Windstream and Core have negotiated a composite reciprocal compensation rate that is currently being treated as confidential.

382 This is a fabrication designed to support Windstream's position that VNXX calls
383 are toll calls subject to access charges.

384 **Q. WHAT IS YOUR RECOMMENDED RESOLUTION TO THIS DISPUTE?**

385 A. I recommend that the Commission adopt Core's position and find that the *ISP*
386 *Remand Order* does apply to the facts and the parties in this proceeding. At least
387 initially, the vast majority of the traffic that will be exchanged between the parties
388 will be ISP-bound traffic originated by Windstream's customers and terminated to
389 Core's customers.

390

391 **ICC Issue 5: Should Windstream or Core determine for**
392 **which NXX codes Core may apply?**

393

394 **Q. PLEASE INTRODUCE THIS DISPUTE.**

395 A. Core recommends that numbering resources be requested and deployed by
396 carriers in the standard industry fashion. Windstream wants Core to use multiple
397 NPA/NXXs, apparently in the same rate center. While the Windstream proposal
398 is not clear, it is wrong to waste numbering resources in an attempt to control
399 another provider. Such a recommendation results in an inefficient use of the
400 numbering resources.

401 **Q. DO YOU UNDERSTAND WINDSTEAM'S APPROACH TO**
402 **CONTROLLING CORE'S USE OF CODES?**

403 A. No. In section 5.2 of Windstream's Attachment 12 (Compensation), it states, "At
404 such time as both Parties have implemented billing and routing capabilities to

405 determine traffic jurisdiction on a basis other than NXX codes separate NXX
406 codes as specified in this paragraph will not be required.”

407 **Q. DO SWITCHES AND THE PSTN IN GENERAL HAVE OTHER WAYS –**
408 **OTHER THAN A COMPARISON OF THE NPA/NXXS – TO**
409 **DETERMINE TRAFFIC JURISDICTION?**

410 A. No. Today in the industry there is no other way to determine jurisdiction of calls.
411 As noted above, Mr. Terry correctly notes that the industry uses NPA/NXXs of
412 the calling and called parties to determine jurisdiction and/or compensation at
413 page 25 of his testimony. Contrary to its stated position, it appears that
414 Windstream is suggesting that both Core and Windstream develop some new
415 technology or systems that would identify the jurisdiction of calls. Such a
416 suggestion is not in the public interest since the rest of the industry uses a
417 comparison of NPA/NXXs to determine call routing and billing.

418 **Q. IS IT COMMON IN THE INDUSTRY FOR A CARRIER TO ATTEMPT**
419 **TO CONTROL ANOTHER CARRIER’S USE OF NUMBERING**
420 **RESOURCES?**

421 A. No. No carrier should be able to control or influence another carrier’s request for
422 numbers. This is improper and unheard of in the industry. CLECs abide by the
423 Central Office Code Assignment Guidelines in order to receive codes required for
424 offering service.

425 **Q. HOW DOES USING MULTIPLE NPA/NXXS RESULT IN THE**
426 **INEFFICIENT USE OF NUMBERS?**

427 A. If a carrier uses numbers from several different NPA/NXX blocks, those blocks
428 become contaminated and that makes it difficult to return numbers should they
429 not be needed in the future. By not contaminating the numbers in the other
430 thousand blocks, should jeopardy occur and pooling be imposed, CLECs can
431 return numbers to the administrator. The use of a single NPA/NXX results in
432 greater efficiency in numbering resources since the other unused NPA/NXX
433 blocks are available for other carriers.

434 **Q. BASED ON YOUR UNDERSTANDING OF THE WAY CORE PROVIDES**
435 **SERVICES AND REQUESTS AND USES NUMBERS, IS THERE**
436 **ANYTHING IMPROPER OR CONTRARY TO THE CODE**
437 **ASSIGNMENT GUIDELINES BEING DONE?**

438 A. No.

439 **Q. DID YOU TRY TO CLARIFY WINDSTREAM'S ASSERTIONS AND**
440 **POSITIONS THROUGH DISCOVERY?**

441 A. Yes. We asked two questions in an attempt to better understand Windstream's
442 position on this issue. The first question asked whether it was Windstream's
443 position that Core was in fact mis-using codes. The question and answer are
444 reproduced below:

445

II-34 At page 25 of his testimony Mr. Terry suggests that Core is mis-using NPA-NXX codes. Please provide all support for this contention.

RESPONSE: Core's question above mischaracterizes Windstream's direct testimony. Windstream's testimony did not state that Core is mis-using NPA-Nxx codes but rather that Core's proposed language would allow for that possibility by Core (or any other carrier adopting the agreement).

Windstream representative sponsoring response: Scott A. Terry

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The next question was also open-ended and based on Mr. Terry's testimony that would allow Windstream to further explain its concerns and positions on numbering issues. The question and response are reproduced below:

448

449

450

II-35. At page 26 of his testimony Mr. Terry claims that "...Core proposes to rate center an NPA-Nxx of 501-743 in multiple locations (here, Exchanges A and B)." Is it Mr. Terry's belief that Core would assign numbers associated with an NPA-NXX from one rate center in another rate center? If so, what is the basis of that belief? If not, please explain in more detail how Windstream thinks Core is assigning numbering resources.

RESPONSE: Without waiving its objections, Windstream states that it cannot know how Core will in fact assign numbers.

Windstream representative sponsoring response: Scott A. Terry

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452

Based on these responses it appears that Windstream is not suggesting that Core is doing something improper with the way it requests and assigns numbers. Given that Core abides by the Central Office Code Assignment Guidelines and Windstream is not suggesting that Core is somehow mis-using numbering resources, there is no reason to attempt to change the way in which Core requests and uses numbers.

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459 **NP Issue 1: Should any part or all of Windstream's**
460 **number portability attachment be included with the**
461 **Agreement to establish the detailed processes for**
462 **porting numbers between the parties?**
463

464 **Q. DOES MR. TERRY'S TESTIMONY HELP RESOLVE THE DISPUTE**
465 **BETWEEN THE PARTIES ON THIS ISSUE?**

466 A. No. Mr. Terry's testimony at page 27 simply reiterates the language in the issues
467 matrix and then he says Attachment 14 "...should be included in the
468 interconnection agreement for the protection of both parties."

469 **Q. WHY IS WINDSTREAM'S ATTACHMENT 14 OBJECTIONABLE?**

470 A. Windstream's Attachment 14 contains references to things such as "network
471 overload", "congestion", "seamless transfer", "choke networks", and other terms
472 and statements that are not defined and subject to debate. Rather than risk
473 adoption of language that will result in disputes during implementation, Core
474 recommends a simple reference to the industry standards and FCC rules and
475 guidelines.

476 **Q. WHAT LANGUAGE DOES CORE PROPOSE ON NUMBER**
477 **PORTABILITY?**

478 A. Core recommends the following statement – "The parties shall provide Number
479 Portability (NP) in accordance with rules and regulations as from time to time
480 prescribed by the FCC." Since Core does not anticipate any problems with
481 porting, this simple statement should be sufficient to guide the number portability
482 responsibilities of the two parties.

483

484

Definitions – “Exchange Services”

485

486

Q. IS WINDSTREAM’S DEFINITION APPROPRIATE OR HELPFUL IN THIS CASE?

487

488

A. No. Windstream’s definition is tainted by the company’s continuing attempts to turn local calls into toll calls to justify the application of access charges. For instance, the last phrase in Windstream’s definition is “...which originate and terminate within an exchange.” (Terry Direct at 28). Frankly I’m not sure how a “service” can “originate and terminate within an exchange.” But as shown in my direct testimony there are many interexchange calls that are rated and treated as local calls.

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Q. AT PAGE 28 OF HIS TESTIMONY MR. TERRY SUGGESTS THAT IT IS NOT NECESSARY OR A PRE-REQUISITE THAT A DEFINED TERM IN THE INTERCONNECTION AGREEMENT BE A DEFINED TERM IN THE ACT. HOW DO YOU RESPOND?

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497

498

499

A. I agree. But to introduce a new phrase which is defined to serve a purpose based on a litigation strategy is not helpful either.

500

501

Q. IS “EXCHANGE SERVICE” DEFINED IN NEWTON’S TELECOM DICTIONARY?

502

503

A. Yes. While Newton’s is not a definitive source of definitions, it does define exchange service as follows: “A name that BellSouth gives to its local phone services, which it also calls Plain Old Telephone Service (POTS).” (16th Edition)

504

505

506

Q. HOW DO YOU PROPOSE TO SETTLE THIS DISPUTE?

507 A. In my direct, I recommended that Windstream's definition be rejected since it is
508 self-serving and there is no need for a definition of "exchange services" in the
509 interconnection agreement. If the Commission believes there is a need for a
510 definition of "exchange services" then I recommend that the phrase "...which
511 originate and terminate within an exchange" be stricken from Windstream's
512 definition.

513

514 **Definitions – "IntraLATA Toll Traffic"**

515

516 **Q. PLEASE INTRODUCE THE DISPUTE OVER THIS DEFINITION.**

517 A. Windstream recommends a definition that supports its position on the physical or
518 geographic end points of calls. As pointed out above, that end to end distinction
519 is not relevant for jurisdiction or compensation. Windstream is attempting to
520 characterize all intraLATA calls that are not geographically local to be subject to
521 access charges. As noted above and in my direct testimony, there are many
522 interexchange calls that are rated and treated as local calls.

523 **Q. AT PAGE 29 OF HIS TESTIMONY MR. TERRY STATES "IT IS**
524 **CRITICAL TO DEFINE VERY CLEARLY THE TYPES OF TRAFFIC TO**
525 **BE EXCHANGED BETWEEN THE PARTIES BECAUSE THE TYPE OF**
526 **TRAFFIC DETERMINES WHETHER ACCESS CHARGES OR**
527 **RECIPROCAL COMPENSATION SHOULD APPLY." PLEASE**
528 **COMMENT.**

529 A. Earlier in his testimony at page 25 Mr. Terry correctly pointed out "The industry
530 standard for determining the compensation due to a party for termination of a call

531 is based upon the NPA-Nxx.” The switches and translation tables do not have
532 narrative definitions of “exchange services” or “intraLATA toll traffic.” Instead,
533 the switches simply compare the NPA/NXXs for the calling and called parties and
534 compensation flows accordingly. Mr. Terry is wrong to suggest that these
535 definitions are critical. These definitions only serve to create conflict. Indeed, the
536 application of Windstream’s definition would include EAS, remote call
537 forwarding, foreign exchange, and other traffic that might cross an exchange
538 boundary but would normally be treated and billed as local.

539 **Q. IF THE COMMISSION DETERMINES THAT A DEFINITION FOR**
540 **“INTRALATA TOLL TRAFFIC” IS NECESSARY, WHAT DOES CORE**
541 **RECOMMEND?**

542 A. Core recommends the following definition: “IntraLATA Toll Traffic includes
543 calls made through a presubscribed service and dialed on a 1+ basis for which
544 additional toll charges apply.” This definition captures the presubscription
545 characteristics of toll services and the use of the toll indicator digit.

546

547 **Definitions – “Section 251(b)(5) Traffic”**

548

549 **Q. AT PAGE 31 OF HIS TESTIMONY MR. TERRY TAKES ISSUE WITH**
550 **CORE’S REFERENCE TO THE FCC RULES FOR A DEFINITION OF**
551 **SECTION 251(B)(5) TRAFFIC. HOW DO YOU RESPOND?**

552 A. Core proposes a definition of Section 251(b)(5) traffic that is consistent with the
553 applicable FCC rule. Core’s proposed language is as follows:

554 Section 251(b)(5) Traffic means (1) telecommunications traffic
555 exchanged between a LEC and a telecommunications carrier other
556 than a CMRS provider, except for telecommunications traffic that
557 is interstate or intrastate exchange access, information access or
558 exchange services for such access (see FCC ISP Order on Remand,
559 34, 36, 39, 42-43); and/or (2) telecommunications traffic
560 exchanged by a LEC and a CMRS provider that originates and
561 terminates within the same Major Trading Area, as defined in 47
562 CFR § 24.202(a).²³

563
564 Rather than rely on the FCC rules, Windstream refers to its definition of “local
565 traffic” in Attachment 12. It is much less controversial to rely on the FCC rules
566 than to attempt to restate the FCC rules. Further, as the Commission is aware,
567 Section 251(b)(5) traffic is not limited to “local traffic” as defined by
568 Windstream.

569 **Q. WHY IS IT WRONG FOR WINDSTREAM TO SIMPLY REFER TO ITS**
570 **DEFINITION OF LOCAL TRAFFIC?**

571 A. The distinction between 251(b)(5) traffic and other traffic is important for
572 reciprocal compensation purposes. Windstream seems to refer to “local” traffic
573 because that position supports its position on VNXX traffic. Indeed, Windstream
574 incorrectly argues that VNXX traffic should be treated as intraLATA toll traffic to
575 which access charges would apply.

576 **Q. HAS THE FCC CLARIFIED ITS RECIPROCAL COMPENSATION**
577 **RULES?**

578 A. Yes. As discussed at length in my direct testimony, the FCC admitted its
579 “error” in focusing on the nature of the call. To correct that error, it

²³ See, 47 C.F.R. §51.701(b)(“Telecommunications Traffic”).

580 specifically eliminated all references to “local” and amended its rules
581 accordingly pursuant to the ISP Remand Order.²⁴

582 **Q. GIVEN THE FCC’S CLARIFICATIONS IN THE ISP REMAND ORDER,**
583 **IS CORE’S DEFINITION OF SECTION 251(B)(5) TRAFFIC**
584 **CONSISTENT WITH THAT INTERCARRIER COMPENSATION**
585 **SCHEME?**

586 A. Yes. Core’s position on this issue is correct, comprehensive, consistent with the
587 FCC rules and should be adopted. Windstream’s position would not resolve the
588 different reciprocal compensation issues associated with traditional and ISP-
589 bound traffic.

590 **Q. MR. TERRY STATES “TRAFFIC TYPES DETERMINE THE TYPE OF**
591 **COMPENSATION” AT LINE 19 OF PAGE 31 OF HIS TESTIMONY. IS**
592 **HE CORRECT?**

593 A. No. The switches and translation tables do not have narrative definitions of
594 “exchange services” or “intraLATA toll traffic” or other traffic types that
595 Windstream might try to create. Instead, the switches simply compare the
596 NPA/NXXs for the calling and called parties and compensation flows
597 accordingly. Mr. Terry is wrong to suggest that these definitions are critical.
598 These definitions only serve to create conflict.

599 **Q. WHAT IS YOUR RECOMMENDATION?**

600 A. I recommend that the Commission rely on the FCC definition of Section
601 251(b)(5) traffic since it is available. Windstream’s proposal to rely on its

²⁴ See page 60 of the *ISP Remand Order* (Amendments to the Code of Federal Regulations).

602 definition of "local traffic" is not appropriate and will result in ongoing disputes

603 between the parties.

604 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

605 **A. Yes, it does.**

606

EXHIBIT TJG-5

42. Please state whether Windstream PA has ever billed or demanded payment of access charges from an incumbent LEC for calls originated by Windstream PA's end user to an incumbent LEC's FX or FX-Like customer.

RESPONSE: With respect to "FX-Like" services, please see response to Request No. 39. With respect to FX service, to the best of Windstream's knowledge, information, and belief, Windstream seeks compensation for FX Service in accordance with its tariff as referenced in response to Request No. 37 and has not assessed access charges for FX calls.

Windstream Representative Supporting Response: Scott Terry.

EXHIBIT TJG-6

3. Please provide Windstream's definition of "VNXX".

RESPONSE: Windstream has not formulated a definition of "VNXX". To the extent that Windstream develops such a definition for purposes of this proceeding, such definition may be formulated and set forth in Windstream's testimony to be filed on August 17, 2007.

Windstream Representative Supporting Response: Scott Terry.

EXHIBIT TJG-7

II-33 At page 25 of his testimony Mr. Terry states that "Windstream has not made any such election as of the date of this filing."

a. What factors does or will Windstream consider in determining whether or not to make "such election"?

b. Is it Windstream's position that it may litigate this proceeding and receive a final Commission order without making "such election," then subsequently decide to make "such election?" If so, would that subsequent election apply to the ICA to be executed in this proceeding between Windstream and Core?

b. Assuming that Windstream **does not** elect to participate in the *ISP Remand Order* compensation regime for ISP-bound traffic, what compensation would apply to ISP-bound traffic originated by Windstream customers and terminated by Core?

c. Assuming that Windstream **does** elect to participate in the *ISP Remand Order* compensation regime for ISP-bound traffic, what compensation would apply to ISP-bound traffic originated by Windstream customers and terminated by Core?

SUPPLEMENTAL RESPONSE: With respect to (a) through (d), these matters seek information as to legal strategy which is privileged and wholly outside the scope of discovery. See, e.g., Pa. Code rule 4003.3. Windstream has made its position clear throughout the parties' negotiations and in its direct testimony that the FCC's orders are clear that any decision as to when and whether to elect is solely within the ILEC's discretion. Windstream further has made clear that the interconnection agreement between Core and Windstream will provide (i) either for compensation of local ISP-bound traffic at the reciprocal compensation rate to which Core already agreed in this proceeding in the case of non-election by Windstream or at the rate of \$0.0007 in the case of Windstream's election and (ii) compensation for traffic utilizing VNxx arrangements at applicable access tariffed rates.

EXHIBIT TJG-8

- II-22 At page 11 of his testimony Mr. Terry suggests at lines 19 through 23 that the balance of traffic impacts a carrier's ability to "...designate a POI location..." Please identify all public policy, legal or engineering support for such a claim.

RESPONSE: With respect to the portion of the question that seeks engineering support, Windstream states that the question above inaccurately reflects Windstream's direct testimony and, therefore, that Windstream does not have any engineering studies supporting Core's inaccurate characterization of Windstream's testimony. Windstream's direct testimony on this issue did not state that the balance of traffic impacts a carrier's ability to designate a point of interconnection. Rather, Windstream's direct testimony indicates that Core's proposal with respect to establishing a point of interconnection outside of the ILEC's network and certificated service territory is more egregious given Core's status as an ISP aggregator, in which case traffic may be expected to flow only from Windstream to Core at some distant point that Core establishes outside of Windstream's network.

Windstream representative sponsoring response: Scott A. Terry

EXHIBIT TJG-9

II-30. At page 22 of his testimony Mr. Terry states that "...various courts have decided this issue and determined that VNxx arrangements are subject to access compensation." Please provide the legal citations for all of the court decisions referred to by Mr. Terry.

SUPPLEMENTAL RESPONSE: The question above takes the testimony out of context. Mr. Terry was not referring to an identified list of court decisions. Rather, his statement in full clarified that it was his understanding that various courts have decided the issue and that attorneys will discuss these legal issues in greater detail in briefs. He was relying upon his advice of counsel, and any information (including legal citations) are outside the scope of discovery and are subject to briefing by the parties' attorneys. See, *e.g.*, Pa. Code rule 4003.3.

CERTIFICATE OF SERVICE

I hereby certify that on this 6th day of September, 2007 copies of the foregoing Rebuttal Testimony has been served upon the persons listed below in accordance with the requirements of 52 Pa Code Sections 1.54 and 1.55 of the Commission's rules.

VIA Electronic Mail and US Mail

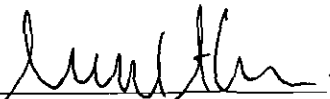
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Core Communications, Inc.	:	
for Arbitration of Interconnection Rates, Terms	:	Docket No. A-310922F7004
and Conditions Pursuant to 47 U.S.C.	:	09-20-07 hrg
§252(b) with Windstream	:	Hbg
Pennsylvania, Inc. f/k/a Alltel	:	

Direct Testimony of Christopher Van de Verg
Core Statement 2.0

On Behalf of Core Communications, Inc.

DOCUMENT
FOLDER

RECEIVED

SEP 25 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DOCKETED
SEP 28 2007

1 **BACKGROUND**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?**

3 **A.** My name is Christopher F. Van de Verg. I am General Counsel for Core
4 Communications, Inc., a CLEC based in Maryland and having substantial operations in
5 Maryland, New York, Pennsylvania, and Virginia. My business address is 209 West
6 Street, Suite 302, Annapolis, Maryland 21401.

7 **Q. PLEASE DESCRIBE YOUR QUALIFICATIONS AND EXPERIENCE AS**
8 **THEY RELATE TO THIS PROCEEDING?**

9 **A.** I manage the company's legal and regulatory affairs, including negotiation of
10 interconnection arrangements with incumbent carriers such as the interconnection
11 agreement at issue in this arbitration proceeding. Previously, I have testified on behalf of
12 Core in interconnection agreement (ICA) arbitrations between Core and Verizon
13 Maryland Inc., as well as Core's certification to expand its operating territory in
14 Pennsylvania. I have also testified on competitive issues before the Maryland legislature.

15 **GT&C Issue 3:** *Should Windstream be permitted to require Core to post a*
16 *security deposit prior to Windstream providing service or*
17 *processing orders and to increase said deposit if circumstances*
18 *warrant or forfeit same in the event of breach by Core?*
19

20 **Disputed language:** General Terms and Conditions, Windstream §§ 8.1.2, 8.1.4,
21 and 8.1.5
22

23 **Q. PLEASE DESCRIBE THIS ISSUE?**

24 **A.** Windstream proposes a lengthy section 8 to its ICA proposal, which is entitled
25 "Payment of Rates and Late Payment Charges." This language imposes fairly onerous
26 security deposit requirements upon Core, although not at all on Windstream. A copy of
27 section 8 is attached to this testimony as Exhibit CFV-1.

1 Core initially opposed Windstream's proposed §§ 8.1 through 8.3 in their entirety.
2 In an effort at compromise, Core later limited its opposition solely to subsections 8.1.2,
3 8.1.4, and 8.1.5. In so doing, Core accepted Windstream's request for a security deposit
4 provisions while at the same time opposing the relatively less fair and more burdensome
5 aspects of the provisions.

6 **Q. WHAT SPECIFIC LANGUAGE DOES CORE OBJECT TO, AND WHY?**

7 A. Generally speaking, Core opposes subsections 8.1.2, 8.1.4, and 8.1.5 because they
8 give Windstream the unilateral and unconstrained ability to condition its performance
9 under the Agreement upon Core's payment of a security deposit. Subsection 8.1.2
10 requires payment of a security deposit before any service is rendered. Tying performance
11 under the ICA specifically to payment of a security deposit raises significant competitive
12 issues. In such a scenario, Windstream would have leeway to hold each and every service
13 order ransom pending payment of a new deposit.

14 Subsection 8.1.4 permits Windstream to increase the security deposit requirement
15 "when, in its sole judgment, circumstances so warrant." Even more than subsection 8.1.2,
16 this language gives Windstream the leverage to make new and increasing security deposit
17 demands at any time and seemingly for any reason. Core should not be required to
18 operate under these circumstances.

19 Subsection 8.1.5 licenses Windstream to "terminate" the ICA, convert the security
20 deposit to its own account, and seek other "remedies" whenever Core (in Windstream's
21 discretion) is in "breach" of the ICA. This language goes far beyond any reasonable
22 security deposit requirement. Taken literally, subsection 8.1.5 would override section 4,
23 which deals extensively with the term and termination of the ICA, and more specifically

1 subsection 4.6, which deals with events of default and the parties' remedies. Section 4.6,
2 to which the parties have already agreed, requires a party to issue a notice of default and
3 provide an opportunity to cure before that party may terminate the ICA for breach.

4

5

1 **NIA Issue 1:** *Should Windstream be required to interconnect with Core at dual*
2 *points of interconnection, one of which would be a point outside*
3 *of Windstream's existing network, and further, should the parties*
4 *be required to bear the cost to deliver originating interconnection*
5 *traffic to one another at each other's designated switch location?*
6

7 **Definition of "Interconnection Point"**
8

9 **Disputed language:** Att. 4, Network Interconnection Architecture, Windstream §§
10 1 & 2 and Core §§ 1 & 2 and Windstream's proposed
11 definition of "Interconnection Point."
12

13 **Q. WHAT IS CORE'S PROPOSAL FOR THIS ISSUE?**

14 **A.** Instead of relying on the concept of a single point of interconnection ("POI") for
15 the exchange of traffic, Core proposes dual interconnection points ("IPs"). Under Core's
16 proposal, each party designates an IP on its network at which the other party may deliver
17 its originating traffic. Core's proposal recognizes that applicable FCC rules—and
18 Commission precedent—require each party to bear the cost to deliver its originating
19 interconnection traffic to the switch location of the other party. The designation of a
20 single POI may serve to mask this duty, by implying that Core must bear the cost of
21 bringing Windstream's originating traffic from Windstream's switch (which Windstream
22 defines as the IP) to Core's switch. Core's proposal clarifies that each party must deliver
23 its originating traffic to the IP designated by the other party.

24 Core's proposal also permits each party to select from among three options for
25 delivery of its originating traffic to the terminating party: collocation with the other party,
26 collocation with a third-party collocator within the terminating party's central office, or
27 purchase of an entrance facility from the terminating party or from a third party. A copy
28 of Core's proposed language for this issue is attached to this testimony at Exhibit CFV-2.

1 **Q. WHY SHOULD THE COMMISSION FAVOR CORE'S PROPOSAL FOR**
2 **THIS ISSUE?**

3
4 A. Core's proposal is consistent with FCC and Commission precedent. This is
5 actually an issue that the FCC has addressed extensively. The FCC's rules specifically
6 recognize that no carrier may impose charges upon another carrier in connection with
7 traffic that originates on its own network:

8 A LEC may not assess charges on any other telecommunications carrier
9 for telecommunications traffic that originates on the LEC's network.¹

10
11 The FCC recognized, when it codified Rule 703(b), that the financial responsibilities for
12 interconnection for the exchange of traffic should be borne solely by each carrier with
13 respect to its own originating traffic.

14 In the 1996 *Local Competition Order*, the FCC ruled that when an incumbent
15 LEC provides interconnection facilities, competing LECs are responsible to pay only for
16 the portion of those facilities the competing LEC uses to deliver its originating traffic.
17 Conversely, the incumbent LEC is obliged to transport its own originating traffic to the
18 competing LEC free of charge.² These rules prohibit carriers from shifting costs of
19 transporting their own originating traffic to other carriers. In other words, each carrier is
20 responsible for the costs of delivering its traffic to other carriers for termination. This is
21 consistent with the FCC's longstanding principles of cost-causation. As the agency
22 recognized in its 2005 Further Notice of Proposed Rulemaking ("FNPRM") in the
23 *Unified Intercarrier Compensation Proceeding*, "under the existing regimes, the calling
24 party's carrier, whether LEC, IXC, or CMRS provider, compensates the called party's

¹ 47 C.F.R. § 51.703(b).

² *Local Competition Order*, at ¶ 1062.

1 carrier for terminating the call. Thus, as a general matter, our existing regimes are based
2 on a “calling-party-network-pays” (CPNP) approach to compensation.”³

3 **Q. HAS THE COMMISSION ALSO EXAMINED THIS ISSUE**
4 **PREVIOUSLY?**

5 A. Yes. In an ICA arbitration case involving Windstream’s predecessor Alltel
6 Pennsylvania, Inc. and Verizon Wireless, the Commission approved Verizon Wireless’s
7 dual IP proposal, which is for all relevant purposes identical to Core’s proposal in this
8 case. Verizon Wireless proposed that it would be responsible to deliver its own
9 originating traffic to Alltel at an IP “within ALLTEL’s interconnected network”, and that
10 Alltel would be responsible to deliver its own originating traffic to Verizon Wireless at an
11 IP designated by Verizon Wireless. With respect to Alltel-originated traffic, the
12 Commission rejected the inclusion of the phrase “within ALLTEL’s interconnected
13 network,”⁴ and permitted Verizon Wireless to designate one IP in each LATA in which it
14 sought interconnection with Alltel.⁵ A copy of the language approved by the Commission
15 is attached to this testimony at Exhibit CFV-3. In approving Verizon Wireless’ proposal
16 (and rejecting Alltel’s), the Commission found:

17 There is a strong pronouncement on the part of the FCC to unwaveringly
18 adhere to the principle that the originating carrier bears the costs of
19 delivering traffic which originates on its network.⁶
20

21 **Q. HAS CORE ACTUALLY IMPLEMENTED A “DUAL IP” TYPE**
22 **INTERCONNECTION WITH ANY OTHER INCUMBENT LEC?**

³ FNPRM, at ¶ 17.

⁴ Opinion and Order, *Petition of Celco Partnership d/b/a Verizon Wireless For Arbitration... With ALLTEL Pennsylvania, Inc.*, Docket No. A-310489F7004 (Order entered January 18, 2005)(“VZW/ALLTEL Arbitration Order”), at 78-79.

⁵ *Id.* at 95.

⁶ *Id.* at 33.

1 A. Yes. In addition to being consistent with applicable federal and state law and
2 Commission policy, Core's proposal in this case is consistent with industry standard
3 practice, as reflected in the ICAs Core has adopted with Verizon in Maryland, New York,
4 Pennsylvania, and Virginia. In each of these ICAs, both ILEC and CLEC are responsible
5 for transporting their interconnection traffic to the switch or similar network node on the
6 other party's network. The interconnection sections of each of these ICAs is attached to
7 this testimony at Exhibits CFV-4, CFV-5, CFV-6, and CFV-7.

8 Specifically, I would point out the following provisions that implement the
9 principle that the originating carrier is responsible to provide its own transport:

- 10 • Core Communications, Inc./Verizon Pennsylvania Inc. (Exh. CFV-4): §§
11 1.2.1.1, 1.2.2, and 2.4.2 and Amendment No. 1, § 1(d).
- 12 • Core Communications, Inc./Verizon Maryland Inc. (Exh. CVF-5): §§
13 1.2.1.1, 1.2.2, and 2.4.2 and Amendment No. 3, § 1(d).
- 14 • CoreTel New York, Inc./Verizon New York Inc. (Exh. CFV-6): §§ 4.1.3,
15 4.2.3, and 4.2.6.
- 16 • CoreTel Virginia, LLC/Verizon Virginia Inc. (Exh. CFV-7): § 4.2.2

17
18

1 **NIA Issue 3:** *Should Windstream be made to interconnect with Core at any*
2 *commercial building where Windstream has substantial outside*
3 *plant or loop facilities?*
4

5 **Disputed language:** Att. 4, Network Interconnection Architecture, Core § 2.2.4
6

7 **Q. What is “loop” interconnection?**

8 **A.** Loop interconnection is simply the use of existing, shared facilities to
9 interconnect, as opposed to the construction of new, dedicated facilities. Core proposed
10 language to clarify that Core may interconnect with Windstream at a non-switch location
11 on Windstream’s network, such as a site where Windstream has substantial “outside
12 plant” or “loop” facilities in place to serve high capacity end user customers. This
13 location could be any commercial office building where business end users are already
14 present and have created demand for high capacity (DS1, DS3, and up) services. In such
15 locations, Windstream will have built out its fiber network and installed multiplexer
16 (“mux”) equipment in cabinets or in racks either inside a customer’s office space, or else
17 in the building’s main telco room. The muxes enable Windstream to deliver high capacity
18 circuits to their customers. A building that is served with fiber connections and muxes is
19 generally referred to as a “lit” building, or “on net.” Those same muxes can also be used
20 to deliver interconnection trunks to Core, should Core choose to locate its point of
21 presence (POP) in a lit building on Windstream’s existing network. And, most important,
22 using those same muxes eliminates the time and expense of obtaining and installing new
23 dedicated muxes solely to interconnect with Core. Indeed, loop interconnection is
24 attractive precisely because it offers a relatively fast interval to interconnect.

25 **Q. HAS CORE INTERCONNECTED PREVIOUSLY USING LOOP**
26 **FACILITIES?**

1 A. Yes. Core has interconnected with Verizon using loop facilities in Salisbury,
2 Maryland, Altoona and Erie, Pennsylvania and Ashburn, Richmond, and Norfolk,
3 Virginia. A copy of the ICA amendments governing the loop interconnections in Altoona
4 and Salisbury are attached to this testimony at Exh. CFV-4 and Exh. CFV-5 (at the end of
5 each exhibit).

6 **Q. WHAT HAS CORE'S EXPERIENCE BEEN WITH THE USE OF LOOP**
7 **FACILITIES?**

8 A. We have found loop interconnection to be faster and more predictable than the
9 alternative, which is when Verizon has insisted upon building out a new, dedicated
10 facility (new fiber and new muxes) to our POP. Verizon usually quotes a time frame of 4-
11 6 months to establish a dedicated facility, and we have experienced even longer intervals
12 than that. By contrast, using existing loop facilities can enable interconnection in a matter
13 of days. A Maryland Public Service Commission Hearing Examiner has found that the
14 interval for loop interconnection generally should be 30 days.⁷

15 **Q. DOES WINDSTREAM DISAGREE WITH CORE ABOUT THE USE OF**
16 **LOOP FACILITIES?**

17 A. Not entirely. According to its statement in the joint issues matrix, "Windstream
18 believes that the same terms and conditions are appropriate as those set forth in
19 Amendment No. 1 to the Verizon Pennsylvania Inc., f/k/a Bell Atlantic – Pennsylvania
20 Interconnection Agreement as executed by Core Communications, Inc. on January 10,
21 2003." This is an encouraging statement, and Core will pursue settlement of this issue
22 with Windstream.

⁷ Proposed Order, *In the Matter of the Petition for Arbitration of Interconnection Rates, Terms, and Conditions...*, Md. P.S.C. Case No. 8881 (Feb. 24, 2006), at p. 48. The proposed order, on appeal to the full Maryland commission, is available at: <http://webapp.psc.state.md.us/Intranet/CaseNum/CaseForm.cfm>

1 *NIA Issue 4: Should Core be permitted to indirectly interconnect with Windstream*
2 *without volume limitations that would necessitate direct interconnection?*

3
4 **Disputed language: Att. 4, Network Interconnection Architecture, § 12.1**

5
6 **Q. WHAT IS INDIRECT INTERCONNECTION?**

7 **A.** Indirect interconnection is the routing of interconnection traffic between two
8 carriers via the intermediary facilities of a third carrier. In practice, the third carrier is
9 almost always Verizon, since Verizon has the most extensive facilities and the greatest
10 number of tandem switches in Pennsylvania, courtesy of its long history of unchallenged
11 monopoly in local exchange services. To establish indirect interconnection, Core,
12 Windstream, and other carriers purchase a service called “tandem transit” from Verizon.

13 **Q. DESCRIBE THE ROUTING OF A CALL OVER AN INDIRECT**
14 **INTERCONNECTION.**

15 **A.** Say a customer of Core calls a customer of Windstream. Core would route the call
16 over its direct interconnection trunks with Verizon to a Verizon tandem switch. Verizon
17 would then accept the call at its tandem switch and route the call to Windstream via
18 Verizon’s direct interconnection trunks with Windstream. Windstream would then deliver
19 the call to its customer over its own facilities. Core, as the originating carrier, would pay
20 Verizon for the tandem transit service, and pay Windstream for termination of the call.

21 **Q. DOES CORE’S CURRENT ICA WITH VERIZON PROVIDE FOR**
22 **TANDEM TRANSIT SERVICE?**

23 **A.** Yes. Core’s current ICA with Verizon Pennsylvania provides that Core may
24 purchase tandem transit service from Verizon at a rate of approximately \$0.00085/MOU
25 (tandem switching rate of \$0.000795/MOU plus tandem transport rate of

1 \$0.000152/MOU). A copy of the rate sheet for tandem transit service is attached to this
2 testimony at Exh. CFV-8.

3 **Q. IS WINDSTREAM PROPOSING TO LIMIT THE PARTIES' USE OF**
4 **TANDEM TRANSIT SERVICE?**

5 **A.** Yes. Windstream is proposing the following limitation:

6 Where indirect traffic exceeds or is forecasted to exceed a single DS1 of
7 traffic per month, then the Parties shall install and retain direct end office
8 facilities, pursuant to Section 2.0 of this Attachment, sufficient to handle
9 such traffic volumes.

10

11 **Q. WHY DOES CORE OBJECT TO THIS LIMITATION?**

12

13 **A.** It is simply unnecessary and overly restrictive. As shown above, Core has the
14 ability under its ICA with Verizon to purchase tandem transit service to connect with
15 Windstream or any other carrier that is interconnected with Verizon. Alternatively, Core
16 could buy, build, or lease direct interconnection facilities for the delivery of its
17 originating traffic to Windstream. Presumably Windstream has similar options. Each
18 party should be afforded the flexibility to choose the most efficient and least cost
19 alternative for its own traffic. Similarly, neither party should limit arbitrarily the other
20 party's interconnection options.

21 **Q. HAS THE FCC FOUND THAT INDIRECT INTERCONNECTION IS AN**
22 **EFFICIENT FORM OF INTERCONNECTION?**

23 **A.** Yes. In the *FNRPM*, the FCC summarized the importance of transiting for
24 smaller carriers for which the investment for direct interconnection is not
25 economic:

26 125. The record suggests that the availability of transit service is
27 increasingly critical to establishing indirect interconnection -- a
28 form of interconnection explicitly recognized and supported by the

1 Act. It is evident that competitive LECs, CMRS carriers, and rural
2 LECs often rely upon transit service from the incumbent LECs to
3 facilitate indirect interconnection with each other. Without the
4 continued availability of transit service, carriers that are indirectly
5 interconnected may have no efficient means by which to route
6 traffic between their respective networks.
7

8 126. Moreover, it appears that indirect interconnection via a transit
9 service provider is an efficient way to interconnect when carriers
10 do not exchange significant amounts of traffic. Competitive LECs
11 and CMRS carriers claim that indirect interconnection via the
12 incumbent LEC is an efficient form of interconnection where
13 traffic levels do not justify establishing costly direct connections.
14 As AT&T explains, "transiting lowers barriers to entry because
15 two carriers avoid having to incur the costs of constructing the
16 dedicated facilities necessary to link their networks directly." This
17 conclusion appears to be supported by the widespread use of
18 transiting arrangements. *FNPRM*, ¶¶ 125 – 126
19

20 **Q. IS WINDSTREAM'S PROPOSAL REASONABLE ON ITS FACE?**

21 A. No. Even assuming for the sake of argument that some limit should be applied on
22 indirect traffic, Windstream's proposal for "direct end office facilities" is an extreme
23 remedy. It is generally more efficient for Core to interconnect with Windstream at the
24 Windstream tandem. That way, there is only one trunk group for the parties to manage.
25 With direct end office interconnection, Core would be forced to establish direct facilities
26 with each and every Windstream end office, even though the traffic volumes to each end
27 office may be well under Windstream's 1 DS1 threshold.

28 **Q. CAN YOU PROVIDE AN EXAMPLE OF THE INEFFICIENCIES**
29 **ASSOCIATED WITH DIRECT END OFFICE INTERCONNECTION?**

30 A. Yes. Say Core forecasts sending Windstream enough traffic to fill one (1) DS3 in
31 a given LATA, using industry standard capacity calculations. With tandem
32 interconnection, Core would simply buy, build or lease one (1) DS3 into Windstream's
33 tandem in the LATA. At the rates agreed to by the parties, the DS3 would cost Core

1 \$420.25 per month to lease an entrance facility DS3. With end office interconnection,
2 Core would instead have to lease one or more DS1s to each Windstream end office. Say
3 Windstream has 10 end offices subtending its tandem in the LATA. At the rates agreed to
4 by the parties, direct end office interconnection would cost Core \$736.50 ($\73.65×10)
5 per month. Direct end office interconnection would cost far more than tandem
6 interconnection to handle the same total volume of traffic.
7

1 *NIA Issue 5: Should the Agreement require each Party to arrange and pay for*
2 *third-party tandem services relative to its own originating traffic?*

3
4 **Disputed language: Att. 4, Network Interconnection Architecture, Core § 12.2.3**

5
6 **Q. PLEASE DESCRIBE THIS ISSUE.**

7 **A.** Windstream objects to Core's proposed section 12.2.3 of the Network

8 Interconnection Architecture portion of the Agreement. The section (in bold and

9 underlined below) is part of Core's larger proposal, section 12, to address indirect traffic:

10 12. Indirect Traffic

11
12 12.1. For purposes of exchanging Indirect Traffic there is no physical or
13 direct point of interconnection between the Parties, therefore neither Party
14 is required to construct new facilities or make mid-span meet
15 arrangements
16 available to the other Party for Indirect Traffic. Indirect interconnection
17 shall only be allowed to the extent each party is interconnected at a
18 tandem which ***RLEC Acronym TXT***'s end office subtends.

19
20 12.2. Exchange Of Traffic

21
22 12.2.1. The Parties may send each other Indirect Traffic.

23
24 12.2.2. Each Party acknowledges that it is the originating Party's
25 responsibility to enter into transiting arrangements with the third party
26 providing the transit services.

27
28 **12.2.3. Each Party is responsible for the transport of originating calls**
29 **from its network to its point of interconnection with the transiting**
30 **party. The originating Party is responsible for the payment of transit**
31 **charges assessed by the transiting party.**

32
33 To be clear, Windstream objects to 12.2.3, but not the rest of section 12.

34 **Q. WHY IS SECTION 12.2.3 NECESSARY?**

35 **A.** This language simply recites industry standard practice as well as applicable law,
36 which is that each carrier is responsible (operationally and financially) for the transport of
37 its own originating calls to the interconnection point with its third party tandem transit

1 provider. It also clarifies that the originating party pays the third party tandem transit
2 provider whatever charges may be due pursuant to their particular agreement. Without
3 this language the originating carrier could attempt to pass off to the terminating carrier
4 and charges that may be due for the third party tandem transit service.

5 **Q. DO YOU UNDERSTAND WINDSTREAM'S OBJECTIONS TO THIS**
6 **LANGUAGE?**

7 **A.** At this time, no. Hopefully we will get a clearer picture from their direct
8 testimony. In negotiations, Windstream commented that "Alltel agrees that there should
9 be arrangements w/third party's for this scenario but this Agreement should not put
10 requirements on those arrangements."⁸ I am at a loss to say how Core's proposal would
11 any way limit Windstream's arrangements with third parties. We simply want
12 Windstream to acknowledge that each party is responsible for making arrangements with
13 a third party tandem transit provider in connection with its own originating traffic.

14 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

15 **A.** Yes, it does.

16

⁸ Email dated Feb. 15, 2006 from Windstream to Core, at attached Interconnection Agreement redline, p. 51.

EXHIBIT CFV 1

8.0 Payment of Rates and Late Payment Charges

8.1 Alltel, at its discretion may require "CLEC ACRONYM TXT" to provide Alltel a security deposit to ensure payment of "CLEC ACRONYM TXT"'s account. The security deposit must be an amount equal to three (3) months anticipated charges (including, but not limited to, recurring, non-recurring, termination charges and advance payments), as reasonably determined by Alltel, for the interconnection, resale services, network elements, collocation or any other functions, facilities, products or services to be furnished by Alltel under this Agreement.

8.1.1 Such security deposit shall be a cash deposit or other form of security acceptable to Alltel. Any such security deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.

8.1.2 If a security deposit is required, such security deposit shall be made prior to the activation of service.

8.1.3 The fact that a security deposit has been provided in no way relieves "CLEC ACRONYM TXT" from complying with Alltel's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of Alltel providing for the discontinuance of service for non-payment of any sums due Alltel.

8.1.4 Alltel reserves the right to increase the security deposit requirements when, in its sole judgment, circumstances so warrant and/or gross monthly billing has increased beyond the level initially used to determine the security deposit.

8.1.5 In the event that "CLEC ACRONYM TXT" is in breach of this Agreement, service to "CLEC ACRONYM TXT" may be terminated by Alltel; any security deposits applied to its account and Alltel may pursue any other remedies available at law or equity.

8.1.6 In the case of a cash deposit, interest at a rate as set forth in the appropriate Alltel tariff shall be paid to "CLEC ACRONYM TXT" during the possession of the security deposit by Alltel. Interest on a security deposit shall accrue annually and, if requested, shall be annually credited to "CLEC ACRONYM TXT" by the accrual date.

8.2 Alltel may, but is not obligated to, draw on the cash deposit, as applicable, upon the occurrence of any one of the following events.

8.2.1 "CLEC ACRONYM TXT" owes Alltel undisputed charges under this Agreement that are more than thirty (30) calendar days past due; or

8.2.2 "CLEC ACRONYM TXT" admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had an involuntary case commenced against it) under the U.S. Bankruptcy Code or any other law relating to insolvency, reorganization, wind-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors, is subject to a receivership or similar proceeding; or

8.2.3 The expiration or termination of this Agreement.

8.3 If Alltel draws on the security deposit, upon request by Alltel, "CLEC ACRONYM TXT" will provide a replacement deposit conforming to the requirements of Section 8.1.

8.4 Except as otherwise specifically provided elsewhere in this Agreement, the Parties will pay all rates and charges due and owing under this Agreement within thirty (30) days of the invoice date in immediately available funds. The Parties represent and covenant to each other that all invoices will be promptly processed and mailed in accordance with the Parties' regular procedures and billing systems.

8.4.1 If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday preceding such Saturday or Holiday. If payment is not received by the payment due date, a late penalty, as set forth in §8.5 below, will be assessed.

8.5 If the amount billed is received by the billing Party after the payment due date or if any portion of the payment is received by the billing Party in funds which are not immediately available to the billing Party, then a late payment charge will apply to the unpaid balance.

8.6 Except as otherwise specifically provided in this Agreement interest on overdue invoices will apply at the lesser of the highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily and applied for each month or portion thereof that an outstanding balance remains, or shall not exceed 0.0004930% compounded daily and applied for each month or portion thereof that an outstanding balance remains.

EXHIBIT CFV 2

ATTACHMENT 4: NETWORK INTERCONNECTION ARCHITECTURE

1.0 Scope

- 1.1 Each Party shall provide interconnection to the other Party, in accordance with this Agreement, and in accordance with the standards and requirements governing interconnection set forth in 47 U.S.C. §251, FCC implementing regulations, and state law governing interconnection, at (i) any technically feasible point and/or (ii) a fiber meet point to which the Parties mutually agree under the terms of this Agreement, for the transmission and routing of Section 251(b)(5) Traffic, ISP-Bound Traffic, IntraLATA Toll Traffic, and InterLATA Toll Traffic.
- 1.2 ***CLEC Acronym TXT*** shall have the sole right and discretion to initiate interconnection in each LATA by submitting a written request to Alltel designating the following:
- (a) a CLI code for ***CLEC Acronym TXT***'s designated interconnection point ("IP"); and
 - (b) a proposed IP for the delivery of ***CLEC Acronym TXT***'s originating interconnection traffic to Alltel.
- Within ten (10) days of ***CLEC Acronym TXT***'s written request, Alltel shall provide ***CLEC Acronym TXT*** with the CLI code of Alltel's designated IP.
- 1.3 Pursuant to ***CLEC Acronym TXT***'s written request for interconnection in each LATA, each party shall designate an Interconnection Point ("IP") on its own network at which the designating party shall arrange to receive the other party's originating interconnection traffic. Each party shall have a duty to provide for the transport and delivery of interconnection traffic to the other party at the other party's IP.

2. Physical Architecture

2.1. Core shall have the sole right and discretion to specify any of the following methods for interconnection at any of the IPs which are established pursuant to this agreement for the delivery of traffic to ***RLEC Acronym TXT***:

i. a collocation facility established by Core at a ***RLEC Acronym TXT*** central office or tandem office where the IP is located, in which case Core shall pay ***RLEC Acronym TXT*** applicable collocation charges as set forth in the Collocation Attachment;

ii. a collocation facility established by a third-party, with whom Core has contracted, at a ***RLEC Acronym TXT*** central office or tandem office where the IP is located, in which case such third-party (and not Core) shall pay ***RLEC Acronym TXT*** (any) applicable collocation charges; and/or

iii. an Entrance Facility and transport (where applicable) leased from ***RLEC Acronym TXT*** as specified in the Pricing Attachment, or from a third party.

2.2. ***RLEC Acronym TXT*** shall have the sole right and discretion to specify any of the following methods for interconnection at any of the IPs which are established pursuant to this agreement for the delivery of traffic to Core:

i. a collocation facility established by ***RLEC Acronym TXT*** at a Core central office or tandem office where the IP is located, in which case ***RLEC Acronym TXT*** shall pay Core applicable collocation charges as set forth in the Collocation Attachment;

ii. a collocation facility established by a third-party, with whom ***RLEC Acronym TXT*** has contracted, at a Core central office or tandem office where the IP is located, in which case such third-party (and not ***RLEC Acronym TXT***) shall pay Core (any) applicable collocation charges; and/or

iii. an Entrance Facility and transport (where applicable) leased from Core as specified in the Pricing Attachment, or from a third party.

2.2.3. Trunk Types.

In interconnecting their networks pursuant to this Attachment, the Parties will use, as appropriate, the following separate and distinct trunk groups:

i. Interconnection Trunks for the transmission and routing of Section 251(b)(5) Traffic, ISP-Bound Traffic, and IntraLATA Toll Traffic, between their respective Telephone Exchange Service Customers; and

ii. Access Toll Connecting Trunks for the transmission and routing of InterLATA Toll Traffic between Core's customers and purchasers of Switched Exchange Access Service via a ***RLEC Acronym TXT*** access tandem; and

iii. Miscellaneous Trunk Groups as mutually agreed to by the Parties, including, but not limited to: (a) choke trunks for traffic congestion and testing; and, (b) untranslated IntraLATA/InterLATA toll free service access code (e.g. 800/888/877) traffic.

iv. Other types of trunk groups may be used by the Parties as provided in other Attachments to this Agreement (e.g., 911/E911 Trunks) or in other separate agreements between the Parties (e.g., Directory Assistance Trunks).

EXHIBIT CFV 3

- 2.1.1.1 CMRS Provider shall be responsible for the delivery of local and non-local Traffic from its network to ALLTEL's network at the appropriate Interconnection Point within ALLTEL's interconnected network for the transport and termination of such traffic by ALLTEL to an ALLTEL end user.
- 2.1.1.2 Unless CMRS Provider elects to provision its own facilities under subsection 1.5 of this Attachment, ALLTEL shall provide the physical plant facilities that interconnect CMRS Provider's Interconnection Point with ALLTEL's Interconnection Point within ALLTEL's interconnected network. ALLTEL shall provision mobile-to-land connecting facilities for CMRS Provider under the prices, terms and conditions specified in ALLTEL's applicable access tariff, as appropriate.
- 2.1.2.1 ALLTEL shall be responsible for the delivery of Telecommunications Traffic from its network to CMRS Provider's network at the appropriate Interconnection Point for the transport and termination of such traffic by CMRS Provider to the handset of a CMRS Provider end user.
- 2.1.2.2 Unless ALLTEL elects to have a third party provision facilities under subsection 1.6 of this Attachment, ALLTEL shall provide the physical plant facilities that interconnect ALLTEL Interconnection Point with CMRS Provider's Interconnection Point. ALLTEL shall be responsible for the physical plant facility from its network to the appropriate Interconnection Point within ALLTEL's interconnected network.

EXHIBIT CFV 4

ATTACHMENT IV

INTERCONNECTION

Section 1. Local Interconnection Trunk Arrangement

1.1 The Parties shall terminate Local Traffic and intraLATA/interLATA toll traffic originating on each other's networks as follows:

1.1.1 Initially, the Parties shall make available to each other two-way trunks, to be used one-way, for the reciprocal exchange of combined Local Traffic, non-equal access intraLATA toll traffic, and local transit traffic to other ILECs. In quarterly joint planning meetings pursuant to Section 8.3, where mutually agreed, the Parties may combine these trunk groups on a single shared two-way trunk group.

1.1.2 Bell Atlantic shall make available to MCIIm a two-way trunk group, to Bell Atlantic's appropriate access tandem(s), to be used two-way, for the exchange of equal access traffic between MCIIm and purchasers of Bell Atlantic's switched Exchange Access Services.

1.1.3 The Parties shall make available to each other trunks, to connect the originating Party's Switch to the appropriate E911 tandem of the other Party, or to connect the originating Party's Switch to the appropriate 911 PSAP.

1.1.4 Bell Atlantic Operator Services Trunks

1.1.4.1 The Parties shall make available to each other trunks to connect the originating Party's Switch to the other Party's Operator Service center for operator-assisted Line Status Verification/Verification and Call Interrupt.

1.1.4.2 For traffic from the Bell Atlantic network to MCIIm for Operator Services, Bell Atlantic shall provide one trunk group per NPA served by Bell Atlantic.

1.1.4.3 Bell Atlantic shall provide such trunks as one-way trunks from the Bell Atlantic network to the MCIIm network.

1.1.5 Bell Atlantic shall make available to MCIIm trunks to connect MCIIm's Switch to Bell Atlantic's Directory Assistance center in instances where MCIIm is purchasing Bell Atlantic's Directory Assistance service.

1.1.6 It is recognized by the Parties that there is no technical requirement to segregate local and toll traffic from MCI to Bell Atlantic, or from Bell Atlantic to MCI, provided that the classification of the traffic can reliably be identified by the Parties in accordance with the terms of Section 7.5 herein.

1.2 Interconnection Point

1.2.1 Definitions

1.2.1.1 "Interconnection Point" or "IP" means the switching, Wire Center, or other similar network node in a Party's network at which such Party accepts Local Traffic from the other Party. Bell Atlantic IPs include any Bell Atlantic End Office, for the delivery of traffic terminated to numbers served out of that End Office, and/or any Bell Atlantic access Tandem Office, for the delivery of traffic to numbers served out of any Bell Atlantic End Office that subtends that access Tandem Office. MCI IPs include any MCI Switch, for the delivery of traffic terminated to numbers served out of that Switch.

1.2.1.2 "Point of Interconnection" or "POI" means the physical point that establishes the technical interface, the test point, and the operational responsibility hand-off between the Parties for the Local Interconnection of their networks. Unless otherwise mutually agreed, MCI will be responsible for engineering and maintaining its network on its side of the POI and Bell Atlantic will be responsible for engineering and maintaining its network on its side of the POI.

1.2.2 MCI shall establish at Technically Feasible points in Bell Atlantic's network at least one POI in each of the Bell Atlantic access tandem serving areas in which MCI originates Local Traffic and interconnects with Bell Atlantic; provided that Bell Atlantic may request relief from the Commission if Bell Atlantic reasonably believes that MCI has manipulated the designation of POIs in order to maximize the transport revenues Bell Atlantic must pay to MCI. The Party delivering traffic to the other Party's IP(s) shall do so by purchasing from the other Party transport between the POI(s) and the IP(s), if necessary. MCI shall deliver traffic to at least one IP in each Bell Atlantic access tandem serving area to which its end users have local calling; provided, however, that if MCI delivers traffic to only one IP in an access tandem serving area, the IP shall be the access tandem. Bell Atlantic shall deliver traffic to at least one (1) MCI IP in each Bell Atlantic access tandem serving area.

1.2.2.1 If and when the Parties choose to interconnect at a fiber optic mid-span meet, MCI and Bell Atlantic will mutually agree on the technical, operational and compensation issues associated with each specific mid-span

meet implemented, and jointly provision the fiber optic facilities that connect the two networks in accordance with such agreement.

1.2.2.2 In response to a Party's request for any POI, the other Party shall provide any information in its possession or control regarding the environmental conditions of those POIs whose location is within its possession or control. The Party controlling the POI shall notify the requesting Party of any hazardous environmental conditions of the POI, including the existence and condition of asbestos, lead paint, hazardous substance contamination, and the like. The Party controlling the POI shall respond to any such request within ten (10) business days for manned sites and within no more than thirty (30) calendar days for unmanned sites.

1.2.2.3 The Party controlling a POI shall allow the requesting Party to perform at reasonable hours, reasonable environmental site investigations, including, but not limited to, asbestos surveys, that the requesting Party deems to be necessary in support of its interconnection needs.

1.2.2.4 If interconnection is complicated by the presence of environmental contamination or hazardous materials, and an alternative route is available within the space controlled by the Party controlling an POI, then such Party shall make such alternative route available for the requesting Party's consideration.

Section 2. Compensation Mechanisms

2.1 Point of Interconnection

2.1.1 Each (originating) Party is responsible for bringing their traffic to a POI.

2.2 Compensation for Local Traffic Transport and Termination

2.2.1 The POI determines the point at which the originating carrier shall pay the terminating carrier for the Transport and Termination of local traffic. The following compensation elements shall apply:

2.2.1.1 "Transport," which includes the transmission of Local Traffic from the POI to the terminating carrier's IPs, and any necessary Tandem Switching, and any necessary transport between the terminating carrier's access Tandem Office and the terminating carrier's End Office Switch that directly serves the called end user.

2.2.1.2 "Termination," which includes the switching of Local Traffic at the terminating carrier's End Office Switch.

2.3 When an MCI customer places a call to a Bell Atlantic customer, MCI will hand off that call to Bell Atlantic at the POI. Conversely, when Bell Atlantic hands over Local Traffic to MCI for MCI to transport and terminate, Bell Atlantic must use an established POI.

2.4 MCI may designate as its means of delivering traffic to a POI any Technically Feasible methods, including but not limited to, Collocation using electronic or manual cross-connect points via a digital signal access point ("DSAP"), or mutually-agreed mid-span meets. The transport and termination charges for Local Traffic delivered to POI shall be as follows:

2.4.1 When Local Traffic from MCI is terminating on Bell Atlantic's network through the Bell Atlantic access Tandem Office IP, MCI will pay Bell Atlantic transport charges from the POI to the Tandem Office for Dedicated Transport. Alternatively, MCI may choose to collocate at the Bell Atlantic access Tandem Office and pay applicable Collocation and cross-connect charges. MCI may also choose to purchase Bell Atlantic Dedicated Transport from the POI to a Collocation site established by MCI or a third Party at the Bell Atlantic access Tandem Office IP. MCI shall also pay a charge for the tandem termination rate. The tandem termination rate includes Tandem Switching, Common Transport to the End Office, and End Office termination and will be charged at the rate set forth in Attachment I.

2.4.2 When Local Traffic from Bell Atlantic is terminating on MCI's network through the POI, Bell Atlantic shall pay MCI transport charges from the POI to the MCI Switch for Dedicated Transport. This transport charge shall not exceed Bell Atlantic's equivalent charge. Bell Atlantic shall also pay a charge symmetrical to its own charges to MCI for Tandem Switching, Tandem Office to End Office transport, and End Office termination, provided that the MCI Switch covers an area comparable to the Bell Atlantic access Tandem Office serving the same area. If the area covered by the MCI Switch is comparable instead to the area of an End Office, Bell Atlantic shall not pay the charges for Tandem Switching or Tandem Office to End Office transport.

2.4.3 MCI may choose to establish direct trunking to any given Bell Atlantic End Office from the POI. If MCI leases trunks from Bell Atlantic, it shall pay charges for Dedicated Transport. For calls terminating from MCI to subscribers served by these directly-trunked end offices, MCI shall also pay for Local Traffic termination at the End Office termination rate. For Bell Atlantic Local Traffic terminating to MCI over the direct End Office trunking, compensation payable by Bell Atlantic shall be the same as that detailed in Section 2.4.2 above.

Section 3. Signaling

3.1 Signaling protocol. The Parties will interconnect their networks using SS7 signaling as defined in Bellcore documents GR-905-CORE, Issue 1, March 1995, Bellcore Special Report SR-TSV-002275, BOC Notes on the LEC Networks-Signaling, Bellcore Generic Requirements GR-317, Issue 1, February 1994 and GR-394, Issue 1, February 1994, including ISDN User Part ("ISUP") for trunk signaling and Transaction Capabilities Application Part ("TCAP") for CCS-based features in the interconnection of their networks.

3.2 The Parties will provide CCS to each other in conjunction with all trunk groups supporting intraLATA, local, transit, and toll traffic. CCS will not be provided in conjunction with trunk groups supporting Operator Services (Call Completion and Directory Assistance), 911, or where CCS has not been deployed by the originating carrier. The Parties will cooperate on the exchange of Transactional Capabilities Application Part ("TCAP") messages to facilitate full inter-operability of CCS-based features between their respective networks, including all CLASS features and functions. All CCS signaling parameters will be provided including Automatic Number Identification ("ANI"), originating line information ("OLI"), calling party category, Charge Number, etc. For terminating FGD, Bell Atlantic will pass CPN if it receives CPN from FGD carriers. All privacy indicators will be honored. Where available, network signaling information such as Transit Network Selection ("TNS") parameter (CCS platform) and CIC/OZZ information (non-CCS environment) will be provided by either Party wherever such information is needed for call routing or billing. The Parties will generally conform to OBF adopted guidelines pertaining to TNS and CIC/OZZ codes in accordance with Section 15.4 of Part A.

3.3 Refer to Attachment III, Section 11 for detailed terms of SS7 Network Interconnection.

3.4 Standard interconnection facilities shall be ESF with B8ZS line code. Where ESF/B8ZS is not available, both Parties will agree to use other interconnection protocols on an interim basis until the standard ESF/B8ZS is available. For specific arrangements not deployed as ESF/B8ZS, Bell Atlantic will provide anticipated dates of ESF/B8ZS availability for these facilities.

3.4.1 Where MCI is unwilling to utilize an alternate interconnection protocol, MCI will provide Bell Atlantic with a request for 64 kbps Clear Channel Capability ("64K CCC") trunk quantities consistent with the quarterly forecasting agreements between the Parties pursuant to Section 8.3. Upon receipt of this request, the Parties will begin joint planning for the engineering, procurement, and installation of the segregated 64K CCC Local Interconnection Trunk Groups, and the associated B8ZS Extended Super Frame ("ESF") facilities, for the sole purpose of transmitting 64K CCC data calls between MCI and Bell Atlantic. Where additional equipment or network rearrangements are required, such equipment and

rearrangements will be obtained, engineered, installed, and performed on the same basis and with the same intervals as any similar subscriber specific special construction jobs for EXCs, CLECs, or Bell Atlantic internal subscriber demand for 64K CCC trunks. Such equipment and rearrangements shall be charged at Commission-approved, applicable special construction rates. Should the foregoing not be adequate, MCI may invoke the BFR process. Where Technically Feasible and mutually agreed, these trunks will be established as two-way.

Section 4. Network Servicing

4.1 Trunk Forecasting

4.1.1 The Parties shall work toward the development of their forecasting responsibilities for traffic utilization over trunk groups. Orders for trunks that exceed forecasted quantities for forecasted locations will be accommodated as facilities and/or equipment are available. Parties shall make all reasonable efforts and cooperate in good faith to develop alternative solutions to accommodate orders when facilities are not available. Intercompany forecast information must be provided by MCI to Bell Atlantic on a quarterly basis. The forecasts shall include:

4.1.1.1 Yearly forecasted trunk quantities to each of Bell Atlantic's End Offices and access Tandem Office(s) affected by the exchange of traffic (which include measurements that reflect actual Tandem and End Office Local Interconnection and meet point trunks and tandem-subtending Local Interconnection End Office equivalent trunk requirements for no more than two years (current plus one year)) by traffic type (local/toll, operator services, 911, etc.), Access Carrier Terminal Location ("ACTL"), interface type (e.g., DS1), and trunks in service each year (cumulative);

4.1.1.2 The use of A location/Z location Common Language Location Identifier ("CLLI-MSG"), which are described in Bellcore documents BR 795-100-100 and BR 795-400-100; and

4.1.1.3 Descriptions of major network projects that affect the other Party will be provided in the forecasts. Major network projects include, but are not limited to, trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities by either Party that are reflected by a significant increase or decrease in trunking demand for the following forecasting period.

4.1.2 Parties shall meet to review and reconcile their forecasts if forecasts vary significantly.

4.1.2.1 Because each Party's trunking requirements will, at least during an initial period, be dependent on the subscriber segments to whom MCI_m decides to market its services, Bell Atlantic will be largely dependent on MCI_m to provide accurate trunk forecasts for both inbound (from Bell Atlantic) and outbound (from MCI_m) traffic. Bell Atlantic will, as an initial matter, and upon receipt of a forecast from MCI_m, order a sufficient number of trunks from MCI_m for Local Traffic and intraLATA toll, to MCI_m from Bell Atlantic, to handle the traffic forecast. Upon the establishment of any new set of trunks for traffic, each Party will monitor traffic for up to ninety (90) days, and will, as necessary, either augment trunks or disconnect trunks, based on the application of reasonable engineering criteria to the actual traffic volume experienced. If, after such ninety (90) day period, either Party has determined that the trunks are not warranted by actual traffic volumes, then, it shall inform the other in writing. Thereafter, within ten (10) business days of receipt of the written notice, the Party receiving notice shall inform the other Party of whether it desires to keep in operation any unused trunk. Each Party may hold the other financially responsible for such trunks, installed at the request of the other Party, retroactive to the start of the ninety (90) day period until such time as they are justified by actual traffic volumes, based on the application of reasonable engineering criteria.

4.1.3 Each Party shall provide a specified point of contact for planning, forecasting, and trunk servicing purposes.

4.1.4 Trunking can be established to Tandem or End Offices or a Combination Class 5/Class 4 via either one-way or two-way trunks in accordance with the standards set forth in Section 1 above. Trunking will be at the DS-0 level, DS-1 level, or higher, as mutually agreed in accordance with the standards set forth in Section 1 of this Attachment. Initial trunking will be established between the MCI_m switching centers and Bell Atlantic's access Tandem Office(s). The Parties may use direct End Office trunking for their traffic when deemed appropriate. Requests for direct End Office trunking will not be unreasonably denied.

4.2 Grade of Service

4.2.1 A blocking standard of one percent (.01) during the average busy hour, as defined by each Party's standards, for final trunk groups between MCI_m and Bell Atlantic shall be maintained.

4.3 Trunk Servicing

4.3.1 Orders between the Parties to establish, add, change or disconnect trunks shall be processed by use of an Access Service Request ("ASR"), or another industry standard eventually adopted to replace the ASR for local service ordering.

4.3.2 As discussed in this Agreement, both Parties will manage the capacity of their Local Interconnection Trunk Groups. Bell Atlantic will issue an ASR to MCIIm to trigger changes Bell Atlantic desires to the Bell Atlantic Local Interconnection Trunk Groups based on Bell Atlantic's capacity assessment. MCIIm will issue an ASR to Bell Atlantic to trigger changes MCIIm desires to the MCIIm Local Interconnection Trunk Groups based on MCIIm's capacity assessment.

4.3.3 The standard interval used for the provisioning of local interconnection trunk groups shall be ten (10) business days for orders of fewer than ninety-six (96) DS-0 trunks. Orders beyond this amount shall be determined on an individual case basis. Where feasible, Bell Atlantic will expedite installation, upon MCIIm's request.

4.3.4 Orders that comprise a major project that directly impacts the other Party may be submitted at the same time, and their implementation shall be jointly planned and coordinated. Major projects are those that require the coordination and execution of multiple orders or related activities between and among Bell Atlantic and MCIIm work groups, including but not limited to the initial establishment of Local Interconnection or Meet Point trunk groups and service in an area, facility grooming, or network rearrangements.

4.3.5 MCIIm and Bell Atlantic agree to exchange escalation lists which reflect contact personnel including vice president-level officers. These lists shall include name, department, title, phone number, and fax number for each person. MCIIm and Bell Atlantic agree to exchange an up-to-date list promptly following changes in personnel or information.

Section 5. Network Management

5.1 Protective Protocols

5.1.1 Either Party may use protective network traffic management controls such as 7-digit and 10-digit code gaps on traffic toward the other Party's network, when required to protect the public switched network from congestion due to facility failures, Switch congestion or failure, or focused overload. MCIIm and Bell Atlantic will immediately notify each other of any protective control action planned or executed.

5.2 Expansive Protocols

5.2.1 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes will not be used to

circumvent normal trunk servicing. Expansive controls will only be used when mutually agreed to by the Parties.

5.3 Mass Calling

5.3.1 MCI and Bell Atlantic shall cooperate and share pre-planning information, where available, regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes, to prevent or mitigate the impact of these events on the public switched network.

Section 6. Line Status Verification And Verification With Call Interruption

6.1 Each Party shall offer Line Status Verification ("LSV") and Verification and Call Interrupt ("VCI") services to enable its subscribers to verify and/or interrupt calls of the receiving Party's subscribers. The receiving Party shall accept and respond to LSV and VCI requests from the operator bureau of the originating Party, provided that the originating Party has ordered the requisite underlying LSV/VCI service from the receiving Party.

6.2 The receiving Party operator shall only verify the status of the line or interrupt the line to inform the called Party that there is a call waiting. The receiving Party operator will not complete the telephone call of the subscriber initiating the LSV/VCI request. The receiving Party operator will only make one LSV/VCI attempt per subscriber operator bureau telephone call, and the applicable charges apply whether or not the called Party releases the line.

6.3 Each Party's operator bureau shall accept LSV and VCI inquiries from the operator bureau of the other Party in order to allow transparent provision of LSV/VCI traffic between the Parties' networks.

6.4 Each Party shall route LSV/VCI traffic inquiries over separate direct trunks (and not the local/intraLATA/interLATA trunks) established between the Parties' respective operator bureaus. Each Party shall offer interconnection for LSV/VCI traffic at its Operator Services tandem office or other mutually agreed point in the LATA. Separate LSV/VCI trunks will be directed to the Operator Services tandem office designated by the receiving Party. The originating Party shall outpulse the appropriate NPA, ATC Code, and Routing Code (operator code) to the receiving Party.

6.5 When a LSV/VCI request for a ported number is directed to either Party's operator and the query is not successful (i.e., the request yields an abnormal result), the operator shall confirm whether the number has been ported and shall direct the request to the appropriate operator. The Parties shall work cooperatively to develop this process, which does not exist as of the Effective Date.

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

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 MCIIm 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 MCIIm 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 MCIIm 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 MCIIm 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 MCIIm.

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 MCIIm. In addition, Bell Atlantic shall be solely responsible for the overall coordination, installation, and maintenance responsibilities for the trunks and trunk groups that MCIIm 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 MCIIm and Bell Atlantic shall:

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

8.5.2 Notify each other when there is any change affecting the service requested, including the due date.

8.5.3 Coordinate and schedule testing activities of their own personnel, and others as applicable, to ensure its interconnection trunks/trunk groups are installed per the interconnection order, meet agreed-upon acceptance test requirements, and are placed in service by the due date.

8.5.4 Perform sectionalization to determine if a trouble is located in its facility or its portion of the interconnection trunks prior to referring the trouble to each other.

8.5.5 Advise each other's Control Office if there is an equipment failure which may affect the interconnection trunks.

8.5.6 Provide each other with a trouble reporting/repair contact number that is readily accessible and available twenty-four (24) hours/seven (7) days a week. Any changes to this contact arrangement must be immediately provided to the other Party.

8.5.7 Provide to each other test-line numbers to enable testing of interconnection trunks.

8.5.8 Cooperatively plan and implement coordinated repair procedures for the meet point and local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner.

Chris T. Antoniou
Assistant General Counsel



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Suite 500
Arlington, VA 22201

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January 17, 2003

VIA OVERNIGHT MAIL

Chris Van de Verg, Esq.
General Counsel
Core Communications, Inc.
209 West Street, Suite 203
Annapolis, Maryland 21401

Dear Mr. Van de Verg:

Enclosed is a fully executed original of Amendment No. 1 to the Interconnection Agreement between Verizon Pennsylvania Inc. and Core Communications. If you have any questions about this document, please call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris T. Antoniou".

Chris T. Antoniou

Enclosure

AMENDMENT NO. 1

to the

INTERCONNECTION AGREEMENT

between

VERIZON PENNSYLVANIA INC., f/k/a BELL ATLANTIC - PENNSYLVANIA,
INC.

and

CORE COMMUNICATIONS, INC.

THIS AMENDMENT No. 1 (this "Amendment") is made as of the 10th day of January 2003 (the "Effective Date"), by and between Verizon Pennsylvania Inc., f/k/a Bell Atlantic - Pennsylvania, Inc., a Pennsylvania corporation with offices at 1717 Arch Street, Philadelphia, Pennsylvania 19103 ("Verizon"), and Core Communications, Inc. ("Core"), a District of Columbia corporation with offices at 209 West Street, Suite 302, Annapolis, Maryland. (Verizon and Core may be hereinafter referred to, each individually, as a "Party" and, collectively, as the "Parties"). This Amendment covers services in the Altoona LATA in the Verizon Pennsylvania Inc. service territory in the state of Pennsylvania (the "State").

WITNESSETH:

WHEREAS, pursuant to an adoption letter dated March 31, 2000 (the "Adoption Letter"), Core adopted in the State of Pennsylvania for the Verizon Pennsylvania Inc. service territory the interconnection agreement between MCI/metro Access Transmission Services, Inc. ("MCI") and Bell Atlantic - Pennsylvania, Inc. ("MCI/BA" Agreement") dated as of September 3, 1997, as amended by Amendment No. 1 to the MCI/BA Agreement entered into on December 17, 1998 between MCI and Bell Atlantic - Pennsylvania, Inc. (collectively, the "Terms"); and

WHEREAS, Core and Verizon seek to further amend the Terms as set forth herein with respect to certain interconnection arrangements between the Parties in the Altoona LATA;

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. The Parties agree that as of the Effective Date of this Amendment, the Terms are hereby supplemented as follows:

a) Core and Verizon will implement initial interconnection trunking (for both Verizon-originated one-way traffic and Core-originated one-way traffic) in the Altoona LATA using those portions of the existing OC-12 loop fiber optic system, between Verizon's Altoona central office and the building at 1215 16th Street, Altoona, Pennsylvania, that are available as of the Effective Date of this Amendment (and that remain available as of the date(s), from time to time, that the Parties interconnect using such available facilities). Verizon's willingness to enter into the arrangements set forth in this Amendment are premised on a number of factors, including, without limitation, that (i) Core's switch is located in such building at 1215 16th Street, Altoona, Pennsylvania, (ii) Verizon is not building any new loop fiber optic facilities in order to effect interconnection as contemplated hereby and (iii) as further described herein, Core has agreed at Verizon's request that Verizon is not responsible for any performance metrics reporting, payment, penalty, incentive or similar obligations in connection with such arrangements. However, Verizon shall use commercially reasonable efforts to provision and maintain such existing OC-12 loop fiber optic system for interconnection with Core pursuant to this Amendment. Since capacity on this OC-12 loop fiber optic system will also be used to provision future services for other customers of Verizon (as well as for Core) on a nondiscriminatory, first-come, first-served basis as actual service orders are placed, in addition to the services that are currently being provided to other customers at the subject location, a fixed amount of capacity on the OC-12 will not be apportioned for use between Core and Verizon, and Verizon therefore cannot guarantee capacity to continue interconnection via this OC-12 loop fiber optic system in the future. Upon either Party's written request from time to time, the Parties shall meet in good faith to discuss appropriate next steps in connection with the possible exhaust of capacity on the existing OC-12 loop fiber optic system.

b) Since, among other things, the arrangements set forth herein (e.g., using non-dedicated, available portions of an existing OC-12 loop fiber optic system) are not typically used by Verizon to provide interoffice facilities between a Verizon central office and a Local Exchange Carrier's or an IXC's central office (hereinafter "Point of Presence" or "POP"), or between Verizon central offices, Core agrees at Verizon's request that Verizon will not be required to meet any interconnection trunk maintenance, provisioning or similar reporting requirements or performance metrics, standards or similar obligations set by the FCC, the State Commission, the Terms or otherwise, nor shall it be subject to corresponding (or other) penalties, incentives and/or similar obligations in connection with the interconnection trunks provisioned over this OC-12 loop fiber optic system (at the 1215 16th Street location), regardless of whether such interconnection trunks carry traffic originated by Verizon or by Core, and Core hereby expressly waives any rights, claims or the like in connection with the foregoing. However, Verizon shall use commercially reasonable efforts to provision and maintain such existing OC-12 loop fiber optic system for interconnection with Core pursuant to this Amendment.

c) Cabling for DS3 circuits from the OC-12 loop fiber optic system to Core's POP in Suite 201 will be provided (and maintained) by Verizon. DS3 cables will be connected to a termination equipment/device (provided by Verizon) at a mutually agreeable location

in Suite 201. The Parties agree that Verizon and Core shall both have unescorted access to the termination equipment 24 hours a day, seven days a week, without limitation.

d) Notwithstanding any other provision of this Amendment (or otherwise) and, for the avoidance of any doubt, Core may not assess any charge(s) upon Verizon for the transport of traffic delivered by Verizon over the OC-12 loop fiber optic system to Core's POP (or for the transport of traffic delivered by Core over the OC-12 loop fiber optic system); however, Core is responsible for paying Verizon's applicable unbundled network element (i.e., "UNE") transport charges between Core's POP and Verizon's central offices for traffic originated by Core.

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

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 Terms 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 Terms shall remain in full force and effect after Effective Date.

6. Use of Amendment in Other Proceedings. Nothing in this Amendment shall constitute, or be considered as, an admission of liability or wrongdoing by Verizon or by Core, and neither this Amendment nor any part of it may be used in any way against Verizon or Core in any legal, equitable or administrative action or arbitration except in an action to enforce this Amendment; provided, however, that the Parties shall file this Amendment, for approval, with the Pennsylvania Public Service Commission as an amendment to the Terms; provided further that Verizon shall file a copy of this Amendment with the Maryland Public Service Commission, in docket No. 8881, with only a statement (and no other comment) to the effect that this final Amendment is being filed by the Parties to update the record in the case, which includes a previous draft of the Amendment. It is Core's position that the arrangement contemplated hereby (i.e., use of the existing OC-12 loop fiber optic system for interconnection with Verizon) is within the scope of the Terms and, as such, an amendment of the Terms was not necessary. It is

Verizon's position that such arrangement is not within the scope of the Terms and, as such, an amendment of the Terms was necessary. However, Core has agreed to execute this Amendment with Verizon in order to expedite interconnection at 1215 16th Street, Altoona, Pennsylvania, and Core waives its rights to assert that Verizon delayed interconnection with Core at 1215 16th Street, Altoona, Pennsylvania.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed and to be effective as of the Effective Date.


CORECOMMUNICATIONS INC.

By: 

Printed: Christopher Van de Verg

Title: General Counsel

VERIZON PENNSYLVANIA INC.

By: 

Printed: Jeffrey A. Masoner

Title: Vice President - Interconnection
Services Policy & Planning

EXHIBIT CFV 5

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ATTACHMENT IV
INTERCONNECTION

Section 1. Local Interconnection Trunk Arrangement

1.1 The Parties shall terminate Local Traffic and intraLATA/interLATA toll traffic originating on each other's networks as follows:

1.1.1 Initially, the Parties shall make available to each other two-way trunks, to be used one-way, for the reciprocal exchange of combined Local Traffic, non-equal access intraLATA toll traffic, and local transit traffic to other ILECs. In quarterly joint planning meetings pursuant to Section 8.3, where mutually agreed, the Parties may combine these trunk groups on a single shared two-way trunk group.

1.1.2 Bell Atlantic shall make available to MCI a two-way trunk group, to Bell Atlantic's appropriate access tandem(s), to be used two-way, for the exchange of equal access traffic between MCI and purchasers of Bell Atlantic's switched Exchange Access Services.

1.1.3 The Parties shall make available to each other trunks, to connect the originating Party's Switch to the appropriate E911 tandem of the other Party, or to connect the originating Party's Switch to the appropriate 911 PSAP.

1.1.4 Bell Atlantic Operator Services Trunks

1.1.4.1 The Parties shall make available to each other trunks to connect the originating Party's Switch to the other Party's Operator Service center for operator-assisted Line Status Verification/Verification and Call Interrupt.

1.1.4.2 For traffic from the Bell Atlantic network to MCI for Operator Services, Bell Atlantic shall provide one trunk group per NPA served by Bell Atlantic.

1.1.4.3 Bell Atlantic shall provide such trunks as one-way trunks from the Bell Atlantic network to the MCI network.

1.1.5 Bell Atlantic shall make available to MCI trunks to connect MCI's Switch to Bell Atlantic's Directory Assistance center in instances where MCI is purchasing Bell Atlantic's Directory Assistance service.

1.1.6 It is recognized by the Parties that there is no technical requirement to segregate local and toll traffic from MCI to Bell Atlantic, or from Bell Atlantic to MCI, provided that the classification of the traffic can reliably be identified by the Parties in accordance with the terms of Section 7.5 herein.

1.2 Interconnection Point

1.2.1 Definitions

1.2.1.1 "Interconnection Point" or "IP" means the switching, Wire Center, or other similar network node in a Party's network at which such Party accepts Local Traffic from the other Party. Bell Atlantic IPs include any Bell Atlantic End Office, for the delivery of traffic terminated to numbers served out of that End Office, and/or any Bell Atlantic access Tandem Office, for the delivery of traffic to numbers served out of any Bell Atlantic End Office that subtends that access Tandem Office. MCI IPs include any MCI Switch, for the delivery of traffic terminated to numbers served out of that Switch.

1.2.1.2 "Point of Interconnection" or "POI" means the physical point that establishes the technical interface, the test point, and the operational responsibility hand-off between the Parties for the Local Interconnection of their networks. Unless otherwise mutually agreed, MCI will be responsible for engineering and maintaining its network on its side of the POI and Bell Atlantic will be responsible for engineering and maintaining its network on its side of the POI.

1.2.2 MCI shall establish at Technically Feasible points in Bell Atlantic's network at least one POI in each of the Bell Atlantic access tandem serving areas in which MCI originates Local Traffic and interconnects with Bell Atlantic; provided that Bell Atlantic may request relief from the Commission if Bell Atlantic reasonably believes that MCI has manipulated the designation of POIs in order to maximize the transport revenues Bell Atlantic must pay to MCI. The Party delivering traffic to the other Party's IP(s) shall do so by purchasing from the other Party transport between the POI(s) and the IP(s), if necessary. MCI shall deliver traffic to at least one (1) IP in each Bell Atlantic access tandem serving area to which its end users have local calling; provided, however, that if MCI delivers traffic to only one (1) IP in an access tandem serving area, the IP shall be the access tandem. Bell Atlantic shall deliver traffic to at least one (1) MCI IP in each Bell Atlantic access tandem serving areas.

1.2.2.1 If and when the Parties choose to interconnect at a fiber optic mid-span meet, MCI and Bell Atlantic will mutually agree on the technical, operational and compensation issues associated with each specific mid-

span meet implemented, and jointly provision the fiber optic facilities that connect the two networks in accordance with such agreement.

1.2.2.2 In response to a Party's request for any POI, the other Party shall provide any information in its possession or control regarding the environmental conditions of those POIs whose location is within its possession or control. The Party controlling the POI shall notify the requesting Party of any hazardous environmental conditions of the POI, including the existence and condition of asbestos, lead paint, hazardous substance contamination, and the like. The Party controlling the POI shall respond to any such request within ten (10) business days for manned sites and within no more than thirty (30) calendar days for unmanned sites.

1.2.2.3 The Party controlling a POI shall allow the requesting Party to perform at reasonable hours, reasonable environmental site investigations, including, but not limited to, asbestos surveys, that the requesting Party deems to be necessary in support of its interconnection needs.

1.2.2.4 If interconnection is complicated by the presence of environmental contamination or hazardous materials, and an alternative route is available within the space controlled by the Party controlling an POI, then such Party shall make such alternative route available for the requesting Party's consideration.

Section 2. Compensation Mechanisms

2.1 Point of Interconnection

2.1.1 Each (originating) Party is responsible for bringing their traffic to a POI.

2.2 Compensation for Local Traffic Transport and Termination

2.2.1 The POI determines the point at which the originating carrier shall pay the terminating carrier for the Transport and Termination of local traffic. The following compensation elements shall apply:

2.2.1.1 "Transport," which includes the transmission of Local Traffic from the POI to the terminating carrier's IPs, and any necessary Tandem Switching, and any necessary transport between the terminating carrier's access Tandem Office and the terminating carrier's End Office Switch that directly serves the called end user.

2.2.1.2 "Termination," which includes the switching of Local Traffic at the terminating carrier's End Office Switch.

Section 3. Signaling

3.1 Signaling protocol. The Parties will interconnect their networks using SS7 signaling as defined in Bellcore documents GR-905-CORE, Issue 1, March 1995, Bellcore Special Report SR-TSV-002275, BOC Notes on the LEC Networks-Signaling, Bellcore Generic Requirements GR-317, Issue 1, February 1994 and GR-394, Issue 1, February 1994, including ISDN User Part ("ISUP") for trunk signaling and Transaction Capabilities Application Part ("TCAP") for CCS-based features in the interconnection of their networks.

3.2 The Parties will provide CCS to each other in conjunction with all trunk groups supporting intraLATA, local, transit, and toll traffic. CCS will not be provided in conjunction with trunk groups supporting Operator Services (Call Completion and Directory Assistance), 911, or where CCS has not been deployed by the originating carrier. The Parties will cooperate on the exchange of Transactional Capabilities Application Part ("TCAP") messages to facilitate full inter-operability of CCS-based features between their respective networks, including all CLASS features and functions. All CCS signaling parameters will be provided including Automatic Number Identification ("ANI"), originating line information ("OLI"), calling party category, Charge Number, *etc.* For terminating FGD, Bell Atlantic will pass CPN if it receives CPN from FGD carriers. All privacy indicators will be honored. Where available, network signaling information such as Transit Network Selection ("TNS") parameter (CCS platform) and CIC/OZZ information (non-CCS environment) will be provided by either Party wherever such information is needed for call routing or billing. The Parties will generally conform to OBF adopted guidelines pertaining to TNS and CIC/OZZ codes in accordance with Section 15.4 of Part A.

3.3 Refer to Attachment III, Section 11 for detailed terms of SS7 Network Interconnection.

3.4 Standard interconnection facilities shall be ESF with B8ZS line code. Where ESF/B8ZS is not available, both Parties will agree to use other interconnection protocols on an interim basis until the standard ESF/B8ZS is available. For specific arrangements not deployed as ESF/B8ZS, Bell Atlantic will provide anticipated dates of ESF/B8ZS availability for these facilities.

3.4.1 Where MCI is unwilling to utilize an alternate interconnection protocol, MCI will provide Bell Atlantic with a request for 64 kbps Clear Channel Capability ("64K CCC") trunk quantities consistent with the quarterly forecasting agreements between the Parties pursuant to Section 8.3. Upon receipt of this request, the Parties will begin joint planning for the engineering, procurement, and installation of the segregated 64K CCC Local Interconnection Trunk Groups, and the associated B8ZS Extended Super Frame ("ESF") facilities, for the sole purpose of transmitting 64K CCC data calls between MCI and Bell Atlantic. Where additional equipment or network rearrangements are required, such

equipment and rearrangements will be obtained, engineered, installed, and performed on the same basis and with the same intervals as any similar subscriber specific special construction jobs for IXCs, CLECs, or Bell Atlantic internal subscriber demand for 64K CCC trunks. Such equipment and rearrangements shall be charged at Commission-approved, applicable special construction rates. Should the foregoing not be adequate, MCI may invoke the BFR process. Where Technically Feasible and mutually agreed, these trunks will be established as two-way.

Section 4. Network Servicing

4.1 Trunk Forecasting

4.1.1 The Parties shall work toward the development of their forecasting responsibilities for traffic utilization over trunk groups. Orders for trunks that exceed forecasted quantities for forecasted locations will be accommodated as facilities and/or equipment are available. Parties shall make all reasonable efforts and cooperate in good faith to develop alternative solutions to accommodate orders when facilities are not available. Intercompany forecast information must be provided by MCI to Bell Atlantic on a quarterly basis. The forecasts shall include:

4.1.1.1 Yearly forecasted trunk quantities to each of Bell Atlantic's End Offices and access Tandem Office(s) affected by the exchange of traffic (which include measurements that reflect actual Tandem and End Office Local Interconnection and meet point trunks and tandem-subtending Local Interconnection End Office equivalent trunk requirements for no more than two years (current plus one year)) by traffic type (local/toll, operator services, 911, etc.), Access Carrier Terminal Location ("ACTL"), interface type (e.g., DS1), and trunks in service each year (cumulative);

4.1.1.2 The use of A location/Z location Common Language Location Identifier ("CLLI-MSG"), which are described in Bellcore documents BR 795-100-100 and BR 795-400-100; and

4.1.1.3 Descriptions of major network projects that affect the other Party will be provided in the forecasts. Major network projects include, but are not limited to, trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities by either Party that are reflected by a significant increase or decrease in trunking demand for the following forecasting period.

4.1.2 Parties shall meet to review and reconcile their forecasts if forecasts vary significantly.

4.1.2.1 Because each Party's trunking requirements will, at least during an initial period, be dependent on the subscriber segments to whom MCI_m decides to market its services, Bell Atlantic will be largely dependent on MCI_m to provide accurate trunk forecasts for both inbound (from Bell Atlantic) and outbound (from MCI_m) traffic. Bell Atlantic will, as an initial matter, and upon receipt of a forecast from MCI_m, order a sufficient number of trunks from MCI_m for Local Traffic and intraLATA toll, to MCI_m from Bell Atlantic, to handle the traffic forecast. Upon the establishment of any new set of trunks for traffic, each Party will monitor traffic for up to ninety (90) days, and will, as necessary, either augment trunks or disconnect trunks, based on the application of reasonable engineering criteria to the actual traffic volume experienced. If, after such ninety (90) day period, either Party has determined that the trunks are not warranted by actual traffic volumes, then, it shall inform the other in writing. Thereafter, within ten (10) business days of receipt of the written notice, the Party receiving notice shall inform the other Party of whether it desires to keep in operation any unused trunk. Each Party may hold the other financially responsible for such trunks, installed at the request of the other Party, retroactive to the start of the ninety (90) day period until such time as they are justified by actual traffic volumes, based on the application of reasonable engineering criteria.

4.1.3 Each Party shall provide a specified point of contact for planning, forecasting, and trunk servicing purposes.

4.1.4 Trunking can be established to Tandem or End Offices or a Combination Class 5/Class 4 via either one-way or two-way trunks in accordance with the standards set forth in Section 1 above. Trunking will be at the DS-0 level, DS-1 level, or higher, as mutually agreed in accordance with the standards set forth in Section 1 of this Attachment. Initial trunking will be established between the MCI_m switching centers and Bell Atlantic's access Tandem Office(s). The Parties may use direct End Office trunking for their traffic when deemed appropriate. Requests for direct End Office trunking will not be unreasonably denied.

4.2 Grade of Service

4.2.1 A blocking standard of one percent (.01) during the average busy hour, as defined by each Party's standards, for final trunk groups between MCI_m and Bell Atlantic shall be maintained.

4.3 Trunk Servicing

4.3.1 Orders between the Parties to establish, add, change or disconnect trunks shall be processed by use of an Access Service Request ("ASR"), or another

industry standard eventually adopted to replace the ASR for local service ordering.

4.3.2 As discussed in this Agreement, both Parties will manage the capacity of their Local Interconnection Trunk Groups. Bell Atlantic will issue an ASR to MCI to trigger changes Bell Atlantic desires to the Bell Atlantic Local Interconnection Trunk Groups based on Bell Atlantic's capacity assessment. MCI will issue an ASR to Bell Atlantic to trigger changes MCI desires to the MCI Local Interconnection Trunk Groups based on MCI's capacity assessment.

4.3.3 The standard interval used for the provisioning of local interconnection trunk groups shall be ten (10) business days for orders of fewer than ninety-six (96) DS-0 trunks. Orders beyond this amount shall be determined on an individual case basis. Where feasible, Bell Atlantic will expedite installation, upon MCI's request.

4.3.4 Orders that comprise a major project that directly impacts the other Party may be submitted at the same time, and their implementation shall be jointly planned and coordinated. Major projects are those that require the coordination and execution of multiple orders or related activities between and among Bell Atlantic and MCI work groups, including but not limited to the initial establishment of Local Interconnection or Meet Point trunk groups and service in an area, facility grooming, or network rearrangements.

4.3.5 MCI and Bell Atlantic agree to exchange escalation lists which reflect contact personnel including vice president-level officers. These lists shall include name, department, title, phone number, and fax number for each person. MCI and Bell Atlantic agree to exchange an up-to-date list promptly following changes in personnel or information.

Section 5. Network Management

5.1 Protective Protocols

5.1.1 Either Party may use protective network traffic management controls such as 7-digit and 10-digit code gaps on traffic toward the other Party's network, when required to protect the public switched network from congestion due to facility failures, Switch congestion or failure, or focused overload. MCI and Bell Atlantic will immediately notify each other of any protective control action planned or executed.

5.2 Expansive Protocols

5.2.1 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes will not be used to circumvent normal trunk servicing. Expansive controls will only be used when mutually agreed to by the Parties.

5.3 Mass Calling

5.3.1 MCI and Bell Atlantic shall cooperate and share pre-planning information, where available, regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes, to prevent or mitigate the impact of these events on the public switched network.

Section 6. Line Status Verification And Verification With Call Interruption

6.1 Each Party shall offer Line Status Verification ("LSV") and Verification and Call Interrupt ("VCI") services to enable its subscribers to verify and/or interrupt calls of the receiving Party's subscribers. The receiving Party shall accept and respond to LSV and VCI requests from the operator bureau of the originating Party, provided that the originating Party has ordered the requisite underlying LSV/VCI service from the receiving Party.

6.2 The receiving Party operator shall only verify the status of the line or interrupt the line to inform the called Party that there is a call waiting. The receiving Party operator will not complete the telephone call of the subscriber initiating the LSV/VCI request. The receiving Party operator will only make one LSV/VCI attempt per subscriber operator bureau telephone call, and the applicable charges apply whether or not the called Party releases the line.

6.3 Each Party's operator bureau shall accept LSV and VCI inquiries from the operator bureau of the other Party in order to allow transparent provision of LSV/VCI traffic between the Parties' networks.

6.4 Each Party shall route LSV/VCI traffic inquiries over separate direct trunks (and not the local/intraLATA/interLATA trunks) established between the Parties' respective operator bureaus. Each Party shall offer interconnection for LSV/VCI traffic at its Operator Services tandem office or other mutually agreed point in the LATA. Separate LSV/VCI trunks will be directed to the Operator Services tandem office designated by the receiving Party. The originating Party shall outpulse the appropriate NPA, ATC Code, and Routing Code (operator code) to the receiving Party.

6.5 When a LSV/VCI request for a ported number is directed to either Party's operator and the query is not successful (*i.e.*, the request yields an abnormal result), the operator

shall confirm whether the number has been ported and shall direct the request to the appropriate operator. The Parties shall work cooperatively to develop this process, which does not exist as of the Effective Date.

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 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 MCIIm 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 MCIIm 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 MCIIm 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 MCIIm 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 MCIIm.

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 MCIIm. In addition, Bell Atlantic shall be solely responsible for the overall coordination, installation, and maintenance responsibilities for the trunks and trunk groups that MCIIm 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 MCIIm and Bell Atlantic shall:

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

8.5.2 Notify each other when there is any change affecting the service requested, including the due date.

8.5.3 Coordinate and schedule testing activities of their own personnel, and others as applicable, to ensure its interconnection trunks/trunk groups are installed per the interconnection order, meet agreed-upon acceptance test requirements, and are placed in service by the due date.

8.5.4 Perform sectionalization to determine if a trouble is located in its facility or its portion of the interconnection trunks prior to referring the trouble to each other.

8.5.5 Advise each other's Control Office if there is an equipment failure which may affect the interconnection trunks.

8.5.6 Provide each other with a trouble reporting/repair contact number that is readily accessible and available twenty-four (24) hours/seven (7) days a week. Any changes to this contact arrangement must be immediately provided to the other Party.

8.5.7 Provide to each other test-line numbers to enable testing of interconnection trunks.

8.5.8 Cooperatively plan and implement coordinated repair procedures for the meet point and local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner.

Robert D. Lynd
Assistant General Counsel



1 East Pratt Street, Floor 8E
Baltimore, MD 21202

Phone 410 393-7477
Fax 410 393-7547
robert.d.lynd@verizon.com

June 26, 2003

Hand Delivered

Felccia L. Greer
Executive Secretary
Public Service Commission
of Maryland
William Donald Schaefer Tower
6 Paul Street, 16th Floor
Baltimore, Maryland 21202-6806

Re: Verizon Maryland Inc.'s Interconnection Agreement with
Core Communications, Inc.

Dear Ms. Greer:

Enclosed please find an original and fourteen copies of Amendment No. 3 to the Adopted Terms between Verizon Maryland, Inc. and Core Communications, Inc., which was approved by the Commission on March 19, 2001. The enclosed amendment should be attached to, and become a part of, said Agreement.

Very truly yours,

Robert D. Lynd

RDL/mlw

Enclosures

cc: Chris Van de Verg, Esq.

AMENDMENT NO. 3
to the
INTERCONNECTION AGREEMENT
between
VERIZON MARYLAND INC.
and
CORE COMMUNICATIONS, INC.

THIS AMENDMENT No. 3 (this "Amendment") is made as of the 27th day of May 2003 (the "Effective Date"), by and between Verizon Maryland Inc., a Maryland corporation ("Verizon"), and Core Communications, Inc. ("Core"), a District of Columbia corporation with offices at 209 West Street, Suite 302, Annapolis, Maryland. (Verizon and Core may be hereinafter referred to, each individually, as a "Party" and, collectively, as the "Parties".) This Amendment covers services in the Salisbury LATA (i.e., LATA 242) in the Verizon service territory in the state of Maryland (the "State").

WITNESSETH:

WHEREAS, Verizon and Core are Parties to an Interconnection Agreement for Maryland dated as of January 18, 2001, as amended by Amendment Nos. 1 and 2 thereto (the "Interconnection Agreement");

WHEREAS, *In the Matter of the Review by the [Maryland Public Service] Commission Into Verizon Maryland Inc.'s Compliance with the Conditions of 47 U.S.C. §271(c), Case No. 8921*, the Maryland Public Service Commission directed Verizon to provide to it a model interconnection agreement amendment relating to use of Verizon's existing loop fiber optic systems for interconnection with competitive local exchange carriers; and

WHEREAS, based on the foregoing direction of the Maryland Public Service Commission, Core and Verizon seek to amend the Interconnection Agreement as set forth herein to modify the terms therein relating to certain interconnection arrangements between the Parties in the Salisbury LATA.

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. The Parties agree that as of the Effective Date of this Amendment, the Interconnection Agreement is hereby amended as follows:

(a) Core and Verizon will implement initial interconnection trunking connecting Core's new switch in Salisbury, Maryland (for both Verizon-originated one-way traffic and Core-originated one-way traffic) in the Salisbury LATA by establishing a maximum of twenty (20) DS1 circuits with respect to the capacity that is available, as of the Effective Date of this Amendment, on the existing OC-3 loop fiber optic system between Verizon's Salisbury central office and the building at 808 Priscilla Street, Salisbury, Maryland. Verizon's willingness to enter into the arrangements set forth in this Amendment is premised on a number of factors, including, without limitation, that (A) the Maryland Public Service Commission, in Case No. 8921, directed Verizon to provide to it (and make available to competitive local exchange carriers) a model interconnection agreement amendment relating to use of existing loop fiber optic systems for interconnection, which model amendment this Amendment is based upon, (B) Core's switch is located in such building at 808 Priscilla Street, Salisbury, Maryland, (C) the Parties hereby agree that the arrangements contemplated herein may very well be temporary (i.e., it is likely that they will be replaced by a dedicated Interoffice Facility (IOF) fiber optic system in the future) and, as such, upon Verizon's written notice to Core, the Parties shall promptly (and, in any case, within three (3) months of receipt of Verizon's notice) rearrange the DS1 interconnection trunks provisioned hereunder on the existing OC-3 loop fiber optic system to an existing Interoffice Facility (IOF) fiber optic system (in which case the Parties will each bear their own respective costs associated with such interconnection trunk rearrangement work), (D) Verizon is not building any new loop fiber optic facilities or IOF fiber optic facilities in order to effect interconnection as contemplated hereby and (E) as further described herein, Core has agreed that Verizon is not responsible for any performance metrics, measurements, standards, reporting, credits, payments, remedies, penalties, incentives or similar obligations in connection with such arrangements (including, but not limited to, under the "Maryland Carrier-to-Carrier Guidelines Performance Standards and Reports" ("MD Guidelines") and/or the "Performance Assurance Plan Verizon Maryland Inc." ("MD PAP"), adopted by the Maryland Public Service Commission in Case No. 8916 or any successor Maryland Public Service Commission proceeding, as such "MD Guidelines" and "MD PAP" are modified from time-to-time). However, Verizon shall use commercially reasonable efforts to provision and maintain such existing OC-3 loop fiber optic system for interconnection with Core pursuant to this Amendment.

(b) Since, among other things, the arrangements set forth herein (e.g., using non-dedicated, available portions of an existing OC-3 loop fiber optic system) are not typically used by Verizon to provide interoffice facilities between a Verizon central office and a Local Exchange Carrier's or an LXC's central office (hereinafter "Point of Presence" or "POP"), or between Verizon central offices, Core agrees that Verizon will not be required to meet any reporting requirements or performance metrics, measurements, standards or similar obligations set by the FCC, the Maryland Public Service Commission, the Interconnection Agreement or otherwise (including, but not limited to, under the "MD Guidelines" and/or the "MD PAP") in connection with the

interconnection trunks provisioned over this existing OC-3 loop fiber optic system (at the 808 Priscilla Street location), nor shall Verizon be subject to corresponding (or other) credits, payments, remedies, penalties, incentives and/or similar obligations (including, but not limited to, under the "MD Guidelines" and/or the "MD PAP") in connection with the interconnection trunks provisioned over this existing OC-3 loop fiber optic system (at the 808 Priscilla Street location), regardless of whether such interconnection trunks carry traffic originated by Verizon or by Core, and Core hereby expressly waives any rights, claims or the like in connection with the foregoing. However, Verizon shall use commercially reasonable efforts to provision and maintain such existing OC-3 loop fiber optic system for interconnection with Core pursuant to this Amendment.

(c) Cabling for DS1 circuits from the existing OC-3 loop fiber optic system to Core's POP at 808 Priscilla Street will be provided (and maintained) by Verizon. DS1 cables will be connected to a termination equipment/device (provided by Verizon) at a mutually agreeable location at 808 Priscilla Street. The Parties agree that Verizon and Core shall both have unescorted access to the termination equipment 24 hours a day, seven days a week, without limitation.

(d) Notwithstanding any other provision of this Amendment (or otherwise) and, for the avoidance of any doubt, Core may not assess any charge(s) upon Verizon for the transport of traffic delivered by Verizon over the existing OC-3 loop fiber optic system to Core's POP (or for the transport of traffic delivered by Core over the existing OC-3 loop fiber optic system); however, Core is responsible for paying Verizon's applicable unbundled network element (i.e., "UNE") transport charges between Core's POP and Verizon's central offices for traffic originated by Core.

2. Conflict between this Amendment and the Interconnection Agreement. This Amendment shall amend the terms and provisions of the Interconnection Agreement only to the extent necessary to give effect to the terms and provisions of this Amendment and, except to the extent set forth in this Amendment, the terms and provisions of the Interconnection Agreement shall remain in full force and effect after the Effective Date. In the event of a conflict between the terms and provisions of this Amendment and the terms and provisions of the Interconnection Agreement, this Amendment shall govern, *provided, however*, that the fact that a term or provision appears in this Amendment but not in the Interconnection Agreement, or in the Interconnection 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. Use of Amendment in Other Proceedings. Nothing in this Amendment shall constitute, or be considered as, an admission of liability or wrongdoing by Verizon or by Core, and neither this Amendment nor any part of it may be used in any way against Verizon or Core in any legal, equitable or administrative action or arbitration except in an action to enforce this Amendment; provided, however, that the Parties shall file this Amendment, for approval, with the Maryland Public Service Commission.

6. Authority. Each Party hereby represents and warrants to the other Party that: (a) such Party has full power and authority to execute, deliver and perform this Amendment; (b) this Amendment has been executed and delivered on behalf of such Party by its duly authorized agent and constitutes the valid and binding obligation of such Party enforceable in accordance with its terms; and (c) the execution, delivery and performance of this Amendment and the consummation by such Party of the transactions contemplated hereby will not result in a violation of such Party's certificate of incorporation, partnership agreement or by-laws, or any law, rule, regulation, order, judgment or decree applicable to it or by which any of its properties or assets is bound or affected.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed and to be effective as of the Effective Date.

CORE COMMUNICATIONS, INC.

By: Chris Van de Verg

Printed: Chris Van de Verg

Title: General Counsel

VERIZON MARYLAND INC.

By: Jeffrey A. Masoner

Printed: Jeffrey A. Masoner

Title: Vice President - Interconnection
Services Policy & Planning

EXHIBIT CFV 6

4.0 INTERCONNECTION PURSUANT TO SECTION 251(c)(2)

The types of Traffic to be exchanged under this Agreement shall be Local Traffic, IntraLATA Toll (and InterLATA Toll, as applicable) Traffic, Frame Relay Service traffic, Transit Traffic, Meet Point Billing Traffic, and Ancillary Traffic. Subject to the terms and conditions of this Agreement, Interconnection of the Parties facilities and equipment pursuant to this Section 4.0 for the transmission and routing of Telephone Exchange Service traffic, Frame Relay Service traffic and Exchange Access traffic shall be established on or before the corresponding "Interconnection Activation Date" shown for each such LATA within the State of New York on Schedule 4.0. Schedule 4.0 may be revised and supplemented from time to time upon the mutual agreement of the Parties to reflect additional or changed Interconnection Points in New York State pursuant to subsection 4.4 by attaching one or more supplementary addenda to such Schedule.

4.1 Scope of Traffic

4.1.1 Section 4 describes the architecture for Interconnection of the Parties' facilities and equipment over which the Parties shall configure the following separate and distinct trunk groups:

Traffic Exchange Trunks for the transmission and routing of terminating Local Traffic, Transit Traffic, translated LEC IntraLATA 800/888 traffic, IntraLATA Toll Traffic, and, where agreed to between the Parties and as set forth in subsection 4.2.8 below, InterLATA Toll Traffic between their respective Telephone Exchange Service customers pursuant to Section 251(c)(2) of the Act, in accordance with Section 5 below;

Access Toll Connecting Trunks for the transmission and routing of Exchange Access traffic, including translated InterLATA 800/888 traffic, between GNAPS Telephone Exchange Service customers and purchasers of Switched Exchange Access Service via a BA Tandem, pursuant to Section 251(c)(2) of the Act, in accordance with Section 6 below;

Information Services Trunks for the transmission and routing of terminating Information Services Traffic in accordance with Section 7 below;

BLV/BLVI Trunks for the transmission and routing of terminating BLV/BLVI traffic, in accordance with Section 19 below;

911/E911 Trunks for the transmission and routing of terminating E911/911 traffic, in accordance with Section 7 below;

Directory Assistance Trunks for the transmission and routing of terminating directory assistance traffic, in accordance with Section 19.0 below;

Operator Services (IntraLATA call completion) Trunks for the transmission and routing of terminating IntraLATA call completion traffic, in accordance with Section 19.0 below;

Choke Trunks for traffic congestion and testing; and

Others as may be requested and agreed to by the Parties.

4.1.2 To the extent required by Section 251 of the Act, this Agreement provides for Interconnection to each other's networks at any technically feasible point ("POI"). For the purposes of this Agreement, the Parties agree that Interconnection for the transport and termination of traffic may take place, in the case of BA, at a terminating End Office, a Tandem, and/or other points as specified herein, and, in the case of GNAPS, at a Central Office and/or other points as specified herein, and, in the case of both Parties, any mutually agreed-upon Mid-Span Fiber Meet arrangement as provided in Section 4.3 below.

4.1.3 The Parties shall establish interconnection points (collectively, the "Interconnection Points" or "IPs") at the available locations designated in Schedule 4.0. The IPs on the GNAPS network at which GNAPS will provide transport and termination of traffic shall be designated as the GNAPS Interconnection Points ("GNAPS-IPs"); the IPs on the BA network from which BA will provide transport and termination via its network shall be designated as the BA Interconnection Points ("BA-IPs") and shall be either a BA terminating End Office serving the BA Customer or BA Tandem subtended by the terminating End Office. In the event either Party establishes additional Central Office switches or other IPs in a LATA after the Effective Date, such Party shall provide notice of said Central Office switches or IPs to the other Party in accordance with the time periods set forth in Section 4.4 below.

4.1.4 In the event either Party fails to make available a geographically relevant End Office or functional equivalent as an IP on its network to the other Party, the other Party may, at any time, request that the first Party establish such additional technically feasible IP(s). Such requests shall be made as part of the Joint Grooming Process established pursuant to subsection 10.1; provided, however, that the Parties shall commence negotiations to determine the technically feasible and geographically relevant location(s) of the additional IP(s) as soon as reasonable practicable following a Party's request therefor. If, after sixty (60) days following said request, the Parties have been unable to reach agreement on the additional Interconnection Point, then either Party may file a complaint with the Commission to resolve such impasse or pursue with any other remedy available under law or equity. A "geographically relevant" IP shall mean either (i) the single IP serving that NXX or (ii) an IP established by GNAPS within the Rate Center Area of the designated NXX(s) for delivery of such traffic by BA.

4.1.5 In recognition of the large number and variety of BA-IPs available for use by GNAPS, GNAPS's ability to select from among those points to minimize the amount of transport it needs to provide or purchase, and the fewer number of GNAPS-IPs available to BA to select from for similar purposes, GNAPS shall charge BA no more than BA's Tariffed non-distance sensitive Entrance Facility charge for the transport of traffic from a BA-IP to a GNAPS-IP in any given LATA. The Parties may by mutual agreement establish additional Interconnection Points at any technically feasible points consistent with the Act.

4.1.6 The Parties shall configure separate trunk groups (as described in subsection 4.1.1 above) for traffic from GNAPS to BA, and for traffic from BA to GNAPS, respectively; however, either party may at its discretion request that the trunk groups shall be equipped as two-way trunks for testing purposes. As provided in Section 10 below, the Parties agree to consider as part of the Joint Process the feasibility of combining any of the separate trunk groups into a single two-way trunk group.

4.2 Physical Architecture

4.2.1 In each LATA identified in Schedule 4.0, the Parties shall utilize the GNAPS-IP(s) and BA-IP(s) designated in such Schedule as the points from which each Party will provide the transport and termination of traffic.

4.2.2 GNAPS shall have the sole right and discretion to specify any of the following methods for interconnection at any of the BA-IPs:

- (a) a Physical or Virtual Collocation facility GNAPS established at the BA-IP; and/or
- (b) a Physical or Virtual Collocation facility established separately at the BA-IP by a third party with whom GNAPS has contracted for such purposes; and/or
- (c) an Entrance Facility and transport (where applicable) leased from BA (and any necessary multiplexing) as specified in the Pricing Schedule, where such facility extends to the BA-IP from a mutually agreed to point on GNAPS's network.

4.2.3 GNAPS shall provide its own facilities or purchase necessary transport for the delivery of traffic to any Collocation arrangement it establishes at a BA-IP pursuant to Section 13. BA shall provide the transport and termination of the traffic beyond the BA-IP.

4.2.4 GNAPS may order from BA any of the Interconnection methods specified above in accordance with the order intervals and other terms and conditions, including, without limitation, rates and charges, set forth in this Agreement, in any applicable Tariff(s), or as may be subsequently agreed to between the Parties.

4.2.5 BA shall have the sole right and discretion to specify any one of the following methods for Interconnection at any of the GNAPS-IPs:

- (a) upon reasonable notice to GNAPS, a Physical or Virtual Collocation facility BA established at the GNAPS-IP;
- (b) a Physical or Virtual Collocation facility established separately at the GNAPS-IP by a third party with whom BA has contracted for such purposes; and/or

(c) an Entrance Facility (and any necessary multiplexing) leased from GNAPS as specified in the Pricing Schedule, where such facility extends to the GNAPS-IP from a BA-IP in the LATA.

4.2.6 BA shall provide its own facilities or purchase necessary transport for the delivery of traffic to any Collocation arrangement it establishes at an GNAPS-IP pursuant to Section 13. GNAPS shall provide the transport and termination of the traffic beyond the GNAPS-IP.

4.2.7 BA may order from GNAPS any of the Interconnection methods specified above in accordance with the order intervals and other terms and conditions, including, without limitation, rates and charges, set forth in this Agreement, in any applicable BA Tariff(s), or as may be subsequently agreed to between the Parties.

4.2.8 Under any of the architectures described in this subsection 4.2, and subject to mutual agreement between the Parties, either Party may utilize the Traffic Exchange Trunks for the termination of InterLATA Toll Traffic in accordance with the terms contained in Section 5 below and pursuant to the other Party's Switched Exchange Access Service tariffs. The other Party's Switched Exchange Access Service rates shall apply to such Traffic.

4.2.9 GNAPS and BA shall work cooperatively to install and maintain a reliable network. GNAPS and BA shall exchange appropriate information (e.g. maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government and such other information as the Parties shall mutually agree) to achieve this desired reliability.

4.2.10 GNAPS and BA shall work cooperatively to apply sound network management principles by invoking network management controls to alleviate or to prevent congestion.

4.2.11 The publication "Bellcore Technical Publication GR-342-CORE; High Capacity Digital Special Access Service, Transmission Parameter Limits and Interface Combination" describes the specification and interfaces generally utilized by BA and is referenced herein to assist the Parties in meeting their respective Interconnection responsibilities related to interfaces.

4.3 Alternative Interconnection Arrangements

4.3.1 In addition to the foregoing methods of Interconnection, the Parties may agree, at either Party's request at any time, to establish (i) a Mid-Span Fiber Meet arrangement in accordance with the terms of this subsection 4.3, or (ii) a SONET backbone with an electrical interface at the DS-3 level where and on the same terms BA offers such SONET services to other carriers. In the event the Parties agree to adopt a Mid-Span Fiber Meet arrangement that utilizes both wireless and wireline facilities, GNAPS agrees to bear all expenses associated with the purchase of equipment, materials, or services necessary to facilitate and maintain such arrangement up to and including the optical to electrical multiplexer necessary to effect a fiber hand-off to BA.

4.3.2 The establishment of any Mid-Span Fiber Meet arrangement is expressly conditioned upon the Parties' reaching prior written agreement on appropriate sizing and forecasting, equipment, ordering, provisioning, maintenance, repair, testing, augment, and compensation procedures and arrangements, reasonable distance limitations, and on any other arrangements necessary to implement the Mid-Span Fiber Meet arrangement. Any Mid-Span Fiber Meet arrangement requested at a third-party premises is expressly conditioned on the Parties' having sufficient capacity at the requested location to meet such request, on unrestricted 24-hour access for both Parties to the requested location, on other appropriate protections as deemed necessary by either Party, and on an appropriate commitment that such access and other arrangements may not be restricted for a reasonable period.

4.3.3 Mid-Span Fiber Meet arrangements shall be used only for the termination of Local Traffic and IntraLATA Toll Traffic unless and until such time as the Parties have agreed to permit utilization for other traffic types and unless and until the parties have agreed on appropriate compensation arrangements relating to the exchange of other types of traffic over such Mid-Span Fiber Meet, and only where facilities are available. Any agreement to access unbundled Network Elements via a Mid-Span Fiber Meet arrangement shall be conditioned on the resolution of the technical and other issues described in this subsection 4.3, resolution by the joint operations team of additional issues (such as inventory and testing procedures unique to the provision of unbundled Network Elements via a Mid-Span Fiber Meet), and, as necessary, completion of a joint operational and technical test. In addition, access to unbundled Network Elements via a Mid-Span Fiber Meet arrangement for access to such Elements, shall be limited to that which is required by Applicable Laws, and shall be subject to full compensation of all relevant costs (as defined in the FCC Regulations) by the requesting Party to the other Party.

4.3.4 In consideration of advancing technology, the Parties agree to consider additional interconnection methods at such time as either Party may request.

4.4 Interconnection in Additional LATAs

4.4.1 If GNAPS determines to offer Telephone Exchange Services in any LATA not listed in Schedule 4.0 in which BA also offers Telephone Exchange Services, GNAPS shall provide written notice to BA of the need to establish Interconnection in such LATA pursuant to this Agreement.

4.4.2 The notice provided in subsection 4.4.1 shall include (i) the initial Rating Point GNAPS has designated in the new LATA; (ii) GNAPS' requested Interconnection Activation Date ; and (iii) a non-binding forecast conforming to subsection 10.3 of GNAPS's trunking requirements.

4.4.3 Unless otherwise agreed to by the Parties, the Parties shall designate the Wire Center(s) GNAPS has identified as its initial Rating Point(s) in the LATA as the GNAPS-IP(s) in that LATA and shall designate the BA Tandem Offices within the LATA as the BA-IP(s) in that LATA, provided that, for the purpose of charging for the transport of traffic from a BA-IP

to the GNAPS-IP, the GNAPS-IP shall be no further than a non-distance sensitive Entrance Facility away from the BA-IP.

4.4.4 The Parties shall agree upon an addendum to Schedule 4.0 to reflect the schedule applicable to each new LATA requested by GNAPS; provided, however, that unless agreed by the Parties, the Interconnection Activation Date in a new LATA shall not be earlier than forty-five (45) days after receipt by BA of all complete and accurate trunk orders and routing information. Within ten (10) business days of BA's receipt of GNAPS's notice, BA and GNAPS shall confirm the BA-IP(s), the GNAPS-IP and the Interconnection Activation Date for the new LATA by attaching an addendum to Schedule 4.0.

4.5 Frame Relay Interconnection

4.5.1 Where Frame Relay Service traffic is to be exchanged, the Parties shall establish separate Frame Relay Interconnection Point by mutual agreement.

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

5.1 Scope of Traffic

Section 5.0 prescribes parameters for trunk groups (the "Traffic Exchange Trunks") to be effected over the Interconnections specified in Section 4.0 for the transmission and routing of Local Traffic, Transit Traffic, translated LEC IntraLATA 800/888 traffic, InterLATA Toll Traffic (to the extent applicable), and IntraLATA Toll Traffic between the Parties' respective Telephone Exchange Service Customers.

5.2 Trunk Group Connections and Ordering

5.2.1 Traffic Exchange Trunk group connections will be made at a DS-1 level unless otherwise agreed to by the Parties. Higher speed connections shall be made, when and where available, in accordance with the Joint Grooming Process prescribed in Section 10, or as may be agreed to by the Parties.

5.2.2 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.

5.2.3 In the event the traffic volumes between any two Central Office Switches at any time exceeds the CCS busy hour equivalent of one DS-1, the Parties may, at their option, establish new one-way direct trunk groups to the applicable End Office(s) consistent with the grade of service and quality parameters set forth in the Joint Plan.

5.2.4 It is expected that both Parties will make all good faith efforts to monitor their trunk groups and to augment those groups using generally accepted trunk engineering standards so as to not exceed blocking objectives. The Parties agree to use modular trunk

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



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Irving, TX 75038

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November 16, 2004

Bret Mingo
President
CoreTel Virginia, LLC
209 West Street, Suite 302
Annapolis, MD 21401

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

Dear Mr. Mingo:

Verizon Virginia Inc. ("Verizon"), a Virginia corporation, with principal place of business at 600 East Main Street, Richmond, Virginia 23261, has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996 (the "Act"), CoreTel Virginia, LLC ("CoreTel Virginia"), a Virginia limited liability company, with principal place of business at 209 West Street, Suite 302, Annapolis, Maryland 21401, wishes to adopt the terms of the arbitrated Interconnection Agreement between Cox Virginia Telcom Inc. ("Cox") and Verizon that was approved by the Wireline Competition Bureau of the Federal Communications Commission (the "Commission") as an effective agreement in the Commonwealth of Virginia in Docket No. 00-249, as such agreement exists on the date hereof (including any effective amendments thereto) after giving effect to operation of law (the "Terms"). I understand CoreTel Virginia has a copy of the Terms. Please note the following with respect to CoreTel Virginia's adoption of the Terms.

1. By CoreTel Virginia's countersignature on this letter, CoreTel Virginia hereby represents and agrees to the following six points:

A. CoreTel Virginia adopts (and agrees to be bound by) the Terms of the Cox/Verizon arbitrated agreement for interconnection as it is in effect on the date hereof after giving effect to operation of law, and in applying the

EXHIBIT CFV 7

INTERCONNECTION AGREEMENT

October 8, 2002

by and between

VERIZON VIRGINIA INC.

and

COX VIRGINIA TELCOM, INC.

Cox Interconnection Agreement 10/8/02

operate within Virginia: a) Interconnection and ancillary services for their respective use in providing Telephone Exchange Service; b) resale of local Telecommunications Services; and c) services related to a) and b). This Agreement also sets forth the terms, conditions and pricing under which Verizon will offer and provide to Cox within each LATA in which they operate within Virginia access to unbundled Network Elements. As such, this Agreement is an integrated package that reflects a balancing of interests critical to the Parties. It will be submitted to the Commission, and the Parties will refrain from requesting any action to change, suspend or otherwise delay implementation of the Agreement.

3.2 If, during the Term of this Agreement, Cox is classified as a comparable carrier pursuant to Section 251(h)(2) of the Act or as an incumbent local exchange carrier pursuant to Section 251(h)(1) of the Act, then the terms, conditions and pricing under which Cox, in its capacity as a comparable carrier or as an incumbent local exchange carrier, will offer and provide Interconnection, access to unbundled Network Elements and ancillary services to Verizon shall be the same as those under which VERIZON offers and provides Interconnection, access to unbundled Network Elements and ancillary services to Cox in Verizon's capacity as an incumbent local exchange carrier. During the first ninety (90) days after Cox's classification as a comparable carrier or as an incumbent local exchange carrier, Cox may request that the Parties negotiate an amendment to this Agreement regarding the terms; conditions and pricing under which Cox will offer and provide Interconnection, access to unbundled Network Elements and ancillary services to Verizon.

4.0 INTERCONNECTION AND PHYSICAL ARCHITECTURE

4.1 Interconnection, Activation

Cox represents that it is providing fully operational service predominantly over its own Telephone Exchange Service facilities to business and residential Customers in Virginia through the IPs listed in the attached Schedule 4.1. Cox and Verizon have set forth in Schedule 4.1 their implementation schedule for their initial IPs through which they intend to provide service. To the extent Verizon or Cox wishes to provide service through IPs in additional LATAs, Verizon and Cox will mutually agree to an implementation schedule for those IPs and amend Schedule 4.1 to reflect that implementation schedule. To that end, the Parties will establish and perform to milestones such as trunking arrangements for Traffic Exchange, timely submission of Access Service Requests, 911 Interconnection establishments, SS7 Certification and arrangements for alternate-billed calls.

4.2 Trunk Types and Interconnection Points

4.2.1 Trunk Types. Section 4 describes the architecture for Interconnection of the Parties' facilities and equipment over which the Parties shall configure the following separate and distinct trunk groups:

Cox Interconnection Agreement 10/8/02

Traffic Exchange Trunks for the transmission and routing of terminating Reciprocal Compensation Traffic, Tandem Transit Traffic, Internet Traffic, translated LEC IntraLATA toll free service access code (e.g. 800/888/877/866) traffic, IntraLATA Toll Traffic between their respective Telephone Exchange Service customers pursuant to Section 251 (c)(2) of the Act, in accordance with Section 5;

Access Toll Connecting Trunks for the transmission and routing of Exchange Access traffic, including translated InterLATA toll free service access code (e.g., 800/888/877/866) traffic, between Cox Telephone Exchange Service customers and purchasers of Switched Exchange Access Service via a Verizon Tandem, pursuant to Section 251(c)(2) of the Act, in accordance with Section 6;

911/E911 Trunks (one-way) for the transmission and routing of terminating E911/911 traffic, in accordance with Section 7;

At Cox's option, Cox shall configure the following separate and distinct trunk groups:

Information Services Trunks for the transmission and routing of terminating Information Services Traffic in accordance with Section 7;

At either Parties' option, either Party may order:

BLV/BLVI Trunks for the transmission and routing of terminating BLV/BLVI traffic, in accordance with Section 7;

The Parties may configure other trunk groups as may be requested and agreed to by the Parties

4.2.2 Interconnection Points. Each Party shall establish Interconnection Points ("IPs") at the available locations designated in Schedule 4.1. The mutually agreed-upon IPs on the Cox network from which Cox will provide transport and termination of traffic to its Customers shall be designated as the Cox Interconnection Points ("Cox-IPs"). The mutually agreed-upon IPs on the Verizon network from which Verizon will provide transport and termination of traffic to its Customers shall be designated as the Verizon Interconnection Point(s) ("Verizon-IP(s)"); provided that such Verizon-IP(s) shall be either the Verizon terminating End Office serving the Verizon Customer (for Interconnection where direct trunking to the Verizon End Office is used) or the Verizon Tandem subtended by the terminating End Office serving the Verizon Customer (for Interconnection where direct trunking to the Verizon Tandem is used).

Cox Interconnection Agreement 10/8/02

Each Party is responsible for delivering its terminating traffic to the other Party's relevant IP.

4.2.2.1 Each Party shall make available at least one designated IP in each LATA in which it has Customers, as designated in Schedule 4.2. Any additional traffic that is not covered in Schedule 4.2 and is not Switched Exchange Access traffic shall be subject to separate negotiations between the Parties, except that either Party may deliver such additional traffic to the other Party for termination as long as the delivering Party pays the receiving Party's then current tariffed Switched Exchange Access rates for terminating such traffic.

4.2.3 Points of Interconnection. As and to the extent required by Section 251 of the Act, the Parties shall provide Interconnection of their networks at any technically feasible point, as described in Section 4.2. To the extent the originating Party's Point of Interconnection ("POI") is not located at the terminating Party's relevant IP, the originating Party is responsible for transporting its traffic from its POI to the terminating Party's relevant IP.

4.2.4 The Parties shall configure separate one-way trunk groups for traffic from Cox to Verizon, and for traffic from Verizon to Cox, respectively; however, either Party may at its discretion request that the trunk groups shall be equipped as two-way trunks for testing purposes.

4.3 Physical Architectures

4.3.1 Cox shall have the sole right and discretion to specify any of the following three methods for interconnection at the Verizon-IPs:

(a) a Physical or Virtual Collocation node Cox established at the Verizon-IP; and/or

(b) a Physical or Virtual Collocation node established separately at the Verizon-IP by a third party with whom Cox has contracted for such purposes; and/or

(c) an Entrance Facility and transport (where applicable) leased from Verizon (and any necessary multiplexing), to the Verizon-IP.

4.3.2 Cox shall provide its own facilities or purchase necessary transport for the delivery of traffic to any Collocation arrangement it establishes at a Verizon-IP pursuant to Section 13.

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4.3.3 Cox may order from Verizon any of the Interconnection methods specified above in accordance with the order intervals, and other terms and conditions, including without limitation, rates and charges, set forth in this Agreement, in any applicable Tariff(s), or as may be subsequently agreed to between the Parties.

4.3.4 Verizon shall have the sole right and discretion to specify the following method for Interconnection at any of the Cox-IPs:

(a) an Entrance Facility leased from Cox (and any necessary multiplexing), to the Cox-IP.

4.3.5 Verizon may order from Cox the Interconnection method specified above in accordance with the order intervals and other terms and conditions, including, without limitation, rates and charges, set forth in this Agreement, in any applicable Tariff(s), or as may be subsequently agreed to between the Parties.

4.3.6 The publication "Bellcore Technical Publication GR-342-CORE; High Capacity Digital Special Access Service, Transmission Parameter Limits and Interface Combination" describes the specification and interfaces generally utilized by Verizon and is referenced herein to assist the Parties in meeting their respective Interconnection responsibilities.

4.4 Alternative Interconnection Arrangements

4.4.1 In addition to the foregoing methods of Interconnection, and subject to mutual agreement of the Parties, the Parties may agree to establish a Mid-Span Fiber Meet arrangement which may include a SONET backbone with an electrical interface at the DS-3 level in accordance with the terms of this subsection 4.4. The fiber meet point shall be designated as the POI for both Parties. In the event the Parties agree to adopt a Mid-Span Fiber Meet arrangement, each Party agrees to (a) bear all expenses associated with the purchase of equipment, materials, or services necessary to facilitate and maintain such arrangement on its side of the fiber hand-off to the other Party and (b) compensate the terminating Party for transport of its traffic from the POI to the terminating Party's IP at rates set forth in Exhibit A.

4.4.2 The establishment of any Mid-Span Fiber Meet arrangement is expressly conditioned upon the Parties' reaching prior written agreement on routing, appropriate sizing and forecasting, equipment, ordering, provisioning, maintenance, repair, testing, augment, and compensation procedures and arrangements, reasonable distance limitations, and on any other arrangements necessary to implement the Mid-Span Fiber Meet arrangement. Any Mid-Span Fiber Meet arrangement requested at a third-party premises is expressly conditioned on the Parties having sufficient capacity at the requested location to meet such request, on unrestricted 24-hour access for both Parties to the requested location, on other appropriate protections as reasonably deemed

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necessary by either Party, and on an appropriate commitment that such access and other arrangements will not be changed or altered.

4.4.3 Mid-Span Fiber Meet arrangements shall be used only for the termination of Reciprocal Compensation Traffic, Internet Traffic and IntraLATA Toll Traffic unless and until such time as the Parties have agreed to permit its utilization for other traffic types and unless and until the Parties have agreed in writing on appropriate compensation arrangements relating to the exchange of other types of traffic over such Mid-Span Fiber Meet, and only where facilities are available.

4.4.4 Cox and Verizon shall work cooperatively to install and maintain a reliable network as agreed pursuant to Section 4.4.2. Cox and Verizon shall exchange appropriate information (e.g., maintenance contact numbers, information related to the jointly constructed network configuration, information required to comply with law enforcement and other security agencies of the Government and such other information as the Parties shall mutually agree) to achieve this desired reliability.

4.4.5 Cox and Verizon shall work cooperatively to apply sound network management principles and network management controls to alleviate or to prevent congestion.

4.5 Interconnection in Additional LATAs

4.5.1 If Cox determines to offer Telephone Exchange Services in any LATA in Virginia not listed in Schedule 4.1 in which Verizon also offers Telephone Exchange Services, Cox shall provide written notice to Verizon of the need to establish Interconnection in such LATA pursuant to this Agreement.

4.5.2 The notice provided in subsection 4.5.1 shall include (a) the Cox IP; (b) the requested Verizon-IP; (c) the initial Rating Point Cox has designated in the new LATA; (d) Cox's intended Interconnection activation date; and (e) a forecast of Cox's trunking requirements conforming to subsection 10.3.

4.5.3 The Parties shall agree upon an addendum to Schedule 4.1 to reflect the schedule applicable to each new LATA requested by Cox; provided, however, that unless agreed by the Parties, the Interconnection activation date in a new LATA shall not be earlier than sixty (60) days after receipt by Verizon of all complete and accurate trunk orders and routing information. Within ten (10) business days of Verizon's receipt of the Cox's notice provided for in subsection 4.5.1, Verizon and Cox shall confirm the Verizon-IP, the Cox-IP and the Interconnection activation date for the new LATA by attaching an addendum to Schedule 4.1.

5.0 TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE

Cox Interconnection Agreement 10/8/02

TRAFFIC PURSUANT TO SECTION 251(c)(2)

5.1 Scope of Traffic

Section 5 prescribes parameters for Traffic Exchange Trunks used for Interconnection pursuant to Section 4.0

5.2 Trunk Group Connections and Ordering

5.2.1 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 10.

5.2.2 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.

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

5.2.4 In the event the one-way Tandem-routed traffic volume between any two Cox and Verizon Central Office Switches at any time exceeds the CCS busy hour equivalent of three (3) DS-1s for any three (3) months in any consecutive six (6) month period or for any consecutive three (3) months, the originating Party will establish new one-way direct trunk groups to the applicable End Office(s) consistent with the grade of service parameters set forth in Section 5.5.

5.2.5 Each Party will monitor its trunk groups under its control and to augment those groups using generally accepted trunk engineering standards so as to not exceed the blocking objectives established in subsection 5.5. Each Party agrees to use modular trunk engineering techniques where practical.

EXHIBIT CFV 8

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>	<u>Non-Recurring Charge:</u>
II. Unbundled Transport (Continued)		
E. Mid-span meet arrangements	To be charged in accordance with the requirements of Section 4.3 of the Agreement	
F. Tandem Transit arrangements for Local Traffic between CORE and carriers other than Bell Atlantic that subtend a Bell Atlantic Tandem Switch. (Not applicable to Toll Traffic when Meet Point Billing Arrangement applies; Separate trunks required for IXC subtending trunks)		
Tandem Switching	\$.000795/MOU	Per Section II. above and V., as applicable
Switched Transport	\$.000152/MOU \$.000004/MOU/Mile	
III. Unbundled Switching³		
A. Local Switching Ports		
POTS/PBX/Centrex	\$2.67/Port/Month	\$1.06/Service Order Per Port:
Rates per port, per month, with all vertical features except:	\$1.90/Port/Month	\$3.01/Installation \$1.34/Disconnect
3-Way Calling	\$.52/Month	
Centrex Intercom	\$.45/Month	
Custom Ringing	\$.16/Month	
Calling Number Delivery Block	\$.002/Call	
ISDN (BRI)	\$9.74Port/Month	\$1.06/Service Order Per Port: \$3.01/Installation \$1.34/Disconnect

³ In addition to the recurring and non-recurring rates set forth herein for unbundled switching elements, BA may levy upon purchaser of such elements any access charges (or portion thereof) permitted by Applicable Laws.

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of August, 2007 copies of the foregoing Direct Testimony has been served upon the persons listed below in accordance with the requirements of 52 Pa Code Sections 1.54 and 1.55 of the Commission's rules.

VIA Electronic Mail and US Mail

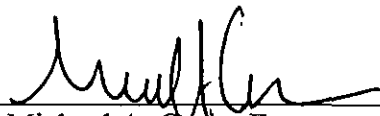
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16th Floor
Harrisburg, PA 17101
Tel. (717) 255-7365

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Core Communications, Inc. :
for Arbitration of Interconnection Rates, Terms : Docket No. A-310922F7004
and Conditions Pursuant to 47 U.S.C. : 09-20-07 hrg
§252(b) with Windstream : Hbg
Pennsylvania, Inc. f/k/a Alltel :

Rebuttal Testimony of Christopher Van de Verg
Core Statement 2.1

On Behalf of Core Communications, Inc.

PUBLIC VERSION

**DOCUMENT
FOLDER**

RECEIVED

SEP 25 2007

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

DOCKETED
SEP 28 2007

1 **WITNESS INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?**

3 A. My name is Christopher F. Van de Verg. I am General Counsel for Core
4 Communications, Inc., a CLEC based in Maryland and having substantial
5 operations in Maryland, New York, Pennsylvania, and Virginia. My business
6 address is 209 West Street, Suite 302, Annapolis, Maryland 21401.

7
8 **Q. ARE YOU THE SAME CHRISTOPHER VAN DE VERG WHO FILED**
9 **DIRECT TESTIMONY IN THIS PROCEEDING?**

10 A. Yes, I am.

11
12 **Q. ON WHOSE BEHALF IS THIS REBUTTAL TESTIMONY FILED?**

13 A. This testimony is filed on behalf of Core Communications, Inc. ("Core").

14
15 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

16
17 A. The purpose of this testimony is to respond to the testimony of Mr. Scott Terry on
18 behalf of Windstream.

19
20 **GENERAL ISSUES**

21
22 **Q. ON PAGE 3, MR. TERRY STATES THAT "THE GENERAL ISSUE WITH**
23 **RESPECT TO CORE'S CERTIFICATION IS PENDING BEFORE THE**
24 **COURT AND THAT IN THE INTERIM THE COMMISSION HAS**

1 **CHOSEN TO CERTIFY CORE TO OPERATE AS A CLEC IN**
2 **WINDSTREAM'S TERRITORY..." IS CORE'S CERTIFICATION IN**
3 **WINDSTREAM'S TERRITORY ON APPEAL?**

4 A. No. Windstream originally opposed Core's certification in its service territory, but
5 later withdrew its opposition prior to the Commission's final determination. As
6 such, Windstream was not eligible to appeal Core's certification in its territory,
7 and did not in fact do so.

8
9 **GTC ISSUE 3**

10
11 **Q. ON PAGE 7, MR. TERRY CLAIMS THAT "WINDSTREAM'S**
12 **PROPOSAL IS NOT UNLIKE THE SECURITY DEPOSIT**
13 **REQUIREMENTS THAT CORE ACCEPTED WHEN IT ADOPTED THE**
14 **INTERCONNECTION AGREEMENT BETWEEN VERIZON**
15 **PENNSYLVANIA AND SPRINT COMMUNICATIONS COMPANY, L.P.**
16 **ON AUGUST 15, 2005." DID MR. TERRY SPECIFY THE**
17 **"REQUIREMENTS" TO WHICH HE WAS REFERRING?**

18 A. No. In response to Core Interrogatory II-7, Mr. Terry declined to identify the
19 specific "requirements" that in his view are "not unlike" Windstream's proposal.
20 His response is attached hereto at Exhibit CFV-9.

21
22 **Q. IS THERE ANY PROVISION IN THAT ICA THAT ADDRESSES**
23 **SECURITY DEPOSITS?**

1 A. Yes. The ICA between Core and Verizon North, Inc. (Aug. 19, 2005), which is
2 Core's adoption of the ICA between Verizon Pennsylvania, Inc. and Sprint
3 Communications Company, L.P., does contain an "Assurance of Payment"
4 section, at § 24.11.4. This provision is attached hereto at Exhibit CFV-10.

5
6 **Q. IN YOUR OPINION, HOW DOES THE ASSURANCE OF PAYMENT**
7 **LANGUAGE IN CORE'S ICA WITH VERIZON NORTH COMPARE TO**
8 **WINDSTREAM'S PROPOSAL FOR SECURITY DEPOSITS?**

9 A. The language in Core's ICA with Verizon North is more tightly drafted and
10 reasonable than Windstream's proposal. It has none of the onerous provisions to
11 which Core objects in the Windstream proposal. Specifically, Core's ICA with
12 Verizon North:

- 13 • Does not require payment of a security deposit before any service
14 is rendered,
- 15 • Does not permit Verizon North to increase the deposit requirement
16 "when, in its sole judgment, circumstances so warrant," and
- 17 • Does not override the ICA's separate provisions dealing with
18 termination.

19 In short, while Core's ICA with Verizon North has fair and reasonable provisions
20 for security deposits, the three provisions within Windstream's proposal to which
21 Core objects are unfair and unreasonable.

22

1 **Q. DOES CORE'S ICA WITH VERIZON PENNSYLVANIA, INC.**
2 **INCLUDE SECURITY DEPOSIT LANGUAGE?**

3 A. No. There is no security deposit language whatsoever in Core's ICA with Verizon
4 Pennsylvania. This undermines Mr. Terry's broad conclusion, at pages 4-5 of his
5 direct testimony, that Windstream's proposed language is "consistent with
6 industry standards or other agreements under which Core already operates in
7 other ILEC territories in Pennsylvania."
8

9 **Q. ON PAGE 8, MR. TERRY STATES THAT "CORE DID NOT PROPOSE**
10 **ANY ALTERNATIVE LANGUAGE" WITH RESPECT TO SECURITY**
11 **DEPOSITS. IS THAT TRUE?**

12 A. No. Mr. Terry ignores the fact that Core agreed to the bulk of Windstream's
13 security deposits proposal, including sections 8.1, 8.1.1, 8.1.3, 8.1.6, and 8.2-
14 8.6. As discussed in my direct testimony, Core objects only to sections 8.1.2,
15 8.1.4, and 8.1.5. Core believes that the sections that Core has agreed to would
16 easily constitute fair and reasonable security deposit language.
17

18 **NIA ISSUE 1**

19 ***Definition of "Interconnection Point"***

20
21 **Q. ON PAGE 11, MR. TERRY STATES THAT UNDER CORE'S DUAL-IP**
22 **PROPOSAL, CORE COULD DESIGNATE A POI OUTSIDE OF**
23 **WINDSTREAM'S NETWORK AND SERVICE TERRITORY AND EVEN**

1 **OUTSIDE OF PENNSYLVANIA OR THE UNITED STATES. IS THAT**
2 **TRUE?**

3 A. No. Core’s proposal, as set forth in Appendix 13 to its petition, Att. 4, §§ 1.2 and
4 1.3, specifically states that “[Core] shall have the sole right and discretion to
5 initiate interconnection in each LATA” and “Pursuant to [Core’s] written request
6 for interconnection in each LATA, each party shall designate an Interconnection
7 Point (“IP”) on its own network...” Since Core is willing to designate an IP “on
8 its own network in each LATA”, Windstream’s suggestion that Core would
9 potentially designate an IP in another state or in a foreign country is somewhat
10 far-fetched.

11
12 **Q. ON PAGE 11, MR. TERRY STATES THAT “THE BALANCE OF**
13 **TRAFFIC WOULD BE VIRTUALLY ALL ONE-SIDED WITH**
14 **WINDSTREAM CUSTOMERS ORIGINATING DIAL-UP ISP CALLS TO**
15 **CORE BUT CORE ORIGINATING LITTLE TO NO TRAFFIC TO**
16 **WINDSTREAM.” IS THERE ANY WAY TO PREDICT WHAT THE**
17 **PRECISE BALANCE OF TRAFFIC WILL BE?**

18 A. No. Core’s network is capable of delivering outbound traffic as well as inbound
19 traffic. There is no legal, technical or other restriction on Core’s ability to offer
20 outbound services. Core demonstrated in its certification case that it stands ready
21 and willing to do so, pending clarification of important regulatory issues,
22 including intercarrier compensation issues.

23

1 Q. DO YOU BELIEVE THE BALANCE OF TRAFFIC IS RELEVANT TO
2 THIS ISSUE?

3 A. No. Whether or not Core originates traffic to Windstream, Windstream's costs of
4 delivering its originating traffic to Core do not change. Whether Windstream buys
5 transit service from Verizon, or builds, buys, or leases trunks to Core's IP,
6 whatever costs Windstream may have will be the same since it is solely
7 responsible for its own originating traffic. Those costs will not vary even if Core
8 winds up delivering more traffic to Windstream than it terminates. Each carrier
9 bears its own costs, independent of the other.

10
11 Q. ON PAGE 11 OF HIS TESTIMONY, MR. TERRY STATES THAT
12 "TYPICALLY THE TERM DUAL POI REFERS TO AN
13 ARRANGEMENT WHEREBY CARRIERS MAY DESIGNATE TWO
14 POIS *WITHIN* AN ILEC'S NETWORK IN ORDER TO EXCHANGE
15 TRAFFIC." DID MR. TERRY PROVIDE ANY BASIS FOR THIS
16 ASSERTION?

17 A. No. Core asked Mr. Terry a series of questions with respect to this and related
18 assertions, but the answers he provided did not provide any basis for this
19 statement. See Windstream's responses and supplemental responses to Core
20 Interrogatories II-17, II-18, II-19 and II-20, attached hereto as Exhibit CFV-11.
21 As a result, Core is unable to determine what basis, if any, Mr. Terry may have
22 for this assertion.

23

1 Q. ON PAGE 13, MR. TERRY STATES THAT CORE'S DUAL-IP
2 PROPOSAL IS NOT "TYPICAL" BECAUSE "CORE WOULD HAVE
3 WINDSTREAM DELIVER TRAFFIC BEYOND WINDSTREAM'S
4 EXCHANGE BOUNDARY AND OUTSIDE OF WINDSTREAM'S
5 NETWORK..." HOW DO YOU RESPOND?

6 A. As I noted in my direct testimony, the Commission previously ruled that Alltel
7 (Windstream's predecessor) would be responsible to deliver its originating traffic
8 to Verizon Wireless at an IP designated by Verizon Wireless within the same
9 LATA and within Pennsylvania. In that same case, the Commission found that
10 Alltel was required to deliver its originating traffic to Verizon Wireless, even if
11 this meant delivering traffic to a point outside Alltel's service territory. The
12 Commission stated:

13 "ALLTEL objects that the application of the FCC rule could
14 require it to extend delivery of traffic outside of its network and into areas
15 which extend beyond its Pennsylvania-franchised service territory.
16 Because the FCC rule expressly prohibits a charge for either the
17 telecommunications traffic or facilities used in the delivery of this traffic
18 by the originating LEC, we find that ALLTEL's Exceptions shall be
19 denied consistent with the discussion in this Opinion and Order."¹
20

21 Q. ON PAGE 14, MR. TERRY STATES THAT THE CURRENT ICA
22 BETWEEN CORE AND VERIZON PENNSYLVANIA, INC. "CONTAINS
23 AS AN INTEGRAL PART OF THE AGREEMENT AN ARRANGEMENT
24 WHEREBY EACH POI DESIGNATED BY CORE AND VERIZON IS
25 LOCATED *WITHIN* VERIZON'S ILEC TERRITORY." DO YOU KNOW
26 WHAT MR. TERRY MEANT BY "INTEGRAL PART"?

¹ Opinion and Order, *Petition of Celco Partnership d/b/a Verizon Wireless For Arbitration... With ALLTEL Pennsylvania, Inc.*, Docket No. A-310489F7004 (Order entered January 18, 2005), at 47

1 A. No, I don't. Core asked Mr. Terry to identify what provisions he meant to refer to,
2 but he declined to provide any specific provision(s). His response to Core
3 Interrogatory II-21 is attached hereto at Exhibit CFV-12.

4
5 **Q. ON PAGES 30-31, MR. TERRY INSISTS THAT "INTERCONNECTION**
6 **POINT" MUST BE DEFINED AS A SINGLE POINT "WITHIN**
7 **WINDSTREAM'S INTERCONNECTED NETWORK WITHIN THE**
8 **LATA." IS IT CLEAR WHAT WINDSTREAM MEANS BY**
9 **"INTERCONNECTED NETWORK WITHIN THE LATA?"**

10 A. No. Based on the map Windstream provided in response to Core Interrogatory I-
11 17, it appears that Windstream has more than one "interconnected networks" in
12 each LATA within Pennsylvania. This map is attached hereto at Exhibit CFV-13.
13 Each of these networks appear to be separate and disconnected from each other.
14 Accordingly, it appears that Windstream is proposing that Core actually
15 interconnected within multiple Windstream territories within each LATA.

16
17 **NIA ISSUE 3**

18
19 **Q. ON PAGE 17, MR. TERRY STATES THAT "WINDSTREAM IS**
20 **AMENABLE TO INCLUDING LOOP INTERCONNECTION LANGUAGE**
21 **IN THE INTERCONNECTION AGREEMENT WITH THE SAME TERMS**
22 **AND CONDITIONS AS THOSE SET FORTH IN THE VERIZON/BELL**

1 **ATLANTIC AND CORE AGREEMENT.” IS CORE AGREEABLE TO**
2 **MR. TERRY’S PROPOSED SETTLEMENT OF THIS ISSUE?**

3 A. Yes.

4
5 **Q. HOW WOULD YOU PROPOSE TO IMPLEMENT SUCH A**
6 **SETTLEMENT?**

7 A. Specifically, I would propose that the parties agree to adopt the text of
8 Amendment No. 1 dated January 17, 2003 to the ICA between Core and Verizon
9 Pennsylvania, Inc. (Exh. CFV-4 to my direct testimony) as a template for loop
10 interconnection between Core and Windstream in Pennsylvania. For each location
11 at which Core may request loop interconnection pursuant to the ICA in this
12 proceeding, the parties would execute an amendment based on this template. The
13 only changes would be ministerial, including names of the parties, identification
14 of underlying ICA, effective date of amendment, identification of the specific
15 loop facility and street address, and the reference in paragraph 6 to a proceeding
16 before the Maryland Public Service Commission.

17
18 **NIA ISSUE 4**

19
20 **Q. ON PAGE 19, MR. TERRY STATES THAT “[D]IRECT**
21 **INTERCONNECTION AT [THE DS1] LEVEL ALLOWS THE PARTIES**
22 **TO CONTROL THE FACILITIES AND INCREASE CAPACITY OF**
23 **THOSE FACILITIES AS OPPOSED TO RELYING ON A THIRD-PARTY**

1 **TANDEM PROVIDER TO ENSURE THAT SUFFICIENT FACILITIES**
2 **CAPACITY IS PROVIDED...” HOW DO YOU RESPOND?**

3 A. I agree with Mr. Terry that the parties should assume full control over their
4 interconnection facilities. However, Windstream’s requirement of direct
5 interconnection at the DS1 level subtracts, not adds, to the parties’ control. As I
6 stated in my direct testimony, each party should have free reign to choose from
7 among the various options available to that party for the delivery of its originating
8 traffic. There is no reason to assume that both parties have the same options, or
9 that they weigh those options in the same manner. Establishing a DS1 limit at the
10 outset would only serve to narrow each party’s interconnection options,
11 eliminating the efficiency, flexibility and control that carriers should have over
12 their networks.

13
14 **NIA ISSUE 5**

15
16 **Q. ON PAGE 20, MR. TERRY STATES [WITH RESPECT TO THE THIRD**
17 **PARTY TANDEM SERVICES] THAT “[T]HIS INTERCONNECTION**
18 **AGREEMENT IS BETWEEN ONLY TWO PARTIES – CORE AND**
19 **WINDSTREAM – AND SHOULD NOT CONTAIN LANGUAGE**
20 **DICTATING THE TERMS AND CONDITIONS OF RELATIONSHIPS**
21 **WITH THIRD PARTIES WHO ARE NOT PARTIES TO THIS**
22 **INTERCONNECTION AGREEMENT.” HOW DO YOU RESPOND?**

1 A. First, I would note that Core's proposal, set forth on page 14 of my direct
2 testimony, does not "dictate" anything. But it does it make clear that the
3 originating party is responsible for any transit charges that may apply in
4 connection with that party's originating traffic. I believe that is a reasonable
5 clarification, and will eliminate potential disputes in the future.
6
7 Second, Core does not believe that the ICA in the proceeding should, as Mr. Terry
8 says, "dictat[e] terms and conditions of relationships with third parties." Yet, Mr.
9 Terry proposes language for Issue 4 which would very clearly restrict Core's
10 ability to purchase transit service above a DS1 level pursuant to its ICAs with
11 Verizon and Verizon North – even though those ICAs contain no volume
12 restriction. I think it is entirely inconsistent for Windstream to propose limits on
13 Core's use of transit service in one issue, then complain about potential limits on
14 its own use of transit service in the next issue.

15
16

17 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

18 A. Yes, it does.

19
20

EXHIBIT CFV-9

II-7 At page 7 of his testimony, Mr. Terry states that "Windstream's proposal is not unlike the security deposit requirements that Core accepted when it adopted the interconnection agreement between Verizon Pennsylvania and Sprint Communications Company, L.P. on August 15, 2005." What are the specific "requirements" that Mr. Terry refers to in making this statement? Did Mr. Terry review any other ICA's security deposit provisions in connection with his testimony? If so, identify the ICA, the specific provisions relevant to Mr. Terry's review, and his conclusions with respect to those provisions.

RESPONSE: Windstream objected to this question as the requested information is set forth in Core's own interconnection agreements already within Core's possession. Without waiving its objections, Windstream states that in addition to reviewing the security deposit provisions in the identified Core agreement, Mr. Terry is familiar with the standard security deposit provisions in Windstream's agreements, which are on file with the Commission or have been provided previously to Core.

Windstream representative sponsoring response: Scott A. Terry

EXHIBIT CFV-10

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.

24.11 Rates and Charges; Assurance of Payment

- 24.11.1 Except as provided in Part II, and Sections 24.11.2 and 24.11.3 hereof, the rates and charges set forth in Part IV hereto shall apply to the services, facilities, and arrangements provided hereunder and used for the provision of Telephone Exchange Service and associated Exchange Access.
- 24.11.2 Where there is an applicable Tariff (including, but not limited to, to the extent applicable, VERIZON Tariffs Pa. P.U.C.-Nos. 1, 1A, 2C, 180A, 182, 182A, 185B, 185C, 216, 218, 296, 302, 303, 304 or 500, or F.C.C. Nos. 1, 5, 7 or 8, or SPRINT Tariffs Pa. P.U.C.-Nos. 2, 3 or 4, or F.C.C. No. 13), the rates and charges contained in that Tariff shall apply and prevail over the rates and charges shown in Part IV for the same services, facilities or arrangements; provided, however, that notwithstanding any Tariff that may be filed by SPRINT, SPRINT may not charge VERIZON a rate higher than the VERIZON rates and charges for the same services, facilities and arrangements. Nothing herein shall affect any rate that SPRINT chooses to charge third parties for its services.
- 24.11.3 The rates and charges set forth in Part IV shall be superseded by any new rate or charge when such new rate or charge is required by any order of the Commission or the FCC, approved by the Commission or the FCC, or otherwise allowed to go into effect, provided such new rates or charges are not subject to a stay issued by any court of competent jurisdiction; and, provided further that SPRINT may not charge VERIZON a rate higher than the VERIZON rates and charges for the same services, facilities and arrangements. Nothing herein shall affect any rate that SPRINT chooses to charge third parties for its services.
- 24.11.4 Upon request by VERIZON, SPRINT shall, at any time and from time to time, provide to VERIZON adequate assurance of payment of amounts due (or to become due)

to VERIZON hereunder. Assurance of payment of charges may be requested by VERIZON if SPRINT (a) in VERIZON's reasonable judgment, at the Effective Date or at any time thereafter, is unable to demonstrate that it is creditworthy, (b) fails to timely pay a bill rendered to SPRINT by VERIZON, (c) in VERIZON's reasonable judgment, at the Effective Date or at any time thereafter, does not have established credit with VERIZON or (d) admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had a case commenced against it) under the U.S. Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding. Unless otherwise agreed by the Parties, the assurance of payment shall, at VERIZON's option, consist of (i) a cash security deposit in U.S. dollars held in an account by VERIZON or (ii) an unconditional, irrevocable standby letter of credit naming VERIZON as the beneficiary thereof and otherwise in form and substance satisfactory to VERIZON from a financial institution acceptable to VERIZON, in either case in an amount equal to two (2) months anticipated charges (including, without limitation, both recurring and non-recurring charges), as reasonably determined by VERIZON, for the services, facilities or arrangements to be provided by VERIZON to SPRINT in connection with this Agreement. To the extent that VERIZON opts for a cash deposit, the Parties intend that the provision of such deposit shall constitute the grant of a security interest pursuant to Article 9 of the Uniform Commercial Code as in effect in any relevant jurisdiction. If required by an applicable VERIZON Tariff or by Applicable Law, interest will be paid on any such deposit held by VERIZON at the higher of the stated interest rate in such Tariff or in the provisions of Applicable Law. VERIZON may (but is not obligated to) draw on the letter of credit or funds on deposit in the account, as applicable, upon notice to SPRINT in respect of any amounts billed hereunder that are not paid within thirty (30) days of the date of the applicable statement of charges prepared by VERIZON. The fact that a security deposit or a letter of credit is requested by VERIZON hereunder shall in no way relieve SPRINT from compliance with VERIZON's regulations as to advance payments and payment for service, nor

constitute a waiver or modification of the terms herein pertaining to the discontinuance of service for nonpayment of any sums due to VERIZON for the services, facilities or arrangements rendered.

24.12 Joint Work Product

This Agreement is the joint work product of the Parties and has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.

24.13 Nonexclusive Dealings

This Agreement does not prevent either Party from providing or purchasing services to or from any other person nor, except as provided in Section 6 of the General Terms and Conditions and Exhibit I (Bona Fide Request Process) of Part II hereof, does it obligate either Party to provide or purchase any services not specifically provided herein.

24.14 No License

24.14.1 Nothing in this Agreement shall be construed as the grant of a license with respect to any patent, copyright, trademark, trade name, trade secret or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

24.14.2 Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its Customers based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision of any facilities by either Party under this Agreement, alone or in combination with that of the other Party, constitutes direct, vicarious or

EXHIBIT CFV-11

II-17 At page 10 of his testimony Mr. Terry states that "...Core's proposal is not a dual POI as that term is typically used throughout the industry...." Please provide Mr. Terry's definition of a "dual POI" as is typically used throughout the industry.

RESPONSE: See page eleven of Windstream's direct testimony beginning at line 11.

Windstream representative sponsoring response: Scott A. Terry

II-18 Regarding Mr. Terry's opposition to Core's dual IP proposal at pages 10 and 11 of his testimony, is it Windstream's position that Core's proposal is not technically feasible? If so, please explain in detail how and why Core's proposal is not technically feasible.

SUPPLEMENTAL RESPONSE: Again, Windstream does not have a position on this issue and cannot develop fully such a position until such time as Core specifically identifies where it proposes to establish its IP with Windstream. Our position continues to be that to the extent that Core's proposed language seems to allow for establishment of an IP outside of Windstream's territory, that is not consistent with the Act or Windstream's ILEC certification which permits it to operate only within its certificated franchised territory.

II-19 At page 11 of his testimony Mr. Terry states that Core's "dual POI" proposal is "...a non-standard and unlawful arrangement...." Please provide all legal support for this statement.

RESPONSE: Windstream objected to this question.

Windstream representative sponsoring response: Scott A. Terry

II-20 Is it Windstream's position that wherever Core is currently utilizing the dual IP interconnection method that such use is "unlawful"? Please explain your answer in detail.

SUPPLEMENTAL RESPONSE: No, and this question again misses the point of Windstream's testimony. Windstream's position is that Core's other interconnection agreements in Pennsylvania provide lawfully for establishment of the IP within the ILEC's network. Core's interconnection agreement with Windstream should provide also for establishment of the IP within Windstream's network and certificated ILEC territory. Windstream stated very clearly that a dual IP arrangement itself is not unlawful. What is contrary to the Act is Core's proposal with Windstream seeking to establish an IP outside of Windstream's certificated franchised territory.

EXHIBIT CFV-12

II-21 At page 14 of his testimony Mr. Terry states that the ICA between Core and Verizon Pennsylvania “contains as an integral part of the agreement an arrangement whereby each POI designated by Core and Verizon is located within Verizon’s ILEC territory.” Please identify the specific provision(s) and their location within that agreement that support or relate to Mr. Terry’s statement.

SUPPLEMENTAL RESPONSE: See, *e.g.*, Part V - Interconnection in Core's agreement with Verizon Pennsylvania ("Adopted Sprint Agreement"). See, *e.g.*, Attachment IV in the Verizon/Bell Atlantic and Core Interconnection Agreement.

EXHIBIT CFV-13

PROPRIETARY

CERTIFICATE OF SERVICE

I hereby certify that on this 6th day of September, 2007 copies of the foregoing Rebuttal Testimony has been served upon the persons listed below in accordance with the requirements of 52 Pa Code Sections 1.54 and 1.55 of the Commission's rules.

VIA Electronic Mail and US Mail

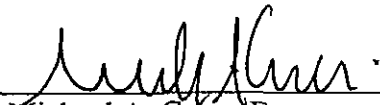
Kimberly Bennett, Esq.
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Harrisburg, PA 17101
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9-20-07 hrg
Hbg

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

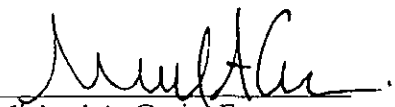
: Docket No.: A-310922F7004
:
:
Petition of Core Communications Inc. for :
Arbitration of Interconnection Rates, Terms :
and Conditions with :
Windstream Pennsylvania, Inc. :

**Core Communications, Inc.'s Best Offer for Proposed Interconnection Rates
Terms and Conditions**

In accordance with the June 26, 2007 Pre-Arbitration Conference Order #3 issued in this matter, Core Communications, Inc. ("Core") hereby submits its Best Offer for proposed Interconnection Rates, Terms and Conditions with Windstream Pennsylvania, Inc. d/b/a Windstream. Core's Best Offer incorporates its final proposed Interconnection Agreement language for each of the ten disputed issues identified by the parties in the Joint Issues Matrix submitted to Administrative Law Judge Salapa on July 5, 2007.

Respectfully Submitted,

Date: September 10, 2007


Michael A. Gruin, Esq.
Stevens & Lee
Attorney ID No.: 78625
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DOCUMENT
FOLDER

RECEIVED

SEP 25 2007

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

DOCKETED
SEP 28 2007

EXHIBIT
tabbles
Core 1

GT&C Issue 3: Should Windstream be permitted to require Core to post a security deposit prior to Windstream providing service or processing orders and to increase said deposit if circumstances warrant or forfeit same in the event of breach by Core?

Core's Best Offer Language:

Core accepted most of Windstream's proposal in General Terms & Conditions, section 8, dealing with security deposits. However, Core did strike sub-sections 8.1.2, 8.1.4 and 8.1.5 for the reasons set forth in its testimony.

8.0 Payment of Rates and Late Payment Charges

8.1 Alltel, at its discretion may require "CLEC ACRONYM TXT" to provide Alltel a security deposit to ensure payment of "CLEC ACRONYM TXT"'s account. The security deposit must be an amount equal to three (3) months anticipated charges (including, but not limited to, recurring, non-recurring, termination charges and advance payments), as reasonably determined by Alltel, for the interconnection, resale services, network elements, collocation or any other functions, facilities, products or services to be furnished by Alltel under this Agreement.

8.1.1 Such security deposit shall be a cash deposit or other form of security acceptable to Alltel. Any such security deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.

8.1.2 [DELETED]

8.1.3 The fact that a security deposit has been provided in no way relieves "CLEC ACRONYM TXT" from complying with Alltel's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of Alltel providing for the discontinuance of service for non-payment of any sums due Alltel.

8.1.4 [DELETED]

8.1.5 [DELETED]

8.1.6 In the case of a cash deposit, interest at a rate as set forth in the appropriate Alltel tariff shall be paid to "CLEC ACRONYM TXT" during the possession of the security deposit by Alltel. Interest on a security deposit shall accrue annually and, if requested, shall be annually credited to "CLEC ACRONYM TXT" by the accrual date.

8.2 Alltel may, but is not obligated to, draw on the cash deposit, as applicable, upon the occurrence of any one of the following events.

8.2.1 "CLEC ACRONYM TXT" owes Alltel undisputed charges under this Agreement that are more than thirty (30) calendar days past due; or

8.2.2 "CLEC ACRONYM TXT" admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had an involuntary case commenced against it) under the U.S. Bankruptcy Code or any other law relating to insolvency, reorganization, wind-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or, is subject to a receivership or similar proceeding; or

8.2.3 The expiration or termination of this Agreement.

8.3 If Alltel draws on the security deposit, upon request by Alltel, "CLEC ACRONYM TXT" will provide a replacement

deposit conforming to the requirements of Section 8.1.

8.4 Except as otherwise specifically provided elsewhere in this Agreement, the Parties will pay all rates and charges due and owing under this Agreement within thirty (30) days of the invoice date in immediately available funds. The Parties represent and covenant to each other that all invoices will be promptly processed and mailed in accordance with the Parties' regular procedures and billing systems.

8.4.1 If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday preceding such Saturday or Holiday. If payment is not received by the payment due date, a late penalty, as set forth in §8.5 below, will be assessed.

8.5 If the amount billed is received by the billing Party after the payment due date or if any portion of the payment is received by the billing Party in funds which are not immediately available to the billing Party, then a late payment charge will apply to the unpaid balance.

8.6 Except as otherwise specifically provided in this Agreement interest on overdue invoices will apply at the lesser of the highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily and applied for each month or portion thereof that an outstanding balance remains, or shall not exceed 0.0004930% compounded daily and applied for each month or portion thereof that an outstanding balance remains.

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

None

NIA Issue 1: Should Windstream be required to interconnect with Core at dual points of interconnection, one of which would be a point outside of Windstream's existing network, and further, should the parties be required to bear the cost to deliver originating interconnection traffic to one another at each other's designated switch location?

Core's Best Offer Language:

Core proposes deleting Windstream's proposed language at Att. 4, §§ 2.1 through 2.3 and replacing it with the following Core proposed language:

- 1.1 Each Party shall provide interconnection to the other Party, in accordance with this Agreement, and in accordance with the standards and requirements governing interconnection set forth in 47 U.S.C. §251, FCC implementing regulations, and state law governing interconnection, at (i) any technically feasible point and/or (ii) a fiber meet point to which the Parties mutually agree under the terms of this Agreement, for the transmission and routing of Section 251(b)(5) Traffic, ISP-Bound Traffic, IntraLATA Toll Traffic, and InterLATA Toll Traffic.
- 1.2 ***CLEC Acronym TXT*** shall have the sole right and discretion to initiate interconnection in each LATA by submitting a written request to Alltel designating the following:
 - (a) a CLLI code for ***CLEC Acronym TXT***'s designated interconnection point ("IP"); and
 - (b) a proposed IP for the delivery of ***CLEC Acronym TXT***'s originating interconnection traffic to Alltel.Within ten (10) days of ***CLEC Acronym TXT***'s written request, Alltel shall provide ***CLEC Acronym TXT*** with the CLLI code of Alltel's designated IP.
- 1.3 Pursuant to ***CLEC Acronym TXT***'s written request for interconnection in each LATA, each party shall designate an Interconnection Point ("IP") on its own network at which the designating party shall arrange to receive the other party's originating interconnection traffic. Each party shall have a duty to provide for the transport and delivery of interconnection traffic to the other party at the other party's IP.

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

None

NIA Issue 3: Should Windstream be made to interconnect with Core at any commercial building where Windstream has substantial outside plant or loop facilities?

Core's Best Offer Language:

Core proposes the following in lieu of its original proposal for section Att. 4, § 2.2.4:

2.2.4. Loop Interconnection.

Where *****RLEC Acronym TXT***** facilities (including facilities *****RLEC Acronym TXT***** considers to be "retail" or "loop" as opposed to "IOF") exist having sufficient capacity to fill Core's initial interconnection trunking needs at the technically feasible Point(s) of interconnection specified by Core, the parties shall promptly execute an amendment in the form and format set forth in Appendix 2 to this Agreement in order to facilitate interconnection using specific, identified loop facilities.

[Core's Proposed Appendix 2 – Loop Interconnection is attached hereto at Tab A]

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

Core substantially modified its proposal for loop interconnection to address concerns raised by Mr. Terry in his direct testimony.

NIA Issue 4: Should Core be permitted to indirectly interconnect with Windstream without volume limitations that would necessitate direct interconnection?

Core's Best Offer Language:

Core proposes the following language to be included in Att. 4:

12. Indirect Traffic

12.1. For purposes of exchanging Indirect Traffic there is no physical or direct point of interconnection between the Parties, therefore neither Party is required to construct new facilities or make mid-span meet arrangements available to the other Party for Indirect Traffic. Indirect interconnection shall only be allowed to the extent each party is interconnected at a tandem which ***RLEC Acronym TXT***'s end office subtends.

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

None.

NIA Issue 5: Should the Agreement require each Party to arrange and pay for third-party tandem services relative to its own originating traffic?

Core's Best Offer Language:

Core proposes the following language for inclusion in Att. 4:

12.2.3. Each Party is responsible for the transport of originating calls from its network to its point of interconnection with the transiting party. The originating Party is responsible for the payment of transit charges assessed by the transiting party.

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

None.

ICC Issue 1: How should the jurisdiction of VNXX traffic be determined, and what compensation should apply?

Core's Best Offer Language:

Core proposes deleting Windstream's proposed Att. 12, sections 3.4, and modifying Windstream's proposed Att. 12, section 1 to read as follows:

1.0 Introduction

- 1.1 For purposes of compensation under this Agreement, the telecommunications traffic exchanged between the Parties will be classified as Section 251(b)(5) Traffic, ISP-Bound Traffic, IntraLATA Interexchange Traffic, or InterLATA Interexchange Traffic. The provisions of this Attachment shall not apply to services provisioned by Alltel to "CLEC ACRONYM TXT" as local Resale Services.

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

None.

ICC Issue 3: Should reciprocal compensation apply to local traffic that is roughly balanced?

Core's Best Offer Language:

Core deleted Windstream's proposed Att. 12, sections 3.2 and 3.3 and added the following language:

3.0 Reciprocal Compensation for Section 251(b)(5) Traffic

The Party originating Section 251(b)(5) Traffic shall compensate the terminating Party for the transport and termination of such traffic to its Customer in accordance with Section 251(b)(5) of the Act at the equal and symmetrical rates stated in the Pricing Attachment.

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

None.

ICC Issue 4: Does the FCC's ISP Remand Order apply to the parties and facts in this proceeding?

Core's Best Offer Language:

Core proposes adding the following language in Att. 12:

4.0 Intercarrier Compensation for ISP-Bound Traffic

Compensation for ISP-Bound Traffic shall be governed by the FCC's ISP Remand Order and ISP Forbearance Order. To the extent the ISP Remand Order is overturned or otherwise found to be inapplicable, and to the extent ***RLEC Acronym TXT*** does not elect to exchange all Section 251(b)(5) traffic at the ISP Remand Order rates (as set forth in paragraph 89 of the ISP Remand Order) ISP-Bound Traffic shall be treated the same as Section 251(b)(5) Traffic for compensation purposes.

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

None.

ICC Issue 5: Should Windstream or Core determine for which NXX codes
Core may apply?

Core's Best Offer Language:

Core proposes to delete Windstream's proposed Att. 12, section 5.2.

**Difference Between Best Offer and Previously Proposed Language (as set forth in Core's
December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):**

None.

NP Issue 1: Should any part or all of Windstream's number portability attachment be included with the Agreement to establish the detailed processes for porting numbers between the parties?

Core's Best Offer Language:

Core proposes addition of the following language to Windstream's proposed Att. 14:

1.0 Service Provider Number Portability (SPNP)

The Parties shall provide Number Portability (NP) in accordance with rules and regulations as from time to time prescribed by the FCC.

Difference Between Best Offer and Previously Proposed Language (as set forth in Core's December 26, 2005 redline of Windstream's ICA proposal. See, Core's Petition, at Att. 13):

In an effort to settle this issue, Core has relinquished its objections to the language proposed by Windstream at Attachment 14. Core now simply proposes addition of the above language at the beginning of Attachment 14.

Definitions Issues: How should “ANI,” “Exchange Services,” “Intra-LATA Toll Traffic,” “Interconnection Point,” and “Section 251(b)(5) Traffic” be defined in the Agreement?

Core’s Best Offer Language:

Core proposes the following language for the disputed definitions:

ANI: Issue resolved as to the definition of ANI.

Exchange Services (Windstream definition): Core objects to inclusion of a definition for “exchange services”—a term that is not defined in the Act or elsewhere. Core also notes that that this term is wholly inconsistent with the statutory definition of “telephone exchange services”—the term that does appear in the Act.

IntraLATA Toll Traffic (Core definition):

IntraLATA Toll Traffic includes calls made through a presubscribed service and dialed on a 1+ basis for which additional toll charges apply.

Interconnection Point (Windstream definition).

Core objects to Windstream’s definition of “Interconnection Point” because it would require the interconnection point for Windstream’s originating traffic to Core to be on Windstream’s network. This issue is simply a recasting of Network Interconnection Architecture Issue No. 1.

Section 251(b)(5) Traffic (Core definition):

Section 251(b)(5) Traffic means (1) telecommunications traffic exchanged between a LEC and a telecommunications carrier other than a CMRS provider, except for telecommunications traffic that is interstate or intrastate exchange access, information access, or exchange services for such access (see FCC Order on Remand, 34, 36, 39, 42-43); and/or (2) telecommunications traffic exchanged by a LEC and a CMRS provider that originates and terminates within the same Major Trading Area, as defined in 47 CFR § 24.202(a).

Difference Between Best Offer and Previously Proposed Language (as set forth in Core’s December 26, 2005 redline of Windstream’s ICA proposal. See, Core’s Petition, at Att. 13):

There is no change with respect to Core’s position on “ANI” or “Interconnection Point.”

Core modified its proposed definition of “IntraLATA Toll Traffic” as set forth in the rebuttal testimony of Timothy Gates.

Core modified its definition of “Section 251(b)(5)” to insert the term “information access” as provided in the applicable FCC rule, 47 C.F.R. § 51.701(b)(1).

AMENDMENT NO. ____

to the

INTERCONNECTION AGREEMENT

between

WINDSTREAM PENNSYLVANIA, INC.

and

CORE COMMUNICATIONS, INC.

THIS AMENDMENT No. 1 (this "Amendment") is made as of the ____ day of _____, ____ (the "Effective Date"), by and between Windstream Pennsylvania Inc., f/k/a Windstream, a _____ corporation with offices at _____, _____ ("Windstream"), and Core Communications, Inc. ("Core"), a District of Columbia corporation with offices at 209 West Street, Suite 302, Annapolis, Maryland. (Windstream and Core may be hereinafter referred to, each individually, as a "Party" and, collectively, as the "Parties"). This Amendment covers services in the _____ LATA in the Windstream service territory in the state of Pennsylvania (the "State").

WITNESSETH:

WHEREAS, Core and Windstream have entered into an Interconnection Agreement dated _____, ____, ____; and

WHEREAS, Core and Windstream seek to further amend the Terms as set forth herein with respect to certain interconnection arrangements between the Parties in the _____ LATA;

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. The Parties agree that as of the Effective Date of this Amendment, the Terms are hereby supplemented as follows:

a) Core and Windstream will implement initial interconnection trunking (for both Windstream-originated one-way traffic and Core-originated one-way traffic) in the _____ LATA using those portions of the existing OC-____ loop fiber optic system, between Windstream's _____ central office and the building at _____, _____, Pennsylvania, that are available as of the Effective Date of this Amendment (and that remain available as of the date(s), from time to time, that the Parties



interconnect using such available facilities). Windstream's willingness to enter into the arrangements set forth in this Amendment are premised on a number of factors, including, without limitation, that (i) Core's switch is located in such building at _____, _____, Pennsylvania, (ii) Windstream is not building any new loop fiber optic facilities in order to effect interconnection as contemplated hereby and (iii) as further described herein, Core has agreed at Windstream's request that Windstream is not responsible for any performance metrics reporting, payment, penalty, incentive or similar obligations in connection with such arrangements. However, Windstream shall use commercially reasonable efforts to provision and maintain such existing OC-___ loop fiber optic system for interconnection with Core pursuant to this Amendment. Since capacity on this OC-___ loop fiber optic system will also be used to provision future services for other customers of Windstream (as well as for Core) on a nondiscriminatory, first-come, first-served basis as actual service orders are placed, in addition to the services that are currently being provided to other customers at the subject location, a fixed amount of capacity on the OC-___ will not be apportioned for use between Core and Windstream, and Windstream therefore cannot guarantee capacity to continue interconnection via this OC-___ loop fiber optic system in the future. Upon either Party's written request from time to time, the Parties shall meet in good faith to discuss appropriate next steps in connection with the possible exhaust of capacity on the existing OC-___ loop fiber optic system.

b) Since, among other things, the arrangements set forth herein (e.g., using non-dedicated, available portions of an existing OC-___ loop fiber optic system) are not typically used by Windstream to provide interoffice facilities between a Windstream central office and a Local Exchange Carrier's or an IXC's central office (hereinafter "Point of Presence" or "POP"), or between Windstream central offices, Core agrees at Windstream's request that Windstream will not be required to meet any interconnection trunk maintenance, provisioning or similar reporting requirements or performance metrics, standards or similar obligations set by the FCC, the State Commission, the Terms or otherwise, nor shall it be subject to corresponding (or other) penalties, incentives and/or similar obligations in connection with the interconnection trunks provisioned over this OC-___ loop fiber optic system (at the _____ location), regardless of whether such interconnection trunks carry traffic originated by Windstream or by Core, and Core hereby expressly waives any rights, -claims or the like in connection with the foregoing. However, Windstream shall use commercially reasonable efforts to provision and maintain such existing OC-___ loop fiber optic system for interconnection with Core pursuant to this Amendment.

c) Cabling for DS3 circuits from the OC-___ loop fiber optic system to Core's POP in Suite ___ will be provided (and maintained) by Windstream. DS3 cables will be connected to a termination equipment/device (provided by Windstream) at a mutually agreeable location in Suite ___. The Parties agree that Windstream and Core shall both have unescorted access to the termination equipment 24 hours a day, seven days a week, without limitation.

d) Notwithstanding any other provision of this Amendment (or otherwise) and, for the avoidance of any doubt, Core may not assess any charge(s) upon Windstream for the transport of traffic delivered by Windstream over the OC-___ loop fiber optic system to Core's POP (or for the transport of traffic delivered by Core over the OC-___ loop fiber optic system); however, Core is responsible for paying Windstream's applicable transport charges between Core's POP and Windstream's central offices for traffic originated by Core.

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

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 Terms 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 Terms shall remain in full force and effect after Effective Date.

6. Use of Amendment in Other Proceedings. Nothing in this Amendment shall constitute, or be considered as, an admission of liability or wrongdoing by Windstream or by Core, and neither this Amendment nor any part of it may be used in any way against Windstream or Core in any legal, equitable or administrative action or arbitration except in an action to enforce this Amendment; provided, however, that the Parties shall file this Amendment, for approval, with the Pennsylvania Public Utilities Commission as an amendment to the Terms.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed and to be effective as of the Effective Date.

CORE COMMUNICATIONS INC.

WINDSTREAM PENNSYLVANIA INC.

By: _____

By: _____

Printed: _____
Title: _____

Printed: _____
Title: _____

CERTIFICATE OF SERVICE

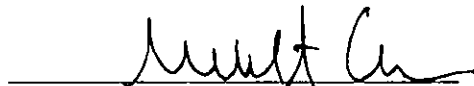
I hereby certify that on this 10th day of September, 2007 copies of the foregoing Best Offer have been served upon the persons listed below in accordance with the requirements of 52 Pa Code Sections 1.54 and 1.55 of the Commission's rules.

VIA Electronic Mail and US Mail

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Windstream Pennsylvania, Inc.
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Little Rock, AR, 72202

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