*K10142.49.8

TC97-045

DOCKET NO. TC97-045

In the Matter of IN THE MATTER OF THE PETITION FOR ARBITRATION ON BEHALF OF SPRINT COMMUNICATIONS COMPANY L.P. WITH U S WEST COMMUNICATIONS, INC.

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDA
4/25	97 Filed and Docketed;
4/25	97 Procedural Schedule, Order for and Notice of Hearing;
5/1	97 TC for Filing;
5/2	97 Amended Procedural Schedule, Order for and Notice of Hearing;
5/5	97 Amended Petition;
5/5	97 Sprint's Prefiled Testimony;
5/5	97 Testimony of Edward K. Shiller on behalf of Sprint;
5/14	97 Notice of Appearance of Thomas J. Welk and Thomas A. Welk;
5/16	97 Order Admitting Attorney (Donald A. Low);
5/16	97 Stipulation and Agreement;
5/16	97 Motion to Withdraw;
6/9	97 Order Granting Withdrawal;
6/10	97 Docket Closed.

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TC97-045

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RECEIVED
APR 25 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

April 24, 1997

VIA AIRBORNE EXPRESS

William Bullard, Jr., Executive Director
South Dakota Public Utilities Comm.
500 E. Capitol Avenue, State Capitol
Pierre, South Dakota 57501-5070

Re: In the Matter of Sprint Communications Company L.P.'s Petition for Arbitration of Interconnection Rates, Terms, Conditions and Related Arrangements with U S WEST Communications, Inc.

Dear Mr. Bullard:

Enclosed for filing, please find the original and eleven (11) copies of the Petition for Arbitration concerning the above referenced matter. Please return a file-stamped copy to me in the enclosed self-addressed stamped envelope.

Thank you for your assistance. If you have any questions, please call me at (913) 624-6420.

Very truly yours,

Donald A. Low

DAL:sjw
Enclosures
cc: William P. Heaston, Esq.
(w/enclosures)

TC97-045

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

RECEIVED
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

In the Matter of Sprint Communications Company L.P.'s Petition for Arbitration of Interconnection Rates, Terms, Conditions and Related Arrangements with U S WEST Communications, Inc.	))))	Docket No. _____

Petition for Arbitration

Sprint Communications Company L.P. ("Sprint") hereby petitions the Public Service Commission of South Dakota ("Commission") for arbitration of certain terms and conditions for interconnection and related arrangements with U S WEST Communications, Inc. ("U S WEST") pursuant to Section 252(b) of the Telecommunications Act of 1996 ("the Act"). Sprint requests that the arbitration result in adoption of Sprint's proposed interconnection agreement, attached hereto as Exhibit 1. In support of this Petition, Sprint alleges and states as follows:

Introduction

Sprint currently is a provider of long distance interexchange service. In response to the pro-competition provisions of the Act, Sprint seeks to be a provider of local exchange telecommunication service. Sprint is currently awaiting the Commission's written order reflecting the Commission April 15, 1997 decision to grant Sprint a certificate to transact business as a local exchange service provider in South Dakota.

Sprint is seeking to enter into an agreement with U S WEST that would enable Sprint to resell U S WEST's retail service by purchasing retail services at wholesale (retail less avoided costs). Sprint also seeks the ability to purchase and provision, on an unbundled element-by-element basis, the features and functions that comprise local exchange service.

Sprint's parent company, Sprint Corporation, is not a newcomer to the local exchange business. Sprint affiliates currently provide service as incumbent local exchange carriers to 6.4 million customers in 19 states. In an effort to achieve an approach which is consistent within the corporation, Sprint developed proposed terms for negotiations with U S WEST and other incumbent local exchange companies with the view that it would not request anything that Sprint's affiliated incumbent local exchange companies would be unwilling to offer competitive local

exchange carriers. The terms requested by Sprint in its negotiations with U S WEST represent a balancing of the perspectives of incumbent local exchange carriers and new entrants.

The principles underlying Sprint's positions in negotiations are founded on the concepts of economic efficiency and long-term public benefit. Sprint and U S WEST have engaged in extensive discussions concerning the terms, conditions and rates for interconnection, services and facilities that Sprint needs to provide service at a level of quality that is, at the very least, equal to that currently enjoyed by the customers of the incumbent local exchange carrier, U S WEST.

Despite the numerous face-to-face meetings and telephone conference calls between Sprint and U S WEST since Sprint sent its initial letter requesting interconnection negotiations, the parties have been unable to reach a comprehensive agreement through negotiations as contemplated by Section 252 of the Act. Attached as Exhibit 2 is a brief matrix summarizing the parties' proposed language on each of the unresolved issues.

Sprint believes it has reached agreement in principle with U S WEST on the majority of the contract items. To the extent that U S WEST does not agree with the information presented in Exhibit 2, Sprint requests U S WEST make its disagreement known so that these issues may be resolved in this arbitration.

As set forth below, Sprint is requesting that those issues appearing in Exhibit 2 be resolved through arbitration by this Commission. The issues presented by Sprint for arbitration are issues that Sprint believes would be best resolved through the arbitration process. There are still several issues appearing in the draft contract (Exhibit 1) which are not yet resolved but are not submitted for arbitration. Sprint believes that these issues, while important in achieving Sprint's business objectives, may best be dealt with on an informal basis outside of the arbitration process.

Section 252(b)(1) of the Act provides that either party may petition the state commission for arbitration during the period of the 135th day to the 160th day after the date on which the incumbent local exchange carrier received the request for negotiation. One hundred and thirty-five days have passed since the commencement of negotiations, and Sprint's negotiations with

U S WEST have reached impasse on the issues set forth below. Sprint therefore files this Petition for Arbitration.

It should be noted that this arbitration is part of Sprint's second round of arbitrations with U S WEST. Most of these same issues have been petitioned, heard and decided in six other U S WEST states, and a decision is pending in a seventh state. Sprint has offered to accept in South Dakota the decisions in those other states on these same issues. U S WEST has rejected Sprint's offer, necessitating that these issues now be arbitrated again in South Dakota. Sprint feels that this is a waste of precious resources both of our company and this Commission. Apparently, U S WEST is finding that almost every other state Commission deciding these issues has favored Sprint's positions. Therefore, U S WEST is determined to try new approaches to persuade this Commission to decide these issues differently.

Many, if not all of the issues presented by Sprint for arbitration have already been decided by this Commission in the arbitration between AT&T Communications of the Midwest, Inc. ("AT&T") and U S WEST, Docket No. TC96-184. To expedite the process of reaching a final interconnection agreement with U S WEST and to conserve Commission resources, Sprint is willing to accept this Commission's decision on these issues from the AT&T/U S WEST arbitration. In an attempt to limit the scope of this arbitration and to rely upon state Commission precedent on many issues common to both the U S WEST/AT&T and U S WEST/Sprint arbitrations, Sprint has offered to stipulate to this Commission's decisions on many items currently in dispute between the parties that have been or will have been litigated in the U S WEST/AT&T arbitration prior to hearings in this case. U S WEST declined that offer.

Negotiation History

On April 15, 1996, Sprint sent its request for interconnection to U S WEST pursuant to Section 252 of the Act. Negotiations then ensued with U S WEST for a contract in all 14 of U S WEST's states. Unaware of the tremendous administrative burden of filing for arbitration and meeting the requirements of those proceedings, Sprint subsequently terminated negotiations in seven U S WEST states including South Dakota in order to better attend to the requirements of this state at a future date. The negotiations were then restarted with U S WEST for the state of South Dakota effective November 18, 1996. A copy of the letter re-starting negotiations is attached as Exhibit 3.

Numerous meetings and telephone conferences have been held to identify issues, to clarify the positions of the parties and to attempt to resolve differences where they exist. Notwithstanding the provisions of the Act and the Federal Communications Commission's ("FCC's") Orders implementing the Act, Sprint and U S WEST continue to be unable to reach a comprehensive agreement as envisioned under Section 252(a) of the Act. Section 252(b)(1) permits a requesting carrier to petition a state commission to "arbitrate any open issues" unresolved by voluntary negotiation under Section 252(a). Sprint, as a requesting carrier under the Act, hereby requests arbitration on all disputed issues set forth in Exhibit 4 below, and as may be further identified during this proceeding.

Sprint and U S WEST have not formally halted negotiations. Sprint expects to continue its negotiations with U S WEST during the arbitration process and may be able to resolve one or more issues prior to the issuance of the arbitrator's decision. To the extent that U S WEST and Sprint are in fact able to resolve one or more contested issues through continuing negotiations, Sprint and U S WEST will submit materials memorializing such understanding(s) to the Commission for action pursuant to the standards for negotiated agreements under Section 252(a).

Sprint's Petition for Arbitration is timely filed. As previously stated, Section 252(b)(1) provides that either party may petition the state commission for arbitration during the period from the 135th day to the 160th day after the request for interconnection is received by the incumbent

carrier. Sprint requested interconnection negotiations with U S WEST on November 18, 1996. The 135th day after Sprint sought interconnection was April 2, 1997. The 160th day after interconnection was sought is April 27, 1997, which is a Sunday, so that the deadline would be April 25, 1997. Hence, this petition is timely. Under Section 252(b)(4)(C) of the Act, this Commission must render a final decision in this arbitration within nine months of November 18, 1996, or by August 18, 1997.

Representatives of the Parties

For purposes of this proceeding, Sprint should be served with copies of notices, orders, pleadings and other materials by addressing such matters to its counsel:

Donald A. Low
Sprint Communications Company L.P.
8140 Ward Parkway - 5E
Kansas City, MO 64114
(913) 624-6865
Fax (913) 624-5681

U S WEST is generally represented in South Dakota by the following counsel:

William P. Heaston
Senior Attorney
U S WEST Communications, Inc.
1801 California Street
Denver, CO 80202
(303) 672-2810
Fax (303) 295-7069

Unresolved Issues

The issues presented for arbitration are as follows:

I. Economically Inefficient Multiple Trunk Groups Requirement
II. Ownership of Access Charges During Interim Number Portability
III. Most Favored Nations Election of Other Contracts and Provisions
IV. Inclusion of Features and Functions in Unbundled Switching
V. Combining of Unbundled Elements
VI. Service Measures and Standards
VII. Unfair Restrictions on Resale of Telecommunications Services

These issues are more fully described in Exhibit 4 attached to this Petition, which is hereby incorporated by reference. Exhibit 4 also describes the respective positions of U S WEST and Sprint on each of the unresolved issues on which Sprint is seeking arbitration. As demonstrated in this filing and as will further be demonstrated in testimony filed in this proceeding, the positions that Sprint advocates and the comprehensive interconnection agreement it proposes are consistent with the Act and the implementing regulations of the FCC, and will lead to true choices for high quality local service for consumers in this state during the critical transition from a local service monopoly to effectively competitive local service markets. Therefore, Sprint requests that the Commission adopt its positions and proposed language on the disputed issues as set forth in Exhibits 2 and 4. Sprint also requests that the Commission establish an implementation schedule for the interconnection agreement as required by Section 252(c)(3) of the Act.

Conclusion

WHEREFORE, Sprint respectfully requests the Commission schedule an arbitration hearing or hearings for consideration of the issues identified in the Petition pursuant to the requirements of Section 252(b) of the Act. Sprint further requests that the Commission order the parties to adopt, as a result of the arbitration and/or negotiations, Sprint's proposed language

found in the Interconnection Agreement, attached as Exhibit 1, and that the Commission establish an implementation schedule as required by the Act.

Dated: April 25, 1997.

Respectfully submitted,
Sprint Communications Company L.P.

Donald A. Low

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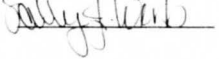
Fax (605) 224-1600

Attorneys for Sprint Communications Company L.P.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing was served by sending, by overnight mail, a copy thereof to the following persons on this 24th day of April, 1997.

William P. Heaston
Senior Attorney
U S WEST Communications, Inc
1801 California Street
Denver, CO 80202
(303) 672-2810
Fax (303) 295-7069



8142.49.1

EXHIBIT 1

Proposed Interconnection Agreement

22-APR-1997 08:

April 23, 1997

SPRINT COMMUNICATIONS COMPANY L.P.

AND

U S WEST COMMUNICATIONS, INC

NEGOTIATED ARBITRATED TERMS OF AGREEMENT FOR INTERCONNECTION, RESALE, AND UNBUNDLED ELEMENTS

FOR THE STATES OF
AZ, CO, IA, ID, MN, MT, NB, ND, NM, OR, SD, UT, WA, and WY

DRAFT VERSION

April 23, 1997

Sprint Communications Company, L.P. ("Sprint") and U S WEST Communications, Inc. ("U S WEST") have reached agreement on a substantial number of issues. The following draft agreement represents those areas of agreement on a substantial number of issues. The following draft has been reached, the Agreement provides language that describes the U S WEST and Sprint positions on the disputed issues. Such language is identified by bold characters with a shaded background. The areas where no agreement has been reached shall be resolved through the ongoing arbitration proceedings.

Dated:

Counsel for U S WEST

Counsel for Sprint

8142.43.14

1 RECITALS

2 SCOPE OF AGREEMENT

3 DEFINITIONS

4 RATES AND CHARGES GENERALLY

5 RECIPROCAL TRAFFIC EXCHANGE

5.1 Scope

5.2 Types of Traffic

5.3 Rate Structure - Local Traffic

5.4 Rate Structure – Toll Traffic

5.5 Rate Structure – Transit Traffic

5.6 LIS Interface Code Availability And Optional Features

5.7 Measuring Local Interconnection Minutes

5.8 Testing

5.9 Ordering

5.10 Billing Arrangements

5.11 Mileage Measurement

5.12 Construction Charges

6 INTERCONNECTION

6.1 Definition

6.2 Mid-span Meet POI

6.3 Collocation

6.4 Entrance Facility

6.5 Quality of Interconnection

6.6 Points of Interface (POI)

6.7 Trunking Requirements

6.8 Service Interruptions

6.9 Interconnection Forecasting

7 COLLOCATION

8 INTERIM NUMBER PORTABILITY

9 DIALING PARITY

10 ACCESS TO TELEPHONE NUMBERS

11 CALL COMPLETION FROM U S WEST OPERATORS

12 BUSY LINE VERIFY INTERRUPTS

13 TOLL AND ASSISTANCE OPERATOR SERVICES

14 DIRECTORY ASSISTANCE

15 U S WEST DIRECT ISSUES

16 ACCESS TO POLES, DUCTS, CONDUITS, AND RIGHTS OF WAY

17 ACCESS TO OPERATIONAL SUPPORT SYSTEMS

18 NOTICE OF CHANGES

19 911 E-911 SERVICE

20 REFERRAL ANNOUNCEMENT

21 COORDINATED REPAIR CALLS

22 BONA FIDE REQUEST

23 AUDIT PROCESS

24 AUDIO TEXT AND MASS ANNOUNCEMENT SERVICES

25 LOCAL INTERCONNECTION DATA EXCHANGE FOR BILLING

26 SIGNALING ACCESS TO CALL-RELATED DATABASES

27 INTERCONNECTION TO LINE INFORMATION DATA BASE (LIDB)

28 CONSTRUCTION CHARGES

29 RESALE

29.1 Description

29.2 Scope

29.3 Ordering and Maintenance

29.4 Sprint Responsibilities

29.5 Rates and Charges

29.6 Directory Listings

29.7 Deposit

29.8 Payment

30 UNBUNDLED ACCESS ELEMENTS

30.1 General Terms

30.2 Description of Unbundled Elements

31 SERVICE STANDARDS

32 IMPLEMENTATION SCHEDULE ERROR!

33 MISCELLANEOUS TERMS

33.1 General Provisions

33.2 Most Favored Nation Terms and Treatment

33.3 Customer Authorization

33.4 Payment

33.5 Taxes

33.6 IntelU S WESTtual Property

33.7 Severability

33.8 Responsibility for Environmental Contamination

33.9 Responsibility of Each Party

33.10 Referenced Documents

33.11 Publicity and Advertising

33.12 Executed in Counterparts

33.13 Headings of No Force or Effect

33.14 Entire Agreement

33.15 Joint Work Product

33.16 Disclaimer of Agency

33.17 Survival

33.18 Effective Date

33.19 Amendment of Agreement

33.20 Indemnity

33.21 Limitation of Liability

33.22 Term of Agreement

33.23 Controlling Law

33.24 Cancellation Charges

33.25 Regulatory Approval

33.26 Compliance

33.27 Compliance with the Communications Law Enforcement Act of 1994 ("CALEA")

33.28 Independent Contractor

33.29 Force Majeure

33.30 Dispute Resolution

33.31 Commission Decision

33.32 Nondisclosure

33.33 Notices

33.34 Assignment

33.35 Warranties

33.36 Default

33.37 No Third Party Beneficiaries

DRAFT VERSION

April 23, 1997

INTERCONNECTION AGREEMENT

THIS INTERCONNECTION AGREEMENT, MADE AS OF THIS _____ DAY OF __, 1997, IS BETWEEN SPRINT COMMUNICATIONS COMPANY, L.P. ("SPRINT") AND U S WEST COMMUNICATIONS, INC. ("U S WEST"), A COLORADO CORPORATION.

1 RECITALS

1.1 Pursuant to this Interconnection Agreement Sprint and U S WEST, collectively "the Parties", will extend certain arrangements to one another within each LATA in which they both operate within this State. This Agreement is a combination of agreed terms and terms imposed by arbitration under Section 252 of the Communications Act of 1934, as modified by the position of either Party on any given issue. The Parties enter into this Agreement without prejudice to any position they may have taken previously, or may take in the future in any legislative, regulatory, or other public forum addressing any matters, including matters related to the types of arrangements prescribed by this Agreement.

2 SCOPE OF AGREEMENT

2.1 This Agreement sets forth the terms, conditions and prices under which U S WEST agrees to provide (a) services for resale (hereinafter referred to as "Local Services") (b) certain Unbundled Network Elements, Ancillary Functions and additional features to Sprint (hereinafter collectively referred to as "Network Elements") or combinations of such Network Elements ("Combinations") for Sprint's own use or for resale to others. The Agreement also sets forth the terms, conditions and prices under which the parties agree to provide interconnection and reciprocal compensation for the exchange of local traffic between U S WEST and Sprint for purposes of offering telecommunications services. Unless otherwise hereunder throughout, to the extent provided in the Appendices attached hereto. The Agreement includes all accompanying appendices. Unless otherwise provided in this Agreement, U S WEST will perform all of its obligations hereunder throughout its entire service area subject to State and Federal rules.

2.2 In the performance of their obligations under this Agreement, the Parties shall act in good faith and consistently with the intent of the Act. Where notice, approval or similar action by a Party is permitted or required by any provision of this Agreement, (including, without limitation, the obligation of the Parties to further negotiate the resolution of new or open issues under this Agreement) such action shall not be unreasonably delayed, withheld or conditioned. The parties will assign an implementation team of sufficient expertise to implement this agreement.

3 **TERM OF AGREEMENT**

3.1 When executed by authorized representatives of U S WEST and Sprint, this Agreement shall become effective as of _____ [Insert the Effective Date] ("Effective Date"), and shall expire on _____ [Insert the Date 2 1/2 years from the Effective Date], unless renewed by mutual agreement or terminated earlier in accordance with the provisions of this Agreement.

3.2 Upon expiration of the term of this Agreement this Agreement shall continue in force and effect unless and until a new agreement, addressing all of the terms of this Agreement, becomes effective between the Parties. The Parties agree to commence negotiations on a new agreement no later than six months before the termination of this Agreement.

0142.49.21

4. DEFINITIONS

4.1. "Act" means the Communications Act of 1934 (47 U.S.C. 151 et. seq.), as amended by the telecommunications Act of 1996, and as from time to time interpreted in the duly authorized rules and regulations of the FCC or a Commission within its state of jurisdiction.

4.2. "Access Services" refers to the tariffed interstate and intrastate switched access and private line transport services offered for the origination and/or termination of interexchange traffic (see each Parties' appropriate state and interstate access tariffs).

4.3. "ADSL" or "Asymmetrical Digital Subscriber Line" means a transmission technology which transmits an asymmetrical digital signal using one of several transmission methods (for example, carrier - less AM/PM discrete multi-tone, or discrete wavelet multi-tone).

4.4. "Access Service Request" or "ASR" means the industry standard forms and supporting documentation used for ordering Access Services. The ASR will be used to order trunking and facilities between Sprint and U S WEST for Local Interconnection Service.

4.5. "Advanced Intelligent Network (AIN)" is a network functionality platform that permits service-specific conditions to be programmed into a switch which, when met, directs the switch to suspend call processing and to receive special instructions for further call handling instructions in order to enable carriers to offer advanced features, services and routing.

4.6. "AMA" means the Automated Message Accounting structure inherent in switch technology that initially records telecommunication message information. AMA format is contained in the Automated Message Accounting document, published by Bellcore as GR-1100-CORE which defines the industry standard for message recording.

4.7. "Automatic Number Identification" or "ANI" means a signaling parameter which refers to the number transmitted through a network identifying the billing number of the calling party.

4.8 "Basic Exchange telecommunications Service" means a service offered to end users that provides the end user with a telephonic connection to, and a unique local telephone number address on, the public switched telecommunications network, and that enables such end user to generally place calls to, or receive calls from, other stations on the public switched telecommunications network. Basic residence and business line services are Basic Exchange Telecommunication Services.

4.9 "BLV/BLVI Traffic" means an operator service call in which the caller inquires as to the busy status of, or requests an interruption of a call on another Customer's Telephone Exchange Service Line.

4.10 "Calling Party Number" or "CPN" is a Common Channel Signaling ("CCS") parameter which refers to the number transmitted through a network identifying the calling party.

4.11 "Central Office Switch" means a switch used to provide telecommunications Services, including, but not limited to:

4.11.1 "End Office Switches" which are used to terminate Customer station loops for the purpose of interconnecting to each other and to trunks; and

4.11.2 "Tandem Office Switches" which are used to connect and switch trunk circuits between and among other Central Office Switches. Access tandems provide connections for exchange access and toll traffic while local tandems provide connections for local/EAS traffic.

4.12 "Centrex" ("Centron") means a telecommunications Service that uses central office switching equipment for call routing to handle direct dialing of calls, and to provide many private branch exchange-like features.

4.13 "CLASS features" are optional end user switched services that include, but are not necessarily limited to: Automatic Call Back; Call Trace; Caller ID and Related Blocking Features; Distinctive Ringing/Call Waiting; Selective Call Forward; Selective Call Rejection. (See Bellcore documentation for definition)

4.14 "Collocation" means an arrangement whereby one Party's (the "Collocating Party") facilities are terminated in its equipment necessary for Interconnection or for access to

Network Elements on an unbundled basis which has been installed and maintained at the premises of a second Party (the "Housing Party"). Collocation may be "physical" or "virtual." In "Physical Collocation," the Collocating Party installs and maintains its own equipment in the Housing Party's premises. In "Virtual Collocation," the Housing Party installs and maintains the Collocating Party's equipment in the Housing Party's premises.

4.15 "Combinations" consist of multiple Elements that are logically related to enable Sprint to provide service in a geographic area or to a specific customer.

4.16 "Commission" means the State Public Utilities Commission or alternatively named governmental agency responsible to regulate telecommunications.

4.17 "Common Channel Signaling" or "CCS" means a method of digitally transmitting call set-up and network control data over a special signaling network fully separate from the public voice switched network elements that carry the actual call. The CCS used by the Parties shall be Signaling System 7.

4.18 "Competitive Local Exchange Carrier" means an entity authorized to provide Local Exchange Service that does not otherwise qualify as an incumbent U S WEST.

4.19 "Customer" means a third-party (residence or business) that subscribes to telecommunications Services provided by either of the Parties.

4.20 "Customer Account Record Exchange" ("CARE"). This refers to customer account data exchanged electronically between a Local Exchange Carrier (U S WEST) and another Carrier (e.g., Sprint I.D. etc.) in order to maintain current, accurate data on the customer's account status.

4.21 "Customer usage Data" means the local telecommunications Services usage data of a Sprint Customer, measured in minutes, sub-minute increments (e.g., 1/10 minutes, seconds, 1/10 seconds, etc.), message units, or otherwise, that is recorded by U S WEST and forwarded to Sprint.

4.22 "Digital Signal Level" means one of several transmission rates in the time division multiplexing hierarchy.

4.23 "Digital Signal Level 0" or "DS0" means the 64 Kbps zero-level signal in the time-division multiplex hierarchy.

4.24 "Digital Signal Level 1" or "DS1" means the 1.544 Mbps first-level signal in the time-division multiplex hierarchy. In the time-division multiplexing hierarchy of the telephone network, DS1 is the initial level of multiplexing.

4.25 "Digital Signal Level 3" or "DS3" means the 44.736 Mbps third-level in the time-division multiplex hierarchy. In the time-division multiplexing hierarchy of the telephone network, DS3 is defined as the third level of multiplexing.

4.26 "E911 Service" is a method of routing 911 calls to a PSAP that uses customer location data in the ALI/DMS to determine the PSAP to which a call should be routed.

4.27 "EAS/Local Traffic" means traffic that originates and terminates in a geographically defined area (Local Calling Area) as toll free service which is established by the effective tariffs of the incumbent local exchange carrier. This may also include Local Measured Service.

4.28 "Electronic Data Interface (EDI)" is a means of electronically sending and receiving data messages computer to computer.

4.29 "Enhanced White Pages" means optional features available, now or in the future, for White Pages Directory listings (e.g., bold, all capitals, additional line of text, indented).

4.30 "Exchange Message Record" or "EMR" is the standard used for exchange of telecommunications message information between telecommunications providers for billable, non-billable, sample, settlement and study data. EMR format is contained in BR-010-200-010 CRIS Exchange Message Record, a Bellcore document that defines industry standards for exchange message records.

4.31 "Expanded Interconnection Channel Termination (EICT)" telecommunications Interconnection between Sprint collocated equipment and U S WEST's network is accomplished via an Expanded INTERCONNECTION Channel Termination (EICT). This element can be at the DS3, DS1 or DS0 level depending on the U S WEST service it is connecting to.

4.32 "Fiber-Meet" means an interconnection architecture method whereby the Parties physically interconnect their networks via an optical fiber interface (as opposed to an electrical interface) at a mutually agreed upon location.

4.33 "HDSL" or "High-Bit Rate Digital Subscriber Line" means a two-wire or four-wire transmission technology which typically transmits a DS1-level signal (or, higher level signals with certain technologies), using 2 Binary 1 Quartenary ("2B1Q").

4.34 "IABS" means the Interexchange Access Billing System which is contained in a document prepared under the direction of the Billing Committee of the OBF. The Carrier Access Billing System document is published by Bellcore, and contains the recommended guidelines for the billing of access and other connectivity services.

4.35 "Information Service Traffic" means Local Traffic or intraLATA Toll Traffic which originates on a Telephone Exchange Service line and which is addressed to an information service provided over a Party's information services platform (e.g., 976).

4.36 "Integrated Digital Loop Carrier (IDLC)" means a subscriber loop carrier system which integrates within the switch at a DS1 level that is twenty-four (24) local Loop transmission paths combined into a 1.544 Mbps digital signal.

4.37 "Integrated Services Digital Network" or "ISDN" means a switched network service that provides end-to-end digital connectivity for the connectivity for the simultaneous transmission of voice and data. Basic Rate Interface-ISDN (BRI-ISDN) provides for a digital transmission of two 64 Kbps bearer channels and one 16 Kbps data channel (2B+D).

4.38 "Interconnection" is as described in the Act and refers to the connection of separate pieces of equipment, facilities, or platforms between or within networks for the purpose of transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic.

4.39 "Interexchange Carrier" or "IXC" means a carrier that provides, directly or indirectly, intraLATA or interLATA Telephone Toll Services.

4.40 "Interim Number Portability (INP)" INP applies to those situations where an end-user customer elects to transfer service from the INP Provider to the INP Requester and they also wish to retain their existing telephone number. INP consists of INP Provider's provision to the INP Requester the capability to route calls placed to telephone numbers assigned to the INP Provider's switches to the INP Requester's switches. INP is available prior to the implementation of PNP and uses methods such as remote call forwarding to provide number portability.

4.41 "IntraLATA Toll" means traffic that is originates and terminates within a given LATA and is not considered local switched traffic. The LATA boundaries are established by the effective tariffs of the incumbent local exchange carrier as of the date of this agreement.

4.42 "Line Information Data Base(s) (LIDB)" means one or all, as the context may require, of the Line Information Databases owned individually by U. S. WEST's and other entities which provide, among other things, calling card validation functionality for telephone line number cards issued by U. S. WEST's and other entities. A LIDB also contains validation data for collect and third number-billed calls, which include billed number screening.

4.43 "Local Interconnection Service(LIS)" provides for local call termination services under reciprocal traffic exchange. LIS provides Sprint the ability to terminate calls within a U.S. WEST defined Local Calling Area, Extended Area Service (EAS) area or LATA, as set forth herein.

4.44 "Local Loop Transmission" or "Loop" means the entire transmission path which extends from the network interface or demarcation point at a Customer's premises to the Main Distribution Frame or other designated frame or panel in a Party's Wire Center which serves the Customer.

4.45 Local Number Portability is the ability of an end user customer to retain their telephone when changing service providers and or offices in a common rate center.

4.46 "Main Distribution Frame" or "MDF" means the distribution frame of the Party providing the Loop used to interconnect cable pairs and line and trunk equipment terminals on a switching system.

0142-A9-27

4.47. "MECAB" refers to the Multiple Exchange Carrier Access Billing (MECAB) document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), that functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for telecommunications Industry solutions (ATIS). The MECAB document, published by Bellcore as Special Report SR-BDS-000983, contains the recommended guidelines for the billing of an access service provided by two or more LECs (including a ILEC and a CLEC), or by one U S WEST in two or more states within a single LATA.

4.48. "MECOD" refers to the Multiple Exchange Carriers Ordering and Design (MECOD) Guidelines for Access Services-Industry Support Interface, a document developed by the ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), that functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for telecommunications Industry Solutions (ATIS). The MECOD document published by Bellcore as Special Report SR STS-002643, establishes recommended guidelines for processing orders for access service that is to be provided by two or more LECs (including a ILEC and a CLEC). It is published by Bellcore as SR-BDS-00983.

4.49. "Meet-Point Billing" or "MPB" refers to an agreement whereby two LEC (including a U S WEST and CU S WEST) jointly provide switched access service to an Interexchange Carrier, with each LEC (or CLEC) receiving an appropriate share of the transport element revenues as defined by their effective access tariffs.

4.50. "Mediated Access" is an electronic gateway solution that acts as a control point between the CU S WEST's and U S WEST's operations systems, supporting functions such as Pre-Order, Order, Trouble Administration and Billing, while implementing security for the interface, protecting the integrity of the U S WEST network and its databases, and ensuring that Customer Proprietary Network Information (CPNI) is maintained.

4.51. "Mid-Span Meet" is a point of interconnection between two networks, designated by two telecommunications carrier's responsibility for service begins and the other carrier's responsibility ends.

4.52. "NDM" means Network Data Mover and is an IBM platform for electronic transmission of data.

4.53. "Network Element" means a facility or equipment used in the provision of a telecommunications service. Network Element includes features, functions, and

capabilities that are provided by means of such facility or equipment, including subscriber numbers, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a telecommunications service.

4.54 "North American Numbering Plan" or "NANP" means the numbering plan used in the United States that also serves Canada, Bermuda, Puerto Rico and certain Caribbean Islands. The NANP format is a 10-digit number that consists of a 3-digit NPA (commonly referred to as the area code), followed by a 3-digit NXX code and 4-digit line number.

4.55 "NXX" means the fourth, fifth and sixth digits of a ten-digit telephone number.

4.56 "Party" means either U S WEST or Sprint and "Parties" means U S WEST and Sprint.

4.57 "Permanent Number Portability" (PNP) is a database solution to provide transparent LNP for all customers and all providers.

4.58 "Point of Interface" or "POI" is a mutually agreed upon point of demarcation where the exchange of traffic between two LECs (including a ILEC and a CLEC) takes place.

4.59 "Pole Attachment" means the connection of a facility to utility pole. Some examples of facilities are mechanical hardware, grounding and transmission cable, and equipment boxes.

4.60. ARBITRATIONISSUE:

[redacted]

[DISPUTED WITH SWITCH FUNCTIONALITY ISSUE - XREF: 32.1.1.2]

4.61 "Rate Center" means the specific geographic point and corresponding geographic area which are associated with one or more particular NPA-NXX codes which have been assigned to a U S WEST (or CU S WEST) for its provision of basic exchange telecommunications services. The "rate center point" is the finite geographic point identified by a specific V & H coordinate, which is used to measure distance-sensitive

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end user traffic to from, the particular NPA-NXX designations associated with the specific Rate Center. The "rate center area" is the exclusive geographic area identified as the area within which the U S WEST (or CU S WEST) will provide Basic Exchange telecommunications Service bearing the particular NPA-NXX designations associated with the specific Rate Center. The Rate Center point must be located within the Rate Center area.

4.62 "Real Time" means the actual time in which an event takes place, with the reporting on or the recording of the event practically simultaneous with its occurrence.

4.63 "Reseller" is a category of Local Exchange service provider that obtains dial tone and associated telecommunications services from another provider through the purchase of end user services for resale to its end user customers.

4.64 A Right of Way (ROW) is the right to use the land or other property of another party to place poles, conduits, cables, other structures and equipment, or to provide passage to access such structures and equipment. A ROW may run under, on, or above public or private property (including air space above public or private property) and may include the right to use discrete space in buildings, building complexes, or other locations.

4.65 "Routing Point" means a location which U S WEST or Sprint has designated on its own network as the homing (routing) point for traffic inbound to Basic Exchange Services provided by U S WEST or Sprint which bear a certain NPA-NXX designation. The Routing Point is employed to calculate mileage measurements for the distance-sensitive transport element charges of Switched Access Services. The Routing Point may be an "End Office" location, or a "U S WEST Consortium Point of Interconnection". Pursuant to that same Bellcore Practice, examples of the latter may be designated by a common language location identifier (CLLI) code with (x)KD in positions 9, 10, 11, where (x) may be any alphanumeric A-Z or 0-9. The above referenced Bellcore document refers to the Routing Point as the Rating Point. For the purposes of this agreement, the Routing Point can be distinct from the Rating Point. The Rate Center Point (Rating Point) must be located in the Rate Center area. The Routing Point may be located outside of the Rate Center Area.

4.66 Service Control Point" or "SCP" means a signaling end point that acts as a database to provide information to another signaling end point (i.e., Service Switching Point or

another SCP) for processing or routing certain types of network calls. A query response mechanism is typically used in communicating with an SCP.

4.67 "Signaling Transfer Point" or "STP" means a signaling point that performs message routing functions and provides information for the routing of messages between signaling end points. An STP transmits, receives and processes Common Channel Signaling ("CCS") messages.

4.68 "Switched Exchange Access Service" means the offering of transmission or switching services to telecommunications Carriers for the purpose of the origination or termination of Telephone Toll Service. Switched Exchange Access Services include: Feature Group A, Feature Group B, Feature Group D, 800/888 access, and 900 access and their successors or similar Switched Exchange Access services.

4.69 "Tariff Services" as used throughout this Agreement refers to the applicable Party's interstate tariffs and state tariffs, price lists, price schedules and catalogs.

4.70 "Technically Feasible" Interconnection, access to unbundled network elements, collocation, and other methods of achieving interconnection or access to unbundled network elements at a point in the network shall be deemed technically feasible absent technical or operational concerns that prevent the fulfillment of a request by a telecommunications carrier for such interconnection, access, or methods. A determination of technical feasibility does not include consideration of economic, accounting, billing, space, or site concerns, except that space and site concerns may be considered in circumstances where there is no possibility of expanding the space available. The fact that U S WEST must modify its facilities or equipment to respond to such request does not determine whether satisfying such request is technically feasible. U S WEST is, however, entitled to recover the costs through specific methods approved by the state commission of such modification of facilities or equipment.

4.71 "Traffic Type" is the characterization of intraLATA traffic as "local" (local includes EAS), or "toll" which shall be the same as the characterization established by the effective tariffs of the incumbent local exchange carrier.

4.72 "Wire Center" denotes a building or space within a building, that serves as an aggregation point on a given carrier's network, where transmission facilities are

connected or switched. Wire Center can also denote a building where one or more Central Offices, used for the provision of Basic Exchange telecommunications Services and Access Services, are located. However, for purposes of Collocation Service, Wire Center shall mean those points eligible for such connections as specified in the FCC Docket No. 91-141, and rules adopted pursuant thereto.

4.73 Terms not otherwise defined here, but defined in the Act or in regulations implementing the Act, shall have the meaning defined there.

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5. RATES AND CHARGES GENERALLY

5.1 For Interconnection, Resold Services and Unbundled Network Elements, Sprint and U S WEST agree to use state-specified Permanent rates where established, or where no state-specified Permanent rate exists, Sprint agrees to use the state-specified Interim rates where established. Where no state-specified Permanent or Interim rates exist, Sprint agrees to use the ordered and approved AT&T rates as interim rates until such time as the state Commission issues an order in a generic proceeding or arbitration, implementing approved rates, whether those approved rates are interim or final. Upon conversion, U S WEST will move Sprint to such approved rates for those states and true up the amounts charged to that point. If approved and implemented rates are later modified on appeal, or a retroactive basis, an additional true up will occur.

5.2 Sections of this Agreement referring to TELRIC are agreements in principle on their use of TELRIC. References to TELRIC in this agreement include the condition that the parties do not necessarily agree to a specific TELRIC methodology. The Parties agree to Utilize the specific methodology that is ultimately ordered by the arbitrators/regulators.

5.3 U S WEST will not charge Sprint any non-recurring charges incurred as a result of U S WEST implementing network redesigns/reconfigurations or electronic system redesign/reconfigurations solely initiated by U S WEST to its own network or systems. However, any redesign or reconfiguration expenses required by a regulatory body where the regulatory body orders a cost-sharing arrangement may be billed as appropriate on a non-discriminatory basis to Sprint.

5.4 Prices for termination and transport of traffic, interconnection, access to unbundled network elements, and ancillary services are set forth in Appendix A.

5.5 U S WEST's wholesale discounts for resale services are set forth in Appendix A.

5.6 The underlying provider of a resold service shall be entitled to receive, from the purchaser of switched access, the appropriate access charges pursuant to its then effective

switched access tariff. For the purposes of this paragraph, Unbundled elements as defined in this agreement and the Act are not considered as resold services.

5.7 All individual case basis (ICB) or Time and Material based charges will be accompanied by sufficient documentation to verify charges when billed.

5.8 **The Following Section is Applicable for the State of UTAH Only (UTAH Order, p. 3)** The Division of Public Utilities' Avoided Cost Study will be used to establish interim wholesale discounts for resale services. Interim prices for unbundled network elements will be based on U S WEST's TELRIC, modified to reflect the Commission's prescribed depreciation rates and cost of capital. Rates for unbundled network elements, reciprocal compensation, and avoided cost wholesale discounts are interim and subject to surcharge or refund based upon future determinations to be made in Docket 94-999-01.

6. RECIPROCAL TRAFFIC EXCHANGE

6.1 Scope

U S WEST has the duty to provide reciprocal compensation arrangements for the transport and termination of telecommunications with Sprint. Reciprocal traffic exchange addresses the exchange of traffic between Sprint end users and U S WEST end users. If such traffic is local, the provisions of this Agreement shall apply or where either party interconnects and delivers traffic to the other from third parties, each party shall bill such third parties the appropriate charges pursuant to its respective tariffs or contractual offerings for such third party terminations. U S WEST and Sprint will each be responsible for originating/terminating traffic to/from the meet point with the other carrier.

6.2 Types of Traffic

The types of traffic to be exchanged under this Agreement include:

6.2.1 EAS local traffic as defined above.

6.2.2 IntraLATA toll traffic as defined above.

6.2.3 Switched access traffic, or interLATA toll traffic, as specifically defined in U S WEST's state and interstate switched access tariffs, and generally identified as that traffic that originates at one of the Party's end users and terminates at an IXC point of presence, or originates at an IXC point of presence and terminates at one of the Party's end users, whether or not the traffic transits the other Party's network.

6.2.4 Transit traffic is any traffic other than switched access, that originates from one telecommunications Carrier's network, transits another telecommunications Carrier's network, and terminates to yet another telecommunications Carrier's network.

Transit service provides the ability for a telecommunications Carrier to use its connection to a local or access tandem for delivery of calls that originate with a telecommunications Carrier and terminate to a company other than the tandem company, such as another Competitive Local Exchange Carrier, an existing

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Exchange Carrier, or a wireless carrier. In these cases, neither the originating nor terminating end user is a customer of the tandem telecommunications Carrier. The tandem telecommunications Carrier will accept traffic originated by a Party and will terminate it at a point of interconnection with another local, intraLATA or interLATA network telecommunications Carrier. This service is provided through local and access tandem switches.

6.2.5. Ancillary traffic includes all traffic destined for ancillary services, or that may have special billing requirements, including, but not limited to the following:

6.2.5.1. Directory Assistance

6.2.5.2. 911/E911

6.2.5.3. Operator call termination (busy line interrupt and verify)

6.2.5.4. 800/888 database dip

6.2.5.5. LIDB

6.2.5.6. Information services requiring special billing

6.2.6. Unless otherwise stated in this Agreement, ancillary traffic will be exchanged in accordance with whether the traffic is Local/EAS, intraLATA toll, or Switched Access.

6.3. Types of Exchanged Traffic

6.3.1. Termination of Local Traffic

Local traffic will be terminated as Local Interconnection Service (LIS).

6.3.2. Transport of Local Traffic

As negotiated between the Parties, the exchange of local traffic between the Parties may occur in several ways.

6.3.2.1. While the parties anticipate the use of two way trunks for the delivery of local traffic, either Party may elect to provision its own one-way trunks for delivery of local traffic to be terminated on the other Party's network at the point of interconnection.

6.3.2.2 The Parties may elect to purchase transport services from each other or from a third party. Such transport delivers the originating Party's local traffic to the terminating Party's end office or tandem for call termination. Transport may be purchased as either tandem switched transport (which is included in the tandem call termination rate) or direct trunk transport.

6.3.2.3 Based on forecasted traffic at Sprint's busy hour in CCS, where there is a DS1's worth of traffic (512 CCS) between the Sprint switch and a U S WEST end office, the Parties agree to provision a dedicated (i.e., direct) two-way trunk group from the Sprint switch directly to the U S WEST end office. To the extent that Sprint has established a collocation arrangement at a U S WEST end office location, and has available capacity, the Parties agree that Sprint shall arrange for (via its own facilities, a third parties' facilities or using unbundled elements) two-way direct trunk facilities as required in this paragraph, from that end office to the Sprint switch. In all other cases, the direct facility may be provisioned by U S WEST or Sprint or a third party. If both Sprint and U S WEST desire to provision the facility and cannot otherwise agree, the parties may agree to resolve the dispute through the Dispute Resolution Process in Section __ of this Agreement.

FOR FURTHER NEGOTIATION: ADD A SECTION REGARDING RECORDING RESPONSIBILITY HERE. INCLUDE DIAGRAMS FROM BOB WELBORN.

6.3.3 Transit Traffic

6.3.3.1 U S WEST will accept traffic originated by Sprint and will terminate it at a point of interconnection with another CU S. WEST, Exchange Carrier, Interexchange Carrier or Wireless Carrier. U S WEST will provide this transit service through local and access tandem switches. Sprint may also provide U S WEST with transit service.

6.3.3.2 The Parties expect that all networks involved in transporting transit traffic will deliver calls to each involved network with CCS/SS7 protocol and the appropriate ISUP/TCAP message to facilitate full

interoperability and billing functions. In all cases, the originating company is responsible to follow the EMR standard and to exchange records with both the transiting company and the terminating company, to facilitate the billing process to the originating network.

6.3.3.3 The Parties will use industry standards developed to handle the provision and billing of Switched Access by multiple providers (MECAB, MECOD and the Parties' FCC tariffs), including the one-time provision of notification to Sprint of the billing name, billing address and carrier identification codes of all interexchange carriers originating or terminating at each U S WEST access tandem.

6.3.4 Toll Traffic.

6.3.4.1 Toll traffic (including 800 and 900 type calls) routed to an access tandem, or directly routed to an end office, will be terminated as Switched Access Service. Traffic terminated at the access tandem will be routed to the end offices within the LATA that subtend the U S WEST access tandem switch. Switched Access Service also allows for termination at an end office or tandem via direct trunked circuits provisioned either by U S WEST or Sprint.

6.4 Rate Structure -- Local Traffic.

6.4.1 Call Termination.

6.4.1.1. The Parties agree that call termination rates as described in Appendix A will apply reciprocally for the termination of local/EAS traffic per minute of use.

6.4.1.2. For traffic terminated at an U S WEST or Sprint end office, the end office call termination rate in Appendix A shall apply.

6.4.1.3. For traffic terminated at a U S WEST or Sprint tandem switch, the tandem call termination rate in Appendix A shall apply. The tandem call termination rate provides for end office call termination, tandem switched transport and tandem switching. For purposes of call

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termination, initially the Sprint switch shall be treated as an end office switch until such time as Sprint demonstrates it is providing tandem switching functionality with that switch.

6.4.2 Transport

6.4.2.1 The Parties may mutually agree to each provision their own one way trunks to the other Party's end office for the termination of local traffic, each Party will be responsible for its own expenses associated with the trunks and no transport charges will apply. Call termination charges shall apply as described above.

6.4.2.2 If one Party desires to purchase direct trunk transport from the other Party, the following rate elements will apply. Transport rate elements include the direct trunk transport facilities between the POI and the terminating party's tandem or end offices witches. The applicable rates are described in Appendix A.

6.4.2.3 Direct-trunked transport facilities are provided as dedicated DS3 or DS1 facilities without the tandem switching functions, for the use of either Party between the point of interconnection and the terminating end office or tandem switch.

6.4.2.4 If the Parties elect to establish two-way direct trunks, the compensation for such jointly used 'shared' facilities shall be adjusted as follows. The nominal compensation shall be pursuant to the rates for direct trunk transport in Appendix A. The actual rate paid to the provider of the direct trunk facility shall be reduced to reflect the provider's use of that facility. The adjustment in the direct trunk transport rate shall be a percentage that reflect the provider's relative use (i.e., originating minutes of use) of the facility in the busy hour.

6.4.2.5 Multiplexing options are available at rates described in Appendix A.

6.4.2.6 Tandem and transport cost, based upon TELRIC if any, between tandem and end office shall be recovered from the originating Interexchange carrier.

6.5 Rate Structure -- Toll Traffic

6.5.1 Applicable Switched Access Tariff rates, terms, and conditions apply to toll traffic routed to a tandem, or directly to an end office. Relevant rate elements include Direct Trunk Transport (DTT) or Tandem Switched Transport (TST), Interconnection Charge (IC), Local Switching, and Carrier Common Line, as appropriate.

6.6 Rate Structure -- Transit Traffic

6.6.1 Applicable switched access, Type 2 or LIS transport rates apply for the use of U S WEST's network to transport transit traffic. For transiting local traffic, the applicable local transit rate applies to the originating party per

6.6.2 Appendix A. For transiting toll traffic, the Parties will charge the applicable switched access rates to the responsible carrier. For terminating transiting wireless traffic, the Parties will charge their applicable rates to the wireless provider. For transiting wireless traffic, the parties will charge each other the applicable local transit rate.

THIS IS A FURTHER NEGOTIATION ISSUE NEED DIAGRAMS TO EXPALIN WHO BILLS WHOM, & WHEN APPLICABLE - WHAT IS THE DISTINCTION BETWEEN TERMINATING AND OTHER?

6.7 LIS Interface Code Availability And Optional Features

6.7.1 Interface Code Availability

Supervisory Signaling specifications, and the applicable network channel interface codes for LIS trunks, are the same as those used for Feature Group D Switched Access Service, as described in the Parties' applicable switched access tariffs.

6.7.2 Optional Features

6.7.2.1 Inband MF or SS7 Out of Band Signaling

Inband MF signaling and SS7 Out of Band Signaling are available for LIS trunks. MF signaling or SS7 Out-of-Band Signaling must be requested on the order for the new LIS trunks. Provisioning of the LIS trunks equipped with MF signaling or SS7 Out of Band Signaling is the same as that used for Feature Group D Switched Access. Common Channel Signaling Access Capability Service, as set forth in Section XXVIII herein, must be ordered by Sprint when SS7 Out-of-Band Signaling is requested on LIS trunks.

6.7.2.2 Clear Channel Capability

Clear Channel Capability permits 24 DSO-64 Kbps services or 1.536 Mbps of information on the 1.544 Mbps line rate. Clear Channel Capability is available for LIS trunks equipped with SS7 Out-of-Band Signaling. Clear Channel Capability is only available on trunks to U S WEST's access tandem switch or U S WEST's end office switches (where available at present or in the future). (Clear Channel Capability is not available on trunks to U S WEST's local tandem switches or end offices where it is currently not deployed. Sprint agrees to use the Bona Fide Request process to request clear channel capability for such additional switches. Prices for such additional clear channel capability, if any, will be established through the BFR Process). Clear Channel Capability must be requested on the order for the new LIS trunks. The provisioning of the LIS trunks equipped with Clear Channel Capability is the same as that used for Feature Group D Switched Access Service. U S WEST will provide Sprint with a listing of U S WEST end offices, local tandems and access tandems equipped with clear channel capability.

6.8 Measuring Local Interconnection Minutes

6.8.1 Measurement of terminating Local Interconnection Minutes begins when the terminating LIS entry switch receives answer supervision from the called end user's end office indicating the called end user has answered. The measurement of terminating call usage over LIS trunks ends when the terminating LIS entry switch receives disconnect supervision from either the called end user's end office, indicating the called end user has disconnected, or Sprint's point of interconnection, whichever is recognized first by the entry switch.

6.8.2 U S WEST and Sprint are required to provide each other the proper call information (e.g., originated call party number and destination call party number, etc.) to enable each Party to issue bills in a complete and timely fashion.

6.8.3 U S WEST shall make available the SMDI-E (Station Message Desk Interface Enhanced) where available (at present or in the future), or SMDI, Station Message Desk Interface where SMDI-E is not available, feature capability allowing for Voice Mail Services. U S WEST shall make available the MWI (Message Waiting Indicator) stutter dial-tone and message waiting light feature capabilities. U S WEST shall make available CF-B/DA (Call Forward on Busy Don't Answer), CF-B (Call Forward on Busy), and CF-DA (Call Forward Don't Answer) feature capabilities allowing for Voice Mail services.

6.9 Testing

6.9.1 Acceptance Testing

At the time of installation of an LIS trunk group, and at no additional charge, the Parties will cooperatively test the same parameters tested for terminating Feature Group D Switched Access Service. U S WEST's applicable switched access tariff contain these specifications.

6.9.2 Testing Capabilities

6.9.2.1 Terminating LIS testing is provided where equipment is available, with the following test lines: seven-digit access to balance (1.00 type), milliwatt (1.02 type), nonsynchronous or synchronous, automatic

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transmission measuring (I.05 type), data transmission (I.07 type), loop-around, short circuit, open circuit, and non-inverting digital loopback (I.08 type).

6.9.2.2 In addition to LIS acceptance testing, other tests are available (e.g., additional cooperative acceptance testing, automatic scheduled testing, cooperative scheduled testing, manual scheduled testing, and non-scheduled testing) at the applicable tariff rates.

6.9.2.3 U S WEST will provide all test and turn-up procedures as applicable in support of the unbundled elements, combinations, and services ordered by Sprint where services or facilities are provided by U S WEST.

6.9.2.4 The dial tone provider will have the ability to mechanize through test all facilities for continuity, provided the switch has that capability.

6.9.2.5 U S WEST will provide a system to mark Sprint's circuits and elements as applicable to interconnection and resale services that are provisioned by U S WEST. U S WEST will mark Sprint's circuit/loops in the same manner that it marks its own for essential lines and telecommunications service priority. In addition U S West will mark trunks between Sprint's switches and U S WEST switches to ensure equal treatment of service restoration to Sprint and U S WEST trunk facilities, (e.g. isolated central office).

6.10 Ordering

6.10.1 When ordering LIS, the ordering Party shall specify on the service order (e.g. ASR, LSR or other agreed upon service order mechanism): a) the type and number of interconnection facilities to terminate at the point of interconnection in the serving wire center, b) the type of interoffice transport, (i.e., direct trunk transport or tandem switched transport); c) the peak busy hour CCS from the Sprint end office, d) the number of trunks to be provisioned at a local exchange office or tandem, e) and any optional features (see form Appendix B). When the ordering Party requests facilities, routing, or optional features different than those determined to be available, the Parties will work cooperatively in

determining an acceptable configuration, based on available facilities, equipment and routing plans.

6.10.2 When the ordering Party initially orders a DS3 interconnection facility, in conjunction with tandem switched transport to a tandem, or DS3 direct trunk transport facilities to a tandem or local exchange office, the provider will forward the appropriate DS1 facility record information necessary to identify the circuit facility assignment (CFA). On subsequent orders utilizing existing DS3 interconnection facilities, or DS3 direct trunk transport facilities, the provider will assign the DS1 facility to the DS 3 interconnection facility or DS3 direct trunk transport facility, as directed by the ordering Party.

6.10.3 A joint planning meeting will precede Sprint and U S WEST trunking orders. These meetings will result in the transmittal of Access Service Requests (ASRS) to initiate order activity. A Party requesting tandem interconnection will provide its best estimate of the traffic distribution to each end office subtending the tandem. The frequency of these meetings is defined in Section 7 of this contract.

6.10.4 U S WEST shall adhere to competitive intervals for installation of interconnection arrangements. The objective in no case shall be longer than 30 to 45 calendar days, absent extenuating circumstances (e.g. facility construction). Service intervals and due dates for negotiated arrangements will be determined on an individual case basis.

6.10.5 U S WEST and Sprint will work cooperatively to provide or establish the following:

6.10.5.1 U S WEST will have dedicated Service Representatives available in U S WEST Mass Markets and Interconnect Service Centers to handle Sprint activity. Also, U S WEST will have an Account Manager assigned to Sprint in the U S WEST Interconnect Service Center (ISC).

6.10.5.2 Industry standardized electronic interfaces for the exchange of ordering information must be adopted and made available using industry standard order formats and methods that are developed (e.g.,

EDI. Electronic interfaces shall be established to provide access to the U S WEST order processing database. Prior to industry standards being established, U S WEST shall develop interim electronic interfaces arrangements with their systems.

6.10.5.3 Aside from the provision in Section 6.6.4 following, U S WEST is responsible for ordering facilities to terminate traffic to Sprint.

6.10.5.4 When two-way trunking is employed, the parties will select a mutually agreeable automated ordering process.

6.10.5.5 Appropriate ordering/provisioning codes shall be established for each identified service and unbundled combination.

6.10.5.6 When combinations are ordered where the elements are currently interconnected and functional, those elements will remain interconnected and functional without any unnecessary interruption in service.

6.10.5.7 Sprint and U S WEST will adopt an industry standard service order/disconnect order format.

6.10.5.8 U S WEST and Sprint shall mutually plan for disaster recovery planning in accordance with industry standards within 90 days of the effective date of this agreement.

6.10.6 Sprint and U S WEST must agree to a process to expedite network augmentations and other orders.

6.11 Billing Arrangements

6.11.1 U S WEST and Sprint desire to submit separate bills, pursuant to their separate tariffs, to interexchange carriers for their respective portions of jointly provided switched access service.

6.11.2 Based on the negotiated POI, the Parties will agree on a meet point percentage to enable the joint provisioning and billing of Switched Access Services to third parties in conformance with the Meet Point Billing guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents and referenced in U S WEST's Switched Access Tariffs. The Parties understand and agree that MPB arrangements are available and functional only to/from Interexchange Carriers who directly connect with the tandem(s) that Sprint subtends in each LATA.

6.11.3 The Parties will use industry standards developed to handle the provision and billing of Switched Access by multiple providers (MECAB, MECOD and the Parties' FCC tariffs), including the one-time provision of notification to Sprint of the billing name, billing address and carrier identification codes of all interexchange carriers originating or terminating at each U S WEST access tandem. Each party will render a separate bill to the IXC using their own tariffs. They will exchange Billing Account Reference and Bill Account Cross Reference information and will coordinate Initial Billing Company/Subsequent Billing Company billing cycles. There shall be no discrete development charges imposed on Sprint for the establishment of meet point billing arrangements except as may be established by regulators.

6.11.4. ISSUE REQUIRES FURTHER NEGOTIATION If MPB data is not submitted within ten (10) days of their monthly recording period or is not in the proper format as set forth in this Agreement, and if as a result the other party is delayed in billing the IXC for the appropriate charges hereto, the delaying party shall pay the other party a late MPB data delivery charge, which will be the total amount of the delayed charges times the [illegible] delay rate which may be levied by law for commercial transactions, compounded daily for the number of days from the date the MPB charges should have been received to and including the date the MPB charges have been actually received.

6.11.5 Errors in MPB data exchanged by the parties may be discovered by Sprint, U S WEST or the billable IXC. Both Sprint and U S WEST agree to provide the other party with notification of any discovered errors within two (2) business days of the discovery. The other party shall correct the error within eight (8)

business days of notification and resubmit the data. In the event the errors cannot be corrected within the time period specified above, the erroneous data shall be considered lost. If MPB data is lost due to uncorrectable errors or otherwise, the parties shall follow the procedures set forth in the Customer Billing Data Attachment of this Agreement and compensate the other for the lost MPB billing data.

6.11.6 Meet point billing arrangements shall be made available to Sprint on the same terms and conditions as made available to other independent LECs engaged in meet point billing arrangements with U S WEST as provided for in FCC rules as effective.

6.11.7 Sprint and U S WEST shall implement industry standard CARE records for correct provisioning and billing to IXCs. In the interim the parties will develop and agree to a CARE-like process.

6.11.8 U S WEST and Sprint agree to record and share recorded call records for billing purposes. Where U S WEST provides transit functions, U S WEST will prepare and transmit to Sprint Inward Terminating call records for the appropriate IXC. U S WEST must agree to capture inward terminating call records and send them to Sprint in agreed upon industry standard format (e.g. EMR).

6.11.9 Sprint and U S WEST agree to capture EMR records for inward terminating and outward originating calls and send them to U S WEST or Sprint, as appropriate, in daily files via an agreed upon media (e.g., Network Data Mover ("NDM")) at no additional charge.

6.11.10 U S WEST and Sprint agree to exchange test files to support implementation of meet point billing prior to live bill production.

6.11.11 FURTHER NEGOTIATION. TERMINATION CHARGES ON UNBUNDLED PORT. When Sprint purchases [illegible] switching from U S WEST, U S WEST shall pay the associated [illegible] under reciprocal compensation for traffic terminating to Sprint using the unbundled switching element. (USWC POSITION: When Sprint purchases Unbundled Switching from U S WEST, U S WEST shall NOT pay the

associated terminating charges applicable under reciprocal compensation for traffic terminating to Sprint using the unbundled switching element.)

6.11.12 To the extent that either Party is liable to any toll provider for fraud and to the extent that either Party could not have reasonably prevented such fraud, the causing Party must indemnify the other for any fraud due to compromise of its network (e.g., clip-on, missing information digits, missing toll restriction, etc.).

6.11.13 The Parties will use reasonable efforts, individually and collectively, to maintain provisions in their respective federal and state access tariffs, and/or provisions within the National Exchange Carrier Association ("NECA") Tariff No. 4, or any successor tariff, sufficient to reflect this MPB arrangement, including MPB percentages.

6.11.14 As detailed in the MECAB document, Sprint and U S WEST will exchange all information necessary to bill third parties for Switched Access Services traffic jointly handled by Sprint and U S WEST via the meet point arrangement in a timely fashion. Information shall be exchanged in Exchange Message Record ("EMR") format (Bellcore Standard BR 010-200-010, as amended) on magnetic tape or via a mutually acceptable electronic file transfer protocol. The Parties will exchange records pursuant to this paragraph without additional compensation.

6.11.15 The Parties will employ the reasonable audit standards and procedures contained in Section 25 of this contract to ensure billing accuracy.

6.11.16 Each company will bill the IXCs the appropriate rate elements in accordance with their respective interstate and intrastate tariffs, as follows:

Rate Element	Billing Company
Carrier Common Line	Dial Tone Provider
Local Switching	Dial Tone Provider
Interconnection Charge	Dial Tone Provider
Local Transport Termination	Based on negotiated BIP
Local Transport Facility	Based on negotiated BIP

(also called Tandem Transmission per mile)	
Tandem Switching	Access Tandem Provider
Entrance Facility	Access Tandem Provider

6.11.17 For originating 800/888 traffic routed to an access tandem, the tandem provider will perform 800/888 database inquiry and translation functions and bill the inquiry charge and translation charge (if any) to the interexchange carrier pursuant to tariff.

6.12 Mileage Measurement

Where required, the mileage measurement for LIS facilities and trunks is determined in the same manner as the mileage measurement for Feature Group D Switched Access Service.

6.13 Construction Charges

If applicable, construction charges will apply as detailed in Section 28 of this Agreement.

7.1.5 U S WEST will evaluate the administrative feasibility of creating new codes in order that Combinations can be identified and described by Sprint so that they can be ordered and provisioned together and not require the enumeration of each Element within that Combination on each provisioning order. Such an evaluation shall include the effects on all CLECs. At such point as U S WEST offers any combination capability to any other party it will immediately make it to available Sprint

7.2 Mid-span Meet POI

7.2.1 A Mid-Span Meet POI is a negotiated point of interface, limited to the interconnection of facilities between one Party's switch and the other Party's switch. The actual physical point of interface and facilities used will be subject to negotiations between the Parties. Each Party will be responsible for its portion of the build to the Mid-Span Meet POI, if the meet point arrangement is used exclusively for the exchange of local traffic. U S WEST will agree to reasonable meet points and will build its reasonable share of meet point facilities.

7.2.2 If the Mid-Span Meet arrangement is to be used for access to unbundled network elements, Sprint must pay the portion of the TELRIC costs of the Mid Span Meet arrangement used by Sprint for access to unbundled network elements.

7.3 Collocation

Interconnection may be accomplished through either virtual or physical collocation. The terms and conditions under which collocation will be available are described herein.

7.4 Entrance Facilty

Interconnection may be accomplished through the provision of an entrance facility. An entrance facility extends from the serving wire center of the provider to the other party's switch location. Entrance facilities may not extend beyond the area described by the provider's serving wire center. The rates for entrance facilities are provided in Appendix A.

7.5 Quality of Interconnection

7.5.1 U S WEST will not, for the purpose of interconnection, provide to Sprint less favorable terms and conditions than U S WEST provides itself, its affiliates, or third parties or in a manner less efficient than it would impose on itself. The quality of interconnection will be at least equal to that of U S WEST. To the extent that Sprint requests higher or lower quality interconnection, Sprint agrees to use the Bona Fide Request procedure described in Section 22.

7.5.2 Both Parties agree to manage their network switches in accordance with the Bellcore LSSGR. The acceptable service levels for LIS and the criteria for applying protective controls will be administered in the same manner as the network management for Switched Access Service.

7.6 Points of Interface (POI)

7.6.1 Upon the request for specific point to point routing, U S WEST will make available to Sprint information indicating the location and technical characteristics of U S WEST's network facilities. The following alternatives are negotiable: (a) a DS 1 or DS3 entrance facility, where facilities are available at present or in the future; (b) Virtual Collocation; (c) Physical Collocation; and (d) negotiated Mid-Span Meet facilities. Each Party is responsible for providing its own facilities up to the Mid-Span Meet POI. The Parties will negotiate the facilities arrangement between their networks.

7.6.2 Sprint must designate at least one POI on U S WEST's network within a U S WEST calling area for the purpose of routing local traffic where Sprint desires to exchange local traffic. Toll traffic may be routed via one POI per LATA. Sprint has the responsibility for providing its own facilities (1) to route calls originating on its network and terminating on U S WEST's network to its POI, and (2) to route calls originating on U S WEST's network, but terminating on its network from that carrier's POI. Sprint need not interconnect at each tandem or end office to terminate calls to the entire local calling or toll call area of U S WEST.

7.6.3 U S WEST and Sprint agree to install sufficient facilities to carry traffic to route calls originating on their networks and terminating on the other carrier's network to its POI, and (2) to route calls originating on the other carrier's network, but terminating on its network from that carrier's POI, and will work cooperatively to ensure such

7.6.4 U S WEST shall be responsible for provisioning 50 percent of the interconnection facilities or to the U S WEST wire center boundary, whichever is less. Sprint shall be responsible for provisioning 50 percent of the interconnection facilities or to the U S WEST wire center boundary whichever is greater unless otherwise agreed to by the parties.

7.6.5 U S WEST may not impose any restrictions on traffic types delivered to/from the POI(s) but may require the development and reporting of a jurisdictional usage factor indicating local, intrastate interexchange, and interstate interexchange usage along with reasonable audit rights or Sprint may report U S WEST usage. This language shall not be interpreted to undermine reference to 7.7.5 following.

7.6.6 Sprint may make any modifications or additions to its designated POIs in order to add capacity or establish new POIs. Such changes shall not require a new contract, but are governed by the master service agreement.

7.6.7 Once traffic is delivered to the POI, it is the terminating carrier's responsibility to terminate the traffic to its end-users or to route transit traffic to other carriers utilizing the tandem function of U S WEST (e.g., subtending U S WEST's, CMRS carriers and IXCs). Calls shall be routed or terminated using the same network, ensuring the same quality of service, as the carrier provides its own end-users.

7.7 Trunking Requirements

7.7.1 Trunking shall be available to any switching center designated by either carrier including end offices, local tandems, access tandems, 911 routing switches, directory assistance/operator services switches, or any other feasible point in the network. Sprint shall have the option for either one-way or two way trunking.

Two-way trunking shall be used where technically feasible unless otherwise agreed to by the Parties.

7.7.2 Where available, at present or in the future, Carriers shall offer B8ZS Extended Super Frame ("ESF") facilities to each other, and make facilities available to allow for transmission of voice and data traffic.

7.7.3 Interconnection shall be available at any technically feasible point that used in the transmission of telecommunications services.

7.7.4 The Parties agree to provide designed interconnection facilities that meet the same technical criteria and service standards, such as probability of blocking in peak hours and transmission standards, in accordance with industry standards. U S WEST must agree to specified design objectives on local interconnection facilities. Sprint's standard is P.01 in the busy-day busy-hour.

7.7.5 Two-way trunk groups will be established wherever possible. Exceptions to this provision will be based on billing, signaling, and network requirements. For example, (1) billing requirements - switched access vs. local traffic, (2) signaling requirements - MF vs. SS7, and (3) network requirements directory assistance traffic to TOPS tandems. When U S WEST has the capability to combine local and toll traffic on the same trunk group for itself, U S WEST will make this capability also available to Sprint. When Local, intraLATA toll, interLATA access and other traffic is not required to be separated across trunk groups, without good technical reason, U S WEST will accept percentage of use factors or Sprint traffic measurements of traffic delivered to U S WEST as necessary. Sprint shall accept U S WEST percentage of use factors or U S WEST measurements of traffic delivered to Sprint, as necessary. The following is the current list of traffic types that require separate trunk groups, unless specifically otherwise stated in this Agreement.

ARBITRATION ISSUE

7.7.5.1 IntraLATA and interLATA toll on a combined trunk group.

7.7.5.2 EAS/local trunks. SPRINT will deliver traffic [illegible] EAS/Local & Toll.

7.7.5.3 Directory Assistance trunks

7.7.5.4 911/E911 trunks

7.7.5.5 Operator services

7.7.5.6 Commercial Mobile Radio Service (Wireless traffic for which Sprint serves as the transit provider between the CMRS provider and U S WEST)

7.7.5.7 Non-U S WEST local transit

7.7.6 U S WEST will make available the necessary facilities and equipment to allow for the exchange of Local Exchange, Exchange Access, and Transit functions. U S WEST must make available intermediary tandem switching and transport services for Sprint's connection of its end-user to a local end-user of U S WEST other U S WESTS, ITCS, CMRS providers and IXCs, and Other Services. U S WEST must make available connection and call routing for 911, directory assistance, and operator assistance services between U S WEST and Sprint.

7.7.7 Trunk group connections will be made at a DS 1 or multiple DS 1 level for exchange of EAS/local, intraLATA toll, wireless/Commercial Mobile Radio Service, and switched access traffic. Ancillary service trunk groups will be made below a DS 1 level, as negotiated.

7.7.8 The Parties will provide Common Channel Signaling (CCS) to one another, where available at present or in the future, in conjunction with all Local/EAS Trunk Circuits. All CCS signaling parameters will be provided including calling party number (CPN), originating line information (OLI) calling party category, charge number, etc. All privacy indicators will be honored.

7.7.9 Where CCS is not available, in-band multi-frequency (MF) wink start signaling will be provided. When the Parties interconnect via CCS for jointly provided switched access service, the tandem provider will provide MF/CCS interworking as required for interconnection with interexchange carriers who use MF signaling.

7.7.10 The Parties will follow all Ordering and Billing Forum adopted standards pertaining to CIC/OZZ codes.

7.7.11 U S WEST will cooperate in the provision of TNS (Transit Network Selection) for the joint provision of switched access.

7.7.12 The Parties shall terminate local/EAS traffic exclusively on local/EAS trunk groups. No local/EAS trunk groups shall be terminated on U S WEST's access tandems. When U S WEST has the capability to terminate local and toll traffic at the same tandem for itself, its affiliates or other third parties, it will make this capability available to Sprint.

7.8 Service Interruptions

7.8.1 Standards and procedures for notification of trunk disconnects will be jointly developed by the Parties. Neither Party shall be expected to maintain active status for a trunk disconnected by the other Party for an extended or indefinite period of time. Collectively, the Parties will use their best good faith efforts to complete and agree on such plan.

7.8.2 The characteristics and methods of operation of any circuits, facilities or equipment of either Party connected with the services, facilities or equipment of the other Party pursuant to this Agreement shall not: 1) interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services; 2) cause damage to their plant; 3) violate any applicable law or regulation regarding the invasion of privacy of any communications carried over the Party's facilities; or 4) create hazards to the employees of either Party or to the public. Each of these requirements is hereinafter referred to as an "Impairment of Service."

7.8.3 If either Party causes an Impairment of Service, as set forth in this Section, the Party whose network or service is being impaired (the "Impaired Party") shall upon recognition of the impairment notify the Party causing the Impairment of Service (the "Impairing Party") of the nature and location of the problem. The Impaired Party shall advise the Impairing Party that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be required. The Impairing Party and the Impaired Party agree to work together to resolve the Impairment of Service as soon as possible. If the Impairing Party is unable to remedy the Impairment of Service in a timely manner as determined by the Impaired Party, the Impaired Party may temporarily discontinue use of

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the affected circuit, facility or equipment. Appropriate credits will apply during the period of impairment.

7.8.4 Each Party shall be solely responsible, and bear the expense, for the overall design of its services. Each Party shall also be responsible for any redesign or rearrangement of its services that may be required because of changes in facilities, operations or procedures, minimum network protection criteria, and operating or maintenance characteristics of the facilities.

7.8.5 To facilitate trouble reporting and to coordinate the repair of the service provided by each Party to the other under this Agreement, each Party shall designate a Trouble Reporting Control Office (TRCO) for such service.

7.8.6 Where new facilities, services and arrangements are installed, the TRCO shall ensure that continuity exists and take appropriate transmission measurements before advising the other Party that the new circuit is ready for service.

7.8.7 Each Party shall furnish a trouble reporting telephone number for the designated TRCO. This number shall give access to the location where facility records are normally located and where current status reports on any trouble reports are readily available. Alternative out-of-hours procedures shall be established to ensure access to a location that is staffed and has the authority to initiate corrective action.

7.8.8 Before either Party reports a trouble condition, they shall use their best efforts to isolate the trouble to the other's facilities.

7.8.8.1 In cases where a trouble condition affects a significant portion of the other's service, the Parties shall assign the same priority provided to itself, affiliates, other third parties, and/or, other interconnecting carriers.

7.8.8.2 The Parties shall cooperate in isolating trouble conditions.

7.8.9 Sprint will have "Mediated" access to the U S WEST maintenance and trouble report systems including the following systems and/or functionality:

7.8.9.1 Trouble reporting dispatch capability - access must be real time provided at parity with U S WEST.

7.8.9.2 Repair status(as available, subject to technician reporting of status) confirmations, maintenance/trouble report systems provided at parity with U S WEST.

7.8.9.3 Planned/unplanned outage reports that impact Sprint customers. Each carrier has the duty to alert the other(s) to any network events that can result or have resulted in service interruption, blocked calls, changes in network performance, on a real time basis.

7.8.9.4 Interconnection. U S WEST will, on an as-needed basis, perform manual testing of the loop.

7.8.10 U S WEST and Sprint shall develop an escalation process to assist in problem resolution within 90 days of the effective date of this agreement.

7.8.11 U S WEST and Sprint must work cooperatively to plan and implement coordinated repair procedures for local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner. Sprint and U S WEST must agree on a process for circuit and unbundled element provision and restoration whereby certain identified Sprint circuits will be afforded emergency treatment. General trunking and interconnection shall receive parity with comparable U S WEST facilities.

7.8.12 Cooperative practices and processes for law enforcement and annoyance call handling must be specified. Sprint shall not be charged for compliance with court-ordered trap and trace, subpoenas and court ordered wire tap orders on U S WEST resold lines. U S WEST and Sprint agree to conform with industry standards once they are developed. In the meantime, the parties will mutually agree upon a cooperative process.

7.8.13 U S WEST shall provide, at the same level it provides itself, its affiliates or other third parties, progress status reports so that Sprint will be able to provide

end-user customers with detailed information and an Estimated Time To Repair ("ETTR"). U S WEST will close all trouble reports with Sprint. Sprint will close all trouble reports with the end-user.

7.8.14 A non-branded, customer-not-at-home card shall be left at the customer's premises when a Sprint customer is not at home for an appointment. Sprint will provide or pay for cards used in its behalf.

7.8.15 U S WEST will ensure that all applicable alarm systems that support Sprint customers are operational and the support databases are accurate so that equipment that is in alarm will be properly identified. U S WEST will respond to Sprint customer alarms consistent with how and when U S WEST responds to alarms for its own customers.

7.8.16 Sprint shall receive prior notification of any scheduled maintenance activities performed by the local supplier that may be service affecting to Sprint local customers (e.g., central office outages, cable throws, power tests, etc.).

7.8.17 U S WEST must provide emergency restoration of all trunk or network outages on the same terms/conditions it provides itself, its affiliates or other third parties.

7.9 Interconnection Forecasting

7.9.1 U S WEST will strive to ensure that Sprint has access to ample capacity of facilities. U S WEST and Sprint will, at least quarterly, exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.

7.9.2 The Parties shall establish joint forecasting responsibilities for traffic utilization over trunk groups. Intercompany forecast information must be provided by the Parties to each other four times a year. The quarterly forecasts shall be good faith estimates and include forecasted requirements for each trunk group identified in Paragraph 7.7.5 of this Section. In addition, the forecast shall include, for tandem-switched traffic, the quantity of tandem-switched traffic forecasted for each subtending end office. The Parties recognize that, to the

extent historical traffic data can be shared between the Parties, the accuracy of the forecasts will improve. Forecasts shall be for a minimum of three (current and plus-1 and plus-2) years and include:

7.9.2.1 The use of Common Language Location Identifier (CLLI- MSG), which are described in Bellcore documents BR 795-100-100 and BR 795-400-100.

7.9.2.2 A description of major network projects anticipated for the following six months that could affect the other Party. Major network projects include trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities that are reflected by a significant increase or decrease in trunking demand for the following forecasting period. This planning will include the issues of network capacity, forecasting and compensation calculation, where appropriate.

7.9.3 If differences in quarterly forecasts of the Parties vary by more than 24 additional DS0 two-way trunks for each Local Interconnection Trunk Group, the Parties shall meet to reconcile the forecast to within 24 DS0 trunks.

7.9.4 If a trunk group is under 75 percent of centum call seconds (ccs) capacity on a monthly average basis for each month of any three month period, either Party may request to resize the trunk group, which resizing will not be unreasonably withheld. If a resizing occurs, the trunk group shall not be left with less than 25 percent excess capacity. In all cases, grade of service objectives identified below shall be maintained.

7.9.5 Each Party shall provide a specified point of contact for planning, forecasting and trunk servicing purposes.

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8 COLLOCATION

8.1 General Terms

8.1.1 Collocation allows Sprint to obtain dedicated space in a U S WEST wire center and to place equipment in such spaces to interconnect with the U S WEST network. Upon the request for specific point to point routing, U S WEST will make available to Sprint information indicating the location and technical characteristics of U S WEST's network facilities. The following alternatives are negotiable: (a) A DS1 or DS3 entrance facility, where facilities are available at present or in the future (b) Virtual Collocations; (c) Physical Collocation; and (d) negotiated Mid-Span Meet facilities. Each Party is responsible for providing its own facilities up to the Mid-Span Meet POI. The Parties will negotiate the facilities arrangement between their networks. Collocation is available at tandem switches, end office switches, and other wire centers. Sprint may request collocation at other U S WEST locations pursuant to the BFR Process or through additional interconnection negotiations under the Act.

8.1.2 Collocation is offered for network interconnection between the Parties. The collocated party may cross connect to other collocated parties via a U S WEST facility provided by U S WEST, provided that Sprint's collocated equipment is used for interconnection with U S WEST or access to U S WEST's unbundled network elements. Additional terms, conditions and rates apply in conjunction with subsequent call termination (e.g., call termination charges, tandem switching, tandem-switched transport. See Section 6, Reciprocal Traffic Exchange.).

8.1.3 Sprint will be responsible for providing its own fiber optic cable to the U S WEST designated point of interconnection. U S WEST will extend fiber optic cable from the POI to the cable vault within the wire center. For the purposes of this paragraph, the POI shall be that point outside the U S WEST central office where the Sprint and U S West fiber's meet. If necessary, U S WEST may bring the cable into Compliance with U S WEST internal fire code standards and extend the cable to the collocated space. The parties may mutually agree to alternative methods of interconnection.

8.1.4 Sprint will be provided two points of entry into the U S WEST wire center only when there are at least two existing entry points for U S WEST cable and when there are vacant entrance ducts in both. U S WEST will promptly remove any unused cabling to free up entrance ducts when no other ducts are available. Cable entry will be limited to fiber facilities. Other types of facilities may be requested on a Bona Fide Request basis by Sprint.

8.1.5 Sprint may collocate transmission equipment to terminate basic transmission facilities pursuant to the FCC or state commission rules. Sprint may request collocation of other equipment pursuant to the BFR process or through additional interconnection negotiations under the Act. Sprint will identify the power, floor loading, heat release, environmental particulant level, layout, and HVAC requirements of equipment to be installed in the collocated space.

8.1.6 Nothing in this part shall be construed to limit Sprint's ability to obtain both virtual and physical collocation in a single location.

8.1.7 U S WEST shall provide parity accommodations for Sprint collocated equipment as it does its own similarly situated equipment. This includes power, surge protection, environmental variable etc.

8.1.8 When interconnection or access to unbundled elements is provided where collocation is utilized, Sprint will be allowed to lease transport from the collocation facility to any other point on U S WEST's network and to directly connect U S WEST with other third parties, or collocators per FCC rules as effective.

8.1.9 Sprint collocation equipment may include any equipment necessary for interconnection or access to unbundled elements.

8.1.10 IXC ISSUES. Transition from current access facilities to expanded interconnect facilities will be negotiated to ensure a coordinated conversion of all circuits and facilities with a goal to rearrange existing service in less time than for comparable new service.

8.1.11 The cost of providing collocation shall be a TELRIC plus a forward-looking allocation of reasonable joint and common costs.

8.1.12 U S WEST shall request of Sprint, with sufficient prior notice, access to Sprint collocated space for U S WEST or its subcontractors to perform work in the collocated space occupied by Sprint. Sprint shall not unreasonably withhold permission to enter the collocated space.

8.1.13 U S WEST will inform Sprint by telephone of any emergency related activity that U S WEST or its subcontractors may be performing which could potentially affect the equipment in the collocated space occupied by Sprint.

8.1.14 U S WEST shall construct the collocated space in compliance with the agreed upon request for cable holes, ground bars, doors, and convenience outlets, etc. Any deviation to the agreed upon request must be approved by Sprint.

8.1.15 U S WEST will provide Sprint with reasonable notice of scheduled AC or DC power work or related activity in the collocated facility that will or might cause an outage or any type of power disruption to Sprint equipment located in the U S WEST facility. U S WEST will notify Sprint immediately of any emergency power activity that would impact Sprint equipment.

8.1.16 U S WEST will take Sprint requests for collocation space into account when renovating existing facilities and constructing new facilities.

8.1.17 Other than reasonable security restrictions, U S WEST shall place no restriction on access to the Sprint collocated space by Sprint's employees and designated agents. Such space shall be available to Sprint designated agents twenty-four (24) hours per day each day of the week. In no case shall any reasonable security restrictions be more restrictive than those U S WEST places on their own personnel. An Inspector call-out may be required after normal business hours.

8.2 Virtual Collocation

8.2.1 U S WEST shall provide virtual collocation for the purpose of Interconnection or access to unbundled Network Elements subject to the rates, terms and conditions of this Agreement.

8.2.2 Sprint will not have physical access to the U S WEST wire center building pursuant to a virtual collocation agreement.

8.2.3 Sprint will be responsible for obtaining and providing to U S WEST administrative codes, e.g., common language codes, for all equipment specified by Sprint and installed in wire center buildings.

8.2.4 Sprint will be responsible for a one time payment of U S WEST employees for the maintenance, operation and installation of Sprint's virtually collocated equipment when that equipment is different than the equipment used by U S WEST.

8.2.5 Sprint will be responsible for payment of charges incurred in the maintenance and/or repair of Sprint's virtually collocated equipment.

8.2.6 U S WEST does not guarantee the reliability of Sprint's virtually collocated equipment.

8.2.7 Sprint is responsible for ensuring the functionality of virtually collocated SONET equipment provided by different manufacturers.

8.2.8 Maintenance Labor, Inspector Labor, Engineering Labor and Equipment Labor business hours are considered to be Monday through Friday, 8:00am to 5:00pm and after business hours are after 5:00pm and before 8:00am, Monday through Friday, all day Saturday, Sunday and holidays.

8.2.9 Sprint will transfer possession of Sprint's virtually collocated equipment to U S WEST via a no cost lease. The sole purpose of the lease is to provide U S WEST with exclusive possessory rights to Sprint's virtually collocated equipment. Title to the Sprint virtually collocated equipment shall not pass to U S WEST.

8.2.10 Installation and maintenance of Sprint's virtually collocated equipment will be performed by U S WEST or a U S WEST authorized vendor to the same level that U S WEST provides to itself, affiliates and other third parties.

8.2.11 Sprint shall ensure that upon receipt of the Sprint virtually collocated equipment by U S WEST, all warranties and access to ongoing technical support are passed through to U S WEST, all at Sprint's expense. The interconnector shall advise the manufacturer and seller of the virtually collocated equipment that it will be possessed, installed and maintained by U S WEST.

8.2.12 Sprint's virtually collocated equipment must comply with the Bellcore Network Equipment Building System (NEBS) Generic Equipment Requirements TR-NWT-000063, Company wire center environmental and transmission standards and any statutory (local, state or federal) and/or regulatory requirements in effect at the time of equipment installation or that subsequently become effective. Sprint shall provide U S WEST interface specifications (E.g., electrical, functional, physical and software) of Sprint's virtually collocated equipment.

8.2.13 Sprint must specify all software options and associated plug-ins for its virtually collocated equipment.

8.2.14 Sprint is responsible for purchasing and maintaining a supply of spares. Upon failure of Sprint's virtually collocated equipment, Sprint is responsible for transportation and delivery of maintenance spares to U S WEST at the wire center housing the failed equipment. FURTHER NEGOTIATION NEEDED DAN TO PRODUCE RULES RE: INTERCONNECTION RULES ON SPARE STORAGE IN VIRTUAL INTERCONNECTION

8.3 Physical Collocation

8.3.1 U S WEST shall provide to Sprint Physical Collocation of equipment necessary for Interconnection or for access to unbundled Network Elements, except that U S WEST may provide for Virtual collocation if U S WEST demonstrates to the Commission that Physical Collocation is not practical for technical reasons or because of space limitations, as provided in Section 251 (c) (6) of the Act. U S

WEST shall provide such Collocation for the purpose of Interconnection or access to unbundled Network Elements, except as otherwise mutually agreed to in writing by the Parties or as required by the FCC or the appropriate Commission subject to the rates, terms and conditions of the Agreement.

8.3.2 Where Sprint is Virtually Collocated in a premises which was initially prepared for Virtual Collocation, Sprint may elect to (I) retain its Virtual Collocation in that premises and expand that Virtual Collocation according to the rates, terms and conditions of this Agreement, or (ii) unless it is not practical for technical reasons or because of space limitations, convert its Virtual Collocation at such premises to Physical Collocation, in which case Sprint shall coordinate the construction and rearrangement with U S WEST of its equipment (IDLC and transmission) and circuits for which Sprint shall pay U S WEST at applicable rates, and pursuant to the other terms and conditions in this Agreement. In addition, all applicable Physical Collocation recurring charges shall apply.

8.3.3 Sprint will be allowed access to the POI on non-discriminatory terms. Sprint owns and is responsible for the installation, maintenance and repair of its transmission equipment located within the space rented from U S WEST.

8.3.4 Sprint must use leased space promptly and may not warehouse space for later use or sublease to another. Physical collocation is offered in wire centers on a space-available, first come, first-served basis.

8.3.5 The minimum standard leasable amount of floor space is 100 square feet. Sprint must efficiently use the leased space. If more than 100 feet of floor space is purchased, the no more than 50% of the floor space may be used for storage cabinets and work surfaces. The Commission will be the final arbitrator in points of dispute between the parties.

8.3.6 Sprint's leased floor space will be separated from other competitive providers and U S WEST space through cages or hard walls. Sprint may elect to have U S WEST construct the cage, or choose from U S WEST approved contractors (or request approval of Sprint preferred contractors) to construct the cage, meeting U S WEST's installation Technical Publication 77350.

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8.3.7 Sprint and U S WEST will complete an acceptance walk through of all collocated space requested from U S WEST. Exceptions that are noted during this acceptance walk through shall be corrected by U S WEST in a timely fashion after the walk through. The correction of these exceptions from the original collocation request shall be at U S WEST's expense.

8.3.8 The following standard features will be provided by U S WEST.

8.3.8.1 Heating, ventilation and air conditioning (power, back-up power, surge protection, grounding flood protection, et al.).

8.3.8.2 Smoke fire detection and any other building code requirement.

8.3.9 U S WEST Responsibilities.

8.3.9.1 Design the floor space within each wire center which will constitute Sprint's leased space.

8.3.9.2 Ensure that the necessary construction work is performed to build Sprint's leased physical space and the riser from the vault to the leased physical space.

8.3.9.3 Develop a quotation specific to Sprint's request.

8.3.9.4 Extend U S WEST-provided and owned fiber optic cable from the POI through the cable vault and extending the cable to Sprint's leased physical space or place the cable in fire retardant tubing prior to extension to Sprint's leased physical space.

8.3.9.5 Installation and maintenance and all related activity necessary to provide Channel Termination between U S WEST's and Sprint's equipment.

8.3.9.6 Work cooperatively with Sprint in matters of joint testing and maintenance.

8.3.9.7 U S WEST is responsible for security of the area which contains Sprint's collocated space.

8.3.10 Sprint Responsibilities

8.3.10.1 Determine the type of enclosure for the physical space.

8.3.10.2 Where applicable, procure, install and maintain all fiber optic facilities up to the U S WEST designated POI.

8.3.10.3 Install, maintain, repair and service all Sprint's equipment located in the leased physical space.

8.3.10.4 Ensure that all equipment installed by Sprint complies with Bellcore Network Equipment Building System TR-NWT-000063 Generic Equipment requirements, U S WEST wire center environmental and transmission standards, and any statutory (local, federal, or state) or regulatory requirements in effect at the time of equipment installation or that subsequently become effective.

8.3.11 Once construction is complete for physical collocation and Sprint has accepted its leased physical space, Sprint may order its DS0, DS1, DS3 or other Expanded Interconnection Channel Terminations.

8.3.12 If, at any time, U S WEST determines that the equipment or the installation does not met requirements Sprint will be responsible for the costs associated with the removal, modification to, or installation of the equipment to bring it into compliance. Upon written notice of non-compliance, Sprint will initiate corrective action within 15 days. In the event that completion of the corrective action will exceed 15 days, Sprint will propose a schedule for completion for U S WEST approval. If Sprint fails to correct any non-compliance within the agreed upon schedule, , U S WEST may have the equipment removed or the condition corrected at Sprint's expense.

8.3.13 If, during installation, U S WEST determines Sprint activities or equipment are unsafe, non-standard or in violation of any applicable laws or regulations, U S

WEST has the right to stop work until the situation is remedied. If such conditions pose an immediate threat to the safety of U S WEST employees, interfere with the performance of U S WEST's service obligations, or pose an immediate threat to the physical integrity of the conduit system or the cable facilities, U S WEST may perform such work and/or take action as is necessary to correct the condition at Sprint's expense.

8.3.14 Sprint is responsible for the security of the actual physical collocated space.

8.4 Collocation Rate Elements

8.4.1 Common Rate Elements

The following rate elements are common to both virtual and physical collocation:

8.4.1.1 Quote Preparation Fee. This covers the work involved in developing a quotation for Sprint for the total costs involved in its collocation request.

8.4.1.2 Entrance Facility. Provides for fiber optic cable on a per fiber basis from the point of interconnection utilizing U S WEST owned, conventional single mode type of fiber optic cable to the collocated equipment (for virtual collocation) or to the leased space (for physical collocation). Entrance facility includes riser, fiber placement, entrance closure, conduit innerduct, and core drilling.

8.4.1.3 Cable Splicing. Represents the labor and equipment to perform a subsequent splice to the Sprint provided fiber optic cable after the initial installation splice. Includes a per-setup and a per-fiber-spliced rate elements.

8.4.1.4 Volt Power. Provides 48 volt power to the Sprint collocated equipment. Charged on a per ampere basis per Appendix A.

8.4.1.5 Volt Power Cable. Provides for the transmission of -48 Volt DC power to the collocated equipment. It includes engineering, furnishing and installing the main distribution bay power breaker, associated power cable, cable rack and local power bay to the closest power distribution bay. It also includes the power cable (feeders) A and B from the local power distribution bay to the leased physical space (for physical collocation) or the collocated equipment (for virtual collocation).

8.4.1.6 Inspector Labor. Provides for the U S WEST qualified personnel necessary when Sprint required access to the point of interconnection after the initial installation or access to its physical collocation floor space, where an escort is required. A call-out of an inspector after business hours is subject to a minimum charge of four hours. The minimum call-out charge shall apply when no other employee is present in the location, and an 'on-shift' on behalf of Sprint.

8.4.1.7 Expanded Interconnection Channel Termination (EICT) telecommunications interconnection between Sprint's collocated equipment and U S WEST's network is accomplished via an Expanded Interconnection Channel Termination (EICT). This element can be at the DS0, DS1, DS3 or other level depending on the U S WEST service it is connecting to. Connection to any other network or telecommunications source within the wire center is allowed only through U S WEST services.

8.4.1.8 Expanded Interconnection Channel Regeneration. Required when the distance from the leased physical space (for physical collocation) or from the collocated equipment (for virtual collocation) to the U S WEST network is of sufficient length to require regeneration.

8.4.2 Physical Collocation Rate Elements

The following rate elements apply only to physical collocation arrangements.

8.4.2.1 Floor Space Rental. Provides the monthly rent for the leased physical space, property taxes and base operating cost without -48 Volt DC

8.4.3.2 Training Labor-Provides for the billing of vendor-provided training for U S WEST personnel on a metropolitan service area basis, necessary for Sprint virtually collocated equipment which is different from U S WEST provided equipment. U S WEST will require three U S WEST employees to be trained per metropolitan service area in which the Sprint virtually collocated equipment is located. If, by an act of U S WEST, trained employees are relocated, retired, or are no longer available, U S WEST will not require Sprint to provide training for additional U S WEST employees for the same virtually collocated equipment in the same metropolitan area. The amount of training billed to Sprint will be reduced by half, should a second collocator in the same metropolitan area select the same virtually collocated equipment as Sprint.

8.4.3.3 Equipment Bay-Provides mounting space for the Sprint virtually collocated equipment. Each bay includes the 7 foot bay, its installation, all necessary environmental supports. Mounting space on the bay, including space for the fuse panel and air gaps necessary for heat dissipation is limited to 78 inches. The monthly rate is applied per unit.

8.4.3.4 Engineering Labor-Provides the planning and engineering of the Sprint virtually collocated equipment at the time of installation, change or removal.

8.4.3.5 Installation Labor-Provides for the installation, change or removal of the Sprint virtually collocated equipment.

8.5 Collocation Installation Intervals

The following intervals are common to both virtual and physical collocation.

8.5.1 Acknowledgment of Floor Space Availability. Within fifteen (15) days of the receipt by U S WEST form Sprint of a Request for Collocation and an

associated Quote Preparation Fee, U S WEST will notify Sprint whether sufficient floor space is available to accommodate Sprint's request.

8.5.2 Quote Preparation. Within twenty-five (25) business days of the receipt by U S WEST from Sprint of a Request for Collocation and an associated Quote Preparation Fee, U S WEST will provide Sprint with a written quotation containing all non-recurring charges for the requested collocation arrangement.

8.5.3 Quote Acceptance. Sprint will have 30 days from the receipt of a U S WEST quotation, to accept the U S WEST proposed quotation. Acceptance shall require payment to U S WEST to fifty percent of the non-recurring charges provided on the quotation.

8.5.4 Completion of Cage Construction (physical collocation only). Within ninety (90) days of the acceptance of the quotation by Sprint, the construction of the necessary cage/hardwall enclosure shall be completed. At this time, the leased floor space will be available to Sprint for installation of its collocated equipment.

8.5.5 Completion of Collocated Equipment Installation (virtual collocation only)--U S WEST shall complete the installation of Sprint's collocated equipment within ninety (90) days of U S WEST's receipt of Sprint's collocated equipment. The installation of line cards and other minor modifications shall be performed by U S WEST on intervals equivalent to those that U S WEST applies to itself, but in no instance shall any such interval exceed ninety (90) days.

9 INTERIM NUMBER PORTABILITY

9.1 General Terms

9.1.1 U S WEST shall immediately implement interim number portability solutions to permit end-users to change to Sprint without changing their telephone numbers. Such interim solutions include Remote Call Forwarding ("RCF") and flexible Direct Inward Dialing ("DID"). Sprint preferred interim solution is RCF. The Parties shall provide Number Portability on a reciprocal basis to each other to extent technically feasible, and in accordance with rules and regulations as from time to time prescribed by the FCC and/or the Commission.

9.1.2 Until Permanent Number Portability is implemented by the industry pursuant to regulations issued by the FCC or the Commission , the Parties agree to provide Interim Number Portability ("INP") to each other through remote call forwarding , or direct inward dialing.

9.1.3 DID is an INP method that makes use of direct inward dialing trunks. Each DID trunk group used for INP is dedicated to carrying DID INP traffic between the U S WEST end office and the Sprint switch. Traffic on these trunks cannot overflow to other trunks, so the number of trunks shall be conservatively engineered by U S WEST. Also, inter-switch signaling is usually limited to multi-frequency (MF). This precluded passing Calling Line ID to the Sprint switch. Once permanent number portability is implemented pursuant to FCC or Commission regulation, either Party may withdraw, at any time and its sole discretion, its INP offerings, subject to advance notice to the other Party and coordination to allow the seamless and transparent conversion of INP customer numbers to permanent number portability. Upon implementation of permanent number portability pursuant to FCC regulations, both parties agree to conform and provide such permanent number portability.

9.1.4 Sprint shall have the right to use the existing U S WEST 911 infrastructure for all 911 capabilities. With respect to 911 service associated with ported numbers under INP, U S WEST agrees that all ported directory numbers (DN) will remain in the Public Service Answering Points (PSAP) routing databases. When RCF is used, both the ported numbers and shadow numbers for Sprint ported

subscribers shall be stored in PSAP databases. Sprint shall have the right to verify the accuracy of the information in the PSAP databases.

9.1.5 U S WEST will update its Line Information Database ("LIDB") listings for retained numbers, and restrict or cancel calling cards associated with these forwarded numbers as directed by Sprint. LIBD updates shall be completed by the Parties on the same business day each INP arrangement is activated. Further, U S WEST will not block third party and collect calls to those numbers unless requested by Sprint.

9.1.6 U S WEST shall exchange with Sprint, SS7 TCAP messages as required for the implementation of Custom Local Area Signaling Services (CLASS) or other features available in the U S WEST network. Certain features are not available in the U S WEST network. Certain features are not available for INP telephone numbers due to technical limitations. The following lists the technically available services under INP. Terminating features are those related to calls TO DID or RCF customer s ported telephone numbers. Originating features are those related to calls FROM the ported customer's Sprint provided line.

Terminating Features:	DID	RCF	Notes
Caller Identification	No	Yes	1
Last Call Return	No	Yes	1
Selective Call Forwarding	No	Yes	1
Call Rejection	No	Yes	1
Call Trace	No	Yes	1
Priority Call	No	Yes	1,2
Call Waiting	Yes	Yes	2
Busy Line Verification	No	No	
Continuous Redial	No	No	3

NOTES:

1. Requires SS7 connectivity between U S WEST and Sprint switches (SS7 connectivity not available with DID) and appropriate hardware/software in Sprint switch to offer "like" services (for RCF).
2. Requires ability to forward more than one simultaneous call (for RCF).

3. Continuous Redial will not be available for caller dialing ported telephone number

Originating Features	DID	RCF	Notes
Caller Identification	No	No	1,2,3
Last Call Return	No	Yes	1,2
Selective Call Forwarding	No	No	1,2,3
Call Rejection	No	No	1,2,3

NOTES:

1. Assumes Sprint SS7 connectivity and/or offering of services.
2. Assumes Sprint has assigned ported customer a new telephone number in its switch.
3. Called party would receive new Sprint assigned telephone number that they may not associate with a ported customer.

9.1.7 Upon request, U S WEST shall provide to Sprint INP via Direct Inward Dial Trunks pursuant to applicable tariffs.

9.1.8 Where either party has activated an entire NXX for a single customer, or activated a substantial portion of an NXX for a single customer with the remaining numbers in that NXX either reserved for future use or otherwise unused, if such customer chooses to receive service from the other Party, the first Party shall cooperate with the second Party to have the entire NXX reassigned in the LERG (and associated industry databases, routing tables, etc.) to an End Office operated by the second Party. Such transfer will be accomplished with appropriate industry lead-times for movement of NXXs from one switch to another. Other applications of NXX migration will be discussed by the Parties as circumstances arise.

9.1.9 The data required for interim local number portability and for billing access, when interim local number portability is used, must be provided to Sprint at no additional cost above that already paid for with interim local number portability.

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9.1.10 PLACE HOLDER - ARBITRATION ITEM - ACCESS ON INTERIM NUMBER PORTABILITY

The Following is Applicable for the States of AZ (Arbitration Order at Issue 3, pp. 6-7) and , OR (Arbitration Order, Issue 2 at p. 4), and WA(Arbitration Order, Issue 2, at p. 4)

Terminating access charges will be billed by each Party according to the Parties' respective tariffs to IXCs by the receiving local exchange carriers according to the resulting final ruling in CC Docket 95-116 (TNP at para 140) as follows:

The companies will establish a meet point relationship.

Sprint will receive the end office charges (local switching), CCL and termination charges.

Transport will be shared by the companies and charged on a meet point basis to the ultimate end user switch on a percent of route miles provided.

Tandem switching will be recovered by U S WEST along with the entrance facility charges.

The Following is Applicable for the state of CO.(Arbitration Order , Issue IV, at pages 10-13)

Terminating access charges will be billed by each Party according to the Parties' respective tariffs to IXCs by the terminating local exchange carriers as follows:

Sprint will receive the end office charges (local switching), CCL and termination charges.

Transport will be charged solely by U S WEST until such time as Sprint files an appropriate access tariff and it is approved by the Commission.

Tandem switching will be recovered by U S WEST.

U S WEST shall be entitled to the access revenues for local transport and any additional switching and transport for RCF through the RCF cost recovery mechanism determined in Docket No. 96S-250T.

The Following is Applicable for the State of MN (Arbitration Order, pages 13-15)

—For Sprint facilities-based services and services built with cost-based, unbundled elements, Sprint is entitled to both originating and terminating access charges associated with calls terminating to ported numbers assigned to Sprint subscribers. U S WEST retains access charges when Sprint service is provided by a rebranded wholesale U S WEST service. In

addition, pursuant to 47 CFR § 51.515 where U S WEST switching is used prior to June 30, 1997, CCL and 75 percent of TIC charge will be paid by Sprint to U S WEST. These will be billed to the IXCs on a multi-tariff/multi-bill basis.

The Following is Applicable for the State of UT (Arbitration Order, Section 8.1.8 at page 1)

Each party will bill access charges individually according to the Parties' respective tariffs for its portion of a ported call. If the terminating party is unable to identify the IXC carrying the forwarded call, the forwarding party shall provide the necessary information to permit the terminating party to issue a bill.

9.2 Description of Service

9.2.1 Interim Number Portability Service ("INP") is a service arrangement that can be provided by U S WEST to Sprint or by Sprint to U S WEST. For the purposes of this section, the Party porting traffic to the other Party shall be referred to as the "INP Provider" and the Party receiving INP traffic for termination shall be referred to as the "INP Requester".

9.2.2 INP applies to those situations where an end-user customer elects to transfer service form the INP Provider to the INP Requester and they also wish to retain their existing telephone number. INP consists of INP Provider's provision to the INP Requester the capability to route calls placed to telephone numbers assigned to the INP Provider's switches to the INP Requester's switches. INP is available only for working telephone numbers assigned to the INP Provider's customers who request to transfer to the INP Requester's service.

9.2.3 INP is available as INP-Remote Call Forwarding ("INP-RCF") permitting a call to a INP Provider's assigned telephone number to be translated to the INP Requester's dialable local number. INP Requester may terminate the call as desired. Additional capacity for simultaneous call forwarding is available where technically feasible. The INP Requester will need to specify the number of simultaneous calls to be forwarded for each number ported.

9.2.4 INP is subject to the following restrictions:

9.2.4.1 An INP telephone number may be assigned by INP Requester only to the Requester's customers located within the INP Provider's local

calling area and toll rating area that is associated with the NXX of the portable number.

9.2.4.2 INP is applicable only if the INP Requester is engaged in a reciprocal traffic exchange arrangement with the INP Provider.

9.2.4.3 Only the existing, INP Provider assigned end-user telephone number may be used as a ported number for INP.

9.2.4.4 INP will not be provided by the INP Provider for customers whose accounts are in arrears and who elect to make a change of service provider unless and until the following conditions are met:

- Full payment for the account (NOT including directory advertising charges associated with the customer's telephone number) is made by customer or INP Requester agrees to make full payment on behalf of customer.
- INP Provider is notified in advance of the charge in service provider and a Change of Responsibility form is issued.
- INP Provider accepts the transfer of responsibility.

9.2.4.5 INP services shall not be resold, shared or assigned by either Party to another CLEC.

9.2.4.6 INP is not offered for NXX Codes 555, 976, 960 and coin telephones, and Service Access Codes (i.e. 500, 700, 800/888, 900). INP is not available for FGA seven-digit numbers, including foreign exchange (FEX), FX and FX/ONAL and foreign Central Office Service. Furthermore, INP numbers may not be used for mass calling events.

9.2.4.7 The ported telephone number will be returned to the originating company (or to the common pool of telephone numbers upon implementation of permanent number portability) when the ported service is disconnected. The company purchasing a ported number may

not retain it and reassign it to another customer. The normal intercept announcement will be provided by the INP Provider for the period of time until the telephone number is reassigned by the Provider.

9.2.5 Ordering and Maintenance

9.2.5.1 The INP Requester is responsible for all dealings with and on behalf of its end users, including all end user account activity, e.g. end user queries and complaints.

9.2.5.2 The INP Provider will work cooperatively with the Requester to ensure a smooth customer transition and to avoid unnecessary duplication of other facilities (e.g., unbundled loops). If an end user requests transfer of service from the INP Requester back to INP Provider, the Provider may rely on that end user request to institute cancellation of the INP service. The Provider must have a CA or equivalent verification of the end user intent to convert back. The INP Provider will provide at least 48 hours notice to the INP Requester of the cancellation of INP service, and will work cooperatively with the Requester to ensure a smooth customer transition and to avoid unnecessary duplication of other facilities (e.g., unbundled loops). The Parties will cooperate to develop intercompany procedures to implement the requirements of this paragraph.

9.2.5.3 The Requester's designated INP switch must return answer and disconnect supervision to the INP Provider's switch.

9.2.5.4 The Requester will provide to the E911 database provider the network telephone number that the Requester assigned to the Provider assigned, ported telephone number. Updates to and maintenance of the INP information to the E911 database are the responsibility of the INP Requester.

9.2.5.5 The INP Requester will submit to the INP Provider a disconnect order for each ported number that is relinquished by the Requester's end users.

9.2.6 Cost Recovery

9.2.6.1 Number Ported – This cost is incurred per number ported, per month. Should the INP Requester provide the transport from the Provider's end office to the Requester's end office switch, a lower cost is incurred. This cost represents a single call path from the Provider's end office switch to the Requester for the portable number.

9.2.6.2 Additional Call Path – This cost is incurred per additional call path per month added to a particular ported telephone number. Should the INP Requester provide the transport from the Provider's end office to the Requester's end office switch, a lower cost is incurred.

9.2.6.3 Service Establishment – Per Switch. This non-recurring cost is incurred for each INP Provider's end office switch that is equipped to provide INP to the INP Requester.

9.2.6.4 Service Establishment – Per Number—This non-recurring cost is for each telephone number equipped with INP.

9.2.6.5 Rates are contained in Appendix A.

10 PERMANENT NUMBER PORTABILITY (PNP)

10.1 Upon implementation of Permanent Number Portability (PNP) pursuant to FCC regulations, both parties agree to conform and provide such Permanent Number Portability. To the extent consistent with the FCC rules as amended from time to time, the requirements for PNP shall include the following:

10.2 Subscribers must be able to change local service providers and retain the same telephone number(s).

10.3 The PNP network architecture shall not subject alternate local exchange carriers to any degradation of service compared to U S WEST in any relevant measure, including transmission quality, switching and transport costs, increased call set-up time and post-dial delay.

10.4 When an office is equipped with PNP, all NXXs in the office shall be defined as portable and translations will be changed in the Parties' switches to open those NXXs for database queries. An NXX will be activated for PNP when the first request for PNP is received for that NXX.

10.5 When an NXX is defined as portable, it shall also be defined as portable in all PNP capable offices which have direct trunks to the given switch.

10.6 Prior to implementation of PNP, the Parties agree to develop, implement, and maintain efficient methods to maintain 911 database integrity when a subscriber ports to another service provider. The Parties agree that the customer shall not be dropped from the 911 database during the transition.

10.7 During the process of porting a subscriber a trigger feature shall be applied to the Subscriber's line at most 24 hours prior to the order due date in order to overcome donor network time delays in the disconnection of the subscriber's line within fifteen (15) minutes of the donor network Local SMSs having received broadcast.

11. DIALING PARITY

11.1 Except where otherwise ordered by a state commission, the Parties shall provide Dialing Parity to each other as required under Section 251 (b)(3) of the Act. This Agreement does not impact either Party's ability to default intraLATA toll via a specific dialing pattern until otherwise required by the Act.

11.2 Pursuant to Sec. 271 of the act and the FCC rules as effective, U S WEST shall provide dialing parity for intraLATA toll, operator assisted and directory assistance calls. The full two-PIC option must be available for intraLATA and interLATA dialing parity in conformance with Sec. 271.

11.3 For resale, or when Port/Switching Services are provided by U S WEST any end-user shall be able to access the Sprint network for services using the same dialing protocol that the end-user would use to access the same service on the U S WEST network, subject to the provision in Section 9.2.

11.4 U S WEST must provide routine reporting on local dialing plans by switching type and end office.

12. **ACCESS TO TELEPHONE NUMBERS**

12.1. When Sprint purchases switching capabilities or resold services from U S WEST, until such time as numbering is administered by a third party, Sprint requires the ability to obtain telephone numbers on-line from U S WEST, and to assign these numbers with the Sprint customer on-line Sprint also requires to be provided vanity numbers at parity with U S WEST's own internal marketing and order taking personnel. Reservations and aging of numbers remain the responsibility of U S WEST.

12.2. Nothing in this Agreement shall be construed in any manner to limit or otherwise adversely impact either Party's right to the request and assignment of any NANP number resources including, but not limited to, central office (NXX) codes pursuant to the Central Office Code Assignment Guidelines (last published by the Industry Numbering Committee ("INC") as INC 95-0407-008, Revision 4/19/96, formerly ICCF 93-0729-010). NXXS, and the initial points of interface for interconnection between the Parties' networks, will be included in Addenda to this Agreement.

12.3. To the extent U S WEST serves as Central Office Code Administrator for a given region, U S WEST will support all Sprint requests related to central office (NXX) code administration and assignments in the manner required and consistent with the Central Office Code Assignment Guidelines.

12.4. The parties shall provide local dialing parity to each other as required under Section 25 1 (b)(3) of the Act.

12.5. The Parties will comply with code administration requirements as prescribed by the Federal Communications Commission, the Commission, and accepted industry guidelines.

12.6. It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to the Local Exchange Routing Guide (LERG) guidelines to recognize and route traffic to the other Party's assigned NXX codes at all times. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities. The Parties will cooperate to establish procedures to ensure the timely activation of NXX assignments in their respective networks.

12.7. Each Party shall be responsible for notifying its customers of any changes in numbering or dialing arrangements to include changes such as the introduction of new NPAs or new NXX codes.

12.8. Until an impartial entity is appointed to administer telecommunications numbering and to make such numbers available on an equitable basis, U S WEST will assign - NXX codes to Sprint in accordance with national guidelines at no charge.

12.9. Each Party is responsible for administering NXX codes assigned to it. Each party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of CLLI codes assigned to its switches. Each party shall use the LERG published by Bellcore or its successor for obtaining routing information and shall provide all required information to Bellcore for maintaining the LERG in a timely manner.

0142.49.83

12.10 U S WEST must establish process for the management of NPA splits as well as NXX splits.

13 **CALL COMPLETION FROM U S WEST OPERATORS**

U S WEST Operators will provide operator call completion and quote Sprint rates for services and like assistance to any end user customer reaching U S WEST Operators (including information for calls to Sprint's NXXs) in the same manner as they provide such services for end user customers served by U S WEST NXXs and for calls involving only U S WEST NXXs.

14 BUSY LINE VERIFY/INTERRUPT

14.1 Busy Line Verification ("BLV") is performed when one Party's Customer requests assistance from the operator bureau to determine if the called line is in use, however, the operator bureau will not complete the call for the Customer initiating the BLV inquiry. Only one BLV attempt will be made per Customer operator bureau call, and a charge shall apply whether or not the called party releases the line.

14.2 Busy Line Verification Interrupt ("BLVI") is performed when one Party's operator bureau interrupts a telephone call in progress after BLV has occurred. The operator bureau will interrupt the busy line and inform the called party that there is a call waiting. The operator bureau will only interrupt the call and will not complete the telephone call of the Customer initiating the BLVI request. The operator bureau will make only one BLVI attempt per Customer operator telephone call and the applicable charge applies whether or not the called party releases the line.

14.3 Rates are contained in Appendix A.

14.4 Each Party's operator bureau shall accept BLV and BLVI inquiries from the operator bureau of the other Party in order to allow transparent provision of BLV/BLVI Traffic between the Parties' networks.

14.5 Each Party shall route BLV/BLVI Traffic inquiries over operator service direct trunks (and not the Local/IntraLATA Trunks) established between the Parties' respective operator bureaus. Unless otherwise mutually agreed, the Parties shall configure BLV/BLVI trunks over the Interconnection architecture defined in Section 6,Interconnection.

0142.49.86

consistent with the Joint Grooming Plan. Each Party shall compensate the other Party for BLV/BLVI Traffic as set forth above.

15 TOLL AND ASSISTANCE OPERATOR SERVICES

15.1 Description of Service

Toll and Assistance refers to functions customers associate with the "0" operator. Subject to availability and capacity, access may be provided via operator services trunks purchased from U S WEST or provided by Sprint to route calls to Sprint's platform.

15.2 Functions Include:

15.2.1 0-Coin, Automatic Coin Telephone Service (ACTS) - these functions complete coin calls, collect coins and provide coin rates.

15.2.2 Alternate Billing Services (ABS or 0+ dialing): Bill to third party, Collect and Mechanized Credit Card System (MCCS).

15.2.3 0- or operator assistance which provides general assistance such as dialing instruction and assistance, rate quotes, emergency call completion and providing credit.

15.2.4 Automated Branding - ability to announce the carrier's name to the customer during the introduction of the call.

15.2.5 Rating Services - operators have access to tables that are populated with all toll rates used by the operator switch.

15.3 Pricing for Toll and Assistance Operator Services shall be determined on a case-by-case basis, upon request.

15.4 Interconnection to the U S WEST Toll and Assistance Operator Services from an end office to U S WEST T/A is technically feasible at three distinct points on the trunk side of the switch. The first connection point is an operator services trunk connected directly to the T/A host switch. The second connection point is an operator services trunk connected directly to a remote T/A switch. The third connection point is an operator services trunk connected to a remote access tandem with operator concentration capabilities.

15.5 Trunk provisioning and facility ownership will follow the guidelines recommended by the Trunking and Routing, IOF and Switch sub-teams. All trunk interconnections will be digital.

15.6 Toll and Assistance interconnection will require an operator services type trunk between the end office and the interconnection point on the U S WEST switch.

15.7 Connecting a position to the host system requires two circuits (one voice and one data) per position on a TI facility.

15.8 The technical requirements of operator services type trunks and the circuits to connect the positions to the host are covered in the OSSGR under Section 6 (Signaling) and Section 10 (System Interfaces) in general requirements form.

15.9 U S WEST shall allow resale of Operator Services, where technically feasible, until such time that U S ATST may route Operator Traffic to the Operator Service provider of Sprint's choice. U S WEST resold Operator Service shall be branded "Sprint" and U S WEST operators shall be capable of quoting Sprint's rates for both Card and Operator Services

functions where systems and capabilities permit and shall provide service that is at least at parity for services delivered to U S WEST end-users. To the extent that separate trunk groups are needed to provide this functionality, and upon Sprint acceptance of a U S WEST price quote, Sprint agrees to pay the costs for the development and support of this capability.

15.9.1 U S WEST shall provide operator service deliverables to include the following:

15.9.1.1 Local call completion - 0+ and 0-, billed to Calling Cards, collect and third Party.

15.9.1.2 Quotation of billable charges to customers-time and charges, etc.

16 DIRECTORY ASSISTANCE

16.1 U S WEST agrees to (a) provide to Sprint's operators on-line access to U S WEST's directory assistance database; (b) provide to Sprint unbranded directory assistance service (costs to be borne by Sprint) (c) provide to Sprint directory assistance service under Sprint brand (where technically feasible); (d) allow Sprint or a Sprint designated operator bureau to license U S WEST's directory assistance database for use in providing competitive directory assistance services; and (e) in conjunction with (b) or (c) above, provide caller-optional directory assistance call completion service which is comparable in every way to the directory assistance call completion service U S WEST makes available to its own users.

16.2 The price for directory assistance, provided pursuant to this Agreement, is contained in Appendix A. As an alternative, the Parties may obtain directory assistance service pursuant to effective tariffs.

16.3 The price for directory call completion services shall be as shown in Appendix A per call, pending the completion of an approved TELRIC cost study. Additional charges, for U S WEST intraLATA toll services, also apply for completed intraLATA toll calls. Long distance service shall be available pursuant to the wholesale discount provided in Section 31, **Resale**, herein. Call completion service where available (either at present or in the future), is an optional end-user service. Sprint may, at its option, request U S WEST to not provide call completion services to Sprint customers.

16.4 GENERAL REQUIREMENTS

16.4.1 U S WEST shall make Sprint's data available to anyone calling U S WEST's Directory Assistance (DA), and U S WEST's data available to anyone calling Sprint's DA.

16.4.2 U S WEST shall store proprietary customer information provided by Sprint in their DA database; such information shall be able to be identified by source provider in order to provide the necessary protection of Sprint or Sprint customer proprietary or protected information.

16.4.3 U S WEST must allow wholesale resale of DA service.

16.4.4 U S WEST shall provide data for DA feeds in accordance with agreed upon industry format.

16.4.5 Sprint shall be able to buy unbundled DA databases and utilize them in the provision to its own DA service. U S WEST will provide the same level of DA database service as it provides itself, its affiliates or other third parties.

16.4.6 U S WEST shall make available to Sprint all service enhancements on anon-discriminatory basis.

16.4.7 U S WEST shall make "Sprint" branded DA available to Sprint for resale. Sprint will pay any additional costs necessary to obtain this service.

16.4.8 Upon Sprint acceptance of U S WEST price quotation and where technically feasible (at present or in the future)U S WEST shall

route Sprint customer DA calls to Sprint DA centers. Sprint will pay the reasonable and appropriate costs to obtain this service.

16.5 U S WEST must place Sprint customer listings in its DA database. U S WEST shall make its unbundled DA database available to Sprint. Prices shall be, reasonable, and non-discriminatory at TELRIC plus a reasonable forward-looking allocation of joint and common costs.

16.6 From the time that U S WEST receives the data, the processing interval for updating the database with Sprint customer data must be provided at parity with U S WEST.

16.7 U S WEST shall provide an automated capability (e.g. tape transfer or other data feed) to update the U S WEST DA database for updating and inquiries.

16.8 U S WEST will provide equivalent speed-to-answer times as it provides its customers.

16.9 U S WEST's DA database must be updated and maintained with Sprint customer data daily. These changes include:

16.9.1 disconnect;
16.9.2 install;
16.9.3 request "Change" orders (telephone #, Address);
16.9.4 are Non-Published;
16.9.5 are Non-Listed; and/or
16.9.6 are Non-Published/Non-Listed

16.10 Sprint bills its own end-users.

16.11 Sprint shall be billed in a CRIS format that is acceptable to Sprint in the resale environment and, generally, in the (IABS) format in the unbundled environment.

16.12 U S WEST and Sprint shall develop intercompany procedures to correct errors when they are identified in the DA database.

16.13 Listings Service ("Listings") consists of U S WEST placing the names, addresses and telephone numbers of Sprint's end users in U S WEST's listing database, based on end user information provided to U S WEST by Sprint. U S WEST is authorized to use Listings in Directory Assistance (DA) as noted in paragraph 16.16., below.

16.14 Sprint will provide in standard, mechanized format, and U S WEST will accept at no charge, one primary listing for each main telephone number belonging to Sprint's end user customers. Primary listings are as defined for U S WEST end users in U S WEST's general exchange tariffs. Sprint will be charged for premium listings, e.g., additional, foreign, cross reference, informational, etc., at the rates set forth in Appendix A. Sprint, utilizing Remote Call Forwarding for local number portability, can list only one number without charge - either the end customer's original telephone number or the Sprint-assigned number. The standard discounted rate for an additional listing applies to the other number.

16.15 U S WEST will furnish Sprint the Listings format specifications. Sprint may supply a maximum of one batch file daily, containing only Listings that completed on or prior to the transmission date. U S WEST cannot accept Listings with advance completion dates. Large volume activity (e.g., 100 or more listings) on a caption set is considered a project that

Assistance service have non-discriminatory access to Sprint's Listings.

16.18.3U S WEST will incorporate Sprint Listings provided to U S WEST in the white pages directory published on U S WEST's behalf.

16.18.4Directory Service shall provide up to two listing requests per call and, where available, at present or in the future, and if requested, shall complete the call to one of the provided listings.

16.19 Sprint Responsibilities

16.19.1Sprint agrees to provide to U S WEST its end user names, addresses and telephone numbers in a standard mechanized format, as specified by U S WEST.

16.19.2Sprint will supply its ACNA/CIC or CLCC/OCN, as appropriate, with each order to provide U S WEST the means of identifying Listings ownership.

16.19.3End user information provided by Sprint will be to the best of Sprint's knowledge, accurate and correct. Sprint further represents and warrants that it has reviewed all Listings provided to U S WEST, including end user requested restrictions on use such as non-published and non-listed. Sprint shall be solely responsible for knowing and adhering to state laws or rulings regarding Listings (e.g., no solicitation requirements in the states of Arizona and Oregon, privacy requirements in Colorado), and for supplying U S WEST with the applicable Listing information.

16.19.4 Sprint is responsible for all dealings with, and on behalf of, Sprint's end users, including:

16.19.4.1 All end user account activity, e.g. end user queries and complaints.

16.19.4.2 All account maintenance activity, e.g., additions, changes, issuance of orders for Listings to U S WEST.

16.19.4.3 Determining privacy requirements and accurately coding the privacy indicators for Sprint's end user information. If end user information provided by Sprint to U S WEST does not contain a privacy indicator, no privacy restrictions will apply.

16.19.4.4 Any additional services requested by Sprint's end users.

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17 911/E-911 SERVICE

17.1 Scope

17.1.1 Sprint exchanges to be included in U S WEST's E-911 Data Base will be indicated via written notice and will not require an amendment to this Agreement.

17.1.2 In counties where U S WEST has obligations under existing agreements as the primary provider of the 911 System to the county, Sprint will participate in the provision of the 911 System as described in this Agreement.

17.1.2.1 Each party will be responsible for those portions of the 911 System for which it has total control, including any necessary maintenance to each Party's portion of the 911 System.

17.1.2.2 U S WEST, or its agent, will be responsible for maintaining the E-911 Data Base. U S WEST, or its agent, will provide a copy of the Master Street Address Guide ("MSAG"), and quarterly updates, to Sprint.

17.1.2.3 Sprint assumes all responsibility for the accuracy of the data that Sprint provides to U S WEST for MSAG preparation and E-911 Data Base operation.

17.1.2.4 Sprint will provide end user data to the U S WEST ALI data base utilizing NENA-02-001 Recommended Formats For Data Exchange, NENA-02-002 Recommended

Standard For Street Thoroughfare Abbreviations and NENA-02-003 Recommended Protocols For Data Exchange. U S WEST will furnish Sprint any variations to NENA recommendations required for ALI data base input.

17.1.2.5 Sprint will provide end user data to the U S WEST ALI data base that are Master Street Address Guide (MSAG) valid and meet all components of the NENA-02004 Recommended Measurements For Data Quality.

17.1.2.6 Sprint will update its end user records provided to the U S WEST ALI data base to agree with the 911 MSAG standards for its service areas.

17.1.2.7 U S WEST will provide Sprint with the identification of the U S WEST 911 controlling office that serves each geographic area served by Sprint.

17.1.2.8 The Parties will cooperate in the routing of 911 traffic in those instances where the ALI/ANI information is not available on a particular 911 call.

17.1.2.9 U S WEST will provide Sprint with the ten-digit telephone numbers of each PSAP agency, for which U S WEST provides the 911 function, to be used by Sprint operators for handling emergency calls in those instances where the Sprint customer dials "O" instead of "911".

17.1.2.10U S WEST must implement a process to identify and correct errors to the ALI database to ensure that the accuracy of data entered by U S WEST for Sprint is no less accurate than its own data. Sprint is responsible for record data provided to U S WEST for entry or entered by Sprint.

17.1.2.11U S WEST must identify process for handling of "reverse ALI" for 911.

17.1.3 If a third party, i.e., U S WEST, is the primary service provider to a county, Sprint will negotiate separately with such third party with regard to the provision of 911 service to the county. All relations between such third party and Sprint are totally separate from this Agreement and U S WEST makes no representations on behalf of the third party.

17.1.4 If Sprint is the primary service provider to the county, Sprint and U S WEST will negotiate the specific provisions necessary for providing 911 service to the county and will include such provisions in an amendment to this Agreement.

17.1.5 Sprint will separately negotiate with each county regarding the collection and reimbursement to the county of applicable customer taxes for 911 service.

17.1.6 Sprint is responsible for network management of its network components in compliance with the Network Reliability Council Recommendations and meeting the network standard of U S WEST for the 911 call delivery.

17.1.7 The parties shall provide a single point of contact to coordinate all activities under this Agreement.

17.1.8 Neither Party will reimburse the other for any expenses incurred in the provision of E-911 services.

17.2 Performance Criteria. E-911 Data Base accuracy shall be as set forth below:

17.2.1 Accuracy of ALI (Automatic Location Identification) data will be measured jointly by the PSAPs (Public Safety Answering Points) and U S WEST in a format supplied by U S WEST. The reports shall be forwarded to Sprint by U S WEST when relevant and will indicate incidents when incorrect or no ALI data is displayed.

17.2.2 Each discrepancy report will be jointly researched by U S WEST and Sprint. Corrective action will be taken immediately by the responsible party.

17.2.3 Each party will be responsible for the accuracy of its customer records. Each party specifically agrees to indemnify and hold harmless the other party from any claims, damages, or suits related to the accuracy of customer data provided for inclusion in the ALI/E911 Data Base.

17.2.4 The additional parameters by which the Parties will utilize the 911 or E-911 database will be the subject of further discussion between the parties.

17.3 Information

17.3.1 Where permitted by law, USWEST, or its agent, will make available to Sprint the mechanized Master Street Address Guide ("MSAG") and routine updates.

17.3.2 U S WEST will provide mapping of NXXs to Selective Routers and PSAPs.

17.3.3 U S WEST must provide reports to identify the locations of E911 tandems with CLLI codes.

17.3.4 U S WEST must provide reporting to identify rate center to wire center to central office relationships; which 911 tandems serve which NXXS, primarily or exclusively.

17.3.5 U S WEST must provide access to NXX overlay maps and detailed NXX boundaries, as well as network maps to identify diversity routing for purposes of 911 service provisioning. Sprint shall not use information provided under this section for other purposes.

17.3.6 U S WEST must provide reports to identify which databases cover which states or areas of the state.

17.3.7 Sprint requires and U S WEST shall provide a point-of-contact for each database administrator.

17.3.8 U S WEST must identify any special operator-assisted calling requirements to support 911 such as current procedures for deaf

and disabled, handicapped, and back door numbers for emergency locations.

17.3.9 U S WEST shall provide Sprint with a list of emergency numbers (e.g. same digit PSAP numbers, police, fire, etc.) on the same basis that it provides those numbers to itself.

Sprint shall hold U S WEST harmless for the accuracy of such lists. FURTHER NEGOTIATION NEEDED Dan to Check

17.3.10 U S WEST must provide interconnection to 911 selective routing switch to route calls from Sprint network to correct Public Safety Answering Point ("PSAP").

17.3.11 U S WEST must identify any special routing arrangements to complete overflow.

17.3.12 U S WEST must identify any requirements for emergency backup number in case of massive trunk failures.

17.3.13 U S WEST must provide sufficient planning information regarding anticipated move to the use of SS7 signaling within the next 12 months.

17.3.14 U S WEST must identify any special default ESN requirements.

17.3.15 U S WEST must adopt NENA standards for street addressing and abbreviations.

17.3.16 U S WEST must adopt use of a carrier code (NENA standard 5-character field) on all ALI records received from CU S WESTS,

carrier code will be useful when remote call forwarding is used as an interim "solution" to local number portability, and will be even more important when a true local number portability solution has been implemented.

18 **U S WEST DEX ISSUES**

U S WEST and Sprint agree that certain issues, such as yellow page advertising, directory distribution, access to call guide pages, yellow page listings, will be the subject of negotiations between Sprint and directory publishers, including U S WEST Dex. U S WEST acknowledges that Sprint may request U S WEST to facilitate discussions between Sprint and U S WEST Dex.

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19 ACCESS TO POLES, DUCTS, CONDUITS, AND RIGHTS OF WAY

19.1 Each Party shall provide the other Party access to its poles, ducts, rights-of-way and conduits it controls on terms, conditions and prices comparable to those offered to any other entity pursuant to each party's applicable tariffs and or standard agreements.

19.2 Where facilities are available and to the extent allowable by law, regulation and or property owner-manager, U S WEST must make available to any telecommunications carrier requesting access with equal and non-discriminatory competitively neutral access to, by way of example and not limited to, any pole, pole attachment, duct, conduit, and Right of Way (ROW) on, over or under public or private property, on terms and conditions equal to that obtained by U S WEST. Other users of these facilities cannot interfere with the availability or use of these facilities by Sprint.

19.3 Any authorization to attach to poles, over-lashing requirements, or modifications to the conduit system or other pathways to allow access to and egress from the system shall not be unreasonably restricted, withheld, or delayed.

19.4 U S WEST will take no action to intervene against, or attempt to delay, the granting of permits to Sprint for use of public ROWs or access with property owners so long as such Rights of Way do not interfere with U S WEST's Right of Way rights.

19.5 Application Fees related to engineering surveys for potential right-of- way use shall be cost-based as defined by the FCC rules as they are finalized.

19.6 Charges shall be consistent with the provisions in the Act and/or effective Commission rulings.

19.7 U S WEST will provide routine notification of changes to poles, conduits, ROW, etc., related to Sprint's network utilizing these facilities.

19.8 U S WEST will make available access, as needed, on a route-specific request basis, to current pole-line prints, and conduit prints, and make available maps of conduit and manhole locations, and allow manhole-conduit break-outs and audits to confirm usability.

19.9 U S WEST will provide information on the location of, and the availability to access inner-duct, poles, etc., to Sprint when requesting such information, within 10 working days after the request.

19.10 All charges assessed by U S WEST for access to and use of public or private ROWs provided by U S WEST shall be based on U S WEST cost.

19.11 U S WEST shall not attach, or permit other entities to attach facilities on existing Sprint facilities without Sprint's prior written consent.

19.12 U S WEST shall make available to Sprint, by lease or otherwise, the entire innerduct.

19.13 U S WEST shall provide to Sprint a single point of contact for negotiating all structure lease and ROW agreements.

19.14 Sprint shall have the option to be present at the field based survey and U S WEST shall provide Sprint at least 24 hours notice prior to the start of such field survey. During the field survey, U S WEST shall allow Sprint

personnel to enter manholes and equipment spaces and view pole structures to inspect such structures in order to confirm usability or assess the condition of the structure.

19.15 At Sprint's request and Sprint's acceptance of a U S WEST cost estimate, U S WEST shall relocate and/or make ready existing ROW, conduit or pole attachments where necessary and feasible to provide space for Sprint's requirements. Subject to the requirements above, the parties shall endeavor to mutually agree upon the time frame for the completion of such work. However, such work shall in no case exceed 30 days unless otherwise agreed to by the parties upon demonstration of sufficient cause for the delay.

19.16 Sprint may, at its option, make pole attachments and use Sprint or Sprint designated personnel to attach its equipment to U S WEST poles.

19.17 Whenever U S WEST intends to modify or alter any ROW, conduit or pole attachments which contain Sprint's facilities, U S WEST shall provide written notification of such action to Sprint so that Sprint will have the opportunity to add to or modify Sprint's facilities. If Sprint adds to or modifies its facilities according to this paragraph, Sprint shall bear its proportionate share of the costs incurred by U S WEST in making such facilities accessible.

19.18 In the event of a relocation necessitated by a governmental entity exercising the power of eminent domain, when such relocation is not reimbursable each party shall bear its proportionate cost of relocating the ROW, conduits and pole attachments. U S WEST is responsible for the costs for moving the structure and its facilities, while Sprint is responsible for the costs to move its facilities located on or in the structure. To the

extent that Sprint has a separate permit for a ROW, Sprint will be responsible for obtaining a new permit. If Sprint elects to add new facilities during the relocation effort, Sprint shall pay the costs of any new Sprint facilities and the costs of installation of those facilities in the newly rebuilt U S WEST ROW, conduit and pole attachment.

20 ACCESS TO OPERATIONAL SUPPORT SYSTEMS

20.1 Purpose

20.1.1 This section sets forth the interface requirements for pre-ordering, ordering and provisioning, maintenance and repair, and billing, where Sprint provides service to its customers through resale of Local Services or through the use of Unbundled Network Elements and Combinations.

20.1.2 For all Local Services, Network Elements and Combination ordered under this Agreement, U S WEST will provide Sprint pre-ordering, ordering and provisioning, maintenance and repair, and billing services within the same level of quality of service available to U S WEST. Systems capabilities will be implemented according to a mutually agreed upon and documented schedule.

20.2 Use of Standards

20.2.1 As described below, Sprint and U S WEST agree to implement each interface described below based upon existing and evolving industry standards or as mutually agreed upon. The Parties shall transition the electronic interfaces to industry standards within a time-frame mutually agreed to.

20.3 Reimbursement

20.3.1 Reimbursement for operational interfaces shall be as determined by the appropriate regulatory agency as set forth in this Agreement.

20.4 Scope

20.4.1 This Attachment addresses the real-time transaction based protocols and transport networks that will be used to exchange information for:
20.4.1.1Pre-order/Ordering/Provisioning for Service Resale (SR) and

20.4.1.2 Maintenance Repair for SR and UNEs

20.4.2 It also addresses the batch protocols and transport networks that will be used to exchange information for:
20.4.2.1 Recorded Customer Usage for SR and UNE
20.4.2.2 Wholesale Billing for SR and UNE
20.4.2.3 Recorded Usage Receivables for UNE
20.4.2.4 Local Account Maintenance for SR and UNE
20.4.2.5 Directory Assistance Database

20.4.3 The preceding list of information to be exchanged is intended to be exemplary and does not represent a comprehensive list of such information to be exchanged between the parties.

20.4.4 Sprint and U S WEST will use at least one method of exchanging pre-order information which will be real-time transaction based. Sprint and U S WEST may also assess and determine the arrangements and conditions to support Batch file transmittal for certain types of pre-order information related to the Street Address Guide and Switch/Feature Facility availability.

20.5 System Interfaces

20.5.1 For Pre-order, Order and Provisioning, an exchange protocol, such as that based upon a subset of Common Management Interface Protocol (CMIP) transactions referred to as Electronic Communications-Lite (EC-Lite), will be used to transport Electronic Data Interchange (EDI) formatted content. Sprint and U S WEST will use a TCP/IP based transport network for the exchange of EDI transactions. Sprint and U S WEST will translate ordering and provisioning requests from the Ordering and Billing Forum (OBF) forms into EDI transactions using mutually agreed to mappings. The Service Order subcommittee (SOSC) of the telecommunications Industry Forum/Electronic Data Interchange (TCIF/EDI) committee interpretations of the 850, 855, 860, 864, 865, 870, and 977 transactions, in accordance with the OBF forms, will be used to convey all the necessary data to connect, modify or disconnect local exchange services.

20.5.2 For Maintenance and Repair, the CMIP transactions referred to as Electronic Bonding - Trouble Administration (EB-TA) will be used. Sprint and U S WEST will use an X.25 transport network which is the currently defined standard.

20.5.3 For Billing, Sprint and U S WEST will use EDI 811 and OBF Billing Output Specification (BOS) formats via CONNECT: Direct. Section X further defines the conditions when one or the other format will be used.

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20.5.4 For Local Account Maintenance (LAM), Sprint and U S WEST agree to use CONNECT: Direct.

20.5.5 For Directory Assistance Database Information, Sprint and U S WEST agree to use a batch protocol and transport network that is yet to be determined.

20.5.6 Modifications to OBF forms that are required due to the absence of, or existence of unnecessary data fields, contents, or formats will be addressed in the Joint Implementation Agreement (JIA) described in Section 18. of this Attachment.

20.6 Real Time Performance

20.6.1 The pre-order real time interface will support the Sprint customer contact as executed within Sprint's Sales and Service Centers. Gateway-to-gateway query-response cycle time performance requirements will be specified as part of the Joint Implementation Agreement (Section 18).

20.6.2 The transaction response time U S WEST provides to Sprint Sales and Service Center will be equal in quality with that which U S WEST provides to itself. U S WEST agrees to provide Sprint benchmarking information for end-user performance based on transaction volumes (nominal - light volume, standard - typical volume, and worst case - heavy volume). Sprint may request an improvement in the transaction response time U S WEST provides to Sprint's Sales and Service Center above that which U S WEST provides to itself, through the Bona Fide Request Process, which is defined in the Interconnection Agreement should cycle times not meet Sprint's business requirements.

20.7 Compliance with Industry Standards

20.7.1 Sprint and U S WEST agree to discuss the modification of these interfaces based upon evolving standards (e.g., data elements, protocols, transport networks, etc.) and guidelines issued by or referenced by relevant Alliance for Telecommunication Industry Solution (ATIS) committees. Establishment of new, or changes to industry standards and guidelines will be reviewed on no less than an annual basis commencing on the Effective Date of this Agreement. This review will consider standards and guidelines that have reached final closure as well as those published in final form. Both parties agree to evaluate evolving standards and mutually determine the relevant modification to be implemented based upon the latest approved version adopted or the latest version reflecting final closure by the relevant (ATIS) committee or subcommittee. The parties will use reasonable effort to reach closure upon the necessary changes within no more than three months of initiating each review and to implement the changes within nine months or earlier, if reasonably possible, unless there is mutual agreement to a different implementation schedule.

20.7.2 In the course of establishing operational ready system interfaces between U S WEST and Sprint to support Local Service delivery, Sprint and U S WEST may need to define and implement system interface specifications that are supplemental to existing standards. Where mutually agreed to, Sprint and U S WEST will submit such specifications to the appropriate standards committee and will work towards its acceptance as a standard.

20.8 Scheduled Availability

20.8.1 Sprint and U S WEST agree to define an operational/production readiness target date of [TBD] for the delivery of all systems interfaces described within this document, with the mutual understanding that (1) product delivery content is dependent on requirements definition and the time required to develop to these requirements and (2) operational readiness is dependent upon satisfactory test results for the transaction volumes projected by Sprint. Sprint and U S WEST agree to work to mutually identify, prioritize and track those functions which may need to be positioned in a subsequent systems interface delivery. These functions will be jointly reviewed to define the time frame for development of subsequent releases of the system interfaces and establish mutually agreeable delivery dates.

20.8.2 Sprint and U S WEST agree that project schedules, timelines, milestone deliverables, reporting processes, among others, will be specified in the Joint Implementation Agreement. These schedules and deliverables will be reviewed and revised as needed as part of regularly scheduled meetings conducted throughout the development/implementation cycle.

20.9 Pre-Order

20.9.1 The Parties agree that the exchange of pre-ordering information for resale services and for services provided using UNEs will be transmitted over the same interface.

20.9.2 Sprint and U S WEST will establish a transaction-based electronic communications interface based upon the most current (as of the Effective Date of this Agreement) version of the Service Order Subcommittee (SOSC) implementation guideline for Electronic Data Interchange (EDI). An exchange protocol, such as Electronic Communications-Lite (EC-Lite) will be used to transport EDI formatted content necessary to perform inquiries including but not limited to: Switch/Feature/Facility Availability, Address Verification, Telephone Number Assignment, Appointment Scheduling, and Customer Service Record requests. Without limiting other restrictions which may apply, Customer Service Records are provided for the limited purpose of supporting the resale of U S WEST local exchange services by Sprint or the sale of unbundled elements on behalf of that customer. The use of records in a manner not associated with the ordering process, is

expressly forbidden, and is a violation of the terms of this agreement.

20.10 Order and Provisioning

20.10.1 When Sprint is the customer of record for the resold local exchange service(s), the exchange of information relating to the ordering and provisioning of local exchange service will be based upon the American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 Standards as documented by the SOSC of the Telecommunications Industry Forum/Electronic Data Interchange (TCIF-EDI) committee. The Implementation Guidelines for Electronic Data Interchange EDI Guidelines Customer Services Issue 7 will be used as a baseline for implementation despite the fact that this document may not have reached final approval stage by the Effective Date of this Agreement. An exchange protocol, such as EC-Lite will be used to transport EDI formatted content. The information exchange will be forms-based, using Local Service Request (LSR) Form, End User Information Form, and the Resale Service Form developed by the OBF as specified in the August 1996 version of the OBF forms in Bellcore SR STS-4710XX, and for Directory Listings, included with a local service request, as specified in SR STS-471102.

20.10.2 The customer specific UNE order will be based upon OBF LSR forms. The applicable SOSC implementation guidelines described previously also apply to the Customer Specific Provisioning UNE orders. U S WEST and Sprint agree that the information exchange will be forms-based using the Local Service Request Form, End User Information Form, Loop Service Form (which may ultimately be renamed the Loop Element form) and Port Form (which may ultimately be renamed the Switch Element Form) developed by the OBF. Customer-specific elements, or combinations thereof, to be supported in UNE orders shall be as permitted in the applicable Interconnection Agreement for unbundled elements and subject to FCC and state regulatory requirements.

20.10.3 Subject to regulatory direction or mutual agreement relative to the requirement of providing combinations of UNE components, Sprint and U S WEST will establish a method to relate, track and process as a single entity the individual U S WEST provided customer specific UNE components specified at the time of the initial order.

20.10.4 Sprint and U S WEST will use the same transaction based protocol, such as EC-Lite, and transport network specified for service resale for customer specific UNE orders.

20.10.5 The ordering of common use UNEs, as may be permitted under the Agreement for unbundled elements and subject to FCC and state regulatory requirements, will be supported by a process separate from that described in the preceding paragraphs for customer-specific UNEs.

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Unless U S WEST is otherwise required to provide equivalent, non-discriminatory treatment to Sprint, this process will not employ the electronic interfaces specified in this Agreement, unless modified by separate agreement. U S WEST will support, if and to the extent required by law, this Agreement or mutually agreed to, interconnection and operation of customer specific UNEs used in combination with common use UNEs. The systems and ordering process as outlined herein is separate and apart from the Bona Fide Request Process agreed to by the parties. The Joint Implementation Agreement will address the details related to defining a mechanism to correlate customer-specific UNE orders placed via system interfaces with Common Use UNEs that may have been previously ordered.

20.10.6 U S WEST will accept an 860 transaction that contains the complete refresh of the previously provided order information (under the original 850 transaction) simultaneously with the delivery of supplemental (new/revised) information from Sprint, subject to mutually agreed upon business rules. This treatment with respect to the 860 transaction will be accepted by both parties until the SOSC explicitly clarifies the information exchanges associated with supplementing orders, or Sprint and U S WEST mutually agree to change the treatment.

20.11 Maintenance and Repair

20.11.1 The exchange of maintenance and repair information, for both U S WEST retail local exchange services to be resold by Sprint and for services Sprint provides using a U S WEST UNE or combinations of U S WEST UNEs, will be transmitted over the same interface.

20.11.2 For the purpose of exchanging fault management information, Sprint and U S WEST will establish an electronic bonding interface, based upon ANSI standards T1.227-1995 and T1.228-1995, and Electronic Communication Implementation Committee (ECIC) Trouble Report Format Definition (TRFD) Number 1 as defined in ECIC document ECIC/TRA/95-003, and all standards referenced within those documents. The parties will use the functions currently implemented for reporting access circuit troubles. These functions include, but are not limited to: Enter Trouble, Request Trouble Report Status, Add Trouble Information, Modify Trouble Report Attributes, Trouble Report Attribute Value Change (AVC) Notification and Cancel Trouble Report, all of which are fully explained in ANSI T1.227/T1.228-1995. Additional functions not currently implemented by the parties or defined by the standards may be supported by mutual agreement (e.g. Test Access and Trouble History).

20.11.3 Modifications that are required due to the absence of, or existence of unnecessary data fields, contents, or formats will be addressed in the Joint Implementation Agreement.

20.12 Recorded Customer Usage

20.12.1 U S WEST will record the mutually agreed upon customer usage data that Sprint requires for its retail local service customers. The content of such data will be based upon a mutually agreeable interpretation of the BellCore Exchange Message Record (EMR) format to be documented within the JIA. U S WEST will provide electronic transmission of the recorded data using CONNECT: Direct daily on Monday through Friday on a schedule to be determined in the Joint Implementation Agreement (excluding holidays). This interface and format will be used to deliver recorded usage when Sprint is reselling retail local exchange services of U S WEST and when usage is associated with customers served by Sprint through one or more UNEs provided by U S WEST. Sprint and U S WEST will mutually agree upon the conditions when customer usage data recording will be provided on behalf of Sprint.

20.13 Billing Format for Service Resale (SR) and Unbundled Network Elements (UNE) Payables

20.13.1 Billing information for unbundled loop and port elements that are flat rated will be provided in a single EDI 811 format across all U S WEST regions via Connect:Direct. Billing information for unbundled trunks/interoffice transport elements that are flat rated will be provided in a BOS format via Connect:Direct and will appear in the Customer Service Record of the facility bill. Billing information for SR products and services that are flat rated will be provided in a single EDI 811 format across all U S WEST regions via Connect:Direct. Exceptions include, but are not limited to, frame relay which will be provided in a BOS format via Connect:Direct. The display of rating codes and the associated charge will be mutually agreed upon in both formats. Charges associated with a specific loop will reflect the circuit ID format.

20.13.2 For usage-rated billing, U S WEST will issue bills to Sprint for SR/UNE in the formats described under the flat-rated SR/UNE billing section. Usage rated billing for SR/UNE will be uniquely identified and displayed in the Usage Sections of the bill. For products using BOS format, jurisdiction will be specified per BOS guidelines. Conversation time, by chargeable traffic type, will be displayed and billed per applicable tariffs. Delivery of usage rated SR/UNE bills will be provided as described under the flat-rated SR/UNE billing section.

20.13.3 UNEs which U S WEST agrees to provide, under the terms and conditions of the Agreement or to the extent required by law, that are recombined as a single service, will be grouped together by U S WEST and displayed together on the bill.

20.14 Recorded UNE Local or Access Usage Receivables

20.14.1 U S WEST will record all agreed upon originating and terminating usage billed to and associated with a UNE provided by U S WEST to Sprint.

The usage recorded will be in the same BellCore Exchange Message Record format discussed within Section IX and will be subject to the same terms and conditions for modification and/or replacement of the format as discussed in Section IX.

20.14.2 Sprint and U S WEST will mutually agree upon the Local and Long Distance access customer usage data recording that U S WEST will provide to Sprint consistent with FCC and State regulatory guidelines and requirements, so that Sprint may bill other carriers for the local and exchange access usage charges to which Sprint is entitled, if any. Sprint and U S WEST will perform mutually agreeable systems testing, as documented in the Joint Implementation Agreement (Section 20.18), in advance of the [TBD] target delivery date for interfaces.

20.14.3 U S WEST will provide electronic transmission of the recorded usage using Connect:Direct daily on Monday through Friday on a schedule to be determined in the Joint Implementation Agreement (excluding holidays). The same or similar interface used for delivery of Recorded Customer Usage, discussed in Section 12, will be used for delivery of the recorded usage discussed in this section.

20.15 Local Account Maintenance

20.15.1 When acting as the switch provider for Sprint, where Sprint either is reselling retail services of U S WEST or employing UNEs to provide local service, U S WEST will notify Sprint whenever the local service customer transfers service from Sprint to another local service provider. U S WEST will provide this notification via CONNECT: Direct using a mutually agreeable 4 digit Local Use Transaction Code Status Indicator (TCSI) that will be used to indicate that the retail customer is terminating local service with Sprint. This notice will be provided on the next processing day after implementing the transfer, where processing days are Monday through Friday (excluding holidays). The TCSI, sent by U S WEST, will be in the 960 byte industry standard CARE record format.

20.15.2 Sprint and U S WEST will process account changes that affect only the pre-subscribed intraLATA and/or interLATA toll provider (PIC) via a Records Change service order form using the same EC-Lite transaction based protocol and transport network employed for ordering resale service as specified in Section VII.

20.15.3 When appropriate regulatory guidelines exist, the mechanism U S WEST will use to reject an interexchange carrier initiated change of the Primary Interexchange Carrier (PIC), where U S WEST is the switch provider either for the retail local services of U S WEST that Sprint resells or UNEs of U S WEST that Sprint employs in providing service, will be the industry standard CARE message TCSI 3148.

20.15.4 Agreement by U S WEST and Sprint to the Local Account Maintenance

described above does not, in any way, set a precedence or remove any obligation for U S WEST and Sprint to work towards an industry solution for supporting customer movement between and among other ILECs and CLECs.

20.16 Directory Assistance Database

20.16.1 Sprint and U S WEST will use a batch protocol and transport network to exchange Directory Assistance Database information similar to existing U S WEST listings products (i.e., DA F20 List, DA F20 Updates). The specific protocol and transport network to be used has not been determined or mutually agreed to and will be specified in the JIA.

20.16.2 Without limiting other restrictions which may apply, directory service listing products are provided for the limited purpose of supporting provision of services as outlined in the Agreement. The use of listings in a manner not associated with this use, is expressly forbidden, and is a violation of the terms of the Agreement.

20.17 Testing and Acceptance

20.17.1 Sprint and U S WEST agree that no interface will be represented as either generally available as to Sprint or as operational as to Sprint until end-to-end integrity and load testing, as agreed to in the Joint Implementation Agreement (Section 18.), or other mutually acceptable documentation is completed to the satisfaction of both parties. The intent of the end-to-end integrity testing is to establish, through the submission and processing of test cases, that transactions agreed to by Sprint and U S WEST will successfully process, in a timely and accurate manner, through both parties' supporting OSS as well as the interfaces. Irreconcilable differences regarding the interpretation of operational status of the interfaces will be handled through the Dispute Resolution Process to be defined in the Interconnection Agreement approved by the applicable state commission.

20.17.2 An interoperability testing suite shall ensure the implementation of functions, capabilities, and acceptance criteria enumerated in the JIA, with both parties agreeing to resolve any material defects in the software.

20.17.3 The test process shall include a series of tests in which the transactions, representative of the predominant business transactions associated with local customer servicing, are performed side-by-side using the mediated access gateway interface to U S WEST Legacy systems and the Legacy system interface utilized by U S WEST service representatives and repair attendants. The purpose of this series of tests will be to verify that the performance and response times visible to a user of the mediated access gateway for nominal and worst case scenarios are at statistical parity with those seen by a user of the Legacy systems directly.

20.17.4 U S WEST does not warrant that its systems and access to those systems will be error-free.

20.17.5 Products and services already billed via the Integrated Access Billing System (IABS) will be included in the existing pre-bill certification process for general availability and a re-certification process conducted in accordance with current practices. For products and services billed outside of IABS, the parties will work towards establishing a mutually agreed upon pre-bill certification process.

20.17.6 Sprint and U S WEST agree that metrics are required in order to monitor the performance and assure the on-going delivery of non-discriminatory access to U S WEST systems for Pre-Order/Ordering/Provisioning, Maintenance/Repair, Billing, and Directory Assistance databases. A performance measurement plan that addresses the definition, measurement, and review of quality, timeliness, accuracy and availability of each interface and associated transactions or files will be jointly developed and documented within the JIA for each interface.

20.17.7 Sprint and U S WEST agree to periodic status meetings to review the overall progress toward achieving fully operational interfaces by the target date of [TBD]. The results of testing are considered confidential information, as it relates to the disclosure of confidential information described in the Agreement.

20.18 Joint Implementation Agreement Development

20.18.1 Sprint and U S WEST recognize that the preceding provisions are not sufficient to fully resolve all, technical and operational details related to the interfaces described. Therefore, Sprint and U S WEST agree to document the additional, technical and operational details in the form of a Joint Implementation Agreement (JIA). The purpose of the JIA is to establish the working details of the systems interfaces between the two parties, and as such, they will not be submitted to the state commissions for approval as amendments to the Agreement. These JIA may be modified, by mutual agreement, over the life of the interconnection agreement without subjecting the balance of the interconnection agreement to renegotiation or modification.

20.18.2 Both parties further agree that any technical, operational or implementation issues directly associated with the systems interfaces, once identified at the working team level, may be escalated by the initiative of either party thirty (30) days after an issue is identified. The escalation will proceed first to the senior management of both companies who will seek to resolve the issue. Within 14 days of acceptance of this Agreement, Sprint and U S WEST will document the agreed upon escalation process including the names and contact information of responsible senior management. If an issue is not resolved within thirty days following receipt of the issue by senior management, either party

may submit the issue to the Alternative Dispute resolution process contained in the Interconnection Agreement approved by the applicable state commission.

20.18.3 Sprint and U S WEST will document an overall project implementation schedule within 60 days of signing this Agreement. This schedule will be mutually binding and can be modified by mutual consent. The parties will each identify an implementation team with members necessary to complete the plan.

20.18.4 In addition, Sprint and U S WEST agree to document both a topical outline for the JIA, and establish a schedule for identifying, discussing, resolving and documenting resolution of issues related to each aspect of the JIA topical outline for each interface discussed in this document. In no case will either end to end integrity testing or load testing begin without both parties mutually agreeing that each interface JIA documents the intended operation of the interface scheduled for testing. In the event the parties can not so agree, within 120 days of the target date for Operational Readiness, disputes over the sufficiency of documentation will be submitted to arbitration pursuant to the Alternative Dispute Resolution process contained in the Agreement.

20.18.5 By mutual agreement, specific paragraphs or entire sections of the Agreement may be identified and documented to serve the purpose described for the Joint Implementation Agreement for specific interfaces. Any issues identified and subsequently resolved through either the end-to-end integrity or load testing processes will be incorporated into the impacted interface section of the JIA within 30 days of issue resolution.

20.18.6 An illustrative outline for a JIA follows:

- 20.18.6.1Introduction
- 20.18.6.2Purpose of Joint Implementation Agreement
- 20.18.6.3Terms of Agreement
- 20.18.6.4"System" Interface
  - 20.18.6.4.1Business Process and Data requirements
  - 20.18.6.4.2Overall Responsibilities
  - 20.18.6.4.3Identification & Definitions of Activities
- 20.18.6.5Information To Be Provided Per Transaction
- 20.18.6.6Process Information for Each Activity & Transaction

20.18.7 Delivery Criteria

- 20.18.7.1Data Standard
- 20.18.7.2Message Protocol
- 20.18.7.3Transmission Protocol
- 20.18.7.4Destination
- 20.18.7.5Frequency Of Data
- 20.18.7.6Deviations to Generic Specification
- 20.18.7.7Error Processing
- 20.18.7.8Process for Notification of Late Transmittals

20.18.7.9 Escalation & Expedite Procedures
20.18.7.10 Transaction Response Times
20.18.7.11 File Format Specifications
20.18.7.12 Rules for the Physical Interface
20.18.8 File Structure
20.18.8.1 Data Format
20.18.8.2 Error Controls
20.18.8.3 Physical Tape Specifications
20.18.8.4 Site Information
20.18.8.5 Contact Person
20.18.8.6 Transmission Hours
20.18.9 Testing
20.18.9.1 Cooperative Testing
20.18.9.2 Pairwise Testing
20.18.9.3 ETE Testing
20.18.9.4 Test Order ETE (Employees)
20.18.9.5 Future Testing Requirements
20.18.10 Interface Metrics
20.18.10.1 Data Timeliness
20.18.10.2 Data Completeness
20.18.10.3 Data Accuracy
20.18.11 Contact Information
20.18.11.1 Contacts/Escalation Contacts
20.18.11.2 Schedules for Center Operations (days/hours of Operation)
20.18.12 Data Requirements
20.18.12.1 Retention of Data
20.18.12.2 Back-up and Recovery Procedures
20.18.12.3 Disaster Recovery
20.18.12.4 System Change Notification
20.18.12.5 Guarding of Proprietary Data
20.18.13 Reporting Information
20.18.13.1 Reports to be Generated
20.18.13.2 Frequency
20.18.13.3 Data Requirements
20.18.13.4 Transmission
20.18.14 Change Control Process
20.18.15 Issue Resolution Process
20.18.16 Termination of Interface Notification

21. NOTICE OF CHANGES

21.1. If a Party makes a change in its network which it believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide advance notice of such change to the other Party in accordance with the applicable FCC regulations.

21.2. U S WEST must provide notification of any pending tandem moves, NPA splits, or scheduled maintenance outages in advance, providing enough time for Sprint to react.

22 **REFERRAL ANNOUNCEMENT**

When an end user customer chances from U S WEST to Sprint, or from Sprint to U S WEST, and does not retain their original telephone number, the Party formerly providing service to the end user will provide a transfer of service announcement on the abandoned telephone number. Each Party will provide this referral service free for the initial period as specified in the tariffs, but not less than 90 days. This announcement will provide details on the new number that must be dialed to reach this customer. In those cases where referral announcements are not requested, the disconnected number will be connected to a recorded intercept announcement.

23 COORDINATED REPAIR CALLS

23.1 U S WEST will utilize 7 digit or 800 number access to business office and repair centers so that Sprint customers have dialing parity to similar U S WEST centers. U S WEST shall provide Sprint with at least the same intervals and level of service provided by U S WEST to itself or another party at any given time to ensure parity in treatment.

23.2 U S WEST will investigate the use of Voice Response Units (VRU) or similar technologies or intercept solutions to refer/transfer calls from Sprint customers to Sprint for proper customer service action.

23.3 U S WEST and Sprint shall develop a mutually agreeable process for the management of misdirected service calls. Sprint and U S WEST will employ the following procedures for handling misdirected repair calls:

23.3.1 Sprint and U S WEST will provide their respective customers with the name of their provider and the correct telephone numbers to call for access to their respective repair bureaus.

23.3.2 Customers of Sprint shall be instructed to report all cases of trouble to Sprint. Customers of U S WEST shall be instructed to report all cases of trouble to U S WEST.

23.3.3 To the extent the correct provider can be determined, misdirected repair calls will be referred to the proper provider of Basic Exchange Telecommunications Service.

23.3.4 Sprint and U S WEST will provide their respective repair contact numbers to one another on a reciprocal basis.

23.3.5 In responding to repair calls, neither Party shall make disparaging remarks about each other, nor shall they use these repair calls as the basis for internal referrals or to solicit customers to market services. Either Party may respond with accurate information in answering customer questions.

24 BONA FIDE REQUEST

24.1 Any request for interconnection or access to an unbundled Network Element that is not already available as described herein shall be treated as a Bona Fide Request (BFR). U S WEST shall use the BFR Process to determine technical feasibility of the requested interconnection or Network Elements and, for those items found to be feasible, to provide the terms and timetable for providing the requested items.

24.2 A BFR shall be submitted in writing and shall, at a minimum, include:

24.2.1 a technical description of each requested Network Element or interconnection;

24.2.2 the desired interface specification;

24.2.3 each requested type of interconnection or access;

24.2.4 a statement that the interconnection or Network Element will be used to provide a telecommunications service;

24.2.5 the quantity requested; and

24.2.6 the specific location requested.

24.3 Within 15 business days of its receipt, U S WEST shall acknowledge receipt of the BFR and in such acknowledgment advise Sprint of any missing information, if any, necessary to process the BFR. Thereafter, U S WEST shall promptly advise Sprint of the need for any additional information that will facilitate the analysis of the BFR.

24.4 Within 30 calendar days of its receipt of the BFR and all information necessary to process it, U S WEST shall provide to Sprint a preliminary analysis of the BFR. The preliminary analysis shall specify: (a) U S WEST's conclusions as to whether or not the requested interconnection or access to an unbundled Network Element is technically feasible; and (b) any objections to qualification of the requested Network Element or interconnection under the Act.

24.4.1 If U S WEST determine during the 30 day period that a BFR is not technically feasible or that the BFR otherwise does not qualify as a Network Element of interconnection that is required to be provided under the Act, U S WEST shall advise Sprint as soon as reasonably possible of that fact, and U S WEST shall promptly, but in no case later than ten days after making such a determination, provide a written report setting forth the basis for its conclusion.

24.4.2 If U S WEST determines during the thirty day period that the BFR is technically feasible and otherwise qualifies under the Act, it shall notify Sprint in writing of such determination within ten days.

24.4.3 As soon as feasible, but in any case within 90 days after U S WEST notifies Sprint that the BFR is technically feasible, U S WEST shall provide to Sprint a BFR quote which will include, at a minimum, a description of each interconnection and Network Element, the quantity to be provided, any interface specifications, and the applicable rates (recurring and non-recurring) including the separately stated amortized development

costs of the interconnection or the network elements and any minimum volume and term commitments required to achieve amortization of development costs. An initial payment for development cost is appropriate only where Sprint is the only conceivable customer or where requested quantity is insufficient to provide amortization.

24.5 Within 30 days of its receipt of the BFR quote, Sprint must either agree to purchase under those terms, cancel its BFR, or seek mediation or arbitration.

24.5.1 If Sprint agrees to pay the development costs, and requests U S WEST to proceed:

24.5.1.1 U S WEST will additionally charge those development cost, on a prorated basis, as set forth below, to the next nine parties who place an initial order after Sprint for the interconnection or Network Element;

24.5.1.2 As each additional party places its initial order for the interconnection or Network Element, U S WEST will refund the appropriate prorated portion of the development cost to parties who have previous paid development costs, as set forth below; and

24.5.1.3 The charges and refunds will be made using the proration chart set forth below, but this scheme of charges and refunds shall end and U S WEST shall not be obligated to made further refunds with respect to the development costs of a particular interconnection or Network Element after two years from the date when U S WEST first makes the particular interconnection or Network Element available.

24.5.1.4. Refund Table

Requester	Development Cost	Refund	Refund to
1st	100%	NA	NA
2nd	50%	50.00%	1st Party

3rd	33.33%	16.67%	1st & 2nd
4th	25%	8.33%	1st - 3rd
5th	20%	5.00%	1st - 4th
6th	16.67%	3.33%	1st - 5th
7th	14.29%	2.38%	1st - 6th
8th	12.50%	1.79%	1st - 7th
9th	11.11%	1.39%	1st - 8th
10th	10%	1.11%	1st - 9th

No Further Refunds

24.6 If Sprint has agreed to the terms of the BFR minimum volume and term commitments under the preceding paragraph, Sprint may cancel the BFR or volume and term commitment at any time, but in the event of such cancellation Sprint will pay U S WEST's reasonable development costs incurred in providing the interconnection or network element, to the extent that those development costs are not otherwise amortized.

24.7 If either Party believes that the other Party is not requesting, negotiating or processing any BFR in good faith, or disputes a determination, or quoted price or cost, it may seek dispute resolution under Section 36.29 of this agreement.

24.8 Sprint is not required to use this section as the exclusive method of seeking access to interconnection or Network Elements.

25 AUDIT PROCESS

25.1 "Audit" shall mean the review of:

25.1.1 data used in the billing process (including usage data) for services performed and facilities provided under this Agreement; and

25.1.2 data relevant to pre-ordering, ordering, provisioning and maintenance for services performed or facilities provided by either of the Parties for itself or others that are similar to the services performed or facilities provided under this Agreement for interconnection, resale or access to unbundled elements.

25.1.3 The extent of review shall be determined on a case by case basis depending on business needs.

25.2 The data referred to in subsection 25.1.2 above, shall be relevant to any performance standards that are adopted in connection with this Agreement, through negotiation, arbitration or otherwise.

25.3 This Audit shall take place under the following conditions:

25.3.1 Either Party may request to perform an Audit.

25.3.2 The Audit shall occur upon 30 business days written notice by the requesting Party to the non-requesting Party.

25.3.3 The Audit shall occur during normal business hours.

25.3.4 There shall be no more than one Audit per identified area of operation - requested by each Party under this Agreement in any 12-month period or as mutually agreed to by the parties. Should the auditing party find an aggregate variance of greater than 1% of the total annual billed amount, the auditing party may perform an additional audit in the same 12 month period to verify resolution of the issue.

25.3.5 The requesting Party may review the pertinent information contained in the non-requesting Party's records, books, documents and processes, relevant to the audit.

25.3.6 The location of the Audit shall be the location where the requested records, books and documents are retained in the normal course of business.

25.3.7 All transactions under this Agreement which are over 24 months old no longer subject to specific Audit unless otherwise agreed to by the parties. However, should a problem be discovered during the course of an audit that is older than 24 months, the auditing party shall have the right to the problem back to its origin subject to state regulation or law.

25.3.8 Each Party shall bear its own expenses occasioned by the Audit, provided that the expense of any special data collection shall be born by the requesting Party.

25.3.9 The Party requesting the Audit may request that an Audit be conducted by a mutually agreed-to independent auditor. Under

this circumstance, the costs of the independent auditor shall be paid for by the Party requesting the Audit.

25.3.10 In the event that the non-requesting Party requests that the Audit be performed by an independent auditor, the Parties shall mutually agree to the selection of the independent auditor. Under this circumstance, the costs of the independent auditor shall be shared equally by the Parties.

25.3.11 The Parties agree that if an Audit discloses error(s), the Party responsible for the error(s) shall, in a timely manner, undertake corrective action for such error(s). The parties will develop a corrective action plan including a schedule for completion.

25.4 All information received or reviewed by the requesting Party or the independent auditor in connection with the Audit is to be considered Proprietary Information as defined by this Agreement. The non-requesting Party reserves the right to require any non-employee who is involved directly or indirectly in any Audit or the resolution of its findings as described above to execute a nondisclosure agreement satisfactory to the non-requesting Party. To the extent an Audit involves access to information of other competitors, Sprint and U S WEST will aggregate such competitors' data before release to the other Party, to insure the protection of the proprietary nature of information of other competitors.

26 AUDIOTEXT AND MASS ANNOUNCEMENT SERVICES

26.1 The Parties agree that access to the audiotext, mass announcement and information services of each Party shall be made available to the other Party upon execution of an agreement defining terms for billing and compensation of such calls. Services included in this category include 976 calls, whether flat rated or usage sensitive, intraLATA 900 services and other intraLATA 976-like services. Such calls will be routed over the Local Interconnection Trunks.

26.2 Sprint and U S WEST will work together in good faith to negotiate and execute the agreement for billing and compensation for these services within 90 days of the execution of this Agreement. The Parties agree that their separate agreement on audiotext and mass announcement services will include details concerning the creation, exchange and rating of records, all of which will occur without any explicit charge between the Parties, as well as a process for the handling of uncollectibles so that the company that has the relationship with the Information Provider has responsibility for uncollectibles.

26.3 Until such time that Sprint has the capability to bill 900 type calls, Sprint may choose to block such calls, or Sprint will provide at no charge Billing Name and Address of the of the Originating caller to the Information Provider or its billing agent.

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27 LOCAL INTERCONNECTION DATA EXCHANGE FOR BILLING

27.1 There are certain types of Resale or Unbundled Network Element configured calls or types of interconnection that require exchange of billing records between the Parties, including, for example, alternate billed and Toll Free Service calls. The Parties agree that all call types must be routed between the networks, accounted for, and settled among the parties. Certain calls will be handled via the Parties' respective operator service platforms. The Parties agree to utilize, where possible and appropriate, existing accounting and settlement systems to bill, exchange records and settle revenue, including, but not limited to, return feeds as necessary.

27.2 The exchange of billing records for alternate billed calls (e.g., calling card, bill to-third number, and collect) will be distributed through the existing CMDS processes, unless otherwise separately agreed to by the Parties.

27.3 Inter-Company Settlements ("ICS") revenues will be settled through the Calling Card and Third Number Settlement System ("CATS"). Each Party will provide for its own arrangements for participation in the CATS processes, through direct participation or a hosting arrangement with a direct participant.

27.4 Non-ICS revenue is defined as collect calls, calling card calls, and billed to third number calls which originate on one service provider's network and terminate on another service provider's network in the same Local Access Transport Area ("LATA"). The Parties agree to negotiate and execute an Agreement within 30 days of the execution of this Agreement for settlement of non-ICS revenue. This separate arrangement is necessary since existing CATS processes do not permit the use of CATS for non-ICS

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revenue. Existing settlement processes will be used to transport and settle call records for this traffic.

27.4.1 Access to in and out-collect process for intra-region alternately billed messages via the appropriate BellCore Client Company will be provided as available to other connecting local exchange carriers.

27.4.2 Long term, the Parties will utilize a neutral third party for in and out-collect processing for inter and intra-region alternately billed messages.

27.5 Both Parties will provide the appropriate call records to the intraLATA Toll Free Service Provider, thus permitting the Service Provider to bill its subscribers for the inbound Toll Free Service.

27.6 Both parties will return unbillable or misdirected messages for credit to the Originating party via normal data exchange processes. Further adjustments, such as, uncollectibles and the data elements to be included with the returned message detail will be determined jointly by the parties.

27.7 Out-collects - FURTHER NEGOTIATION NEEDED

U S WEST will provide to Sprint the unrated message [illegible] originates from an Sprint subscriber line but which [illegible] number other than the originating number (e.g. call [illegible] number). U S WEST will transmit such [illegible] Sprint. Sprint will be deemed the earning company [illegible] rating the message at Sprint [illegible] for providing the billing [illegible] to use billing. Sprint will [illegible] separate agreement for [illegible] for the revenue it is due [illegible]

28 SIGNALING ACCESS TO CALL-RELATED DATABASES

28.1 When Sprint is purchasing local switching from USWEST, USWEST will provide access via the STP to call related databases used in AIN services. The Parties agree to work in the industry to define the mediated access mechanisms for SCP access. Access to the U S WEST SMS will be provided to CU S WEST to create, modify, or update information (including the creation of new AIN triggers) in the call related databases, equivalent to the U S WEST access.

28.2 U S WEST will offer unbundled signaling via LIS-Common Channel Signaling Capability (CCSAC). CCSAC service utilizes the SS7 network and provides access to call-related databases that reside at U S WEST 's SCPS, such as the Line Information Database (LIDB) and the 800 Database. The access to U S WEST 's SCPs will be mediated via the STP Port in order to assure network reliability.

28.3 CCSAC includes:

28.3.1 Entrance Facility - This element connects Sprint's signaling point of interface with the U S WEST serving wire center (SWC). Sprint may purchase this element or it may self-provision the entrance facility. If the entrance facility is self-provisioned, Sprint would need to purchase collocation and an expanded interconnection channel termination.

28.3.2 Direct Link Transport (DLT) - This element connects the SWC to the U S WEST STP. Sprint may purchase this element or self-provision transport directly to the STP. If Sprint provides the link

to the STP, it must purchase collocation and an expanded interconnection channel termination at the STP location.

28.3.3 STP Port - This element provides the switching function at the STP. One STP Port is required for each DLT Link. The Port provides access to the Service Control Point (SCP).

28.4 Access to Advanced Intelligent Network (AIN) functions is available only through the STP.

28.5 U S WEST will provide access to Service Management Systems (SMS) through its off-line Service Creation Environment (SCE) on an equivalent basis as U S WEST provides to itself to allow Sprint to create, modify, or update information in call related databases. Currently, the SCE process is predominantly manual.

28.6 The pricing for CCSAC service is provided in Appendix A.

28.6.1 All appropriate industry standards for signaling inter-operability will be followed. When available for its own use, U S WEST shall also provide all defined and supported optional parameters.

28.6.2 Carriers shall have the option for Multi-frequency ("MF") signaling, but only when either party does not have the technical capacity to provide SS7 facilities.

28.6.3 To the extent available, at present or in the future, in its network, U S WEST shall provide CIP (CIC) within the SS7 call set-up signaling protocol, at no charge. Sprint presumes there is no incremental recurring costs associated with this request and

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believes no charges are appropriate. If after performing a TELRIC study, incremental cost are identified, Sprint will pay those costs for delivery of this information to Sprint. If chargeable, Sprint will likewise perform a cost study to identify this cost when it provides this information to U S WEST and shall charge U S WEST in a similar manner. At the option of Sprint, U S WEST must provide SS7 functionality via GR-394 SS7 format and/or GR-317 SS7 format.

28.6.4 Where available, at present or in the future, U S WEST must support intercompany 64 KBPS clear channel for "D" links.

28.6.5 Carriers will cooperate in the exchange of TCAP messages to facilitate full inter-operability of SS7 - based features between their representative networks, including all CLASS features and functions, to the extent each carrier offers such features and functions to its own end-users.

28.6.6 Inter-network connection and protocol must be based on industry standards developed through a competitively neutral process, consistent with Sec. 256 of the Federal Telecommunications Act of 1996, open to all companies for participation. All carriers must adhere to the standard.

28.6.7 The standards and U S WEST developed requirements/ specifications for the U S WEST network-user interface must be compatible between U S WEST and Sprint. Specifically, U S WEST shall not develop products and services with proprietary network interfaces that inhibit or restrict the ability of Sprint to utilize the product or service in the provisioning of Sprint

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services. (This is not intended to limit U S WEST's ability to develop new proprietary services which would not impact Sprint's current provisioning of services (e.g., voice dialing, voice messaging).

28.7 SS7 signaling links and STP access must be provided.

28.8 SS7 functionality for signaling within U S WEST company network and to any network with which the U S WEST company is connected must be provided.

28.9 All call-related databases must be unbundled and available for query by Sprint including LIDB, Toll Free Calling and Number Portability through physical access at the U S WEST STP related to the database.

28.10 Access to AIN databases will be available for access through a U S WEST STP by Sprint through either purchase of the U S WEST local switching element or through the SS7 connection with Sprint's switch.

28.11 U S WEST STPs shall maintain global title translations necessary to direct AIN queries for select global title address and translation type values to the Sprint SS7 network.

29 INTERCONNECTION TO LINE INFORMATION DATA BASE (LIDB)

29.1 Description of Line Information Data Base (LIDB).

Line Information Data Base (LIDB) stores various line numbers and Special Billing Number (SBN) data used by, among other things, operator services systems to process and bill calls and provision of caller ID name. The operator services system accesses LIDB data to provide origination line (calling number), billing number and termination line (called number) management functions. LIDB is used for calling card validation, fraud verification, preferred IC association with the calling card, billing or service restrictions and the sub-account information to be included on the call's billing record.

29.2 Interfaces.

29.2.1 Bellcore's GR-446-CORE defines the interface between the administration system and LIDB including specific message formats. (Bellcore's TR-NWP-000029, Section 10).

29.3 LIDB Access.

29.3.1 All LIDB queries and responses from operator services systems and end offices are transmitted over a CCS network using a Signaling System 7 (SS7) protocol (TR-NWT-000246, Bell Communications Research Specification of Signaling System 7).

29.3.2 All LIDB queries and responses from the Public Packet Switched Network (PPSN) nodes are transmitted over one or more PPSN as TRTSY000301 describes. The application data needed for

processing LIDB data are formatted as TCAP messages. TCAP messages may be carried as an application level protocol network using SS7 protocols for basic message transport.

29.3.3 The SCP node provides all protocol and interface support. CU S WEST SS7 connections will be required to meet Bellcore's GR905, TR954 and U S WEST's Technical Publication 77342 specifications.

29.3.4 U S WEST will allow Sprint to store any customer line or Special Billing number in the U S WEST LIDB database. Sprint will submit LIDB updates through the exchange carrier service center and the LSS service bureau. These two centers enter information into U S WEST's service order process interface system, SOPI.

29.3.5 U S WEST's will allow LIDB access to non-U S WEST companies through regional STPS.

29.3.6 All additions, updates and deletions of Sprint data to the LIDB shall be solely at the direction of Sprint.

29.3.7 Normal requests for LIDB updates will be processed on the same basis as U S WEST provides to itself , its affiliates or others but, Sprint may request of U S WEST priority updates to Sprint LIDB data upon demonstration of critical need (e.g., to support fraud protection, deny/restore, etc.).

29.3.8 Until U S WEST develops mediated access to LIDB , U S WEST shall provide Sprint, upon request, direct verification of the

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accuracy of Sprint data in LIDB through screen print reports of specific numbers in question or statistical sampling of the entire universe of numbers. Sprint shall be responsible for the reasonable and appropriate costs of Sprint requested reports.

29.3.9 U S WEST shall perform backup and recovery of all of Sprint's data in LIDB on the same basis as it provides itself.

29.4 Toll Free Number Database

29.4.1 The Toll Free Number Database is a SCP that provides functionality necessary for toll free (e.g., 800 and 888) number services by providing routing information and additional so-called vertical features during call set-up in response to queries from SSPs.

29.4.2 U S WEST shall make the U S WEST Toll Free Number Database available for Sprint to query from Sprint's designated switch (which includes U S WEST's Local Switching when purchased by Sprint as a Network Element) with a toll-free number and originating information.

29.4.3 The Toll Free Number Database shall return carrier identification and, where applicable, the queried toll free number, translated numbers and instructions as it would in response to a query from a U S WEST switch.

29.4.4 The signaling interface between the Sprint or other local switch and the Toll-Free Number database shall use the TCAP protocol.

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DRAFT VERSION
April 23, 1997

30 **SPECIAL CONSTRUCTION CHARGES**

30.1 All rates, charges and initial service periods specified in this Agreement contemplate the provision of network interconnection services, equipment and facilities to the extent available. Where U S WEST is required to build facilities for network interconnection, construction charges will apply. Construction charges will also apply when facilities are placed at the direction of Sprint and U S WEST determines in the normal course of business that sufficient volume will not exist for U S WEST; or that the placement of facilities will be temporary.

30.2 When facilities for interconnection services are not ... U S WEST is required to construct said facilities, U S ... determine the cost required to be paid by SPRINT to ... service. Up front costs paid by Sprint will be refund... WEST to Sprint as additional users utilize the facili... facilities itself.

Refund Table:

Requesters	Development Cost Refund
1st	100% N/A
2nd	50% 50.00
3rd	33.33% 16.67
4th	25% 8.33
5th	20% 5.0
6th	16.67% 3.3
7th	14.29% 2.3
8th	12.50% 1.5
9th	11.11% 1.1
10th	10% 1.1
	No Further Refunds

FU... NEEDED.

30.1 Except where required, all necessary construction will be undertaken at the discretion of U S WEST, consistent with budgetary responsibilities and consideration for the impact on the general body of customers.

30.2 A quote for Sprint portion of a specific job will be provided to Sprint or others requesting the construction. The quote will be in writing including the negotiated start and completion dates and will be binding for ninety (90) days after the issue date. When accepted, Sprint will be billed the quoted price and construction will commence after receipt of payment. If Sprint chooses not to have U S WEST construct the facilities, U S WEST reserves the right to bill Sprint for the reasonable expenses incurred for producing the engineered job design.

30.3 In the event a construction charge is applicable, Sprint service application date will become the date upon which U S WEST receives the required payment.

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31 RESALE

31.1 Description

U S WEST Basic Exchange Telecommunications Service, Basic Exchange Switched Features, and intraLATA toll will be available for resale from U S WEST pursuant to the Act and will reference terms and conditions (except prices) in U S WEST tariffs, where applicable. Appendix A lists services which are available for resale under this Agreement and applicable discounts. The Parties agree that, at this time, certain U S WEST services are not available for resale under this Agreement. (e.g., Voice Mail, inside wire, and deregulated services).

31.2 Scope

31.2.1 U S WEST shall not discriminate against Sprint or Sprint customers (where the services offered under this contract require U S WEST to directly deal with Sprint customers) and shall provide parity treatment (as compared to its own end-user or other carriers) to Sprint and Sprint customers (where the services offered under this contract require U S WEST to directly deal with Sprint customers) in all regards to (by way of example and not limited to) ordering, provisioning, maintenance, call completion, pricing, numbering, restoration, directory listing, data protection (e.g., CPNI), service availability, intervals, and signaling.

31.2.2 CPNI of one party's subscribers obtained by virtue of Local Interconnection or any other service provided under this Agreement shall be proprietary information and may not be used

by the other party for any purpose except performance of its obligations under this Agreement, and in connection with such performance, shall be disclosed only to employees with a need to know, unless the subscriber expressly authorizes the other party to disclose such information. The parties may not use CPNI to target customers of the other party to obtain such authorization to disclose.

31.2.3 When purchasing switching capabilities, Sprint requires the ability to order all available features on that switch (e.g., call blocking of 900-like calls by line or trunk on an individual service basis) and U S WEST shall provide, as needed, high usage reports to Sprint to the extent generated by U S WEST or ordered by a regulatory Commission, so that Sprint may provide any regulatory required high usage reports to its end-user. U S WEST examples of high usage reports include those used with toll-cap service and fraud detection where customer service is suspended when usage reaches a certain level.

31.2.4 Based on business needs U S WEST will work toward a U S WEST service center group available 7 days a week, 24 hours a day, and in the interim must handle U S WEST calls as well as other customer calls in a non-discriminatory manner.

[redacted] ARBITRATION ITEM [redacted]

[redacted] applicable for th[redacted]

31.2.5 There shall be no restrictions on the resale of basic exchange telecommunications services with the following exceptions:

31.2.5.1 Business services may only be sold to business customers qualified to purchase those services pursuant to the U S WEST tariffs.

31.2.5.2 Residential services may not be resold to business customers;

31.2.5.3 Basic Exchange Telecommunications services may not be resold as a substitute for switched access services.

31.2.5.4 Lifeline services may only to be sold according to the customer qualifications set out in U S WEST tariffs.

31.2.5.5 Promotions of 90 days or less are not subject to the resale discount. Concurrent runnings of the same 90 day or less promotion would be subject to the resale discount.

The Following Section is Applicable for the State of Colorado Only (Arbitration Order, Issue #5 at pp. 14-15):

31.2.5 There shall be no restrictions on the resale of basic exchange telecommunications services with the following limited exceptions:

31.2.5.1 Residential services may not be resold to business customers;

31.2.5.2 Basic Exchange Telecommunications services may not be resold as a substitute for switched access services.

31.2.5.3 Lifeline services may only to be sold according to the customer qualifications set out in U S WEST tariffs.

31.2.5.4 Promotions of 90 days or less are not subject to the resale discount. Concurrent runnings of the same 90 day or less promotion would be subject to the resale discount.

31.2.5.5 U S WEST shall offer all deregulated services to Sprint at a discount for resale.

Text Is Applicable for the State of Iowa Only:

31.2.1 U S WEST shall make all retail telecommunications services offered to end user customers available for resale with the following restrictions:

31.2.2 Residential services may not be resold to any other class of customers;

31.2.3 Services for the deaf and disabled or others mandated by law may not be resold to any ineligible customers.

31.2.4 Promotional offerings of 90 days or less need not be offered at a discount. Concurrent runnings of the same 90 day or less promotion would be subject to the resale discount.

31.2.5 Sprint may only resell grandfathered services to customers currently receiving the same grandfathered services from U S WEST.

This following Section is Applicable for the State of [illegible]
([illegible] at pp. 17-18):

31.2.5 There shall be no restrictions on the resale of basic exchange telecommunications services with the following limited exceptions:

31.2.5.1 Residential services may not be resold to business customers;

31.2.5.2 Basic Exchange Telecommunications services may not be resold as a substitute for switched access services.

31.2.5.3 Lifeline services may only to be sold according to the customer qualifications set out in U S WEST tariffs.

31.2.5.4 Promotions of 90 days or less are not subject to the resale discount. Concurrent runnings of the same 90 day or less promotion would be subject to the resale discount.

31.2.5.5 For resale of Centron or other business services to residential customers:

31.2.5.6 Sprint guarantees that its agents will not engage in coercive behavior or direct pressure to residential end users, such as requiring Sprint Centron services in leases or purchase agreements. Agents will ensure that information provided to end users regarding Centron service is accurate and complete.

31.2.5.6 Upon termination of an agreement between Sprint and Sprint's Centron agent, Sprint or its agent will provide each residential end user receiving Centron service with written notification of the termination.

[illegible]ion is Applicable for the State
[illegible] at page 2):

31.2.5 U S WEST shall make retail services available to Sprint for resale in accordance with 47 CFR part 51, subpart G. U S WEST shall not make available as a wholesale offering non-regulated enhanced services such as voice messaging service.

31.2.6 Residence service may not be resold to business customers.

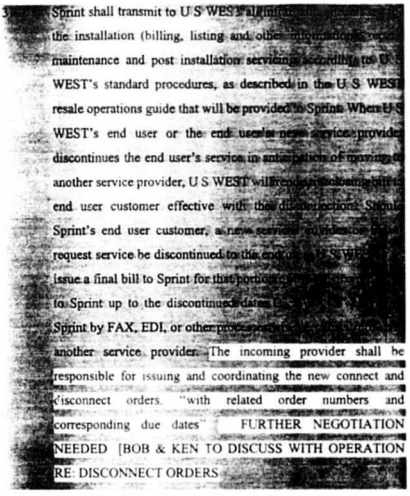
31.2.6.1 Basic Exchange Telecommunications Service available to end users may not be resold as a substitute for switched access service.

31.2.7 U S WEST shall bill Sprint and Sprint is responsible for all applicable charges for the resold services.

31.3 Ordering and Maintenance

31.3.1 U S WEST will have dedicated Service Representatives available to handle Sprint activity. Also, U S WEST will have an Account Manager assigned to Sprint in U S WEST's Interconnect Service Center (ISC).

31.3.2 Sprint, or Sprint's agent, shall act as the single point of contact for its end users' service needs, including without limitation, sales, service design, order taking, provisioning, change orders, training, maintenance, trouble reports, repair, post-sale servicing, billing, collection and inquiry. Sprint shall make it clear to its end users that they are customers of the Sprint for services. End users intending to contact Sprint, but inadvertently contacting U S WEST, will be instructed to contact Sprint and U S WEST will not market its products and services nor disparage Sprint in any way during that contact.



3 Sprint shall transmit to U S WEST all [illegible] the installation (billing, listing and other [illegible] maintenance and post installation servicing according to U S WEST's standard procedures, as described in the U S WEST resale operations guide that will be provided to Sprint. Where U S WEST's end user or the end user's new service provider discontinues the end user's service in anticipation of moving to another service provider, U S WEST will [illegible] end user customer effective with that disconnection. Should Sprint's end user customer, a new service provider or request service be discontinued to the end [illegible] issue a final bill to Sprint for that portion [illegible] to Sprint up to the discontinued date [illegible] Sprint by FAX, EDI, or other [illegible] another service provider. The incoming provider shall be responsible for issuing and coordinating the new connect and disconnect orders "with related order numbers and corresponding due dates" FURTHER NEGOTIATION NEEDED [BOB & KEN TO DISCUSS WITH OPERATION RE: DISCONNECT ORDERS

31.3.4 Sprint shall provide U S WEST and U S WEST shall provide Sprint with points of contact for order entry, problem resolution, billing and repair of the resold services within 90 days of the effective date.

31.3.5 Completion confirmation must be provided at parity with U S WEST own internal work to ensure that all necessary translation work is completed on newly installed facilities or augments. The

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OSS Mediated Interface will allow Sprint access to completion confirmations.

31.3.6 Sprint will have access to the ICONN database which provides U S WEST Switch Network ID information, NPA/NXXs, rate centers, etc. Features and functions by switch will be available via the OSS mediated databases.

31.3.7 U S WEST must provide a list/description of all services and features with availability down to street address detail, including: Type of Class 5 Switch by CLLI, line features availability by LSO, and service and capacity availability by LSO. Sprint further requires a complete layout of the data elements that will be required to provision all such services and features.

31.3.8 U S WEST must use reasonable efforts to provide Sprint with accurate pre-order information and Sprint must use reasonable efforts to provide U S WEST with accurate ordering information as received from U S WEST. U S WEST will provide Sprint with at least the same pre-ordering information as it uses for its own purposes.

31.3.9 Customer Authorization

31.3.9.1 U S WEST and Sprint will use the existing PIC process as a model, and the same or similar procedures for changes of local providers. For a local carrier change initiated by Sprint or an agent of Sprint to a customer, one of the following four (4) procedures will constitute authorization for the change: (a)Obtain the customer's

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written authorization (letter of authorization or LOA); (b) Obtain the customer's electronic authorization by use of an toll-free number; (c) Have the customer's oral authorization verified by an independent third party (third party verification); and (d) Send an information package, including a prepaid, returnable postcard, within three (3) days of the customer's request for a local carrier change, and wait fourteen (14) days before submitting the local carrier change to the previous carrier.

31.3.9.1.1 It is understood by U S WEST and Sprint that these procedures may be superseded or modified by FCC rules or industry standards.

31.3.9.1.2 U S WEST will provide Sprint authorization for a local carrier change that is initiated by a customer call to Sprint. In this case Sprint will: (a) maintain internal records verifying the customer's stated intent to switch carriers; and (b) produce the record in case of a slamming dispute consistent with the FCC rules.

31.3.9.2 Prior to placing orders that will disconnect a line from another reseller's account, Sprint is responsible for obtaining all information needed to process the disconnect order and reestablish the service on behalf of the end user. Should an end user dispute or a discrepancy arise regarding the authority of Sprint to

act on behalf of the end user, Sprint is responsible for providing written evidence of its authority to U S WEST within three (3) business days following the receipt of the written request in Sprint's designated business office, listed in this agreement, as updated from time to time. If there is a conflict between the end user designation and Sprint's evidence or its authority, U S WEST shall honor the designation of the end user and change the end user back to the previous service provider. If Sprint does not provide the CA within three (3) business days, or if the end user disputes the authority of the CA, then Sprint must, by the end of the third business day,:

31.3.9.2.1 notify U S WEST to change the end user back to the previous reseller or service provider, and

31.3.9.2.2 provide any end user information and billing records Sprint has obtained relating to the end user to the previous reseller, and

31.3.9.2.3 notify the end user and U S WEST that the change has been made, and

31.3.9.2.4 remit to U S WEST a slamming charge as provided in Appendix A as compensation for the change back to the previous reseller or service provider, or

31.3.9.2.5 request that U S WEST approve an extension of approval which such approval will not be unreasonably withheld.

31.3.10 Sprint shall designate the Primary Interexchange Carrier (PIC) assignments on behalf of its end users for interLATA services and intraLATA services when intraLATA presubscription is implemented.

31.3.11 If there is a conflict between an end user (and/or its respective agent) and Sprint regarding the disconnection or provision of Unbundled Loops, U S WEST will honor the latest dated Customer Authorization designating an agent by the end user or its respective agent. If the end user's service has been disconnected and the end user's service is to be restored with U S WEST, Sprint will be responsible to pay the applicable non-recurring charges as set forth in U S WEST's applicable tariff, to restore the end user's prior service with U S WEST.

31.4 Sprint Responsibilities

31.4.1 Sprint must send U S WEST complete and accurate end-user listing information for Directory Assistance, Directory, and 911 Emergency Services using the established processes of U S WEST. Sprint must provide to U S WEST accurate end-user information to ensure appropriate listings in any databases in which U S WEST is required to retain and/or maintain end-user information. U S WEST assumes no liability for the accuracy of information provided by Sprint.

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31.4.2 Sprint may reserve U S WEST telephone numbers as allowed by tariffs.

31.4.3 U S WEST will treat Sprint in the same manner as it treats a U S WEST own end user relative to collection of revenues due to fraud. Sprint and U S WEST may share responsibility, and may make appropriate adjustments in cases of fraud where, and to the degree, each are liable, to the degree of their respective gross negligence or intentional misconduct. The Parties will cooperate in the general prevention and investigation of fraudulent use of resold services.

31.4.4 This agreement does not address the resale of U S WEST provided calling cards, other than U S WEST's calling cards are not available on resold accounts. When end-user accounts are converted to Sprint accounts all non-Sprint calling cards will automatically be terminated at conversion.

31.4.5 Sprint will provide a three year forecast within ninety (90) days of signing this Agreement which shall be considered proprietary information. The forecast shall be updated and provided to U S WEST on a quarterly basis. The initial forecast will provide:

- The date service will be offered (by city and/or state)
- The type and quantity of service(s) which will be offered
- Sprint's anticipated order volume
- Sprint's key contact personnel

31.4.6 In the event U S WEST terminates the provisioning of any resold services to Sprint for any reason, Sprint shall be responsible for

providing any and all necessary notice to its end users of the termination. In no case shall U S WEST be responsible for providing such notice.

31.5 Rates, Charges, and Other Requirements

31.5.1 Resold services as listed in Appendix A are available for resale at the applicable resale tariff rates or at the rates or at the wholesale discount levels set forth in Appendix A.

31.5.2 If the resold services are purchased pursuant to Tariffs and the Tariff rates change, charges billed to Sprint for such services will be based upon the new Tariff rates less the applicable wholesale discount as agreed to herein. The new rate will be effective upon the Tariff effective date.

31.5.3 A Customer Transfer Charge (CTC) as specified in Appendix A applies when transferring any existing account or lines to Sprint.

31.5.4 A Subscriber Line Charge (SLC) will continue to be paid by Sprint without discount for each local exchange line resold under this Agreement. All federal and state rules and regulations associated with SLC as found in the applicable tariffs also apply.

31.5.5 Sprint will pay to U S WEST the PIC change charge associated with Sprint end user changes of interLATA or intraLATA carriers. Any PIC administration change charge must be at TELRIC plus a reasonable allocation of forward-looking shared and common costs plus a reasonable contribution.

31.5.6 Sprint agrees to pay U S WEST when its end user activates any services or features that are billed on a per use or per activation basis (e.g., continuous redial, last call return, call back calling, call trace, etc.). Access to these services will not be turned up if Sprint requests that those services will be blocked. U S WEST shall not allow any service to be used by Sprint customers that have not been purchased from Sprint. U S WEST shall provide Sprint with detailed billing information (per applicable OBF standards, if any) as necessary to permit Sprint to bill its end users such charges.

31.5.7 Resold services are available where facilities currently exist or are provided in the future as part of U S WEST's normal course of business operations for its end users and are capable of providing such services without construction of additional facilities or enhancement of existing facilities. However, if Sprint requests that facilities be constructed or enhanced to provide resold services, U S WEST will review such requests on a case-by-case basis and determine,, in its sole discretion, if it is economically feasible for U S WEST to build or enhance facilities. If U S WEST decides to build or enhance the requested facilities, U S WEST will develop and provide to Sprint a price quote for the construction. If the quote is accepted, Sprint will be billed the quoted price and construction will commence after receipt of payment.

31.5.8 As part of the resold line, U S WEST provides operator services, directory assistance and intraLATA long distance. At the request of Sprint and where technically feasible, U S WEST

will rebrand operator services and directory assistance in Sprint's name, provided the costs associated with such rebranding are paid by Sprint. Sprint will have the option of obtaining such services on an unbranded basis, provided the costs associated with such unbranding are paid by Sprint. Where required by state commission, U S WEST must unbrand its own directory services and costs will be assessed per the Commission requirements.

31.5.9 U S WEST will address all Sprint requests for ancillary resale systems, programs, and initiatives on an individual case basis where not otherwise covered in this agreement.

31.5.10 All regulated telecommunications services offered at retail to end-users of U S WEST who are not carriers must be available for resale by Sprint.

31.5.11 Every retail service rate, including promotions, discounts, and option plans must have a corresponding wholesale rate as referenced in Appendix A. New services shall have a wholesale rate established at the same time the new service becomes available.

31.5.12 If U S WEST continues to sell a product to any end-user under grandfathered arrangements, U S WEST must make that product available for resale by Sprint to that end-user. If a service withdrawn from certain customers remains available to other customers, that service must be made available for resale to those customers that could still purchase the service at retail.

0142.49.158

31.5.13 U S WEST must provide a reasonable notice period for changes/discontinuation of services so that Sprint has an opportunity to make the necessary modifications to its ordering, billing, and customer service systems, and so that it can provide sufficient customer notification regarding any changes. If the notice period is insufficient as determined by Sprint, Sprint may intervene in U S WEST's tariff filing to obtain more time.

31.5.14 Sprint's local customers must be able to retain their existing U S WEST provided telephone number provided they do not change their service address to an address serviced by a different central office without loss of feature capability and ancillary services such as, but not exclusively: DA, 911/E911 capability. Both Sprint and the U S WEST will work cooperatively on exceptions.

31.5.15 When U S WEST provides short installation intervals to its end-users, via soft dial tone, U S WEST shall match those installation intervals for Sprint (e.g. facilities are already connected at the premises and all that is required is a computer entry activating service, such as "warm line" activation) once the order is received from Sprint.

31.5.16 The wholesale price for each retail service must be determined based on the FCC or state commission approved methodology where costs USWEST will avoid will be removed when the service is resold. FCC Rule and 51.609.

31.5.17 U S WEST must either adopt interim wholesale rates within the 96-98 Order's proxy range or produce cost studies within the

0142.49.159

specified time frame contemplated for negotiations as part of good faith negotiations.

31.5.18 Information concerning the Interconnection and Wholesale Telecommunications Services agreements U S WEST has made with other CLECs, ILECs and with its own affiliates will be available in the public domain.

31.5.19 U S WEST must provide the ability for Sprint to order local and intraLATA/interLATA long distance toll service on a unified order.

31.5.20 U S WEST shall provide confirmation of the installation/change activity to Sprint via an initial Firm Order Confirmation ("FOC") and positive completion of order activity. When available, U S WEST will provide "as is" order processing via electronic interfaces when customers are migrating from U S WEST to Sprint at the same location. On migration type orders, the FOC shall contain all services/features currently being provided by U S WEST and those services/features being migrated to Sprint. Via electronic interface, Sprint may confirm services and features ordered. While Sprint prefers a positive completion notification delineating all the services installed and those not installed to be sent to Sprint upon actual completion of the order on the same day the order is completed; but, until available, Sprint will accept notification at parity with U S WEST's internal processes. This will ensure proper billing to end-user customers for services provided.

31.5.21 Once Sprint has obtained a customer, U S WEST shall provide in pre-ordering and ordering phases of processing the Sprint order, U S WEST regulated local features, products, services, elements, and combinations that were previously provisioned by U S WEST for that affected Sprint local customer. This applies to all types of local service orders and all elements. Sprint requires that U S WEST provide any customer status which qualifies the customer for a special service (e.g., DA exempt, Lifeline, deaf & disabled, etc.).

31.5.22 U S WEST and Sprint will establish a process to allow for routine reconciliation of customer records.

31.5.23 For the period of time that a customer has chosen Sprint, as the local service provider, Sprint assumes custodianship of Telephone Line Number ("TLN"). Therefore, Sprint must have access to the TLN and Line Information Data Base ("LIDB").

31.5.24 When Sprint rebrands U S WEST local service (becomes the end-user's local service provider), U S WEST shall process all PIC changes provided by Sprint on behalf of the IXCs. If PIC changes are received directly by U S WEST from the IXC, U S WEST shall reject the PIC change back to the IXC with the OCN of Sprint when available in the appropriate field of the industry standard CARE record.

31.5.25 When a CLEC other than Sprint or U S WEST sells local service to an existing Sprint local customer and an order is submitted to U S WEST for migrating the service, U S WEST shall inform Sprint of the disconnect in a manner similar to the existing

CARE process for notifying an IXC of a disconnect PIC change (e.g., inform Sprint of a disconnect within 24 hours). This will ensure accurate billing to the end-user customer.

31.5.26 All notices, invoices, and documentation provided on behalf of Sprint to the customer at the customer's premises by U S WEST's field personnel shall either be branded Sprint or non-branded. U S WEST shall not market its services or disparage Sprint during such calls. Sprint will provide or pay for notices used in its behalf.

31.6 Directory Listings

31.6.1 As part of each resold line, U S WEST will accept at no charge one primary listing for each main telephone number belonging to Sprint's end user customer based on end user information provided to U S WEST by Sprint. U S WEST will place Sprint's listings in U S WEST's directory listing database for directory assistance purposes and will make listings available to directory publishers and to other third parties.

31.6.2 U S WEST shall publish Sprint subscriber listings in U S WEST directories (main listing in White pages), including:

31.6.2.1 Primary White Page Listings

31.6.2.2 Additional White Page Listings

31.6.2.3 Non-Pub/Non-List

31.6.2.4 Premium Call Listings

31.6.2.5 Information Listings

31.6.3 U S WEST's Service Order processing procedures will be used to update directory database with Sprint customer information.

31.6.4 Sprint and U S WEST will establish procedures to prevent errors, and to correct them when they do occur.

31.7 Deposit

31.7.1 U S WEST may require Sprint to make a suitable deposit to be held by U S WEST as a guarantee of the payment of charges. Any deposit required is due and payable within ten days after the requirement is imposed. The amount of the deposit shall be the estimated charges for the resold to, service which will accrue for a two-month period. Interest on the deposit shall be accumulated by U S WEST at a rate equal to the federal discount rate, as published in the Wall Street Journal from time to time.

31.7.2 When the service is terminated, or when Sprint has established satisfactory credit, the amount of the initial or additional deposit, with any interest due, will, at Sprint's option, either be credited to Sprint's account or refunded. Satisfactory credit for Sprint is defined as twelve consecutive months service without a termination for nonpayment and with no more than one notification of intent to terminate Service for nonpayment.

31.8 Billing and Payment

31.8.1 Billable Charges

31.8.1.1 U S WEST will bill and record in accordance with this Agreement those charges Sprint incurs as a result of Sprint purchasing from U S WEST Network Elements, Combinations, and Local Services, as set forth in this Agreement (hereinafter "Charges"). Each bill for Charges (hereinafter "Bill") shall be formatted in accordance with CRIS and IABS, as appropriate. Each such Element, Combination, or Local Service, purchased by Sprint shall be assigned a separate and unique billing code in the form agreed to by the parties and such code shall be provided to Sprint on each Bill. Each such billing code shall enable Sprint to identify the Element(s), or Combinations, Objects and Options as described in the Provisioning section of this Agreement ordered by Sprint, or Local Services ordered or utilized by Sprint in which Charges apply pursuant to this Agreement. Each Bill shall set forth the quantity and description of each such Element, Combination, or Local Service provided and billed to Sprint. All Charges billed to Sprint must indicate the state from which such charges were incurred.

31.8.1.2 U S WEST shall provide Sprint a monthly Bill that includes all Charges incurred by and credits and/or adjustments due to Sprint for those Elements, Combination thereof, or Local Services ordered, established, utilized, discontinued or performed

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pursuant to this Agreement. Each Connectivity Bill provided by U S WEST to Sprint shall include: (1) all non-usage sensitive charges incurred for the period beginning with the day after the current bill date and extending to, and including, the next bill date (assumes the same billing Periods as U S WEST retail services), (2) any known unbilled non-usage sensitive charges for prior periods, (3) unbilled usage sensitive charges for the period beginning with the last bill date and extending up to, but not including, the current bill date (assumes the same billing, periods as U S WEST retail services), (4) any known unbilled usage sensitive charges for prior periods, and (5) any known unbilled adjustments.

31.8.1.3 Sprint prefers Interexchange Access Billing Systems ("IABS") format in order to facilitate standard industry auditing practices.

31.8.1.4 U S WEST will bill all charges due from Sprint within 90 days of the billable event, barring extraordinary circumstances of which Sprint will be notified at the time (but within the 90 days) U S WEST knows or should have reasonably known of the circumstance. When notified of late billable charges, U S WEST and Sprint will negotiate a due date.

31.8.2 Payment Of Charges

31.8.2.1 Subject to the terms of this Agreement, Sprint and U S WEST will pay each other, unless bills are properly disputed within thirty (30) calendar days from the date of the bill or twenty (20) business days from the date the bill is received (or in a readable form for electronic transmissions), whichever is later. If the payment due date is a Sunday or is a Monday that has been designated a bank holiday by the bank Sprint specifies, payment will be made the next business day. If the payment due date is a Saturday or is on a Tuesday, Wednesday, Thursday or Friday that has been designated a bank holiday by the bank Sprint specifies, payment will be made on the preceding business day.

31.8.2.2 Payments shall be made in U.S. Dollars via electronic funds transfer or American Clearing House ("EFT" or "ACH") DAN TO CHECK WITH ALAN Z to the other party's bank account. At least thirty (30) days prior to the first transmission of Billing data and information for payment, U S WEST and Sprint shall provide each other the name and address of its bank, its account and routing number and to whom Billing payments shall be made payable. If such banking information changes, each party shall provide the other party at least sixty (60) days written notice of the change and such notice shall include the new banking information. Sprint will provide U S WEST with one address to which such payments shall be rendered and U S WEST will provide to Sprint only one address to which such payments shall be rendered. In the event Sprint receives multiple Bills from U S WEST

which are payable on the same date, Sprint may remit one payment for the sum of all Bills payable to U S WEST's bank account specified in this subsection. Each party shall provide the other party with a contact person for the handling of Billing payment questions or problems.

31.8.3 Billing Disputes

31.8.3.1 Each party agrees to notify the other party upon the discovery of a billing dispute. In the event of a billing dispute, the parties will endeavor to resolve the dispute within sixty (60) calendar days of the Bill Date on which such disputed charges appear. Resolution of the dispute is expected to occur at the first level of management resulting in a recommendation for settlement of the dispute and closure of a specific billing period. The following resolution procedure will be followed:

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

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

31.8.3.1.3 If the dispute is not resolved within one hundred and twenty (120) days of the Bill Date, the dispute will be escalated to the fourth level of management for each of the respective parties for resolution.

31.8.3.1.4 If the dispute is not resolved within one hundred and fifty (150) days of the Bill Date, the dispute will be resolved in accordance with the procedures set forth in the Dispute Resolution Section of this Agreement.

31.8.4 Late Payment Charges

31.8.4.1 A late payment charge of 1.5% per month applies to all billed balances, which are not properly disputed, which are not paid by the billing date shown on the next bill. To the extent Sprint pays the billed balance on time, but the amount of the billed balance is disputed by Sprint, and, it is later determined that a refund is due Sprint, interest shall be payable on the refunded amount from the date of payment in the amount of 1.5% per month.

31.8.4.2 If a party disputes a Charge and does not pay such charge by the payment due date, such charges shall be subject to late payment charges as set forth in the Late Payment Charges provision of this agreement if the dispute is resolved in favor of the billing party. If a party disputes Charges and the dispute is resolved in favor of such party, the billing party shall credit the Bill

of the disputing party for the amount of the disputed charges along with any late payment charges assessed no later than the second Bill Date after the resolution of the dispute. Accordingly, if a party disputes Charges and the dispute is resolved in favor of the billing party, the disputing party shall pay the billing party the amount of the disputed charges and any associated late payment charges assessed no later than the second bill payment due date after the resolution of the dispute. In no event, however, shall any late payment charges be assessed on any previously assessed late payment charges.

31.8.4.3 Collection procedures and the requirements for deposit are unaffected by the application of a late payment charge

31.8.5 Adjustments

Subject to the terms of this Attachment, U S WEST will reimburse Sprint for incorrect Billing charges; overcharges; Local Services Elements, or any Combination thereof, ordered or requested but not delivered; interrupted Local Services associated with any Element, or combination thereof, in accordance with U S WEST tariffs. Such reimbursements shall be set forth in the appropriate section of the bill.

31.8.6 Recording Of Call Information

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31.8.6.1 The parties agree to record call information in accordance with this subsection. To the extent technically feasible, each party will record all call detail information associated with every call originated or terminated to the other party's local exchange customer. The parties agree that they will record call detail information if technically feasible even if such certain records or call detail information has not been recorded in the past. These records shall be provided at a party's request and shall be formatted pursuant to Bellcore standards and the terms and conditions of this Agreement.

31.8.6.2 U S WEST and Sprint agree that they will retain, at each party's sole expense, copies of all EMR records transmitted to the other party for at least thirty (30) calendar days after transmission to the other party.

31.8.6.3 U S WEST must return EMI records to IXCs with the Sprint industry standard disconnect rejection code and will work toward providing the Operating Company Number ("OCN") of the associated ANI. The OCN is needed so that the IXC will know which local company provides service for the working telephone number.

31.8.7 Remedy for Non-Payment of Undisputed Billed Amounts

31.8.7.1If Sprint fails to make payments of undisputed amounts on dates and times specified, U S WEST may, thirty days following receipt of written notice (by certified U.S. Mail return receipt requested) to the person designated by Sprint to receive such notices of noncompliance, refuse additional

applications for service and/or refuse to complete any pending orders for service by Sprint at any time thereafter. In the case of such discontinuance, all applicable charges, including termination charges, shall become due. If U S WEST does not discontinue the provision of the services involved on the date specified in the thirty (30) days notice, and Sprint's noncompliance continues, nothing contained herein shall preclude U S WEST's the right to discontinue the provision of the services to Sprint without further notice.

31.8.8 Access Charges on Resold Services.

31.8.8.1 When U S WEST local service is rebranded (as opposed to resale of unbundled elements) U S WEST is the appropriate recipient of all access charges, and shall be responsible for directly billing the IXCs for the access related to interexchange calls generated by rebranded customers.

31.8.8.2 The parties agree that there shall no netting of amounts due under this agreement with any other amounts due related to any other services provided under separate agreements. Further, Resale bills, Access bills and bills for Unbundled network elements will be provided as separate bills with separate amounts due that shall not be netted.

31.8.9 Where available, at present or in the future, daily receipt of local and intraLATA usage at the call detail level in standard EMR/EMI industry format. Upon receipt of Sprint forecast U S WEST will provide for the forecasted areas per wire center the frequency of usage feeds to Sprint.

31.9 General Requirements for Recorded Usage Data

31.9.1 Rated and Unrated records sent to Sprint.

There are two major categories of records that U S WEST will transmit: records that U S WEST records on behalf of Sprint when Sprint purchases such service, also referred to as unrated records, and records that U S WEST receives from CMDS, other CLECs, etc., that are billable to a Sprint local customer or calls that U S WEST is authorized to rate such as information service calls, also referred to as rated records.

31.9.2 FURTHER NEGOTIATION NEEDED: Where U S WEST [illegible] for Sprint, all records are sent to Sprint for rating, [illegible] party and collect calls originating from a Sprint customer [illegible] unless specifically exempted in these operations procedures [illegible] main agreement. Sprint rates all calls it receives [illegible] them to the appropriate billing company [illegible] S WEST will record and provide to Sprint [illegible] Sprint purchases Unbundled Switching Elements [illegible] U S WEST ("Recorded Usage Data") [illegible] 27.7.

31.9.3 General Format and Delivery Information.

U S WEST will shall provide recorded usage data in accordance with the Bellcore EMR standard (Bellcore Practice BR010-200-010) and as modified in this Attachment, which shall be updated periodically by mutual agreement, in writing.

31.9.4 Retention.

U S WEST shall retain Recorded Usage Data in accordance with applicable law and regulation, but not less than 45 days.

31.9.5 Separate UNE Resale file.

U S WEST shall provide separate transmissions for usage related to UNEs billed from IABS and for usage related to Resold services and UNEs billed from CRIS.

31.9.6 Specific Usage Data to Be Supplied by U S WEST

31.9.6.1 When Sprint purchases from U S WEST Local Service, U S WEST will provide to Sprint all available Recorded Usage Data relating to measured local and IntraLATA toll calls originating from Sprint Customers (business and residence), including, but not limited to, the categories of information listed below.

31.9.6.1.1For calls originating from or billing to Sprint Customers (Business and Residence), U S WEST shall provide:

- FURTHER NEGOTIATED attempt data for usage based services
- All completed calls
- Local Calling
- Extended Area
- ASIC FAX
- Use Of CLASS/LASS/Custom Features which are sold on a pay per use basis
- 976 Calls To Information Providers Reached Via U S WEST Facilities And Contracted By U S WEST
- Calls To Directory Assistance Where U S WEST Provides Such Service To Sprint's Local Service Customer

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- Calls Completed Via U S WEST-Provided Operator Services Where U S WEST Provides Such Service To Sprint's Local Service Customer
- For U S WEST-Provided Centrex Service, Station Level Detail

31.9.6.1.2All records shall include complete call detail and complete timing information.

31.9.6.1.3 FURTHER NEGOTIATION: Records U.S. WEST does not provide. U.S.WEST does not provide on the daily usage feed(DUF) and flat rated call detail records. (SAME AS AB/DUF)

31.9.6.1.4 U S WEST shall provide to Sprint Recorded Usage Data for Sprint's customers only.

31.9.6.1.5U S WEST will not submit other carriers' local usage data as part of the Sprint Recorded Usage Data. Procedures for return of data sent in error which are set forth in this Attachment shall apply to any data of other carriers sent in error to Sprint.

31.9.6.2Recording Failures

31.9.6.2.1Sprint Recorded Usage Data determined to have been lost, damaged or destroyed as a result of an error or omission by U S WEST in its performance of the recording function or due to an aberrant switch overload of limited duration and frequency, shall, upon Sprint's request, be recovered by U S WEST at no charge to Sprint. If U S WEST discovers such failures, U S WEST shall notify Sprint upon discovery. In the event the data cannot be recovered by U S WEST, U S WEST shall estimate the messages and associated revenue, with assistance from Sprint, based upon the method described below. This method will be applied on a consistent basis, subject to modifications agreed to by U S WEST and Sprint. This estimate will be used by the Parties to determine any amounts owed to Sprint. U S WEST will provide this amount to Sprint via a check accompanied by a statement that clearly identifies the purpose of the check.

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31.9.6.2.2 Partial Loss.

U S WEST shall review its daily controls to determine if data has been lost. When there has been a partial loss, actual message and minute volumes shall be reported, if possible. Where actual data are not available, a full day shall be estimated for the recording entity, as outlined in Section 6.1.3 following. The amount of the partial loss is then determined by subtracting the data actually recorded for such day from the estimated total for such day.

31.9.6.2.3 Complete Loss.

Estimated message and minute volumes for each loss consisting of an entire AMA tape or entire data volume due to its loss prior to or during processing, loss after receipt, degaussed before processing, receipt of a blank or unreadable tape, or lost for other causes, shall be reported.

31.9.6.2.4 Estimated Volumes.

From message and minute volume reports for the entity experiencing the loss, U S WEST shall secure message/minute counts for the four (4) corresponding days of the weeks preceding that in which the loss occurred and compute an average of these volumes.

31.9.6.2.5 Exceptions: If the day of loss is not a holiday but one (1) (or more) of the preceding corresponding days is a holiday, use additional preceding weeks in order to procure volumes for two (2) non-holidays in the previous two (2) weeks that correspond to the day of the week that is the day of the loss. If the loss occurs on a weekday that is a holiday (except Christmas), U S WEST shall use volumes from the two (2) preceding Sundays. If the loss occurs on Mother's Day, Christmas or the Monday after Thanksgiving, U S WEST shall use volumes from that day in the preceding year, unless Sprint volumes have changed over the prior year, in which case the estimate change will be factored in.

31.9.6.2.6 Net Loss Calculation.

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The amount due to Sprint will be calculated based on the Average Revenue Per Minute (ARPM) minus the average charge per minute (ACPM) that Sprint would have paid to U S WEST, times the estimated lost minutes. The parties shall agree upon the appropriate ARPM and ACPM to apply.

32. UNBUNDLED ACCESS/ELEMENTS

32.1 General Terms

32.1.1. U S WEST agrees to provide the following unbundled network elements which are addressed in more detail in later sections of the agreement

32.1.1.1. local loop,

32.1.1.2. Place Holder for Arbitration FEATURES

32.1.1.3. Place Holder for Arbitration FEATURES

32.1.1.4. digital cross connect systems (as per the Order)

32.1.1.5. dedicated interoffice transmission facilities,

32.1.1.6. network interface devices,

32.1.1.7. signaling and call-related database facilities,

32.1.1.8. operations support systems functions,

32.1.1.9. operator services, and

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32.1.1.10 directory assistance

[redacted] PLACE HOLDER - ARBITRATION ITEM
Shared unbundling / Rebundling

The Following Section is Applicable for the States of Arizona, Colorado, Minnesota, Utah and Washington Only (Arbitration Ordered)

U S WEST will not restrict the types of telecommunications services Sprint may offer through unbundled elements, nor will it restrict Sprint from combining elements with any technically compatible equipment that U S WEST or Sprint owns or for which Sprint arranges. U S WEST will provide Sprint with all of the functionalities of a particular element, so that Sprint can provide any telecommunications services that can be offered by means of the element. U S WEST agrees to perform and Sprint agrees to pay for the TELRIC costs of the functions necessary to combine requested elements in any technically feasible manner either with other elements from U S WEST's network, or with elements possessed or arranged for by Sprint. However, U S WEST need not combine network elements in any manner requested if not technically feasible, but must combine elements ordinarily combined in its network in the manner they are typically combined.

32.1.3. Unbundled elements will be available at rates shown in Attachment A.

32.1.4. U S WEST will provide unbundled elements to Sprint at parity with what U S WEST provides itself, its affiliates or third parties. This must at a minimum include:

32.1.4.1. Switch features;

32.1.4.2. Treatment during overflow/congestion conditions;

32.1.4.3. Equipment/interface protection;

32.1.4.4. Power redundancy;

32.1.4.5. Sufficient spare facilities to ensure provisioning, repair, performance, and availability;

32.1.4.6. Standard facility interfaces;

32.1.4.7. Real time access to integrated test functionality (manual testing for interconnection), and

32.1.4.8. Disaster recovery

32.1.5. Within 48 hours of any disconnect, U S WEST will notify Sprint of the disconnect of any Sprint unbundled element/combination/service where services, or facilities are provided by U S WEST.

32.1.6. Unbundled elements will conform to the minimum standards contained in FCC Rule 51.305 and subject to the provisions of CC Docket No. 96-98 First Report and Order ("First R&O") released August 8, 1996, as effective.

32.2. Description of Unbundled Elements

32.2.1. Unbundled Local Loops

Unbundled Local Loops include two - wire and four - wire analog and digital loops and may utilize cross - connects to either other unbundled elements or carrier facilities.

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32.2.1.1. An Unbundled Loop establishes a transmission path between the U S WEST distribution frame (or equivalent) up to, and including, U S WEST's network interface device (NID). For existing loops, the inside wire connection to the NID will remain intact.

32.2.1.2. Basic Unbundled Loops are available as a two - wire or four - wire, point -to-point configuration suitable for local exchange type services within the analog voice frequency range of 300 to 3000 Hz. For the two - wire configuration, Sprint is requested to specify loop start, ground start or loop reverse battery options. The actual loop facilities that provide this service may utilize various technologies or combinations of technologies. Basic Unbundled Loops provide an analog facility to Sprint.

32.2.1.3. To the extent Sprint requires an Unbundled Loop to provide ISDN, HDSL, ADSL or DSI service, such requirements will be identified on the order for Unbundled Loop Service. Conditioning charges will apply, as required, to condition such loops to ensure the necessary transmission standard.

32.2.1.4. Specific channel performance options for the loops can be ordered by identifying the Network Channel (NC)/Network Channel Interface (NCI) for the functions desired. U S WEST will provide Sprint with the available NC/NCI codes and their descriptions.

32.2.1.5. Unbundled Loops are provided in accordance with the specifications, interfaces and parameters described in the appropriate technical reference publications. U S WEST's sole obligation is to provide and maintain Unbundled Loops in accordance with such specifications, interfaces and parameters. U S WET does not warrant that Unbundled Loops are compatible with any specific facilities or equipment or can be used for any particular purpose or service. Transmission characteristics may vary depending on the distance between Sprint's end user and U S WEST's end office and may vary due to characteristics inherent in the physical network. U S WEST, in order to properly maintain and modernize the network, may make necessary modifications and changes to the Network in its network on an as needed basis. Such changes may result in minor changes to transmission parameters. Changes that affect network interoperability require advance notice pursuant to Section21, Notice of Changes, herein.

32.2.1.6. Facilities and lines furnished by U S WEST on the premises of Sprint's end users and up to the NID or equivalent are the property of U S WEST. U S WEST must have access to all such facilities for network management purposes. U S WEST's employees and agents may enter said premises at any reasonable hour to test and inspect facilities and lines in connection with such purposes or upon termination or cancellation of

the Unbundled Loop service to remove such facilities and lines.

32.2.1.7 Unbundled loops include the facilities between the U S WEST distribution frame up to and including U S WEST's NID located at Sprint's end user premise. The connection between the distribution frame and Sprint facilities is accomplished via channel terminations that can be ordered in conjunction with either Collocation or Unbundled Interoffice Transport Service.

32.2.1.8 Ordering and Maintenance.

32.2.1.8.1 For the purposes of loop assignment, tracking, and dispute resolution; U S WEST will require a Customer Authorization or validation check for each existing U S WEST end user for which Sprint has requested reassignment of the loop serving that end user.

32.2.1.8.2 Sprint is responsible for its own end user base and will have the responsibility for resolution of any service trouble report(s) from its customers. U S WEST will work cooperatively with Sprint to resolve trouble reports when the trouble condition has been isolated and found to be within a portion of U S WEST's network. Sprint must provide to U S WEST switch-based test results when testing its customer's trouble prior to U S WEST performing any repair functions. The Parties will cooperate in

developing mutually acceptable test report standards. U S WEST shall provide Sprint with Maintenance of Service charges in accordance with applicable time and material charges in U S WEST tariffs when the trouble is not in U S WEST's network. Billing of Time & Material charges will be accompanied by sufficient documentation to verify such charges.

32.2.1.8.3 Sprint will be responsible to submit to U S WEST a disconnect order for a Unbundled Loop that is relinquished by the end user due to cessation of service. Unbundled Loop facilities specified for cessation of service will be returned to U S WEST when the disconnect order is complete. In the event of transfer of the end user's service from one provider to another, the new provider will issue a request for transfer of service, resulting in the appropriate disconnect/reconnection of service. In such case, U S WEST will provide notification to the outgoing CLEC.

32.2.1.8.4 The installation due date will be provided as part of the automated order, but may be negotiated as needed. New connects with related orders will be physically worked within the same calendar day.

32.2.1.8.5 When ordering Unbundled elements, Sprint is responsible for ordering elements that are compatible with the service desired.

32.2.1.8.6 When a U S WEST technician is dispatched for repair, and the trouble is found not to be in a U S WEST system or facility, a Trouble Isolation Charge (TIC) based on time and materials will apply. Billing of Time & Material charges will be accompanied by sufficient documentation to verify such charges.

32.2.1.8.7 Sprint will be responsible for providing battery and dial tone to its connection point 24 hours prior to the due date on the service order.

32.2.1.8.8 The following procedure shall apply to Unbundled Loops ordered with the option of Basic Testing at Coordinated Time:

32.2.1.8.8.1 At least forty-eight (48) hours before an unbundled loop order cutover, the Parties will agree on a specific cutover time. The cutover time will be defined as a 30 minute window within which both the Sprint and U S WEST personnel will make telephone contact to complete the cutover.

32.2.1.9. Sprint and U S WEST will work cooperatively to develop forecasts for Unbundled Loop service. U S WEST requests an eighteen month forecast of Unbundled Loop service. The forecast will include the

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specific serving Wire Center that will be requested, plus the specific quantity of each service desired. The forecast will be updated quarterly, and will be treated as Sprint confidential information.

32.2.1.10. FURTHER NEGOTIATION: Billing and Usage Measurement for Unbundled Elements:

Billing and usage measurement for unbundled elements will be accomplished in the same manner as described in Section 31. R[illegible] (SEE KATHY LAWLER RE: OTHER DIFFERENCES)

32.2.2. Local Switching Element

32.2.2.1. The switching network element includes facilities that are associated with the line (e.g., the line card), facilities that are involved with switching the call, CLASS, Custom Calling Features and facilities used for custom routing.

32.2.2.2. Local Switching includes all features and functions as described in the First R&O at Paragraphs 412 & 418.

32.2.2.2.1. Line-side switching includes connection to an MDF where a cross-connect to a loop may be obtained and a switch card with connection to the card.

32.2.2.2.2. Trunk-side switching includes connection to trunk cross-connect and trunk card with features and functions.

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32.2.3. Tandem Switching Element

U S WEST will provide a tandem switching element on an unbundled basis. The tandem switch element includes the facilities connecting the trunk distribution frames to the switch, and all the functions of the switch itself, including those facilities that establish a temporary transmission path between two other switches. The definition of the tandem switching element also includes the functions that are centralized in tandems rather than in separate end office switches, such as call recording, the routing of calls to operator services, and signaling conversion functions.

32.2.4. Interoffice Transmission Facilities Element

32.2.4.1. When Sprint purchases tandem switching from U S WEST, in conjunction, U S WEST will make available access to common transport facilities between end offices and the tandem switch.

32.2.4.2. Further, U S WEST will provide unbundled access to dedicated transmission facilities between its central offices or between such offices and those of competing carriers. This includes, at a minimum, interoffice facilities between end offices and serving wire centers (SWCs), SWCs and IXC POPS, tandem switches and SWCs, end offices or tandems of U S WEST, and the wire centers of U S WEST and requesting carriers. U S WEST will also provide all technically feasible

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transmission capabilities, such as DS 1, DS3, and Optical Carrier levels (e.g. OC-3/12/48/96) that Sprint could use to provide telecommunications services. Dedicated Interoffice Transmission Facilities are available, between U S WEST offices or U S WEST offices and the offices of others.

32.2.5. Digital Cross Connect System Element.

A DCS is a network element that interfaces facilities operating, at a standard digital signal rate, and automatically connects incoming signals or their constituent tributary signals to any outgoing facility according, to an electronically alterable memory map.

32.2.5.1. U S WEST will provide Sprint with access to mutually agreed upon digital cross-connect system (DCS) points.

32.2.5.2. DS 1, DS3 and Optical capabilities shall be provided where available, at present or in the future.

32.2.5.3. Digital Cross-Connect access will be provided in the same manner such is provided to IXCs.

32.2.6. Network Interface Device (NID) Element

32.2.6.1. Service Description.

A device wired between a telephone protector and the inside wiring to isolate the customer's equipment from the network at the subscriber's premises. It is a device for the termination of inside wire that is available in single and multiple pair configurations.

32.2.6.2. U S WEST shall allow Sprint access to the network interface device per FCC rules as effective .

32.2.6.3. Sprint may connect its loops, to the U S WEST NID.

32.2.6.4. Any costs associated with Sprint connecting to U S WEST's NID will be the responsibility of Sprint.

32.2.6.5. If Sprint purchases an unbundled loop, Sprint may provide its own NID or have U S WEST provide the NID.

32.2.6.6.The price for access to the NID will be provided on a case-by-case basis. Billing of Time & Material charges will be accompanied by sufficient documentation to verify such charges.

32.2.7. Operator Services.

Operator Services shall be available on both a wholesale basis and an unbundled basis to Sprint. "Sprint" shall be the brand on Sprint calls when technically feasible. Custom routing shall be provided when technically feasible. Sprint rates shall be quoted

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when technically feasible. Refer to Sections 13, 14, and 15 for more explicit requirements.

32.2.8. Directory Assistance Services

Directory Assistance shall be available on both a wholesale basis and an unbundled basis to Sprint. "Sprint" shall be the brand on Sprint calls when technically feasible. Sprint data shall be included in the U S WEST database. The U S WEST database shall be available to Sprint. Custom routing shall be provided when technically feasible. Refer to Section 16 for explicit requirements.

32.2.9. Operations Support Systems.

Operations Support Systems including all systems used in pre-ordering, ordering, provisioning, maintenance and repair, billing, telephone number assignment, service interval information, and maintenance history, including any gateway system, shall be available on an unbundled basis by January 1, 1997. Refer to Section 20 for explicit requirements.

32.2.10. Additional Unbundled Elements

U S WEST shall provide nondiscriminatory access to, and where appropriate, development of additional unbundled network elements not covered in this Agreement in response to specific requests therefor, pursuant to the Bona Fide Request Process detailed in Section 24 of this Agreement.

33 ACCESS TO TELEPHONE NUMBERS

33.1 Administration and assignment of numbers shall be moved to a neutral third party. While U S WEST is still administering numbering it will comply with ICCF number administration guidelines Including the following:

33.2 U S WEST must assign NXXs to Sprint on a non-discriminatory basis and on the same basis as to itself.

33.3 Equitable access to numbers shall exist on ability to assign NXX per rate center.

33.4 U S WEST testing and loading of Sprint's NXXs shall be the same as if to itself.

33.5 U S WEST cannot discriminate in the allocation of numbers and types of NXXs assigned to new entrants.

33.6 U S WEST must assign NXXs to new entrants without the imposition of charges that are not imposed upon itself.

33.7 U S WEST must load NXXs according to industry guidelines, including the terminating LATA in which the NXX/rate center is located.

33.8 U S WEST must describe the details and requirements on handling NPA-NXX splits.

34 **SERVICE STANDARDS**

[redacted] ARBITRATION ITEM- SERVICE STANDARDS

34.1.1 U S WEST shall indemnify Sprint for U S WEST's proportionate share of any forfeitures or civil penalties or other regulator-imposed fines imposed on Sprint for failure to meet commission imposed service standards, based upon U S WEST's percentage of fault for failure.

34. PERFORMANCE MEASUREMENTS

[redacted] CO, OR, UT, and WA. Additional state specific rights [redacted]

Unless otherwise ordered by the Commission, the following shall apply:

34.1 Definitions

When used in this Section, the following terms shall have the meanings indicated.

34.1.1. "Specified Performance Commitment" means the commitment by U S WEST to meet the Performance Criteria for any Specified Activity during the Specified Review Period.

34.1.2. "Specified Activity" means any of the following activities:

34.1.2.1. Installation Intervals Offered Within Standard Intervals;

34.1.2.2 Customer Requested Intervals (measured from customer application date and the order completion date);

34.1.2.3. Installation Commitments Met within 30 Days;

34.1.2.4. Installation Reports within 7 Days (percent of reports per total of new, to or change orders);

34.1.2.5. Out of Service Reports Cleared in Less Than 24 Hours (percent of total out of service reports);

34.1.2.6. Repair Report Rates per 100 Sprint Lines;

34.1.2.7. Repair Commitments Met;

34.1.2.8. Percent Out of Service and Service Affecting Conditions Cleared in Less than 48 Hours;

34.1.2.9. Percent Out of Service Cleared in Greater Than 24, 48 Hours, Etc.;

34.1.2.10. Receipt to Cleared Durations;

34.1.2.11. Average Repair Intervals;

34.1.2.12. Repair Repeat Reports within 30 Days;

34.1.2.13. Held Orders (for resale) Greater Than 30 Days for Facility Reasons;

34.1.2.14. Percent Long Distance PIC Changes Completed within 24 Hours;

34.1.2.15. Circuit Availability;

34.1.2.16. Trunking Defects Per One Million Calls;

34.1.2.17. Toll Operator Access within 6 Seconds;

34.1.2.18. Directory Assistance Operator Access within 10 Seconds;

34.1.2.19. Business Office Access within 20 Seconds; and

34.1.2.20. Repair Center Access within 20 Seconds.

34.1.3. "Performance Criteria" means, with respect to a Specified Review Period (i.e., a calendar month or quarter), the performance by U S WEST for the specified activities for SPRINT will meet or exceed the average performance by U S WEST for the total universe of specified activities.

34.2. Failure to Meet the Performance Criteria. If during a Specified Review Period, U S WEST fails to meet the performance criteria, U S WEST will use its best efforts to meet the Performance Criteria for the next Specified Review Period. If U S WEST fails to meet the performance criteria for two consecutive periods, the Parties agree, in good faith, to attempt to resolve such issues through negotiation or non-binding arbitration. This paragraph shall not be construed to waive either Party's right to seek legal or regulatory intervention as provided by state or federal law. SPRINT may seek regulatory

or other legal relief including requests for specific performance of U S WEST's obligations under this Agreement.

34.3. Limitations. U S WEST's failure to meet or exceed and of the Performance Criteria can not be as a result, directly or indirectly, of a Delaying Event. A "Delaying Event" means (a) a failure by SPRINT to perform any of its obligations set forth in this Agreement , (b) any delay, act or failure to act by a Customer, agent of subcontractor of SPRINT or (c) any Force Majeure Event. If a Delaying Event prevents U S WEST from performing a Specified Activity, then such Specified Activity shall be excluded from the calculation of U S WEST's compliance with the Performance Criteria.

34.4. Records. U S WEST shall maintain complete and accurate records, for the Specified Review Period of its performance under this Agreement for each Specified Activity and its compliance with the Performance Criteria. U S WEST shall provide to Sprint such records in a self-reporting format. The parties agree that such records shall be deemed "Proprietary Information"

34.5. Cost Recovery. U S WEST reserves the right to seek recovery of the costs associated with the creation of the above reports and standards through a future proceeding before a regulatory body. By signing this Agreement, Sprint does not waive its right to take a position contrary to U S WEST's in such a proceeding. Such a proceeding may address a wide range of implementation costs not otherwise recovered through charges established herein.

For the state of [illegible] at page 8:

34.6. Until the Commission adopts a permanent scheme for measurements and service standards, the twenty (20) service measurements proposed by U S WEST to confirm that service provided is nondiscriminatory shall be adopted. A measurement of the provision of dedicated access services shall also be a proper measurement on which to gauge U S WEST's performance. The proper standard of performance for each of those measurements shall be the quality of service which U S WEST provides to itself, to its ten largest customers, to independent LECs, to other CLECs, or other quality of service requirements imposed by the Commission, whichever is higher. There shall be no automatic penalties or refunds for either party's failure to comply with performance standards.

For [illegible] at pages 16-18,

34.6. However, performance measures will be subject to modification to reflect new rules of the Commission, including possible compensation related to performance.

Workp[illegible]

34.6 Should Sprint request additional service measurements beyond those proposed by U S WEST, Sprint shall submit a BFR for these measurements.)

For the state of OR, Issue 5:

34.6 If additional performance measurements are requested by Sprint and if the parties cannot resolve these issues, the parties shall bring the issues to the Commission for resolution and shall not submit these issues to the BFR process.

34.7 No automatic penalties or refunds shall be applicable relative to performance measurements.

34.8 Oregon Commission Order 97-003 adopted for quality benchmarking and assurance. U S WEST will provide Sprint reports of current levels in 30 days following the contract execution date of billing; operator assistance; pre-order, order, provisioning and maintenance/repair; network quality; and provisioning of interconnection and unbundled elements.

34.9 Sprint has the right to request and pay for levels of quality beyond what USWC provides itself.

34.10 U S WEST and Sprint agree to jointly develop quality improvement processes that include performance measurements and monitoring to ensure that specific service levels are maintained.

For the state of [illegible] at page 3.:

U S WEST will provide parity service to Sprint (i.e., the same as it provides itself, its largest customers, and any CLEC).

For [illegible] at pages 11-13:

Unless the Parties agree otherwise, the AT&T Supplier Performance Quality Management System Metrics and Gap Closure Plans, and Direct Measures of Quality (DMOQs) as set forth in Attachment 11 to the Arbitrated Interconnection Agreement between AT&T Corporation and U S WEST Communications, Inc. approved by the Commission are incorporated as a part of this agreement.

35 MISCELLANEOUS TERMS

35.1 U S WEST will follow Network Reliability Council (NRC) guidelines for the criteria and process used for handling facility and power outages on an agreed upon severity and priority basis.

35.2 U S WEST shall make available an initial electronic copy or a hard copy of the Service Address Guide ("SAG"), or its equivalent, on a going-forward basis. Updates are expected as changes are made to the SAG.

35.3 U S WEST will provide Sprint with parity level knowledge of any engineering changes associated with U S WEST's network elements and deployment of new technologies where Sprint is affected. Sprint shall receive notice of the availability of new switch features and network replacements at the same time that U S WEST marketing personnel receive it to ensure parity in network information availability. This will be made available following the established ONA network disclosure process.

36. General Provisions

36.1 A master services agreement shall be developed providing for all interconnection and electronic bonding. New contracts shall not be required as additional Points of Interconnection ("POI") are established, additional collocation arrangements are created, or additional electronic systems pass data to one another. Rather, schedules to the master service agreement detailing the inventory of POIs and other items subject to the master services agreement shall be updated.

36.1.1. Each Party shall use its best efforts to comply with an agreed upon Implementation Schedule(s).

36.1.2. Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in the standard format compatible with Sprint's network and to terminate the traffic it receives in that standard format or the proper address on its network. Such facility shall be designed based upon the description and forecasts provided under this Agreement. The Parties are each solely responsible for participation in and compliance with national network plans, including the National Network Security Plan and the Emergency Preparedness Plan.

36.1.3. Neither Party shall use any service related to or use any of the services provided in this Agreement in any manner that interferes with other persons in the use of their service, prevents other persons from using their service, or otherwise impairs the quality

of service to other carriers or to either Party's Customers, and each Party may discontinue or refuse service if the other Party violates this provision. Upon such violation, either Party shall provide the other Party notice of such violation, if practicable, at the earliest practicable time.

36.1.4. Each Party is solely responsible for the services it provides to its Customers and to other Telecommunications Carriers.

36.1.5. The parties shall work cooperatively to minimize fraud associated with third-number billed calls, calling card calls, and any other services related to this Agreement.

36.2. Most Favored Nation Terms and Treatment

PEACE HOLDER - ARBITRATION ITEM FOR [illegible]

The following Section is Applicable for the State of Oregon Only (Oregon Order, Issue #1, pp. 2-4):

The parties agree that the provisions of Section 252 (i) of the Act shall apply, including state and federal interpretive regulations in effect from time to time. However, the FCC's interpretation of the "pick and choose" provisions of Section 252(i) of the Act shall not apply while the Eighth Circuit's stay of rule 47 CFR § 51.809(a) is in place. If the FCC's rule is ultimately upheld, it will apply to this Agreement. In that event, Sprint shall be able to renegotiate the terms of its agreement to include the rates, terms and conditions incorporated in other interconnection agreements executed by U S WEST.

[illegible] Section is Applicable for the [illegible] (Order, Issue #1, at pp. 2-3):

The parties agree that the provisions of Section 252 (i) of the Act shall apply, including state and federal interpretive regulations in effect from time to time.

The Following Section is Applicable for the State of [illegible]
[illegible] Issue 33.2, at p. 5):

The parties agree that the provisions of Section 252 (i) of the Act shall apply, including state and federal interpretive regulations in effect from time to time. U S WEST shall not be required to unbundle the rates, terms, and or conditions established by interconnection contracts between it and other carriers unless the Eighth Circuit Court of Appeals' stay of 47 CFR Section 51.809 is lifted.

The Following Section is Applicable for the State of Minnesota Only: (Minnesota Order, at page 12-13):

The parties agree that the provisions of Section 252 (i) of the Act shall apply, including state and federal interpretive regulations in effect from time to time.

The Following Section is Applicable for the State of [illegible]
(Arizona Order, Issue #1 at pp. 4-5).

Consistent with Section 252 (i) of the Act, any interconnection, service, or network element provided to any carrier by U S WEST under an agreement approved by the Commission shall be made available as an entire agreement to Sprint upon the same terms and conditions as those provided in the approved agreement. Therefore, at this time, U S WEST will offer its entire interconnection agreement to CLECs. The parties agree that the provisions of Section 252 (i) of the Act shall apply, including rulings rendered by the Eighth Circuit Court and state and federal interpretive regulations in effect from time to time which rulings may make portions of agreements available to Sprint.

[illegible]ection is Applicable for the State of [illegible]
[illegible]er, Issue III, at pp. 7-8):

U S WEST shall make available any interconnection, service, or network element provided under an agreement approved under Section 252 (i) of the Act to which it is a party to Sprint upon the same terms and conditions as those provided in the agreement. Individual interconnection, service, or network elements from another agreement, are available upon acceptance of all the terms and conditions in the agreement related to such

interconnection, service or element. Upon proof provided by U S WEST that Sprint causes U S WEST to incur greater costs in the provision of the service than the current carrier's agreement, Sprint will accept the increased costs for the service. U S WEST shall also permit Sprint to purchase services out of an effective tariff, regardless of prices set forth in an existing agreement. U S WEST shall make all agreements available for Public viewing within 10 days of approval by the Commission. Sprint will notify U S WEST of its intent to adopt the provisions of another agreement at least 30 days prior to effectuating the change.

36.3 Customer Authorization

Where so indicated in Section 31.3.5 of this Agreement, Sprint is responsible to have a Customer Authorization or have in place and maintain the integrity of a third party PIC verification process. Sprint is solely responsible to obtain authorization from its end user for the handling of the disconnection of the end user's service with U S WEST, the provision of service by Sprint, and the provision of Unbundled Loops and all other ancillary services. Should a dispute or discrepancy arise regarding the authority of Sprint to act on behalf of the end user, Sprint is responsible for providing validation of its authority to U S WEST.

36.4 Taxes

Each party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper

resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide said resale tax exemption certificate will result in no exemption being available to the purchasing Party.

36.5. Revenue Protection

36.5.1. U S WEST shall make available to Sprint all present and future fraud prevention or revenue protection features, including prevention, detection, or control functionality embedded within any of the network elements providing U S WEST has these capabilities available for their own network. These features may include, but are not limited to screening codes, call blocking of international, 800, 900, 976, and 700 numbers. U S WEST may provide partitioned access to fraud prevention, detection and control functionality within Operations Support Systems ("OSS") if U S WEST has these features available in their network which currently include Line Information Data Base monitoring systems, High Toll Notifiers, SS7 and AMA suspect traffic alerts. Use of additional fraud techniques over and above what U S WEST has deployed in their network will be billable.

36.5.2. Uncollectible or unbillable revenues resulting from, but not confined to, provisioning, maintenance, or signal network routing errors shall be the responsibility of the party causing such error.

36.5.3. Uncollectible or unbillable revenues resulting from the accidental or malicious alteration of software underlying Network Elements or their subtending operational support systems by unauthorized third parties shall be the responsibility of the party having

administrative control of access to said Network Element or operational support system software.

36.5.4 U S WEST shall be responsible for any uncollectible or unbillable revenues resulting from the unauthorized physical attachment to loop facilities from the Main Distribution Frame up to and including the Network Interface Device, including clip-on fraud.

36.5.5 To the extent that incremental costs are directly attributable to a Sprint requested revenue protection capability, those costs will be borne by Sprint.

36.6 Intellectual Property FURTHER NEGOTIATION NOT [illegible] ARBITRATED

36.6.1 Each Party hereby grants to the other Party [illegible] and nonexclusive right and license to use its patents, [illegible] secrets but only to the extent necessary to implement [illegible] specifically required by the then applicable federal [illegible] regulations relating to interconnection and access to [illegible] facilities and services, and for no other purpose. [illegible] shall be construed to the grant to [illegible] of [illegible] trademarks. Delete

36.6.2 Each party agrees to defend and pay any [illegible] other Party (the "Requesting Party") [illegible] claim, demand, or proceeding that [illegible] performance or provision of any facilities [illegible] provided by that Party (the "Providing Party") [illegible] Section 14 above are granted. [illegible] use of any such right and license that [illegible] of the other Party. Neither Party [illegible] to [illegible] indemnify or hold harmless, or [illegible] of, or owe any other obligation [illegible] based on or arising from any claim, demand, [illegible] of any third party alleging or asserting [illegible] application or system, or the use of any [illegible] any service or method, or the provision of any

under this Agreement, ~~constitutes infringement, or misuse or misappropriation of~~ any patent, copyright, ~~constitutes misappropriation of~~ a trade secret, or for authorized use of any trademark~~s~~ ~~violates~~ and other proprietary or intellectual property right of any third party. The Requesting Party will notify the Providing Party promptly in writing of any such claim, demand or proceeding, and give such information, assistance and such authority as is afforded by applicable laws for the handling of defense of such claim all at the Providing Party's expense.

36.6.3. Each Party ~~Sprint~~ shall not, without the express written permission of ~~U S WEST~~the other Party, state ~~or imply~~ that: a) ~~Sprint~~ the other party is in any way connected, or ~~in any way~~ affiliated with other Party ~~U S WEST~~ or its affiliates, b) ~~Sprint~~ they are~~is~~ part of a joint business association or ~~any~~ similar arrangement with ~~U S WEST~~ the other Party or its affiliates, c) ~~U S WEST~~ the other Party is and its affiliates are in any way sponsoring, endorsing or certifying a Party's~~Sprint and its goods and~~ services, or d) with respect to a Party's ~~Sprint~~ advertising or promotional activities or materials, that the resold goods and services are in any associated with or originated from~~,~~ the Other Party ~~U S WEST~~ or its affiliates. Nothing in this paragraph shall prevent each Party from truthfully describing the network elements it uses to provide to its customers.

36.6.4. Except as expressly provided in this Agreement, Nnothing in this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, logo, trademark, tradename, trade secret or any other intellectual property right now or hereafter owned, controlled or licensable by either Party. ~~Sprint may not use any patent, copyright, logo, trademark, tradename, trade secret or other intellectual property right of U S WEST or its affiliates without execution of a separate agreement between the Parties.~~

36.6.5. ~~Notwithstanding the above, unless otherwise prohibited by U S WEST pursuant to an applicable provision herein, Sprint may use the phrase "Sprint is a reseller of U S WESTTest Communications services (the "Authorized Phrase") in Sprint's printed materials provided~~

[redacted] 6.5.1. ~~The Authorized Phrase is not used in connection with~~ goods or services other than U S WEST services resold ~~S~~

36.6.5.2. ~~Sprint's use of the Authorized Phrase does not~~ U S WEST's reasonable~~sole~~ discretion, cause customers to believe ~~Sprint~~ is U S WEST.

36.6.5.3. ~~The Authorized Phrase~~ when ~~only~~ in text form (Sprint may not use the U S WEST logo) being the same font and point size. The point size Phrase shall be no greater than one fourth the

lamp, the smallest use of Sprint's name and in no event shall such use be [illegible] size.

36.6.5.4 Sprint shall provide Sprint's first usage of the Authorized Phrase all printed materials to U S WEST for its prior written approval. US WEST must provide such approval or the reasons for rejection within 10 days of such submission, failure to respond shall be deemed approval. Provided that the Authorized Phrase is the same, then Sprint shall not be required to submit additional uses for approval.

36.6.5.5. If U S WEST determines that Sprint's use of the Authorized Phrase causes customer confusion, U S WEST may in its sole discretion, immediately terminate Sprint's right to use the Authorized Phrase.

36.6.5.6. Upon termination of the Sprint's right to use the Authorized Phrase or termination of this Agreement, all permissions right to use the Authorized Phrase shall immediately cease to exist and Sprint shall immediately cease any and all such use of the Authorized Phrase. Sprint shall either promptly return to U S WEST or destroy all materials in its possession or control displaying the Authorized Phrase.

36.6.6 Sprint acknowledges the value of the marks "U. S. WEST" and "U S WEST Communications" (the "Marks") and the goodwill associated therewith and acknowledges that such goodwill is a property right belonging to U S WEST, Inc. and U S WEST respectively (the "Owners"). Sprint recognizes that nothing contained in this Agreement is intended as an assignment or grant to Sprint of any right, title or interest in or to the Marks and that this Agreement does not confer any right or license to grant sublicenses or permission to third parties to use the Marks and is not assignable. Sprint will do nothing inconsistent with the Owners' ownership of the Marks, and all rights, if any, that may be acquired by use of the Marks shall inure to the benefit of the Owners. Sprint will not adopt, use (other than as authorized herein,) register or seek to register any mark anywhere in the world which is identical or confusingly similar to the Marks or which is so similar thereto as to constitute a deceptive colorable imitation thereof or to suggest or imply some association, sponsorship, or endorsement by the Owners. The Owners make no warranties regarding or limitation of any rights in or the validity of the Marks.

[illegible] addition to the access or use of patents, copyrights, trade secrets and other intellectual property (including software) owned or controlled by a third party to the extent necessary to implement this Agreement or specifically required by the then applicable federal and state laws and regulations relating to Interconnection and access to [illegible] facilities and services, the Party providing access shall cooperate and upon written notice, from time to time, to obtain permission from such

[redacted]

36.1 Severability

The Parties recognize that the FCC is promulgating rules addressing issues contained in this Agreement. In the event that any one or more of the provisions contained herein shall for any reason be held to be unenforceable in any respect under law or regulation, the parties will negotiate in good faith for replacement language. If replacement language cannot be agreed upon, either party may seek regulatory intervention, including negotiations pursuant to Sections 251 and 252 of the Act.

36.2 Responsibility for Environmental Contamination.

Neither Party shall be liable to the other for any costs whatsoever resulting from the presence or Release of any Environmental Hazard that either Party did not introduce to the affected Work Location. Both Parties shall defend and hold harmless the other, its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arise out of or result from (i) any Environmental Hazard that the indemnifying party, its contractors or agents introduce to the Work Locations or (ii) the presence or Release of any Environmental Hazard for which the indemnifying party is responsible under Applicable Law.

36.3 Responsibility of Each Party

Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance

of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of all employees assisting in the performance of such obligations. Each Party will be solely responsible for all matters relating to payment of such employees, including compliance with social security taxes, withholding taxes and all other regulations governing such matters. Each Party will be solely responsible for proper handling, storage, transport and disposal at its own expense of all (i) substances or materials that it or its contractors or agents bring to, create or assume control over at work locations or, (ii) waste resulting therefrom or otherwise generated in connection with its or its contractors' or agents' activities at the work locations. Subject to the limitations on liability and except as otherwise provided in this Agreement, each Party shall be responsible for (i) its own acts and performance of all obligations imposed by applicable law in connection with its activities, legal status and property, real or personal and, (ii) the acts of its own affiliates, employees, agents and contractors during the performance of that Party's obligations hereunder.

36.4 Referenced Documents

All references to Sections, Exhibits, and Schedules shall be deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. Whenever any provision of this Agreement refers to a technical reference, technical publication, Sprint practice, U S WEST practice, any publication of telecommunications industry administrative or technical standards, or any other document specifically incorporated into this agreement, it will be deemed to be a reference to the most recent version or edition (including any amendments, supplements, addenda, or successors) or such document that is in effect, and will include the most recent version or edition (including any

amendments, supplements, addenda, or successors) or each document incorporated by reference in such a technical reference, technical publication, Sprint practice, U S WEST practice, or publication of industry standards (unless Sprint elects otherwise). Should there by any inconsistency between or among publications or standards, Sprint shall elect which requirement shall apply.

36.5. Publicity and Advertising

Neither party shall publish or use any advertising, sales promotions or other publicity materials that use the other party's logo, trademarks or service marks without the prior written approval of the other party.

U S WEST shall not make public announcements, press releases or communicate to the media in any way the signing , of this contract without the express written permission of the Sprint contacts listed herein. This shall not be construed to restrict U S WEST's ability to convey such information in regulatory or legal proceedings.

36.6. Executed in Counterparts

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.

36.7. Headings of No Force or Effect

The headings of Articles and Sections of this Agreement are for convenience of reference only, and shall in no way define, modify or

restrict the meaning or interpretation of the terms or provisions of this Agreement.

36.8. Entire Agreement.

This Agreement constitutes the entire agreement between the Parties and supersedes all prior oral or written agreements, representations, statements, negotiations, understandings, proposals and undertakings with respect to the subject matter hereof.

36.9. 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.

36.10. Disclaimer of Agency.

Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

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36.11. Survival

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.

36.12. Effective Date

This Agreement shall become effective pursuant to Sections 251 and 252 of the Act.

36.13. Amendment of Agreement

Sprint and U S WEST may mutually agree to amend this Agreement in writing. Since it is possible that amendments to this Agreement may be needed to fully satisfy the purposes and objectives of this Agreement, the Parties agree to work cooperatively, promptly and in good faith to negotiate and implement any such additions, changes and corrections to this Agreement.

36.14. Indemnity

36.14.1. Each of the Parties agrees to release, indemnify, defend and hold harmless the other Party and each of its officers, directors, employees and agents (each an "Indemnitee") from and against and in respect of any loss, debt, liability, damage, obligation, claim, demand, judgment or settlement of any nature or kind, known or unknown, liquidated or unliquidated including, but not limited to, costs and attorneys' fees, whether suffered, made, instituted, or asserted by any other party or person, for invasion

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of privacy, personal injury to or death of any person or persons, or for loss, damage to, or destruction of property, whether or not owned by others, resulting from the indemnifying Party's performance, breach of Applicable Law, or status of its employees, agents and subcontractors, or for failure to perform under this Agreement, regardless of the form of action.

36.14.2. The indemnification provided herein shall be conditioned upon:

36.14.2.1. The indemnified Party shall promptly notify the indemnifying Party of any action taken against the indemnified Party relating to the indemnification. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such claim.

36.14.2.2. The indemnifying Party shall have sole authority to defend any such action, including the selection of legal counsel, and the indemnified Party may engage separate legal counsel only at its sole cost and expense.

36.14.2.3. In no event shall the indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the indemnified Party.

36.15. Limitation of Liability

36.15.1. Except as otherwise provided in the indemnity section, no Party shall be liable to the other Party for any Loss, defect or equipment failure caused by the conduct of the other Party, the other Party's agents, servants, contractors or others acting in aid or concert with the other Party.

36.15.2. Except for Losses alleged or made by a Customer of either Party, in the case of any Loss arising from the negligence or willful misconduct of both Parties, each Party shall bear, and its obligations under this Section shall be limited to, that portion (as mutually agreed to by the Parties) of the resulting expense caused by its (including that of its agents, servants, contractors or others acting in aid or concert with it) negligence or willful misconduct.

36.15.3. Except for indemnity obligations, each Party's liability to the other Party for any Loss relating to or arising out of any negligent act or omission in its performance of this Agreement, whether in contract or in tort, shall be limited to the total amount that is or would have been charged to the other Party by such negligent or breaching Party for the service(s) or function(s) not performed or improperly performed.

36.15.4. In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages; provided,

that the foregoing shall not limit a Party's obligation to indemnify, defend and hold the other Party harmless against any amounts payable to a third party, including any losses, costs, fines, penalties, criminal or civil judgments or settlements, expenses (including attorneys' fees) and Consequential Damages of such third party. Nothing contained in this section shall limit either Party's liability to the other for (i) willful or intentional misconduct (including gross negligence); (ii) bodily injury, death or damage to tangible real or tangible personal property proximately caused by such party's negligent act or omission or that of their respective agents, subcontractors or employees nor shall anything contained in this section limit the Parties' indemnification obligations, as specified below.

36.16. Controlling Law

This Agreement was negotiated by the Parties in accordance with the terms of the Act and the laws of the state where service is provided hereunder. It shall be interpreted solely in accordance with the terms of the Act and the applicable state law in the state where the service is provided.

36.17. Cancellation Charges

Except as provided pursuant to a Network Element Network Interconnection and Bona Fide Request, or as otherwise provided in any applicable tariff or contract referenced herein, no cancellation charges shall apply.

36.18. Regulatory Approval

The Parties understand and agree that this Agreement will be filed with the Commission and may thereafter be filed with the FCC. In the event the Commission rejects any portion of this Agreement, the parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification to the rejected portion.

36.19. Compliance

Each party shall comply with all applicable federal, state, and local laws, rules and regulations applicable to its performance under this Agreement.

36.20. Compliance with the Communications Law Enforcement Act of 1994 ("CALEA")

Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with CALEA. Each party shall indemnify and hold the other Party harmless from any and all penalties imposed upon the other Party for such noncompliance and shall at the non-compliant Party's sole cost and expense, modify or replace any equipment, facilities or services provided to the other Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA.

36.21. Independent Contractor

Each party shall perform services hereunder as an independent contractor and nothing herein shall be construed as creating any other relationship between the Parties. Each party and each Party's contractor shall be solely responsible for the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with

respect to their employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts. Each party has sole authority and responsibility to hire, fire and otherwise control its employees.

36.22. Force Majeure

Neither party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually sever weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers (collectively, a "Force Majeure Event") In the event of a labor dispute or strike the Parties agree to provide service to each other at a level equivalent to the level they provide themselves.

36.23. Dispute Resolution

36.23.1. General Provision for Dispute Resolution.

The Parties agree, in good faith, to attempt to resolve any claim, controversy or dispute between the Parties, their agents, employees, officers, directors or affiliated agents ("Dispute") through negotiation or arbitration. This paragraph shall not be construed to waive the Parties' rights to seek legal or regulatory intervention as provided by state or federal law. In the event that

simple good faith discussions between the parties cannot resolve an issue the following process will be invoked unless otherwise agreed to by the parties on a case specific basis:

36.23.2 Alternative Dispute Resolution Process

36.23.2.1. Purpose

This section is intended to provide for the expeditious, economical, and equitable resolution of disputes between Sprint and U S WEST arising under this Agreement.

36.23.2.2. Remedy

36.23.2.2.1. Either Party to this Agreement may invoke the informal and formal complaint procedures of the Commission for any dispute arising out of this Agreement or its breach, except for disputes or matters for which the Telecommunications Act of 1996 specifies a particular remedy or procedure. By mutual agreement, the parties may refer a dispute to negotiation and arbitration under the procedures provided herein. U S WEST and Sprint agree not to resort to any court, agency, or private group with

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respect to such disputes except in accordance with this Attachment.

36.23.2.2.2. If, for any reason, certain claims or disputes are deemed to be non-arbitrable, the non-arbitrability of those claims or disputes shall in no way affect the arbitrability of any other claims or disputes.

36.23.2.2.3. If, for any reason, the Federal Communications Commission or any other federal or state regulatory agency exercises jurisdiction over and decides any dispute related to this Agreement or to any U S WEST tariff and, as a result, a claim is adjudicated in both an agency proceeding and an arbitration proceeding under this section, the following provisions shall apply:

36.23.2.2.4. To the extent required by law, the agency ruling shall be binding upon the parties for the limited purposes of regulation within the jurisdiction and authority of such agency.

36.23.2.2.5. The arbitration ruling rendered pursuant to this section shall be binding upon the parties for purposes of establishing their

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respective contractual rights and obligations under this Agreement, and for all other purposes not expressly precluded by such agency ruling.

36.23.2.3 Informal Resolution of Disputes

36.23.2.3.1. Prior to initiating an arbitration pursuant to the American Arbitration Association ("AAA") rules, as described below, the parties to this Agreement shall submit any dispute between U S WEST and Sprint for resolution to designated representative at the Vice President-or-above level and one representative from U S WEST at the Vice-President-or-above level (or at such lower level as each Party may designate).

36.23.2.3.2. The Parties may enter into a settlement of any dispute at any time. The Settlement Agreement shall be in writing, and shall identify how the Arbitrator's fee for the particular proceeding, if any, will be apportioned.

36.23.2.4 Initiation of an Arbitration

If the Internal Review process detailed in Section 3 is unable to resolve the dispute within 30 days (or such longer period as agreed to in writing by the Parties) of

such submission, and the Parties have not other-wise entered into a settlement of their dispute, the Parties may initiate an arbitration in accordance with the AAA rules.

36.23.2.5. Governing Rules for Arbitration

The rules set forth below and the rules of the AAA shall govern all arbitration proceedings initiated pursuant to this Attachment; however, such arbitration proceedings shall not be conducted under the auspices of the AAA unless the Parties mutually agree. Where any of the rules set forth herein conflict with the rules of the AAA, the rules set forth in this Attachment shall prevail.

36.23.2.6. Appointment and Removal of Arbitrator

36.23.2.6.1. A sole Arbitrator (the "Arbitrator") will preside over each dispute submitted for arbitration under this Agreement.

36.23.2.6.2. The Parties shall appoint an Arbitrator who will serve for the term of this Agreement, unless removed pursuant to Section 6.4 of this Attachment 1. The appointment will be made by mutual agreement in writing within thirty (30) days after the Parties have

initiated an arbitration proceeding (or such longer period as the Parties may mutually agree to in writing).

36.23.2.6.3. In the event that multiple arbitration proceedings are in progress simultaneously under this Agreement, the Arbitrator may request, in writing, the appointment of one or more additional Arbitrators. The Parties shall appoint such additional Arbitrators within thirty (30) days after receipt of such request (or within such longer period as the Arbitrator's request designates). The Arbitrator may assign arbitration proceedings to the additional Arbitrators in his or her sole discretion, provided that each such proceeding shall be presided over by a single Arbitrator. Additional Arbitrators shall have all the powers and responsibilities of the Arbitrator in proceedings over which they preside, but shall serve only for the duration of the disputes for which they were retained.

36.23.2.6.4. The Parties may, by mutual written agreement, remove an Arbitrator at any time, and shall provide prompt written

notice of removal to such Arbitrator. Notwithstanding the foregoing, any Arbitrator appointed pursuant to Section 36.29.2.6.2 of this Agreement may, for good cause shown, be removed at any time unilaterally by either Party, upon thirty (30) days' prior written notice to the Arbitrator and to the other Party.

36.23.2.6.5. In the event that an Arbitrator resigns, is removed pursuant to Section 36.29.2.6.4 of this Agreement, or becomes unable to discharge his or her duties, the Parties shall, by mutual written Agreement, appoint a replacement Arbitrator within thirty (30) days after such resignation, removal, or inability, unless a different time period is mutually agreed upon in writing by the Parties. Any matters pending before the Arbitrator at the time he or she resigns, is removed, or becomes unable to discharge his or her duties, will be assigned to the replacement Arbitrator as soon as the replacement Arbitrator is appointed.

36.23.2.6.6. In the event that the Parties do not appoint an Arbitrator within the time

limit set forth in Section 36.29.2.6.2 of this Agreement, an additional Arbitrator within the time limit set forth in Section 36.29.2.6.3 of this Agreement , or a replacement Arbitrator within the time limit set forth in Section 36.29.2.6.5 of this Agreement, either Party may apply to AAA for appointment of such Arbitrator. Prior to filing an application with the AAA, the Party filing such application shall provide ten (10) days' prior written notice to the other Party to this Agreement.

36.23.2.7. Duties and Powers of the Arbitrator

The Arbitrator shall receive complaints and other permitted pleadings, oversee discovery, administer oaths and subpoena witnesses pursuant to the United States Arbitration Act, hold hearings, issue decisions, and maintain a record of proceedings. The Arbitrator shall have the power to award any remedy or relief that a court with jurisdiction over this Agreement could order or grant, including, without limitation, the awarding of damages, pre-judgment interest, except that the Arbitrator may not award punitive damages; or any remedy rendered unavailable to the Parties. The Arbitrator shall not have the authority to limit,

expand, or otherwise modify the terms of this Agreement.

36.23.2.8. Discovery

U S WEST and Sprint shall attempt, in good faith, to agree on a plan for document discovery. Should they fail to agree, either U S WEST or Sprint may request a joint meeting or conference call with the Arbitrator. The Arbitrator shall resolve any disputes between U S WEST and Sprint, and such resolution with respect to the scope, manner, and timing of discovery shall be final and binding.

36.23.2.9. Privileges

Although conformity to certain legal rules of evidence may not be necessary in connection with arbitrations initiated pursuant to this Attachment, the Arbitrator shall, in all cases, apply the attorney-client privilege and the work product immunity.

36.23.2.10. Location of Hearing

Unless both Parties agree otherwise or required by the arbitrator, any arbitration hearings shall take place in Denver, Colorado and Overland Park, Kansas on an alternating basis.

36.23.2.11. Decision

36.23.2.11.1. The Arbitrator's decision and award shall be final and binding, and shall be in writing unless the Parties mutually agree to waive the requirement of a written opinion. Judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction there of Either Party may apply to the United States District Court for the district in which the hearing occurred for an order enforcing the decision.

36.23.2.11.2. In the event that the Arbitrator's decision results in a written modification of this Agreement executed by the parties (the "Modification"), the Modification shall be filed with the appropriate state utilities commissions.

36.23.2.12. Fees

36.23.2.12.1. The Arbitrator's fees and expenses that are directly related to a particular proceeding shall be shared equally by the Parties. In the event that the Parties settle a dispute before the Arbitrator reaches a decision with respect to that

dispute, the Settlement Agreement must include the sharing of the Arbitrator's fees.

36.23.2.12.2. All parties shall bear their own costs directly associated with the arbitration, including an any action to enforce or confirm the arbitrator's decision, unless otherwise directed by the arbitrator.

36.23.2.13. Confidentiality

36.23.2.13.1. U S WEST, Sprint, and the Arbitrator will treat the arbitration proceeding, including the hearings and conferences, discovery, or other related events, as confidential, except as necessary in connection with a judicial challenge to, or enforcement of, an award, or unless otherwise required by an order or lawful process of a court or governmental body.

36.23.2.13.2. In order to maintain the privacy of all arbitration conferences and hearings, the Arbitrator shall have the power to require the exclusion of any person, other than a Party, counsel thereto, or other essential persons.

36.23.2.13.3. To the extent that any information or materials disclosed in the course of an arbitration proceeding contains proprietary or confidential Information of either Party, it shall be safeguarded in accordance with this Agreement. However, nothing in this Agreement shall be construed to prevent either Party from disclosing the other Party's Information to the Arbitrator in connection with or in anticipation of an arbitration proceeding. In addition, the Arbitrator may issue orders to protect the confidentiality of proprietary information, trade secrets, or other sensitive information.

36.23.2.14 Service of Process

36.23.2.14.1. Service may be made by submitting one copy of all pleadings and attachments and any other documents requiring service to each Party and one copy to the Arbitrator. Service shall be deemed made (i) upon receipt if delivered by hand; (ii) after three (3) business days if sent by first class certified U.S. Mail; (iii) the next business day if sent by overnight

courier service; (iv) upon confirmed receipt if transmitted by facsimile. If service is by facsimile, a copy shall be sent the same day by hand delivery, first class U.S. Mail, or overnight courier service.

36.23.2.14.2. Service by Sprint to U S WEST and by U S WEST to Sprint at the address designated for delivery of notices in this Agreement shall be deemed to be service to U S WEST or Sprint, respectfully.

36.24. Commission Decision

This Agreement shall at all times be subject to such review by the Commission or FCC as permitted by the Act. If any such review renders the Agreement inoperable or creates any ambiguity or requirement for further amendment to the Agreement, the Parties will negotiate in good faith to agree upon any necessary amendments to the Agreement.

36.25. Nondisclosure

36.25.1. All information, including but not limited to specifications, microfilm, photocopies, magnetic disks, magnetic tapes, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data, (i) furnished by one Party to the other Party dealing with customer specific, facility specific, or usage specific

information, other than customer information communicated for the purpose of publication of directory database inclusion, or (ii) in written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary", or (iii) communicated orally and declared to the receiving Party at the time of delivery, or by written notice given to the receiving Party within ten (10) days after delivery, to be "Confidential" or "Proprietary" (collectively referred to as "Proprietary Information"), shall remain the property of the disclosing Party. A Party who receives Proprietary Information via an oral communication may request written confirmation that the material is Proprietary Information. A Party who delivers Proprietary Information via an oral communication may request written confirmation that the Party receiving the information understands that the material is Proprietary Information.

36.25.2 Upon request by the disclosing Party, the receiving Party shall return all tangible copies of Proprietary Information, whether written, graphic or otherwise, except that the receiving Party may retain one copy for archival purposes.

36.25.3 Each Party shall keep all of the other Party's Proprietary Information confidential and shall use the other Party's Proprietary Information only in connection with this Agreement. Neither Party shall use the other Party's Proprietary Information for any other purpose except upon such terms and conditions as may be agreed upon between the Parties in writing.

36.25.4. Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information as:

36.25.4.1. was at the time of receipt already known to the receiving Party free of any obligation to keep it confidential evidenced by written records prepared prior to delivery by the disclosing Party; or

36.25.4.2. is or becomes publicly known through no wrongful act of the receiving Party; or

36.25.4.3. is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to the disclosing Party with respect to such information; or

36.25.4.4. is independently developed by an employee, agent, or contractor of the receiving Party which individual is not involved in any manner with the provision of services pursuant to the Agreement and does not have any direct or indirect access to the Proprietary Information; or

36.25.4.5. is disclosed to a third person by the disclosing Party without similar restrictions on such third person's rights; or

36.25.4.6. is approved for release by written authorization of the disclosing Party; or

36.25.4.7 is required to be made public by the receiving Party pursuant to applicable law or regulation provided that the receiving Party shall give sufficient notice of the requirement to the disclosing Party to enable the disclosing Party to seek protective orders.

36.25.5 Effective Date Of This Section. Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement.

36.26 Notices

Any notices required by or concerning this Agreement shall be sent to the Parties at the addresses shown below:

U S WEST
Kathy Fleming, Executive Director Interconnection Services
1801 California, 23rd Floor
Denver, CO 80202

Sprint

Ken Ross, Director Local Market Development
7301 College Blvd. (Mailstop: KSOPKV0202)
Overland Park, KS 66210

Sprint

George Head, Vice President, Local Market Integration
7301 College Blvd. (Mailstop: KSOPKV0203)
Overland Park, KS 66210

Each Party shall inform the other of any changes in the above addresses.

36.27. Assignment

Neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party provided that each Party may assign this Agreement to a corporate affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted is void ab initio. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

36.28. Warranties

36.28.1. Notwithstanding any other provision of this agreement, the Parties agree that neither Party has made, and that there does not exist, any warranty, express or implied, including but not limited to warranties of merchantability and fitness for a particular purpose.

36.28.2 Except as otherwise provided herein, each party shall perform its obligations in a nondiscriminatory manner relative to its own operations, or those of its Affiliates, but in no event shall a party use less than reasonable care in the performance of its duties hereunder.

36.29 Default

If either Party defaults in the payment of any undisputed amount due hereunder, or if either Party violates any other provision of this Agreement, and such default or violation shall continue for thirty (30) days after written notice thereof, the other Party may seek legal and/or regulatory relief. The failure of either Party to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall, nevertheless, be and remain in full force and effect.

36.30 Nonexclusive Remedies

36.30.1 Except as otherwise expressly provided in this Agreement, each of the remedies provided under this Agreement is cumulative and is in addition to any remedies that may be available at law or in equity.

36.30.2 The obligations of U S WEST and the services offered under this Agreement are unique. Accordingly, in addition to any other available rights or remedies, Sprint may sue in equity for specific performance.

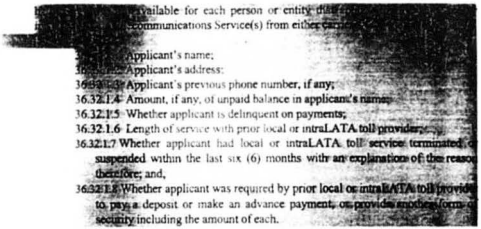
36.30.3. In the event U S WEST intentionally fails to switch a subscriber to Sprint service as requested through an Sprint service request, within the intervals set forth in this Agreement, the continued provision of Telecommunications Services by U S WEST to such subscriber shall be deemed an illegal change in subscriber carrier selection commencing with the time at which U S WEST failed to switch such subscriber. In such event, U S WEST shall reimburse Sprint in an amount equal to all charges paid by such subscriber to U S WEST from the time of such failure to switch to the time at which the subscriber switch is accomplished. This remedy shall be in addition to all other remedies available to Sprint under this Agreement or otherwise available.

36.30.4. All rights of termination, cancellation or other remedies prescribed in this Agreement, or otherwise available, are cumulative and are not intended to be exclusive of other remedies to which the injured party may be entitled at law or equity in case of any breach or threatened breach by the other party of any provision of this Agreement. Use of one or more remedies shall not bar use of any other remedy for the purpose of enforcing the provisions of this Agreement.

36.31. No Third Party Beneficiaries

Except as may be specifically set forth in this Agreement, this Agreement does not provide and shall not be construed to provide third parties with any remedy, claim, liability, reimbursement, cause of action, or other privilege.

3 [redacted]PRTHINESS DATABASE (SE[redacted]
N [redacted]
[redacted]
9 [redacted]U S WEST agree to make avai[redacted]
B [redacted]ecrecy, on a timely basis, suc[redacted]



available for each person or entity that
communications Service(s) from either or

Applicant's name;
Applicant's address;
Applicant's previous phone number, if any;
36.32.1.4 Amount, if any, of unpaid balance in applicant's name;
36.32.1.5 Whether applicant is delinquent on payments;
36.32.1.6 Length of service with prior local or intraLATA toll provider;
36.32.1.7 Whether applicant had local or intraLATA toll service terminated or suspended within the last six (6) months with an explanation of the reason therefore; and,
36.32.1.8 Whether applicant was required by prior local or intraLATA toll provider to pay a deposit or make an advance payment, or provide another form of security including the amount of each.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

Sprint	U S WEST Communications, Inc.
Signature	Signature
Name Printed/Typed	Name Printed/Typed
Title	Title
Date	Date

APPENDIX A

Rates and Charges

The Parties will provide their respective versions of this Appendix to the Arbitrator under separate cover.

APPENDIX B

ENGINEERING REQUIREMENTS

TRUNK FORECAST FORMS

INTERCONNECTION CHECKLIST

MEET POINT

DATE OF MEETING:

Interconnector Information

Name:		
Address:		
City, State, Zip:		
Technical Contact Person:		
Technical Contact Person Telephone #:		
U S WEST Negotiator:		
U S WEST Negotiator Telephone #:		
Desired U S WEST Central Office		
CLLI:		
Central Office Address:		
City, State:		
Meet Point Address:		
Equipment Manufacture/model #	Quantity	

Cable Make-upNumber of cables	
Number of fibers per cable	
Distance from USW to Meet Point	
Distance from Sprint to Meet Point	

Service Requirements	Year 1	Year 2	Year 3
DS3			
DS1			

Remarks:

Please attach a sketch of the requested meet point arrangement

APPENDIX B -- PAGE 2

INTERCONNECTION CHECKLIST

ADDITIONAL TRUNKING

Interconnector Information

Name:	
Address:	
City, State, Zip:	
Technical Contact Person:	
Technical Contact Person Telephone #:	
U S WEST Negotiator:	
U S WEST Negotiator Telephone #:	
Desired Central Office (TANDEM)	
CLLI:	
Central Office Address:	
City, State:	
Meet Point Address:	

Service Requirements

	Year 1	Year 2	Year 3
USW End Office:			
- Terminating CCS (peak busy hr)			
- Number Portability:			
Arrangements			
Call paths per # ported			
USW End Office:			
- Terminating CCS (peak buys hr)			

- Number Portability:			
Arrangements			
Call paths per # ported			
USW End Office:			
- Terminating CCS (peak busy hr)			
- Number Portability:			
Arrangements			
Call paths per # ported			
USW End Office:			
- Terminating CCS (peak busy hr)			
- Number Portability:			
Arrangements			
Call paths per # ported			

Remarks

Please attach a sketch of the agreed upon meet point arrangement

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Exhibit D

Point of Interconnection

To be provided by the Parties

DISAGREED LANGUAGE FOR ARBITRATION

7.7.5. **COMBINATION OF TRUNK GROUPS**

SPRINT POSITION:

IntraLATA, interLATA toll, meet point, EAS local traffic may be combined on a single trunk group.

Directory Assistance, 911/ E911, and Operator services trunks must be separated.

Commercial Mobile Radio Service (Wireless traffic for which

Sprint serves as the transit provider between the CMRS provider and U S WEST) and Non-U S WEST local transit may be put on combined trunks with toll and local traffic.

U S WEST POSITION:

The following trunks must be separated:

- IntraLATA and interLATA toll on a combined meet point trunk group
- EAS local trunks. SPRINT still desires combined traffic trunks Local & Toll
- Directory Assistance trunks
- 911/ E911 trunks
- Operator services
- Commercial Mobile Radio Service (Wireless traffic for which
- Sprint serves as the transit provider between the CMRS provider and U S WEST)
- Non-U S WEST local transit

9[illegible] ON UNBUNDLED ELEMENTS

SPRINT POSITION:

For Sprint facilities-based services and services built with cost-based, unbundled elements, Sprint is entitled to both originating and terminating access charges associated with calls terminating to ported numbers assigned to Sprint subscribers. U S WEST

retains access charges when Sprint service is provided by a rebranded wholesale U S WEST service. In addition, pursuant to 47 CFR § 51.515 where U S WEST switching is used prior to June 30, 1997, CCL and 75 percent of TIC charge will be paid by Sprint to U S WEST.

U S WEST POSITION:

With Interim Number Portability, U S WEST is entitled to keep all terminating switched access revenue for calls terminating to the ported number, with the exception that the Carrier Common Line Charge will be remitted back to Sprint.

29. RESTRICTIONS:

SPRINT POSITION:

There shall be no restrictions on the resale of Basic Exchange Telecommunications Services between different classes of customers, with the following limited exceptions:

U S WEST POSITION:

Basic Exchange Telecommunications Service may be resold only to the same class of customer to which U S WEST sells local Basic Exchange Telecommunications Service. For example:

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30. UNBUNDLED ELEMENTS:

SPRINT POSITION:

U S WEST will not restrict the types of telecommunications services Sprint may offer through unbundled elements, nor will it restrict Sprint from combining elements with any technically compatible equipment that U S WEST or Sprint owns or for which

Sprint arranges. U S WEST will provide Sprint with all of the functionalities of a particular element, so that Sprint can provide any telecommunications services that can be offered by means of the element. U S WEST agrees to perform and Sprint agrees to pay for the TELRIC costs of the functions necessary to combine requested elements in any technically feasible manner either with other elements from U S WEST's network, or with elements possessed or arranged for by Sprint. However, U S WEST need not combine network elements in any manner requested if not technically feasible, but must combine elements ordinarily combined in its network in the manner they are typically combined.

U S WEST POSITION

This Agreement provides for the provision of Unbundled Loops to [CLEC] which may be connected with [CLEC]'s switch for the purpose of offering a finished retail service. In addition, U S WEST agrees to provide an Unbundled Switching Element to [CLEC] which may be combined with [CLEC]-provided loops to provide a finished retail service. U S WEST will not combine U S WEST's Unbundled Loops with U S WEST's Unbundled Switching Element to provide a finished service to [CLEC]. U S WEST agrees, however, to offer finished retail services to [CLEC] for resale pursuant to Section XI, Resale, of this Agreement.

3.2 ELEMENTS INCLUDED IN UNBUNDLED SW

SPRINT POSITION:

- local switching (including all vertical switching features provided by such switches,
- tandem switching (including all switching features provided by such switches,

U S WEST POSITION:

- local switching (not including all vertical switching features provided by such switches),
- tandem switching (not including all switching features provided by such switches),

34. [redacted]ARDS

SPRINT POSITION:

Sprint desires a Standards and Measurement plan that consists of the following:

1. A comprehensive set of service measures covering all areas of activity from Pre-ordering to Billing.
2. Monthly self-reporting by U S WEST presented in a timely manner, with comparisons of Sprint data to U S WEST data and the combined CLECs.
3. Minimum Commission imposed service standards that will ensure that all services performed for the CLECs is acceptable.
4. A quality improvement process where U S WEST reviews its results, identifies their short comings and proposes corrective action.
5. The ability to cooperatively change, add or delete measures as needed.

U S WEST POSITION:

34. PERFORMANCE MEASUREMENTS

Unless otherwise ordered by the Commission, the following shall apply:

34.1. U S WEST will provide performance measurements for the agreed upon service measures listed below on at least a quarterly basis. The performance measurements will compare the level of service U S WEST provides to itself with that which it provides to Sprint and, separately, to other CLECs in aggregate.

34.2. The parties agree to meet and adjust (add or drop) these measurements as appropriate and upon mutual agreement. Performance measurements to be measured and self reported by U S WEST include the following:

34.2.1. Installation Intervals Offered for Facilities in Place (for wholesale business, residence, and designed services (DS0, DS1, DS3, and switched)). Measures the period between the application date to the original due date;

34.2.2 Installation Commitments Met for Facilities in Place (for wholesale business, residence, and designed services (DS0, DS1, DS3, and switched)). Measures average number of service orders completed on original due date;

34.2.4 Installation Reports within 7 Days (for wholesale residence and business services) and within 30 Days (for designed services (DS0, DS1, DS3, and switched)). Measures maintenance requests within 7/30 days of the completed service order;

34.1.2.5 Out of Service Reports Cleared in Less Than 24 Hours (percent of total out of service reports) (for wholesale business, residence, and designed services (DS0, DS1, DS3, and switched)). Time measured is from the date and time of receipt to the date and time the trouble is indicated as cleared;

34.1.2.7 Repair Commitments Met (for wholesale business and residence services). Time is measured from appointment date and time to the cleared date and time;

34.1.2.12 Repair Repeat Reports within 30 Days (for wholesale business, residence, and designed services (DS0, DS1, DS3, and switched)). Time measured is from the date and time of the last report completed to the date and time of the next report;

34.1.2.17 Toll Operator Access within 10 Seconds (not Sprint specific);

34.1.2.18 Directory Assistance Operator Access within 10 Seconds (not Sprint specific);

34.1.2.19 Business Office Access wthin 20 Seconds (not Sprint specific); and

34.1.2.20 Repair Center Access within 20 Seconds (not Sprint specific).

34.3 Records and Reporting. U S WEST shall maintain complete and accurate performance records of its performance under this Agreement for each specified measurement and its compliance with the performance criteria (standard). U S WEST shall provide to Sprint such records in an agreed to self-reporting format. The records will contain specified information to

allow Sprint to compare the level of service it receives to that which U S WEST gives itself and which other CLEC's (in aggregate) receive. The parties agree that such records shall be deemed "Proprietary Information".

34.2 Failure to Meet the Performance Criteria. If during a Specified Review Period, U S WEST fails to meet the performance criteria, U S WEST will use its best efforts to meet the Performance Criteria for the next Specified Review Period by analyzing the cause of the problem and documenting the remedial plan to fix the problem(s). If U S WEST fails to meet the performance criteria for two consecutive periods, the Parties agree, in good faith, to meet (in person or by phone) to attempt to resolve such issues through negotiation. This negotiation may include escalation of the issue up the management organizations of the parties. If problems persist in spite of the best efforts of the parties, the parties will invoke the Dispute Resolution Practice found in Section 33 of the Agreement. This paragraph shall not be construed to waive either Party's right to seek legal or regulatory intervention as provided by state or federal law. Sprint may seek regulatory or other legal relief including requests for specific performance of U S WEST's obligations under this Agreement.

34.3 Limitations. U S WEST's failure to meet or exceed and of the Performance Criteria can not be as a result, directly or indirectly, of a Delaying Event. A "Delaying Event" means (a) a failure by Sprint to perform any of its obligations set forth in this Agreement , (b) any delay, act or failure to act by a Customer, agent of subcontractor of Sprint or (c) any Force Majeure Event. If a Delaying Event prevents U S WEST from performing a Specified Activity, then such Specified Activity shall be excluded from the calculation of U S WEST's compliance with the performance measurements.

34.5 Cost Recovery. U S WEST reserves the right to seek recovery of the costs associated with the creation of the above reports and standards through a future proceeding before a regulatory body. By signing this Agreement, Sprint does not waive its right to take a position contrary to U S WEST's in such a proceeding.

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36. Terms and Treatment

SPRINT POSITION:

Any price, term and/or condition offered to any carrier by U S WEST shall be made available to Sprint Communications Company L P ("Sprint") on a Most Favored Nation's ("MFN") basis and U S WEST shall immediately notify Sprint of the existence of such better prices and/or terms and make the same available to Sprint effective on the date the better price and/or term became available to either carrier. The MFN shall apply to any unbundled element, service (e g , directory assistance, basic residential service, intraLATA toll, Centrex, call waiting). Exceptions to the general availability of MFN shall~~should~~ be very limited and include only volume discounts that reflect only cost savings, term discounts, significant differences in operations support (e g , unbundled loops with maintenance as compared to unbundled loops without maintenance or unbundled loops conditioned for data as compared to voice grade loops), and technical feasibility (e g , local switching must be purchased to receive vertical features supported by the switch). If U S WEST geographic zones are not uniform as applied to all carriers, Sprint may choose the lowest price available from U S WEST for each specific area being served by Sprint.

U S WEST POSITION

The Parties agree that the provisions of Section 252(i) of the Act shall apply, including state and federal interpretive regulations in effect from time to time.

EXHIBIT 2

Disagreement Matrix

EXHIBIT 2 -- Matrix of Disagreed Language
USWC/Sprint Arbitration
April 25, 1997

Issue	Sprint Position	U S WEST Position	Rules of Act & Order
I. Section 7.7.5 Economically Inefficient Multiple Trunk Groups Requirement	Sprint agrees that traffic of differing, direct destinations including Operator traffic, and Directory Assistance must be separated. But, it is not necessary for all toll and local and EAS to be separated.	"The following is the current list of traffic types that require separate trunk groups, unless specifically otherwise stated in this Agreement: * IntraLATA and interLATA toll on a combined meet point trunk group * EAS/local trunks * Directory Assistance trunks * 911/E911 trunks * Operator Services * Commercial Mobile Radio Service * Non-U S WEST local transit"	47 U.S.C. § 257(c)(2); 47 C.F.R. § 51.305(a)
II. Section 9.1.4 Ownership of Access Charges During Interim Number Portability	For Sprint facilities-based services and services built with cost-based, unbundled elements, Sprint is entitled to both originating and terminating access charges associated with calls terminating to ported numbers assigned to Sprint subscribers.	With Interim Number Portability, U S WEST is entitled to keep all terminating switched access revenue for calls terminating to the ported number, with the exception that the Carrier Common Line Charge will be remitted back to Sprint.	FCC's Order in CC Docket 95-116 issued July 2, 1996 at para. 140
III. Most Favored Nations Election of Other Contracts and Provisions	Any price, term and/or condition offered to any carrier by U S WEST shall be made available to Sprint Communications Company L. P. ("Sprint") on a Most Favored Nation's ("MFN") basis.	The Parties agree that the provisions of Section 252(i) of the Act shall apply, including state and federal interpretive regulations in effect from time to time.	Section 252(i)
IV. Section 32.1.1.2 and 3 (and Section 4.60 definition) Inclusion of Features and Functions in Unbundled Switching	Unbundled Switching includes all vertical switching features and functionality provided by such switches.	Unbundled Switching elements do not include all functions and features of the switch. Non-included features are sold separately including CLASS features.	47 U.S.C. § 153(29); Order, at para. 412; 47 C.F.R. § 51.319(c)

V. Section 32.1.2 Combining of Unbundled Elements	U S WEST will not restrict the types of telecommunications services Sprint may offer through unbundled elements, nor will it restrict Sprint from combining elements with any technically compatible equipment that U S WEST or Sprint owns or for which Sprint arranges.	Unbundled Loops to [CLEC] may be connected with [CLEC]'s switch for the purpose of offering a finished retail service. U S WEST will not combine U S WEST's Unbundled Loops with U S WEST's Unbundled Switching Element to provide a finished service to [CLEC].	47 U S C § 251(c)(3); Order, at para. 293, 296; 47 C F R. § 51.315(a)
VI. Section 34 Service Measures and Standards	Sprint desires a Standards and Measurement plan that includes a comprehensive set of service measures covering all areas of activity from Pre-ordering to Billing; Monthly self-reporting by U S WEST with comparisons of Sprint data; Minimum Commission imposed service standards, a quality improvement process, the ability to cooperatively change, add or delete measures as needed.	U S WEST proposes to utilize the measures required by the state commission, reported quarterly with no penalties for non-compliance. New measures will result from Commission decision.	47 U S C § 251(c)(2)(C); 47 C F R §§ 51.305(a)(3), 51.311(b), 51.603(b)
VII. Section 31.2.5 Unfair Restrictions on Resale of Telecommunications Services	There shall be no restrictions on the resale of Basic Exchange Telecommunications Services, with the following limited exceptions. Residence Services may not be resold to business customers. Basic telecommunications services available to end users may not be resold as a substitute for switched access service. Lifeline services may not be resold to non-qualifying customers per state guidelines."	Basic Exchange Telecommunications Service may be resold only to the same class of customer to which U S WEST sells local Basic Exchange Telecommunications Service. AND Appendix A lists services which are available for resale under this Agreement and applicable discounts. (Many services are not discounted)	47 U.S.C. § 251(c)(4); Order, para. 956; 47 C.F.R. §§ 51.605, 51.613(a)

EXHIBIT 3

Letter Initiating Negotiations

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U S WEST, Inc.
7800 East Orchard Road Suite 390
Englewood, Colorado 80111
Telephone 303 793-6572
Facsimile 303 796-6040

Karen Tatelman
Attorney

USWEST

February 12, 1997

Via Facsimile and U.S. Mail

Mr. Kendal S. Ross
Sprint - Director Local Market Development
8140 Ward Parkway
Kansas City, MO 64114

Dear Ken:

This letter is to confirm our telephone conversation of February 11, 1997. By this letter, U S WEST concurs that, notwithstanding your letter to Mark Reynolds dated September 12, 1996, Sprint and U S WEST commenced negotiations for interconnection under the Telecommunications Act of 1996, for the states of Idaho, Iowa, Montana, New Mexico, North Dakota, South Dakota, and Wyoming on November 18, 1996. We further agree that this is the appropriate date for all date calculations and timetables pursuant to Sections 251 and 252 of the Act. From my calculations, this would make April 27, 1997, the last day to file for arbitration.

USWC further agrees not to challenge such date in any proceeding. If this concurs with your understanding of the facts, please sign and return a copy of this letter for my file.

Sincerely,

Karen Tatelman

I concur with the above dates.

Kendal S. Ross
Sprint Director, Local Market Development

Date: 2-13-97

cc: Kathy Fleming
Barry Medintz
Dan Purkey
Colleen Rugh

EXHIBIT 4

Issues for Arbitration

8142.9 USM

EXHIBIT 4

ISSUES FOR ARBITRATION BETWEEN U S WEST AND SPRINT

I. **Economically Inefficient Multiple Trunk Groups Requirements**

ISSUE: In Section 7.7.5 of the draft contract, U S WEST is requiring Sprint to conform to U S WEST's inefficiencies by separating all traffic into separate trunk groups and sending traffic to separate offices depending on traffic type.

> "The following is the current list of traffic types that require separate trunk groups, unless specifically otherwise stated in this Agreement.
>
> ...
>
> •IntraLATA and interLATA toll on a combined meet point trunk group
>
> •EAS/local trunks
>
> •Directory Assistance trunks
>
> •911/E911 trunks
>
> •Operator Services
>
> •Commercial Mobile Radio Service
>
> •Non-U S WEST local transit"

SPRINT POSITION: U S WEST's requirement will require Sprint to order and pay for at least 7 separate and distinct trunks for traffic out of each office that other ILECs combine to one or two trunks. Initially, this will be extremely expensive for Sprint as the traffic to fill these trunks will not exist. This is an operational barrier thrown up by U S WEST to prevent economical in-roads into its territories.

Sprint agrees that traffic of differing direct destinations, including Operator Services and Directory Assistance traffic, should be separated. However, it is not necessary that all toll, local and EAS traffic be separated. U S WEST has failed to show that Sprint's proposal is not technically feasible. If

U S WEST has billing weaknesses and cannot measure the traffic, studies can be performed to separate the traffic and develop factors.

U S WEST POSITION: U S WEST states that all traffic must ride separate trunk groups and even initially proposed separate trunk groups for INTER- and INTRA-LATA toll and Local, and EAS traffic. Sprint's objections were heard on these separations and Sprint prevailed. U S WEST maintains that they have a network architecture that separates the traffic by tandem. All U S WEST toll traffic is routed to a toll tandem and all U S WEST local traffic is routed to local tandems. However, the traffic must be split at some point common to the end-user to send it to these various tandems. To have an economic chance of survival, Sprint must be able to combine traffic on common trunk groups and send all traffic to a single tandem and then have it separated and routed to its destinations.

REFERENCES TO THE ACT and the ORDER: 47 U.S.C. § 257(c)(2); 47 C.F.R. § 51.305(a).

II. **Ownership of Access Charges During Interim Number Portability**

ISSUE: Section 9.1.4 of the draft contract describes how the local companies, working together to provide local access through the Interim Number Portability ("INP") method, will share access charges. In the Permanent Number Portability Scenario, the routing decision will be made above the tandem, and as a result call forwarding and the associated access charges will not be an issue. There are two ways in which Sprint can provide switching in an unbundled environment: 1) where Sprint provides switching itself or via another provider such as a CAP, or 2) where Sprint buys unbundled elements from U S WEST by paying the entire cost of the elements up-front, in which case they become virtually Sprint-provided services. The access elements associated with a service INP are: Tandem Switching, Tandem Transport, Local Transport, Local

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Switching, and the Local Loop. Access charges are charged to Interexchange Carriers on the origination and termination of interexchange traffic.

In the Originating direction, the call under INP will be clearly routed from Sprint to the IXC without the call forwarding function being performed. The parties do not dispute the assignment of access charges in this direction.

In the Terminating direction, however, the parties disagree who should get the access revenues.
The following diagram shows the routing of an Interexchange terminating call under INP.

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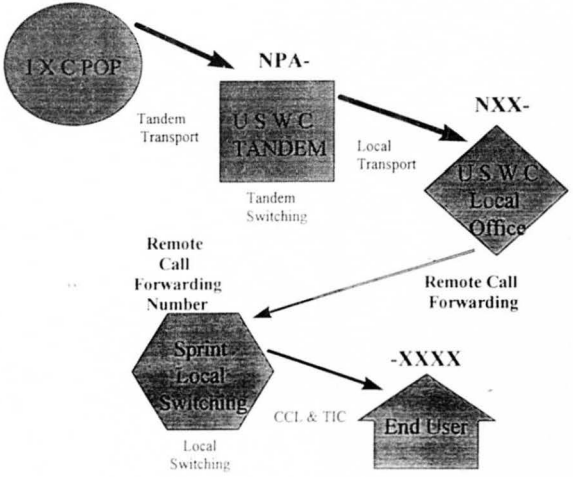

Diagram of Access & Other Charges Pertaining to Interim Number Portability

The call is routed from the IXC POP to the tandem based upon the **NPA**, and then is sent to the U S WEST end office hosting the INP arrangement by **NXX**. The call is then **Remote Call Forwarded** to the Sprint switch (provided by Sprint either through the purchase of the local switching unbundled elements or through a Sprint-owned switch) where Sprint performs **Local Switching** on the

call and routes it to the end-user over the unbundled loop. Charges are due from the involved carriers as follows:

Tandem Switching	From IXC To Tandem Provider (USWC as diagrammed above)
Tandem Transport	From IXC To Tandem Provider (USWC as diagrammed above)
Remote Call Forward	From Sprint To USWC
Local Transport	From IXC To Sprint (who pays USWC for call transfer via RCF)
Local Switching	From IXC To Sprint (who ultimately switches call to the end-user)
CCL and TIC	From IXC To Sprint (who pays USWC for unbundled loop)

(Note: until July 1997 Sprint shares the CCL & TIC with USWC per FCC Order)

If U S WEST receives the access charges on these calls, U S WEST in effect received "double recovery": first from Sprint in the form of unbundled elements and Remote Call Forwarding charges, and then again from interexchange carriers in the form of access charges. In the meantime, Sprint receives no compensation for the costs involved in providing the services. Such an arrangement would be highly profitable for U S WEST and would provide U S WEST no incentive to conform to permanent number portability rules.

SPRINT POSITION: Sprint's position was adopted by the Minnesota Commission:

> "For Sprint facilities-based services and services built with cost-based, unbundled elements, Sprint is entitled to both originating and terminating access charges associated with calls terminating to ported numbers assigned to Sprint subscribers. U S WEST retains access charges when Sprint service is provided by a rebranded wholesale U S WEST service. In addition, pursuant to 47 CFR § 51.515 where U S WEST switching is used prior to June 30, 1997, CCL and 75 percent of TIC charge will be paid by Sprint to U S WEST. These will be billed to the IXCs on a multi-tariff/multi-bill basis."

When Sprint provides the local switching through either the provision of a physical switch or the use of unbundled elements and uses an unbundled element loop, it is entitled to all revenue streams produced by those elements' functions. Sprint's position is in accordance with the FCC's Order in CC Docket 95-116 issued July 2, 1996 at para. 140, which specifically addresses access charges under interim number portability. U S WEST is compensated for the Remote Call Forwarding through the RCF rate as instructed by the Commission. Sprint not only has to deal with a lesser grade of access to its customers until permanent number portability rules are implemented by the RBOCs, but also pays the full costs of the RCF and unbundled elements. Sprint is entitled to the access charges.

U S WEST POSITION: With Interim Number Portability, U S WEST is entitled to keep all terminating switched access revenue for calls terminating to the ported number, with the exception that the Carrier Common Line Charge will be remitted back to Sprint.

REFERENCES TO THE ACT and the ORDER: FCC's Order in CC Docket 95-116 issued July 2, 1996 at para. 140.

III. **Most Favored Nations Election of Other Contracts and Provisions**

ISSUE: Section 36.2 of the contract contains the provisions from the Act that deal with the issue of Most Favored Nations treatment of CLECs. This provision guarantees all CLEC equal treatment in the emerging competitive markets. Congress elected to implement the new competitive environment through contract negotiations as opposed to generally open and participative tariffing procedures. Tremendous risk exists for some carriers with less experience and fewer resources to suffer dramatic competitive disadvantage through the private negotiation process. MFN equalizes the playing field somewhat by

providing equal opportunities to adopt contract provisions and terms that others are able to negotiate. During Sprint's negotiations with U S WEST, this situation has manifested itself several times. U S WEST historically has not volunteered to Sprint the favorable provisions it gives other carriers. Unless discovered by Sprint and pressed specifically, U S WEST will not volunteer information and then may only tell part of the story. An example of this is the contract provision where U S WEST will rebate to Sprint shares of up-front charges assessed for special construction when subsequent carriers are added to the specially-constructed facilities Sprint paid for. The negotiations have been in process since June of 1995, and the rebating provision was offered up at Sprint's insistence only in March of this year. This is a significant cost issue to Sprint. One can only imagine the treatment that carriers even smaller than Sprint may be receiving. If the provisions for competitive entry were created in a tariff environment as they were in the Interexchange world, this kind of discrimination would not occur. Thus MFN is a protection against abuse from the dominant carriers.

SPRINT POSITION: The following is Sprint's proposed contract language for Section 36.2:

"Any price, term and/or condition offered to any carrier by U S WEST shall be made available to Sprint Communications Company L. P. ("Sprint") on a Most Favored Nation's ("MFN") basis and U S WEST shall immediately notify Sprint of the existence of such better prices and/or terms and make the same available to Sprint effective on the date the better price and/or term became available to either carrier. The MFN shall apply to any unbundled element, service (e.g., directory assistance, basic residential service, intraLATA toll, Centrex, call waiting). Exceptions to the general availability of MFN shall be very limited and include only volume discounts that reflect only cost savings, term discounts, significant differences in operations support (e.g., unbundled loops with maintenance as compared to unbundled loops without maintenance or

unbundled loops conditioned for data as compared to voice grade loops), and technical feasibility (e.g., local switching must be purchased to receive vertical features supported by the switch). If U S WEST geographic zones are not uniform as applied to all carriers, Sprint may choose the lowest price available from U S WEST for each specific area being served by Sprint."

The obvious close parallel to the language of the Act at Section 252(i) should be noted. With this provision, Sprint and others are protected from potentially anticompetitive conduct by its sole supplier and its dominant competitor, which are one and the same, U S WEST. The Act is clear that the CLECs will have the option to adopt the line items from competing contracts that apply to their similar situation."

With the MFN clause the effort for USWC will be simplified because it will result in fewer contracts to administrate and fewer CLEC specific provisions that have to be monitored and administered. Ultimately, USWC ought to push for a single contract for all CLECs. Instead, U S WEST discriminates by CLEC, thereby slowing the process and allowing more opportunities to disadvantage individual competitors.

U S WEST POSITION: U S WEST proposes only a simply and innocuous reference to the Act in order to preserve its interpretive ammunition for future disagreements. U S WEST proposes:

"The Parties agree that the provisions of Section 252(i) of the Act shall apply, including state and federal interpretive regulations in effect from time to time."

REFERENCES TO THE ACT and the ORDER: ACT, Section 252 (i)

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IV. **Inclusion of Features and Functions in Unbundled Switching**

ISSUE: Sections 32.1.1.2 and .3 (and Section 4.60, definition of a "Port") of the draft contract describe the features of the Local Switching unbundled element. According to the provisions of the Act and the Order, all "features and functions" of the switch are included in the local switching element. U S WEST disregards the clear direction of both the Act and the Order and holds that it will charge CLECs separately for each feature and function of local switches in addition to the Local Switching charges. Sprint is opposed to deviating from the direction of both Congress and the FCC on this issue and maintains that the features and functions of the switch are included in the switching element.

SPRINT POSITION: Sprint proposes the following language for Sections 32.1.1.2 and 3.

a)	local switching (including all vertical switching features provided by such switches,
b)	tandem switching (including all switching features provided by such switches.

And the following language at Section 4.60.

A	"Port" means a termination on a Central Office Switch that permits customers to send or receive telecommunications services over the public switched network, including switch features or switching functionality.

Sprint's position on this issue is consistent with the Act and the FCC's rules. The Federal Act defines a network element as including "features, functions and capabilities that are provided by means of such facility or equipment including subscriber numbers, databases, signaling systems . . ." 47 U.S.C. § 153(29).

Likewise the FCC found that the features functions and capabilities provided through the switch include " all vertical features that the switch is capable of providing, including custom calling , CLASS features and Centrex, as well as any technically feasible custom routing functions " Order, at para 412, 47 C.F.R. § 51.319(c). U S WEST wants to disadvantage its earnest competitors by charging additional non-recurring charges and recurring rates for these services. In addition, U S WEST negotiators have indicated that these features would only be available in "packages" and that CLECs would have to purchase the entire package of three or four services even if the end-user only wanted a single service. This is in clear violation of the Act and the Order.

U S WEST POSITION: U S WEST proposes the following contrary language for the contract at Sections 32.1.1.2 and 3:

a)	local switching (**not** including vertical switching features provided by such switches;
b)	tandem switching (**not** including switching features provided by such switches;

At Section 4.60 U S WEST proposes the following:

A.	"Port" means a termination on a Central Office Switch that permits customers to send or receive telecommunications services over the public switched network, but does not include switch features or switching functionality.

This position was not embraced by U S WEST until after the first round of arbitrations was filed. Sprint did not have the opportunity to argue this issue in the first seven U S WEST states it filed.

REFERENCES TO THE ACT and the ORDER: 47 U.S.C. § 153(29); Order, at para. 412; 47 C.F.R. § 51.319(c).

V. **Combining of Unbundled Elements**

ISSUE: Section 32.1.2 of the contract details the conditions for ordering unbundled network elements. The Act and FCC regulations clearly allow the combination of unbundled elements in any technically feasible manner needed to establish a desired service configuration. U S WEST, on the other hand, wishes to preclude Sprint from providing services using unbundled elements in the manner Sprint sees fit by not allowing the combination of unbundled elements.

SPRINT POSITION: The Act and the Order are clear in their allowance of CLECs to rebundle the necessary and technically feasible components of a service purchased on a elemental basis. The Act is clear with regard to rebundling elements when it stated that an ILEC must provide access to "unbundled network elements in a manner that allows the requesting carrier to combine such elements in order to provide" a telecommunications service. 47 U.S.C. § 251(c)(3); see also 47 C.F.R. § 51.315(a). The FCC concluded that this language prohibits "incumbent LECs from separating elements that are ordered in combination, unless a requesting carrier specifically asks that such elements be separated." Order, at para. 293. The FCC further requires that ILECs "are required to perform the functions necessary to combine those elements that are ordinarily combined in their network, in a manner in which they are typically combined. Incumbent LECs are also required to perform the functions necessary to combine elements, even if they are not ordinarily combined in that manner, or they are not ordinarily combined in the incumbents network, provided that such combination is technically feasible, and such combination would not undermine the ability of other carriers to access

unbundled elements or interconnect with the incumbent LEC's network." Order at para. 296.

Sprint proposes that the contract at Section 32.1.2 include the following language regarding the right to combine elements. This language has been universally adopted in the six jurisdictions ruling on Sprint's USWC Arbitration Petitions to date.

> "U S WEST will not restrict the types of telecommunications services Sprint may offer through unbundled elements, nor will it restrict Sprint from combining elements with any technically compatible equipment that U S WEST or Sprint owns or for which Sprint arranges. U S WEST will provide Sprint with all of the functionalities of a particular element, so that Sprint can provide any telecommunications services that can be offered by means of the element. U S WEST agrees to perform and Sprint agrees to pay for the TELRIC costs of the functions necessary to combine requested elements in any technically feasible manner either with other elements from U S WEST's network, or with elements possessed or arranged for by Sprint. However, U S WEST need not combine network elements in any manner requested if not technically feasible, but must combine elements ordinarily combined, whether in its particular network or not, in the manner they are typically combined."

U S WEST POSITION: U S WEST proposes the complete restriction of the combination of elements to form a service. It proposes the following for the contract:

> "This Agreement provides for the provision of Unbundled Loops to [CLEC] which may be connected with [CLEC]'s switch for the purpose of offering a finished retail service. In addition, U S WEST agrees to provide an Unbundled Switching Element to [CLEC] which may be combined with [CLEC]-provided loops to provide a finished retail service. U S WEST will not combine U S WEST's Unbundled Loops with U S WEST's Unbundled Switching Element to provide a finished service to [CLEC]. U S WEST agrees, however, to offer finished retail services to [CLEC] for resale pursuant to Section XI, Resale, of this Agreement."

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REFERENCES TO THE ACT and the ORDER: 47 U.S.C. § 251(c)(3), Order, at para. 293, 296, 47 C.F.R. § 51.315(a)

VI. Service Measures and Standards

ISSUE: Section 34 of the proposed contract covers the essential element of Quality for the CLEC/ILEC relationship. Quality is the single most important factor in entering and establishing a foothold in the newly competitive market. U.S. WEST, according to the Act is obligated to provide service "that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection . . ." 47 U.S.C. § 251(c)(2)(C); see also, 47 C.F.R. §§ 51.305(a)(3), 51.311(b), 51.603(b). While the subtle anticompetitive actions of U.S. WEST can be detected in contract negotiations and in the comparative contracts that result, far more insidious damage can be inflicted upon the unsuspecting CLEC once operations begin. Indeed, as the sole provider of wholesale facilities and services USWC can control the success or failure of the CLECs. For example, if the CLECs are not aware of the number of held orders they experience relative to U.S. WEST, they can be run out of business and be left wondering why. New customers will be 100 percent of the new entrants business for a long time. Absent a Held Order measure for comparisons of parity service, USWC could fill only its orders and hold those of the CLECs. Or, U.S. WEST could perform poorly on all new orders including their own and crush the CLECs while not even denting their own business. This is just one of many possibilities that are at U.S. WEST's option.

U.S. WEST is under a statutory obligation to provide service at parity with that which it provides itself, its affiliates, and others. This will not be a reality without effective and timely service quality measurements and standards.

SPRINT POSITION: Sprint desires a Standards and Measurement plan that consists of the following:

1. A comprehensive set of service measures covering all areas of activity from Pre-ordering to Billing.
2. Monthly self-reporting by U S WEST presented in a timely manner, with comparisons of Sprint data to U S WEST data and the combined CLECs.
3. Minimum Commission imposed service standards that will ensure that all services performed for the CLECs is acceptable.
4. A quality improvement process where U S WEST reviews its results, identifies their short comings and proposes corrective action.
5. The ability to cooperatively change, add or delete measures as needed.

While Sprint has not had the cooperation of U S WEST to develop a detailed plan for the measurement and improvement of quality, it proposes the following components to the final plan with U S WEST:

Step 1: Sprint proposes a set of measures that appear in Attachment A of this Exhibit. Sprint and U S WEST meet to review the current performance of U S WEST in each performance measure. Two levels will be discussed for each measure including: 1) a historically-based level of U S WEST performance for parity comparison; and 2) a Sprint objective for each measure which will serve as the Sprint internal benchmark to work towards. The Sprint measure may not be adopted by U S WEST absent a commitment to process improvement, but Sprint is hopeful that the merits of such a cooperative effort will become apparent to U S WEST.

Step 2 U S WEST gathers and self-reports monthly the results of the month's activity in each performance area. These results reports would include the following:

1) the absolute measures of performance for Sprint;

2) parity comparisons between the results of Sprint and U S WEST itself; and

3) parity comparisons between Sprint and the sum of the other CLECs (without U S WEST)

Step 3. U S WEST reviews its measures for the month and investigates deviations from parity with other parties and provides Sprint with an explanation of the deviations and what will be done in the following period(s) to remedy the problem.

Step 4. Sprint will review the monthly results noting any exceptions to minimums and the remedial plans provided by U S WEST. An internal tracking mechanism will be established at Sprint for any items in question. If a measure is below an acceptable (critical) level, or shows deviation from an agreed upon improvement plan in a subsequent period immediate discussions would be pursued with the U S WEST account manager to determine the root cause of the problem and if escalation will be necessary.

Step 5 A semi-annual feedback document will be created by Sprint to evaluate U S WEST's performance in all areas with special attention to improvement in problem areas. In a semi annual review meeting Sprint and the

U S WEST account team will meet together to discuss the review and plans to remedy any problems.

Step 6: If progress on a remedial plan is not being achieved, then a previously provided escalation list would be consulted to gain executive attention and focus on the problem.

Step 7: Remedies would only be exercised as needed to ensure that Sprint is not damaged by malignant problems. Sprint would also have access to the Commission if poor quality becomes terminal. This would be seen as an extreme remedy by Sprint as we expect to have an effective working rapport established with U S WEST.

Step 8: The meeting in item 1 above would then be repeated in an annual U S WEST and Sprint account team meeting to review the progress of the year and, if appropriate, set new goals.

The parties continue to negotiate these provisions. The draft of the Agreement attached to this Petition contains language that is an improvement over the initial U S WEST proposed language but it is still lacking in content and ability to impact performance. Sprint therefore respectfully requests adoption of parameters that will force U S WEST to cooperate in the building of a meaningful service quality provision.

U S WEST POSITION: U S WEST proposes the following:

A. Definitions When used in this Section, the following terms shall have the meanings indicated:

1. "Specified Performance Commitment" means the commitment by U S WEST to meet the Performance Criteria for any Specified Activity during the Specified Review Period.

2. "Specified Activity" means any of the following activities:

a) Installation Activities -- apply to resold services, unbundled loops, unbundled switching, and interim number portability:

i) Installation Intervals Offered (measured from application date to original due date);

ii) Installation Commitments Met;

iii) Installation Reports within 7 days (percent of reports per total of new, to or change orders).

b) Repair Activities -- apply to resold service, unbundled loops, unbundled switching, and interim number portability:

i) Out of Service Cleared in Less Than 24 Hours (percent of total out of service reports);

ii) Report Rate per 100 Access Lines;

iii) Repair Commitments Met;

iv) Out of Service and Service Affecting Cleared in Less than 48 Hours;

v) Repair Repeat Reports within 30 Days (Percent of Repeats per 1 00 Access Lines)

c) Trunking, Activities -- includes interconnection trunks

1) Defects per 1 Million Calls (Dedicated Facilities/Trunk-side only)

3 "Performance Criteria" means, with respect to a Specified Review Period (i e , a calendar month or quarter), the performance by U S WEST for the specified activities for TCG will meet or exceed the average performance by U S WEST for the total universe of specified activities

B Failure to Meet the Performance Criteria If during a Specified Review Period, U S WEST fails to meet the performance criteria, U S WEST will use its best efforts to meet the Performance Criteria for the next Specified Review Period If U S WEST fails to meet the performance criteria for two consecutive periods, the Parties agree, in good faith, to attempt to resolve such issues through negotiation or non-binding arbitration. This paragraph shall not be construed to waive either Party's right to seek legal or regulatory intervention as provided by state or federal law TCG may seek regulatory or other legal relief including requests for specific performance of U S WEST's obligations under this Agreement

C Limitations. U S WEST's failure to meet or exceed and of the Performance Criteria can not be as a result, directly or indirectly, of a Delaying Event A "Delaying Event" means (a) a failure by TCG to perform any of its obligations set forth in this Agreement , (b) any delay, act or failure to act by a Customer, agent of subcontractor of TCG or (c) any Force Majeure Event If a Delaying Event prevents U S WEST from performing a Specified Activity, then such Specified Activity shall be excluded from the calculation of U S WEST's compliance with the Performance Criteria

D. Records. U S WEST shall maintain complete and accurate records, for the Specified Review Period of its performance under this Agreement for each Specified Activity and its compliance with the Performance Criteria. U S WEST shall provide to TCG such records in a self-reporting format. The parties agree that such records shall be deemed "Proprietary Information".

E. Cost Recovery. U S WEST reserves the right to recover the costs associated with the creation of the above reports and standards through a future proceeding before a regulatory body. Such a proceeding may address a wide range of implementation costs not otherwise recovered through charges established herein.

The U S WEST contract proposal is deficient for the following reasons:

1. It is limited to only nine (9) measures in three (3) areas: "Installation Activities" "Repair Activities" and "Trunking Activities". While these nine are part of the needed measures, they do not include measures in the areas of "Pre-service", "Ordering", "Billing", "Operator Services" and "Directory Assistance". In addition, the limited list is void of key measures in the areas of "Provisioning" and "Maintenance".

2. It does not include any provision for reporting of measures in a specified time-frame. U S WEST has offered quarterly reporting. This is insufficient because in a three month period a

service could degrade beyond a customers tolerance without Sprint's knowledge. This would also make specific service improvement progress impossible to manage.

3. U S WEST proposes that there be no measures beyond the Commission-reported measures, which are insufficient for managing operations of service quality but are rather intended to only snapshot views of broad service indicators.

4. U S WEST proposes that after failure to meet standards (based on too few measures) for a certain time period it will use its "best efforts" to fix the problem. After two consecutive periods (six months) of unsatisfactory service results, U S WEST is willing to negotiate or be subject to non-binding arbitration. This is clearly inadequate and leaves Sprint void of any real enforcement power. It is also curious that a company as large as U S WEST is not taking an active role in enlisting its potential customers (CLECs) in a quality performance scheme that will ultimately benefit all involved.

5. U S WEST further proposes an ultimate remedy of formal regulatory intervention proceedings which will be costly to the parties, this Commission and the people of this state, and which can only be invoked after a period sufficient to frustrate CLEC customers and drive them back to U S WEST.

6. Finally, U S WEST's proposal contains an inflexible measurement scheme requiring commission intervention to add a measure to supplement remedial process improvements or focus effort to improve quality.

REFERENCES TO THE ACT and the ORDER: Act, 47 U.S.C. § 251(c)(2)(C); 47 C.F.R. §§ 51.305(a)(3), 51.311(b), 51.603(b).

VII. **Unfair Restrictions on Resale of Telecommunications Services**

ISSUE: Section 31.2.5 of the proposed contract details the logical and appropriate constraints to be placed upon resale of services by CLECs. These limitations are intended to follow the FCC Order exactly to balance the need to protect U S WEST and at the same time provide maximum opportunity for Sprint, and the other fledgling competitors, to establish a presence in the market. Unfortunately, U S WEST desires to constrict the opportunity such that Sprint will not have sufficient latitude to introduce or package services to attract new customers. The Act provides that an ILEC must "offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers..." In addition, the Act states that an ILEC may not prohibit or impose unreasonable or discriminatory conditions or limitations on the resale of those telecommunications services. 47 U.S.C. § 251(c)(4)(a) and (b); see also, 47 C.F.R. §§ 51.605(b), 51.613(a), (b).

SPRINT POSITION: Sprint agrees with reasonable restrictions on resale, including restrictions on selling residential service to business customers and lifeline services to nonqualifying customers. However, U S WEST wants restrictions to go much deeper. Accordingly, Sprint takes exception to two of U S WEST's proposed restrictions, specifically: 1) restriction on the sale of

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services in any way other than U S WEST tariffs the services, and 2) U S WEST withholding telecommunications services from resale at wholesale rates.

Sprint proposes that the following language be added to the contract at Section 31.2.5:

"There shall be no restrictions on the resale of Basic Exchange Telecommunications Services, with the following limited exceptions:

- Residence Services may not be resold to business customers.
- Basic telecommunications services available to end users may not be resold as a substitute for switched access service.
- Lifeline services may not be resold to non-qualifying customers per state guidelines."

This language allows for reasonable restrictions as envisioned by the Act and the Order yet allows Sprint to sell services in ways other than those dictated by U S WEST tariffs.

U S WEST POSITION: U S WEST proposes the following unacceptable language:

"Basic Exchange Telecommunications Service may be resold only to the same class of customer to which U S WEST sells local Basic Exchange Telecommunications Service."

This language is too vague and will be subject to capricious interpretation by U S WEST. It essentially gives U S WEST complete control over the marketing of resold products by new entrants, and therefore allows U S WEST to continue to possess control over the market.

The contract at Section 31.1 states:

> "U S WEST Basic Exchange Telecommunications Service, Basic Exchange Switched Features, and intraLATA toll will be available for resale from U S WEST pursuant to the Act and will reference terms and conditions (except prices) in U S WEST tariffs, where applicable. Appendix A lists services which are available for resale under this Agreement and applicable discounts. The Parties agree that, at this time, certain U S WEST services are not available for resale under this Agreement (e.g., Voice Mail, inside wire, and deregulated services)."

The concern with this issue is hidden in Appendix A. U S WEST negotiators have offered Sprint 0% (ZERO PERCENT) wholesale discounts on over half the services U S WEST offers at retail. In effect, U S WEST is restricting services for resale in disregard of the Order and the Act. Sprint objects to this position and petitions the Commission to make U S WEST comply by offering all services at a discount.

REFERENCES TO THE ACT and the ORDER: 47 U.S.C. § 251(c)(4), Order, 956; 47 C.F.R. §§ 51.605, 51.613(a).

MEASUREMENT OF PERFORMANCE STANDARDS - WHOLESALE/RESALE

PRE-ORDERING/ORDERING Products: Residence (Basic service); Business (single/multiline; Centrex; PBX Trunks); ISDN

	DESCRIPTION	DEFINITION	REMEDY THRESHOLD
1	Customer Service Record 95% Receipt to Delivery Within 4 hours	Measures percent of Customer Service Records sent to CLC within 4 hours of receiving request and blanket LOA. Applies to < 20 basic exchange lines and < 6 Centrex lines or PBX trunks.	Less than 90% of CSRs are sent within 4 hours
2	FOC Performance Standard 95% complete and accurate for inks and Resale/Wholesale	Measures percent of Firm Order Confirmations that are accurate and complete	Less than 90% of FOCs returned to CLC are accurate
3	Firm Order Confirmation 95% available within 4 hours for Resale/Wholesale	Measures percent of Firm Order Confirmations sent to CLC within 4 hours of receipt of the basic exchange order. Centrex, PBX and ISDN (subject to the restrictions in Item #1 above)	Less than 90% of FOCs are sent in 4 hours
4	Migration Notification 95% sent within 48 hours for Resale/Wholesale	Measures percent of Migration Notifications sent to outgoing CLC within 48 hours of receipt of Migration Order	Less than 90% of Migration Notifications sent in 48 hours
5	LSP PIC Change 95% completed within 24 hours for Resale/Wholesale	Measures percent of PIC changes initiated by CLC processed within 24 hours of receipt of the order	Less than 90% of LSP PIC changes completed within 4 hours
6	Service Order Discrepancy 90% of orders issued without material errors for Link or Resale/Wholesale	Measures percent of orders initiated by CLC that result in a discrepancy. The discrepancy is identified after the order is received in the LISC and requires contact with the CLC for resolution	More than 15% of orders submitted with material errors

MEASUREMENT OF COMPARABLE SERVICE - WHOLESALE/RESALE

PROVISIONING Products: Residence (Basic service); Business (Single and multi line, Centrex, PBX trunks); ISDN; LINK			
	DESCRIPTION	DEFINITION	REMEDY THRESHOLD
1	% Installation Appointment Met	Measures percent of completed service orders with appointments met i.e. work completed by specific date and/or time negotiated with customer	When results fall below parity by Bus A.L./Link 1.0 percentage points Res A.L./Link 1.0 percentage points ISDN 2.0 percentage points
2	% Installation Reports	Measures trouble reports associated with service order activity generated within 30 days of that activity. Measured as a percentage of total service orders	When results fall below parity by Bus A.L./Link 1.5 percentage points Res A.L./Link 1.0 percentage points ISDN 2.0 percentage points
3	% Held Orders	Measure primary (main) telephone service delayed over 30 days because of the lack of telephone utility plant	When results fall below parity by All - 2%

MEASUREMENT OF PERFORMANCE STANDARD - WHOLESALE/RESALE

1	Customer Not Ready	Measures percent of service orders of ordering party or ordering party's customer not being ready or prepared on confirmed due date	For any order where ordering party is not ready on due date, but Pacific Bell is ready to complete work

MEASUREMENT OF COMPARABLE SERVICE - INTERCONNECTION

PROVISIONING Products: Local Interconnection Trunking			
	DESCRIPTION	DEFINITION	REMEDY THRESHOLD
1	Trunk orders completed on or before the confirmed due date	Trunk orders completed on or before the commitment date. The Comparative measure is feature group B & D switched access	When monthly results fall below parity by 10 percentage points
2	Firm Order confirmation time delivery	Measures percent FOC sent to CLC within the specified time (equivalent to FG B&D SW Access)	When monthly results fall below parity by 10 percentage points

MEASUREMENT OF PERFORMANCE STANDARD - INTERCONNECTION

PROVISIONING (Products local interconnection Trunking)			
3	Service Order Discrepancy	Measures percent of orders initiated by CLC that result in a discrepancy. The discrepancy is identified after the order is received in the LISC and requires contact with the CLC for resolution	More than 20% of orders are submitted with material errors

MEASUREMENT OF COMPARABLE SERVICE - WHOLESALE/RESALE

MAINTENANCE PRODUCTS: Residence (Basic Service); Business (Single/Multiline, Centrex, PBX and Trunk); ISDN; Link			
	DESCRIPTION	DEFINITION	REMEDY THRESHOLD
1	Reports per 100 lines	Measures total number of trouble reports versus total access lines in service for comparable Pacific Bell retail exchange products.	When results fall below parity by Bus A L /Link 1.0 percentage points Res A L /Link 1.0 percentage points ISDN 1.0 percentage points
2	% Maintenance Appointments Met	Measures percent of trouble reports with appointments met i.e. trouble cleared by the appointment date and time committed to the customer	When results fall below parity by Bus A L / Link 2.0 percentage points Res A L / Link 2.0 percentage points ISDN 2.0 percentage points
3	% Repeat Reports	Measures percent of repeat trouble reports against services that experienced an initial trouble within the last 30 days	When results fall below parity by Bus A L / Link 2.0 percentage points Res A L / Link 2.0 percentage points ISDN 2.0 percentage points
4	Receipt to Clear Duration	Measures average duration in hours (or fraction there of) of all trouble reports from receipt to resolution of trouble ticket	When results fall below parity by Bus A L / Link 1.0 hours Res A L / Link 1.0 hours ISDN TBD
5	Out of Service (OOS) < 24 hr	Measures percent of OOS customers restored within 24 hr or less	When results fall below parity by Bus A L / Link 2.0 percentage points Res A L / Link 2.0 percentage points ISDN TBD
6	Out of Service (OOS) < 48 hr	Measures percent of OOS customers restored within 48 hours or less	When results fall below parity by Bus A L / Link 2.0 percentage points Res A L / Link 2.0 percentage points ISDN TBD

MEASUREMENT OF COMPARABLE SERVICE - OPERATOR SERVICES, DA, LISC, AND REPAIR

Operator Services Products: Resale/Wholesale (Separate Trunk Groups)		
DESCRIPTION	DEFINITION	REMEDY THRESHOLD
Toll Operator Answering Time	Measure the time for the operator to answer toll and assistance calls to obtain a percent of calls answered within 10 seconds. PUC requirement is 85 % answered within 10 seconds	When requirement is not met

DA Products: Resale/Wholesale (Separate Trunk Groups)		
DESCRIPTION	DEFINITION	REMEDY THRESHOLD
Toll Operator Answering Time	Measure the time for the operator to answer directory assistance calls to obtain a percent of calls answered within 12 seconds. PUC requirement is 85 % answered within 12 seconds	When requirement is not met

LISC Answering Time Products: Resale/Wholesale		
DESCRIPTION	DEFINITION	REMEDY THRESHOLD
LISC (Business) Office Answering Time	Measure the time for the LISC representative to answer business office calls to obtain a percent of calls answered within 20 seconds. PUC requirement is 80 % answered within 20 seconds	When requirement is not met

Repair Products: Resale/Wholesale		
DESCRIPTION	DEFINITION	REMEDY THRESHOLD
Trouble Report Service Answering Time	Measure the time for the trouble report service attendant to answer trouble report calls to obtain a percent of calls answered	When requirement is not met

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MEASUREMENT OF PERFORMANCE STANDARDS - FORECASTING

FORECASTING (Products Resale/Wholesale Products excluding Interconnection Trunks)		
DESCRIPTION	DEFINITION	REMEDY THRESHOLD
Requirements accurately forecast	Forecasts are accurate within 20% +/- in any calendar month of the forecast period	When product volumes exceeds or falls below the +/- 20% of the forecast amount

ATTACHMENT ____
PERFORMANCE MEASURES

NON-CA-NAUS

	within 20 seconds. PUC requirement is 80 % answered within 12 seconds.	

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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE INTERCONNECTION CONTRACT NEGOTIATIONS BETWEEN SPRINT COMMUNICATIONS COMPANY L.P. AND U S WEST COMMUNICATIONS, INC. PURSUANT TO 47 U.S.C. SECTION 252	))))	**PROCEDURAL SCHEDULE; ORDER FOR AND NOTICE OF HEARING** **TC97-045**

On April 25, 1997, the Public Utilities Commission (Commission) received a filing from Sprint Communications Company, L.P. (Sprint) pursuant to 47 U.S.C. Section 252(b)(1) to arbitrate open issues related to its interconnection negotiations with U S WEST Communications, Inc. (U S WEST).

The following procedural schedule shall be followed in this docket:

Sprint's prefiled testimony shall be filed with the Commission by May 5, 1997;

U S WEST shall file its response and its prefiled testimony by May 20, 1997;

Sprint shall file any optional rebuttal testimony by May 27, 1997;

Arbitration hearing before the Commission, commencing at 9:00 A.M. in Room 412 of the State Capitol Building, Pierre, South Dakota, on June 9, 1997, and continuing through June 13, 1997;

Post hearing briefs with citations to the record and a matrix of unresolved issues simultaneously due from parties: July 3, 1997;

Post hearing rebuttal briefs with citations to the record and proposed Findings of Fact and Conclusions of Law simultaneously due from parties: July 16, 1997; and

The Commission will issue its decision on any unresolved issues on or before August 15, 1997.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-31 and the Telecommunications Act of 1996. The Commission may rely upon any or all of these or other laws of this state in making its determination.

The issues before the Commission will be to resolve all open issues related to the appropriate charges, terms and conditions for interconnection, services and network elements which are to be in an agreement between Sprint and U S WEST for the purpose of providing telecommunications service.

The hearing is an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to attend and represent themselves or be represented by an attorney. However, such rights and other due process rights shall be forfeited if not exercised at the hearing. If you or your representative fail to appear at the time and place

set for the hearing, the final decision will be based solely on testimony and evidence provided, if any, during the hearing or a final decision will be issued by default pursuant to SDCL 1-26-20.

The Commission, after examining the evidence and hearing testimony presented by the parties shall make Findings of Fact, Conclusions of Law, and its final decision. As a result of the hearing, the Commission will resolve any open issues related to the appropriate charges, terms and conditions for interconnection, services and network elements which are to be in an agreement between Sprint and U S WEST for the purpose of providing local telephone service. The final decision made by the Commission may be appealed by the parties. It is therefore

ORDERED, that all parties shall follow the procedural schedule as set forth above, and it is

FURTHER ORDERED, that the hearing shall be held June 9, 1997, through June 13, 1997, in room 412 of the State Capitol Building, Pierre, South Dakota, commencing at 9:00 A.M.; and it is

FURTHER ORDERED that the Commission adopts the procedures as found in docket TC96-082.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Commission at 1-800-332-1782 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 25th day of April, 1997.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By Delaine Kolbo

Date 4/25/97

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:
Commissioners Burg, Nelson and Schoenfelder

WILLIAM BULLARD, JR.
Executive Director

South Dakota
Public Utilities Commission
State Capitol 500 E. Capitol
Pierre, SD 57501-5070
Phone: (800) 332-1782
Fax: (605) 773-3809

TELECOMMUNICATIONS SERVICE FILINGS

These are the telecommunications service filings that the Commission has received for the period of:

04/25/97 through 05/01/97

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five days of this filing.

DOCKET NUMBER	TITLE/STAFF/SYNOPSIS	DATE FILED	INTERVENTION DEADLINE
	PETITION FOR ARBITRATION		
TC97-045	Sprint Communications Company L.P. petitions the Commission for arbitration of the unresolved issues in the interconnection negotiations between Sprint and U S WEST Communications.	04/25/97	05/15/97
	REQUEST FOR CERTIFICATE OF AUTHORITY		
TC97-046	Application by Rapid City's Red Phone Book for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/CH) "The applicant will negotiate with incumbent local exchange service providers in order to resell local exchange service. When this has been completed a detailed statement will be provided to the public utilities commission."	04/29/97	05/16/97
TC97-047	Application by Easton Telecom Services, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: TS/KC) "Applicant intends to provide local exchange service on a resale basis. The specific manner in which Applicant will provide local exchange service depends upon the result of negotiations with the incumbent local exchange carriers currently operating within the State."	04/29/97	05/16/97
TC97-048	Application by Associated Network Partner, Inc. for a Certificate of Authority to operate as a telecommunications company within the state of South Dakota. (Staff: DJ/CH) "ANPI requests authorization to resell intraLATA and interLATA, intrastate, WATS and MTS type long distance services to retail providers, who will in turn resell those services to the public in equal access areas throughout the state."	04/29/97	05/16/97
	NONCOMPETITIVE TARIFF FILING		

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE INTERCONNECTION CONTRACT NEGOTIATIONS BETWEEN SPRINT COMMUNICATIONS COMPANY L.P. AND U S WEST COMMUNICATIONS, INC. PURSUANT TO 47 U.S.C. SECTION 252	))))	AMENDED PROCEDURAL SCHEDULE; ORDER FOR AND NOTICE OF HEARING TC97-045

On April 25, 1997, the Public Utilities Commission (Commission) received a filing from Sprint Communications Company, L.P. (Sprint) pursuant to 47 U.S.C. Section 252(b)(1) to arbitrate open issues related to its interconnection negotiations with U S WEST Communications, Inc. (U S WEST).

The following procedural schedule shall be followed in this docket:

Sprint's prefiled testimony shall be filed with the Commission by May 5, 1997;

U S WEST shall file its response and its prefiled testimony by May 20, 1997;

Sprint shall file any optional rebuttal testimony by May 27, 1997;

Arbitration hearing before the Commission, commencing at 9:00 A.M. in Room 412 of the State Capitol Building, Pierre, South Dakota, on June 10, 1997, and continuing through June 13, 1997;

Post hearing briefs with citations to the record and a matrix of unresolved issues simultaneously due from parties, July 3, 1997;

Post hearing rebuttal briefs with citations to the record and proposed Findings of Fact and Conclusions of Law simultaneously due from parties, July 16, 1997, and

The Commission will issue its decision on any unresolved issues on or before August 15, 1997.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-31 and the Telecommunications Act of 1996. The Commission may rely upon any or all of these or other laws of this state in making its determination.

The issues before the Commission will be to resolve all open issues related to the appropriate charges, terms and conditions for interconnection, services and network elements, which are to be in an agreement between Sprint and U S WEST for the purpose of providing telecommunications service.

The hearing is an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to attend and represent themselves or be represented by an attorney. However, such rights and other due process rights shall be forfeited if not exercised at the hearing. If you or your representative fail to appear at the time and place

set for the hearing, the final decision will be based solely on testimony and evidence provided, if any, during the hearing or a final decision will be issued by default pursuant to SDCL 1-26-20.

The Commission, after examining the evidence and hearing testimony presented by the parties shall make Findings of Fact, Conclusions of Law, and its final decision. As a result of the hearing, the Commission will resolve any open issues related to the appropriate charges, terms and conditions for interconnection, services and network elements which are to be in an agreement between Sprint and U S WEST for the purpose of providing local telephone service. The final decision made by the Commission may be appealed by the parties. It is therefore

ORDERED, that all parties shall follow the procedural schedule as set forth above; and it is

FURTHER ORDERED, that the hearing shall be held June 10, 1997, through June 13, 1997, in room 412 of the State Capitol Building, Pierre, South Dakota, commencing at 9:00 A.M.; and it is

FURTHER ORDERED that the Commission adopts the procedures as found in docket TC96-082.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Commission at 1-800-332-1782 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 2 day of May, 1997.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By Delaine Kolbo

Date 5/2/97

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION
Commissioners Burg, Nelson and Schoenfelder.

WILLIAM BULLARD, JR.
Executive Director

0142.49.289

5140 Ward Parkway
Kansas City, MO 64112
Telephone (913) 624-3665
Fax (913) 624-3681

Donald Low
Senior Attorney
State Regulatory Affairs Central Region

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MAY 05 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

May 2, 1997

William Bullard
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Ave
Pierre, SD 57501

Re: Sprint / US West Arbitration -
Docket No. TC 97-045

Dear Mr. Bullard:

Enclosed for filing in the above referenced matter are the original and eleven copies each of an Amended Petition, prepared testimony of Edward Phelan and a Prehearing Motion. Please return a filed stamped copy of each in the enclosed envelope.

The Amended Petition simply removes one issue from the list of issues which Sprint requests the Commission to arbitrate. The Motion requests that the Commission determine that the decisions it reached in the AT&T/U S WEST arbitration, on those issue which are common to both cases, should apply in this case as well. Since a favorable ruling on that motion would eliminate the need for an evidentiary hearing, Sprint is suggesting that the Commission address that Motion expeditiously.

Also enclosed is a computer disk with copies of the testimony and motion in Word Perfect, 6.0, as requested by staff.

Copies of these filings are being served on counsel for U S WEST by express delivery.

Thank you for your assistance.

Very truly yours,

Donald Low

pc: Bill Heaston, US West
Dick Tieszen

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MAY 05 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In the Matter of the Interconnection Contract Negotiations Between Sprint Communications Company L P and U S West Communications, Inc Pursuant to 47 U S C Section 252	))))	Docket No TC 97-045 AMENDED PETITION

Sprint Communications Company L P (Sprint), Petitioner in this matter, hereby amends the Petition in this matter as follows

1 On April 25, 1997, Sprint filed its Petition for Arbitration requesting that the Commission arbitrate certain issues which were unresolved in the negotiations between Sprint and U S WEST for an interconnection agreement The unresolved issues on which arbitration was sought were listed on page 6 of the Petition and explained more fully in various exhibits to the Petition Included in that list of seven was the first listed issue "Economically Inefficient Multiple Trunk Groups Requirement " (hereafter "Multiple Trunk Groups ")

2 Sprint has re-evaluated the matter and decided that it does not wish at this time to pursue that Multiple Trunk Group issue Consequently, Sprint amends its Petition for Arbitration to remove that issue from Commission consideration and arbitration

WHEREFORE, Sprint amends its Petition for Arbitration to delete the Multiple Trunk Groups issue from the list of issues which it wishes the Commission to arbitrate

Respectfully submitted,
Sprint Communications Company L P

Donald A Low
8140 Ward Parkway 5E
Kansas City, MO 64114
(913) 624-6865
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Richard P Tieszen
Thomas H Harmon
Tieszen Law Office
222 E Captol
Pierre, SD 57501
(605) 224-1500
FAX (605) 224-1600

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing was served by sending, by overnight mail, a copy thereof to the following persons on this _____ day of May, 1997

William P Heaston
Senior Attorney
U S WEST
1801 California St
Denver, CO 80202
(303) 672-2810
FAX (303) 295-7069

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MAY 05 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In the Matter of the Interconnection Contract Negotiations Between Sprint Communications Company L.P. and U S West Communications, Inc Pursuant to 47 U.S.C. Section 252	))))	Docket No. TC 97-045

SPRINT'S PREHEARING MOTION

Petitioner Sprint Communications Company L.P. hereby moves the Commission for a determination in this matter that the arbitration decisions in this case on issues common to this proceeding and the proceeding involving AT&T and US West (hereafter "AT&T/US West" or "AT&T" case)[1] should be the same as those made in the latter proceeding. Sprint also requests that this Motion be addressed as quickly as possible so that all interested parties may avoid potential waste of efforts. In support of this motion, Sprint alleges and states as follows:

Introduction

As noted in Sprint's Petition for Arbitration filed in this matter, issues on which arbitration is sought have been addressed previously not only in other state arbitrations involving U S West and Sprint but also by this Commission in the AT&T case. Indeed, in South Dakota, all the issues which need to be addressed in Sprint's arbitration have previously been decided by the Commission. Attachment 1 to this motion is a list of the issues which are included in Sprint's petition[2] and a summary of the Commission's

[1] Docket No. TC96-184, In re the matter of the Interconnection Contract Negotiations Between AT&T Communications of the Midwest, Inc. and U S WEST Communications, Inc. Pursuant to 47 U.S.C. Section 252.

[2] As reflected in the Amended Petition and the prepared testimony of Sprint's witness being filed concurrently with this motion, Sprint has decided not to pursue the first issue listed in the

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decisions on those issues as stated in its March 20, 1997, Order in the AT&T/US WEST arbitration proceeding. As also stated in its Petition, Sprint is willing to accept, and has offered to stipulate to, the determinations made on those issues in the AT&T case as the appropriate decisions in this case. Sprint now explicitly requests that the Commission find that the resolution of such common issues should be identical, even though Sprint does not agree with the Commission decision on at least one of the issues, the need for service measures and standards.[3]

Sprint recognizes that the decisions on those issues in the AT&T case may not be final. AT&T has filed a Motion for Reconsideration/Modification of Order (dated April 21, 1997), which, at the time of drafting of this motion, is still pending before the Commission. Furthermore, the decisions in the AT&T/U S West case are subject to appeal by both AT&T and U S West. Consequently, the decisions in the Commission's March 20, 1997 Order may not reflect the ultimate resolution of those common issues. In fact, as previously noted, Sprint disagrees with the Commission's decision not to adopt service measures and standards and would hope that the Commission does reconsider that decision.[4]

Petition, relating to multiple trunk groups and therefore does not include it in the Attachment or following discussion.

[3] Sprint should also make it clear that because it believes that the Commission is legally obligated to render the same decisions on common issues for AT&T and Sprint, the requests in the Petition for Commission decisions in conformance with Sprint's proposed contractual language in Exhibit 1 were only in the event that the Commission did not agree that consistent decisions were necessary.

[4] Sprint is also concerned about the cost and pricing decisions in the AT&T case. Sprint believes that the prices resulting from the U S West cost studies, which were adopted by the Commission, are generally unreasonable and do not properly reflect costs. Sprint has not asked for arbitration of those issues but will likely be affected by the Commission determinations in the AT&T case and therefore hopes that those determinations will be changed. In any event, Sprint

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In any event, Sprint anticipates that U S WEST may argue that the decisions in the AT&T case are not "final" and therefore should not be adopted in this case. Sprint would disagree. As argued below, Sprint believes that the same decisions should apply to AT&T and Sprint in order to avoid discriminatory treatment between the companies. Although the decisions regarding AT&T may very well change in the future, the Commission has entered an order in the AT&T case which is binding on AT&T and U S WEST. Until those decisions are changed, they should also apply to Sprint to ensure equal treatment of AT&T and Sprint. Thus, in requesting that the determinations made in the AT&T case apply also in this proceeding, Sprint would expect that the then current decisions on the common issues would be applied in the Commission's order addressing Sprint's Petition for Arbitration. If and when such determinations are changed on reconsideration, judicial review or otherwise, Sprint would expect to also be bound by such changes.[3]

Argument.

Sprint believes that the decisions in the AT&T arbitration should be applied in this case because it will result in administrative efficiency and, more importantly, proper implementation of the provisions of the Telecommunications Act of 1996 that are intended to promote nondiscriminatory development of competition.

Commission adoption of the decisions on the issues common to the AT&T case and this case would, of course, have practical benefits since it would mean that the Commission and its staff, US WEST, and potentially others would not need to expend

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encourages the Commission to open up a docket to further determine appropriate pricing, as the Commission suggested was a possibility.

[3] Although Sprint believes that the Commission is legally compelled to apply the same determinations to both AT&T and Sprint, as discussed below, Sprint may support any AT&T's

effort, time and resources in re-addressing issues which have already been litigated. The need for an evidentiary hearing in this matter would be eliminated entirely, and the Commission would not be as hard-pressed to comply with the Act's nine month deadline for rendering a decision as it would otherwise be. Obviously, the resulting administrative efficiency would be desirable.[6]

More importantly, however, Sprint believes that the Commission is required to make the same determinations in the instant case as made in the ATT/US WEST case, on the common issues, in order to promote good policy and implement provisions of the Telecommunications Act of 1996 ("Act"). The common issues all involve the terms and conditions which US WEST is required to offer in order to comply with the Act's requirements for provision of interconnection, unbundled network elements, and wholesale services for resale to new entrants. Pursuant to §252(b)(4)(C) and §252(c), state Commissions are to resolve the disputed issues presented in arbitration petitions by imposing conditions which "meet the requirements of section 251, including the regulations prescribed by the [FCC]."

Thus, the arbitration decisions of state Commissions will basically determine what is required of incumbent Local Exchange Carriers (ILECs) to meet their fundamental obligations to provide interconnection, unbundled access and services for resale under the Act. State commission determinations on what is required by the Act clearly should not vary from one arbitration to another, any more than its interpretation of other laws can vary from case to case. Such consistency is especially important in the light of the current

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efforts to obtain changes in the Commission decisions with which Sprint disagrees, when procedurally appropriate.

circumstances in which various entities are seeking to enter the market by obtaining interconnection and wholesale services from the ILECs. Obviously, inconsistent terms and conditions for interconnection and wholesales services would result in unequal and unfair development of competition, contrary to the policy goals of the Act.

Moreover, the Act itself requires that ILECs must fulfill their obligations to new entrants by providing nondiscriminatory services. The fundamental §251 obligations include the obligations to provide interconnection "on rates, terms, and conditions that are just, reasonable, and *nondiscriminatory*" (§251(c)(2)(D)), to provide nondiscriminatory access to network elements on an unbundled basis on "rates, terms, and conditions that are just, reasonable and *nondiscriminatory*" (§251(c)(3)), "to not impose unreasonable or *discriminatory* conditions or limitations" on the resale of services (§252(c)(4)(B)), and "to provide, on rates, terms, and conditions that are just, reasonable, and *nondiscriminatory*" for collocation of equipment necessary for interconnection or access to unbundled network elements (§251(c)(6)). Those absolute prohibitions against discrimination are, of course, more stringent than the general prohibition in §202(a) of the Communication Act against *unjust or unreasonable discrimination* in charges and practices of telecommunications carriers.

Thus, state commissions could not, even if they were so inclined, lawfully order ILECs to comply with the Act in ways which result in discrimination. Clearly, inconsistent decisions in separate cases regarding the fundamental requirements of the Act would constitute such discrimination. This is readily apparent from a few examples.

Obviously, the quicker this Motion is favorably disposed of, the greater the administrative efficiency achieved.

One issue common to the Sprint and AT&T arbitrations with US WEST involves the combining of unbundled network elements. U S WEST has opposed the FCC's interpretation of the requirement in §251(c)(3) that ILEC's must provide access to "unbundled network elements in a manner that allows requesting carriers to combine such elements in order to provide" a telecommunications service. Even though every state commission in U S West's territory which has addressed this fundamental obligation has, to Sprint's knowledge, found against U S West's position that "sham unbundling" should not be allowed, U S West has continued to force state commission to repeatedly address this issue. Thus, despite the fact that the South Dakota Commission found in the AT&T case that U S West is required to combine unbundled elements as requested in conformance with the FCC's First Report and Order,[7] U S West wishes to re-litigate the issue with regard to Sprint. It should be obvious, however, that this Commission should not and cannot determine this issue differently for Sprint than it did for AT&T. The use of unbundled elements obviously involves a basic right under the Act since it profoundly affects the manner in which new entrants will provide services. U S West cannot be allowed to impose restrictions on such use with regard to some new entrants when it is not allowed to do so for other entrants. That would clearly result in discriminatory treatment among the new entrants in violation of the prohibitions on nondiscrimination.

The same is true of the issues surrounding resale of services. The Commission has determined in the AT&T arbitration what is required of US WEST under the Act and FCC rules in making services available for resale, including findings that U S WEST could only

[7] "First Report and Order," Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98, (August 8, 1996)

impose limited restrictions on services to be resold to residential customers and on promotions, and that the avoided cost discount must be applied to all resold services US WEST could not argue and the Commission could not find, that certain restrictions on the services available for resale were unreasonable for AT&T but reasonable for Sprint Similarly, the Commission could not determine that U S West is obligated to provide the avoided cost discount to all services resold to AT&T but not to Sprint Again, these issues require the Commission's decisions on the fundamental obligations imposed by the Act The obligations imposed on US WEST to provide services for resale do not vary depending on which CLEC wishes to purchase the services

As a last example,[8] the interpretation of §252(i), the "Most Favored Nations" (MFN) provision of the Act, was an issue in the AT&T arbitration case and is an issue in this case The Commission found that AT&T was entitled to substitute terms and conditions of another agreement which U S WEST might enter into with another party for terms and conditions contained in the AT&T/U S WEST agreement if that other agreement contains terms and conditions different than those in the AT&T/U S WEST agreement Obviously, Sprint would not expect that the Commission could reach one interpretation of ¶252(i) for AT&T and a different one for Sprint If the Act requires or allows a "pick and choose" practice for AT&T, it also mandates the same for Sprint and other CLECs

[8] Sprint does not believe it necessary or desirable to discuss each of the "common" issues It is evident on their face that each issue involves a important aspect of U S WEST's obligations under the Act and cannot be decided differently for Sprint than AT&T without conferring unjustified competitive advantages and discriminating between the companies in violation of the Act

The last example is of particular significance to this Motion. It should be emphasized that Sprint is not, through this Motion, requesting a separate ruling on the MFN issue. The issue presented in this Motion is different than the MFN issue, which involves the right of CLECs to adopt the terms and conditions in interconnection agreements which the ILEC has with another CLEC. Such terms and conditions may result from a voluntary negotiation process which does not require a state commission arbitration and may not involve the fundamental obligations of the ILEC under the Act.[9] Although Sprint does take the position that CLECs have the right under §252(i) to "pick and choose" all such terms and conditions, and the South Dakota Commission has affirmed that right in the AT&T case, that is not the issue presented by this Motion. This Motion simply suggests that where the Commission has been asked in one arbitration proceeding to determine what is required of an ILEC under the Act, the determinations in that case should apply in all other cases, at least in those involving that same ILEC. Furthermore, it should be clear that Sprint is not attempting to "pick and choose" which common issues should be decided consistently. Even though Sprint does not agree that all the common issues were decided correctly in the AT&T case,[10] the Act's requirement for nondiscriminatory treatment requires consistent decisions on all the common issues.

[9] Sprint would suggest that the Act provided for a negotiation process rather than commission rule-making or other procedures in order to allow parties to enter into unique or special arrangements concerning the means by which the new entrant would provide services, including arrangements which may not be mandated by the minimum requirements of the Act. However, none of the "common issues" addressed in this Motion involve any such unique or special arrangements. Rather, all relate to the basic requirements of the Act.

[10] Sprint could have attempted to argue that the only "common" issue which appears to have been decided adversely to Sprint's position in the AT&T case, service measures and standards, is not really common since the service measures and performance standards it is proposing differ from AT&T's DMOQ's. However, it appears that the Commission decision was based more on its

US WEST may argue that the Commission must make its decisions on the issues based on the evidence in each case.[11] Such arguments, of course, would overlook the nondiscrimination provisions of the Act and the fact that the obligations of ILECs under the Act do not change simply because Sprint, rather than AT&T or another CLEC, is requesting interconnection, access to network elements and availability of wholesale services for resale. Any argument that the ILEC's fundamental obligations do vary with the new entrant is simply not sustainable under the law.

WHEREFORE, Sprint prays for an expeditious ruling and order that the same decisions made on the "common issues" in the AT&T/US WEST arbitration case will be entered in this arbitration proceeding and that an evidentiary hearing in this matter is not needed.

Respectfully submitted,

SPRINT COMMUNICATIONS
COMPANY L.P.
By its Attorney

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desire to consider the issue in a separate proceeding than the specific measures and standards being proposed.

[11] It must be doubted that U S WEST would be able to provide any more compelling evidence on the issues which it lost in the AT&T case in this proceeding than it did in that case. Clearly, there are no factual distinctions regarding the issues between this case and the AT&T case since the issues do not revolve around specific existing situations but potential interconnection arrangements which both Sprint and AT&T desire. Furthermore, the legal and policy arguments about the issues cannot credibly vary. With regard to the issue on which U S WEST prevailed, U S WEST should not be heard to complain about consistent decisions.

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Certificate of Service

The undersigned hereby certifies that a copy of the foregoing was served by sending a copy thereof to the attached service list by facsimile and overnight delivery, on this ___ day of May, 1997

ATTACHMENT 1

PUC DECISIONS ON
SPRINT/US WEST ISSUES COMMON WITH
AT&T/US WEST ARBITRATION ISSUES

(References are to the paragraph numbers in the South Dakota PUC's March 20, 1997, "Findings of Fact and Conclusions of Law, Order and Notice of Entry of Order," in Docket No TC96-184, In the Matter of the Interconnection Contract Negotiations Between AT&T Communications of the Midwest, Inc Pursuant to 47 U S C § 252)

1 *Access charge revenues during Interim Number Portability* How are access charges revenues associated with forwarded calls to be allocated?

"Consistent with the FCC's Number Portability Order, the Commission finds that the terminating carrier shall receive the carrier common line and local switching charges Transport charges shall be shared based on the meet point billing arrangement " ¶218

2 *Most Favored Nations provision* Should interconnection agreements provide for implementation of §252(i) of the Act by allowing for "most favored nations" treatment of individual terms and conditions of agreements?

"Consistent with 47 U S C §252(i), the Commission finds that if U S WEST enters into an agreement with a party other than AT&T during the course of this agreement which contains terms and conditions different than those available under this Agreement, AT&T may substitute terms and conditions of that agreement for terms and conditions contained in this Agreement " ¶21

3 *Inclusion of features and functions in unbundled switching* Does the purchase of local switching include all the functionalities of local switching or must vertical features be purchased separately?

"Consistent with the FCC's First Report and Order, the Commission finds that the unbundled local switching element shall include all vertical features that the switch is capable of providing First Report and Order at ¶412." ¶78

4 *Combining of unbundled elements* May Sprint purchase unbundled elements, either separately or in combination, without providing its own facilities or may US West require combined elements to be purchased as retail services for resale?

"The Commission finds that, consistent with the FCC's First Report and Order, U S WEST must combine unbundled elements in any manner requested, unless it can prove to this Commission 'that a request to combine particular elements in a particular manner is not technically feasible, or that the request would undermine the ability of other carriers to access unbundled elements and interconnect ' First Report and Order at ¶296." ¶83

"The Commission finds that U S WEST has failed to show that its rebundling charge is justified on the basis of cost as required by 47 U S C §252(d)(1)." ¶85

5 *Service measures and standards* Should US West be required to provide services in conformance with specified quality standards?

"The Commission finds that AT&T's proposed direct measurements of quality and business process standards are voluminous and comprehensive The Commission further finds that the record was not sufficiently developed for it to consider the effect of these standards, their enforceability, and the propriety of liquidated damages which may be incurred The Commission may open a separate docket or dockets on these issues to determine what quality or business process standards U S WEST will be required to meet." ¶248

6 *Resale service restrictions* Are US West proposed restrictions in addition to those specifically allowed in the FCC order reasonable and is US West required to provide discounts on all resold services?

"U S WEST requests that the Commission rule that a telecommunications service should be resold only for intended or disclosed use, under the same terms and conditions applicable to U S WEST's end users, and only to the same class of customers that are eligible to purchase the service from U S WEST Exhibit 23 at 111, lines 11-15

The Commission concludes that restrictions on the resale of services available only to residential customers and restrictions related to promotions of less than 90 days are reasonable and nondiscriminatory However, pursuant to the FCC's rules, other resale restrictions, beyond promotional and residential restrictions must be proven to be reasonable and nondiscriminatory 47 C F R §51 613(a) U S WEST failed to show that its proposed broad restriction would be reasonable and nondiscriminatory " ¶¶ 164-165

"Further, the Commission finds that the avoided cost discount shall be applied on an aggregate basis to all resold services The Commission rejects U S WEST's aggregated discounts for specific services because U S WEST failed to provide a discount for all services that are subject to resale In addition, U S WEST has failed to show that its disaggregated discounts are based on individual data that is collected by product or service " ¶195

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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In the Matter of the Interconnection Contract Negotiations Between Sprint Communications Company L P and U S West Communications, Inc Pursuant to 47 U S C Section 252	))))	Docket No TC 97-045

TESTIMONY OF

EDWARD K PHELAN

ON BEHALF OF SPRINT COMMUNICATIONS COMPANY L P

Filed May 5, 1997

DIRECT TESTIMONY OF EDWARD K. PHELAN

Q. Please state your name, employer, address and position.

A. My name is Edward K. Phelan. I am employed by Sprint Communications Company L.P. ("Sprint") as Staff Director, Regulatory Policy and Coordination. My address is 8140 Ward Parkway, Kansas City, Missouri 64114.

Q. Please describe your educational background and work experience.

A. I have a Master of Arts degree in economics from Indiana State University. I hold a Bachelor of Science degree in economics from Lewis University. I have been employed by Sprint since November 1992. Before joining Sprint, I was Chief Economist for the Indiana Utility Regulatory Commission, beginning in June of 1989. Prior to that, I held the position of Assistant Chief Economist and Principle Utility Analyst. I was employed by the Indiana Department of Commerce in economic planning and research positions from 1974 through 1982

My present responsibilities include coordinating with representatives of Sprint business units regarding regulatory matters, contributing to the development of Sprint regulatory policy, and testifying on behalf of Sprint concerning economic and regulatory policy matters in telecommunications. I have participated in regulatory proceedings before the following state commission: Arizona, California, Hawaii, Illinois, Indiana, Michigan, Montana, New Mexico, Oklahoma, Ohio, Oregon, Utah, and Wisconsin. I have testified before the Texas state legislature.

INTRODUCTION AND SUMMARY

Q. What is the purpose and scope of your testimony?

A. I am presenting testimony in support of Sprint Communications Company L.P.'s ("Sprint") request for arbitration of its contract negotiation with US West Communications, Inc. ("USWC"). The Telecommunications Act of 1996 ("the Act") directs companies like Sprint that desire to enter the local exchange service market as new entrants--so called competitive local exchange companies ("CLECs")--to undertake contract negotiations with incumbent local exchange companies ("ILECs"). If the CLEC and ILEC are not successful in concluding contract negotiations under Sections 251 and 252 of the Act, either party may exercise its right to request arbitration by the state regulatory body that regulates telecommunications.

Sprint has undertaken negotiations pursuant to Sections 251 and 252 of the Act. Sprint and USWC have failed to reach agreement on several crucial contract provisions. Sprint is thus exercising its rights under the Act and is seeking arbitration of the contract negotiation disputes that remain between the parties.

My testimony covers the issues contained in Sprint's Petition for Arbitration filed on April 25, 1997, with the exception of the first listed issue regarding multiple trunk groups. Upon further analysis, Sprint has decided not to pursue this issue and therefore no longer seeks Commission arbitration on the issue. The remaining issues which I will address are as listed below. However, as I will discuss later, issue number 3, regarding switching features and functions,

also does not need to be arbitrated in Sprint's view. I have briefly discussed the issue because Sprint does not know whether USWC agrees with Sprint's understanding of the issue.

1. Ownership of Access Charges During Interim Number Portability
2. Most Favored Nations Election of Other Contracts and Provisions
3. Inclusion of Features and Functions in Unbundled Switching
4. Combining of Unbundled Elements
5. Service Measures and Standards
6. Unfair Restrictions on Resale of Telecommunications Services

Q. Has Sprint attempted to negotiate these issues with USWC during contract negotiations?

A. Yes. Sprint has worked with USWC in negotiations aimed at achieving a contract with USWC. However, USWC and Sprint have been unable to reach agreement on these several crucial issues.

Q. What does Sprint seek in this proceeding?

A. Sprint has attached, as Exhibit 1, to its Petition, its proposed contract. This contract represents the combined effort of Sprint and USWC to come to an agreement. With the exception of the disputed issues mentioned previously, and several issues where the parties agree in principle but lack specific contract language; the contract is acceptable. In those areas where there is disputed

language, Sprint requests that the South Dakota Public Utilities Commission ("Commission") adopt Sprint's proposed provisions, which I will explain as the arbitration decision to resolve the issues remaining between Sprint and USWC.

Q. Does the Sprint proposed language comply with the Act and the FCC's "First Report and Order," Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, cc Docket No. 96-98 (August 8, 1996)?

A. Yes. The Commission will find in each case that the Sprint position comports with the Act and the FCC Rules. The USWC positions, however, request this Commission to deviate from the explicit written rules and any reasonable interpretations thereof.

Q. Does Sprint really require the Commission's help in this regard?

A. Yes. USWC is the dominant local exchange carrier providing monopoly or near monopoly service to local exchange subscribers in its franchised service areas. USWC has the only ubiquitous local network in these areas. This incumbent status with its near 100% wire-line local service penetration produces significant market power for USWC. Sprint and the other CLECs which desire to enter USWC territory are placed in the unenviable position of relying, at least initially, upon their monopolistic and dominantly powerful competitor to be their sole supplier of wholesale and underlying services.

Sprint, as a new entrant, has been given rights by the Act to resell the retail services of USWC, obtained at an appropriate discount, and to procure

interconnection to USWC's unbundled network elements so that Sprint may enter the local market in fair competition with USWC. USWC has failed, in Sprint's view, to agree to reasonable terms to implement these rights. Even in instances where USWC positions have been unanimously rejected by the commissions hearing the previous Sprint petitions, USWC refuses to acquiesce to reason and is pursuing these same issues here. Because of the market power of USWC, Sprint has no viable option other than to exercise its arbitration rights under the Act. Sprint asks the Commission to adopt a fair and comprehensive contract between the parties that fully recognizes Sprint's rights under the Act and promotes the growth of fair competition to the benefit of local service customers.

ANALYSIS OF SPECIFIC ISSUES

Issue #1 - Ownership of Access Charges During Interim Number Portability

Q. What is the nature of the disagreement on the issue of Access Charges as they pertain to Interim Number Portability?

A. Simply, contrary to the FCC Order in CC Docket 95-116 issued July 2, 1996 at para. 140, and the decisions of other state commissions which have ruled on this issue, USWC is claiming a right to terminating access charge revenues for calls that are routed through Interim Number Portability even though Sprint will pay USWC specific Remote Call Forwarding Charges to receive the call and will provide the facilities for termination of the calls. In essence, USWC would double recover revenues on the same call and Sprint would be left without

compensation where it has incurred expenses to secure RCF services from USWC and is providing the end-user switching and loop either through unbundled elements or facilities other than USWC's.

Q. In what circumstances does the ownership of access charges under Interim Number Portability become an issue?

A. The question of which company, USWC or Sprint, should be considered to provide the terminating access and therefore "own" access charges under Interim Number Portability is disputed only for the situation where Sprint owns or provides local switching through non-ILEC facilities and the end-user elects to keep their previous phone number when switching from USWC to Sprint. Under the "resale" environment, USWC keeps the access charges and the number is not forwarded to Sprint since it resides in the USWC routing switch. In addition, the issue is moot in the Permanent Number Portability environment where the number routing instructions are provided before the call arrives at the USWC end office.

The diagram in Exhibit 4 to Sprint's Petition summarizes the routing of the INP forwarded call. USWC has selected the Remote Call Forwarding ("RCF") solution as their mechanism to comply with the Federal Number Portability rules. Sprint has agreed to pay cost-based RCF charges to have the calls forwarded through the USWC system to the Sprint switch. This RCF charge compensates USWC for the functions required to forward the calls to the Sprint local switch to be then switched to the end user.

In the Originating direction, the call under INP will be clearly routed from Sprint to the IXC without the call forwarding function being performed. The parties do not dispute the assignment of access charges in this direction. In the Terminating direction, however, the parties disagree on who should get the access revenues.

Q. What are the Access Charges in dispute and how does Sprint feel they should be divided?

A. The access elements associated with a service INP are: Tandem Switching, Tandem Transport, Local Transport, Local Switching, Transport Interconnection Charge and the Local Loop. Access charges are charged to Interexchange Carriers on the origination and termination of interexchange traffic. Sprint agrees with the FCC decision previously cited and those state commissions which have rejected U S WEST's position. The following summarizes the transactions that must take place to compensate the parties for the expenses incurred to provide the connectivity to the end-user under INP:

Network Element	Paid by	Paid to
Tandem Switching	IXC	Tandem Provider (USWC)
Tandem Transport	IXC	Tandem Provider (USWC)
R C F	Sprint	USWC (RCF provider)
Local Transport	IXC	Allocated between Sprint and USWC based on meet points. **(Note: This was incorrectly stated in Exhibit 4 to Sprint's Petition)**
Local Switching	IXC	Sprint (ultimately switches end user call)
CCL and TIC	IXC	Sprint (paid USWC for unbundled loop) **(Note: until July 1997 Sprint shares the CCL & TIC with USWC per para 140)**

Q. What contract language does Sprint desire to be added to the contract?

A. Sprint, in the exhibits to the Petition, indicated that it wished the contract language which has been agreed to for Minnesota. Although that provision complies with the Minnesota Commission's favorable decision on the issue; Sprint has re-evaluated whether that is the most preferable language. As reflected in Section 9.1.10 of the proposed contract (Exhibit 1 to the Petition), various versions of a provision addressing this issue are included in the contract for application to respective states in compliance with the state commission decisions. Sprint now believes that the version applicable to the states of Arizona, Oregon and Washington is clearer and more explicit. It reads as follows:

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Terminating access charges will be billed by each Party, according to the Parties' respective tariffs, to IXCs by the receiving local exchange carriers according to the resulting final ruling in CC Docket 95-116 (TNP at para 140) as follows.

The companies will establish a meet point relationship.

Sprint will receive the end office charges (local switching), CCL, and termination charges.

Transport will be shared by the companies and charged on a meet point basis to the ultimate end user switch on a percent of route miles provided.

Tandem switching will be recovered by U S WEST along with the entrance facility charges.

Q. Is Sprint's position consistent with the decision of the South Dakota Commission on this issue in the AT&T/U S WEST arbitration?

A. Yes. The Commission followed the FCC's Number Portability Order by providing for sharing of the local transport based on the meet point billing arrangements.

Issue #2 - Most Favored Nations Election of Other Contracts and Provisions

Q. Please summarize the issue of Most Favored Nations treatment.

A. USWC and Sprint disagree on the application of the Act's Most Favored Nations requirement. Sprint believes that the Act allows Sprint to adopt individual components of another contract while USWC contends that Sprint may only adopt

another contract in its entirety. It is Sprint's position that the MFN provision is intended to create a level playing field for the CLECs to enter the market. It recognizes the near insurmountable obstacles of entering a market dominated since the beginning of telecommunications by the single provider who will also occupy the role of sole supplier to the CLECs. It provides an opportunity to view and adopt the provisions granted by the RBOCs to all carriers to ensure that no single new entrant has been significantly disadvantaged while negotiating in good faith with the RBOC.

Q. What is the basis for the MFN requirement?

A. The Most Favored Nations provision of the Act, §252(i), requires ILECs to permit the adoption by CLECs of the terms and conditions of other approved contracts between the ILECs and other carriers. The FCC, in its August 8, 1996, First Report and Order, adopted rules implementing the Act, including §51.809, which stated:

> (a) An incumbent LEC shall make available without unreasonable delay to any requesting telecommunications carrier any individual interconnection, service, or network element arrangement contained in any agreement to which it is a party that is approved by a state commission pursuant to section 252 of the Act, upon the same rates, terms, and conditions as those provided in the agreement. An incumbent LEC may not limit the availability of any individual interconnection,

> service or network element only to those requesting carriers serving a comparable class of subscribers or providing the same service (i.e., local, access, or interexchange) as the original party to the agreement.

Although that portion of the FCC's rules have been stayed by the Eighth Circuit, Sprint believes the FCC correctly interpreted the Act's MFN requirement, which is intended to prevent discrimination. The FCC noted some of the nondiscrimination provisions of the Act in adopting its rule. The FCC, at paragraph 217 of the First Report and Order, quoted Section 202(a) or the Communications Act, as amended:

> It shall be unlawful for any common carrier to make any unjust or unreasonable discrimination in charges, practices, . . . facilities or services for or in connection with like communication service . . . by any means or device, or to make or give any undue or unreasonable preference or advantage to any particular person.

The FCC further noted that Section 251(c)(2)(d) of the Act creates a firm duty whereby the ILEC must provide interconnection "on rates, terms, and conditions that are just, reasonable, and nondiscriminatory. . . ." The FCC pointed out that this nondiscriminatory requirement in Section 251(c)(2) is not limited by the "undue or unreasonable" qualifier found in Section 202(a).

Section 251(c)(4) of the Act also brings a high nondiscrimination standard to ILEC resold services. It imposes the duty:

> (A) to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers; and

not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on, the resale of such telecommunications service. . . ."

Clearly, Congress and the FCC require non-discriminatory MFN treatment by ILECs of all new entrants.

Q. Why is it appropriate for the Act and the FCC to place such an emphasis on non-discriminatory treatment?

A. Non-discriminatory treatment in the MFN context is essential to the creation of a truly competitive local telephone service market. In this period of emerging competition, where negotiations are rapidly progressing simultaneously, it is critical that the regulator establish rules that ensure equity among the various market entrants. This is important so that any one entrant does not gain an advantage due simply to its size, or trade-offs within agreements with an ILEC. For example, to the extent one carrier is able to gain a more favorable rate or condition through its individual negotiations, that carrier would have lower costs or superior terms and would then be able to under-price its competitors or better serve its customers. Such a situation would have a chilling effect on competition and would unfairly and unreasonably predetermine which carriers will succeed and which carriers will fail. Each new entrant should be provided with an equal

opportunity to succeed and an equal opportunity to fail. In the end, it should be consumers who select the winners and losers in a competitive marketplace by voting with their pocketbook, not the ILEC through discriminatory pricing or conditions with preferred CLECs.

Q. How could a CLEC be disadvantaged in the negotiations process?

A. During the negotiation process, the only party possessing knowledge of the provision of all the contracts is the RBOC. This potentially allows for favoritism and unfair influence in the newly competitive marketplace. By allowing the adoption of the individual provisions of other contracts, the parties can be assured that the best possible provisions will exist for all in the market.

Q. Why should the individual prices, terms and/or conditions under which services or facilities are provided by USWC to one carrier be made available to all carriers, including Sprint?

A. First, as a legal matter, Sprint believes that the language of §252(i) requires such availability. Since I am not an attorney, I will leave that for the lawyers to argue about. However, as the FCC concluded, there are also strong practical reasons that such availability is necessary to prevent discriminatory treatment of new entrants. If contracts were available for adoption only in their entirety, as desired by USWC, the incumbent LECs would have a strong incentive to insert into agreements onerous terms for a service or element that the original contracting

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carrier does not need. Subsequent carriers would be discouraged from making a request under that agreement.

Furthermore, under USWC's view, CLEC's which had the same requirements for some aspects of interconnection but with differing needs for others would not be able to ensure nondiscriminatory treatment with regard to the common elements. Thus, a CLEC which had unique preferences for operating functions like Operational Support Systems would be foreclosed from adopting those elements of a contract which had nothing to do with OSS functions.

On the other hand, a CLEC may not be aware of all the terms and conditions which an ILEC has offered other CLEC and therefore may not negotiate for inclusion of favorable provisions in its individual agreement. Thus, in Sprint's experience, U S WEST has not volunteered the favorable provisions it gives other carriers. Unless discovered by Sprint and pressed specifically, U S WEST has not volunteered information; and then, when pressed, may only tell part of the story. An example of this is the contract provision where U S WEST will rebate to Sprint portions of up-front charges assessed for special construction when subsequent carriers are added to the specially-constructed facilities Sprint pays for. The negotiations have been in process since June of 1996, and the rebating provision was offered up at Sprint's insistence only in March of this year. This is potentially a significant cost issue to Sprint. If Sprint had not become aware of this issue for inclusion in its contract, it could not adopt such

a rebating provision from other agreements with USWC unless the individual components of the agreements were available under §252(i).

Thus, without the ability to adopt individual components of another agreement, whichever company is the most demanding, well resourced or favored by the ILEC will gain a singular and unfounded advantage in the market. Surely this was not the intent of Congress.

Q. What is Sprint's desired contract provision?

A. Sprint desires the following language be entered into the contract:

> Any price, term and/or condition offered to any carrier by U S WEST shall be made available to Sprint Communications Company L. P. ("Sprint") on a Most Favored Nation's ("MFN") basis and U S WEST shall immediately notify Sprint of the existence of such better prices and/or terms and make the same available to Sprint effective on the date the better price and/or term became available to either carrier. The MFN shall apply to any unbundled element, service (e.g., directory assistance, basic residential service, intraLATA toll, Centrex, call waiting). Exceptions to the general availability of MFN shall be very limited and include only volume discounts that reflect only cost savings, term discounts, significant differences in operations support (e.g., unbundled loops with maintenance as compared to unbundled loops without maintenance or unbundled loops conditioned

for data as compared to voice grade loops), and technical feasibility (e.g., local switching must be purchased to receive vertical features supported by the switch). If U S WEST geographic zones are not uniform as applied to all carriers, Sprint may choose the lowest price available from U S WEST for each specific area being served by Sprint."

Q. Your proposed language contains certain "exceptions" to the availability requirement. Could you please explain what those represent.

A. Yes. Sprint recognizes, as did the FCC, that in certain circumstances terms and conditions are legitimately "bundled" together in providing an individual service or element. The exceptions in Sprint's proposed language spell out those circumstances where it would be unreasonable to allow adoption of individual terms and conditions which are legitimately related together.

This should be contrasted with USWC's position that only an entire agreement can be adopted because the entire contract represents negotiating "trade-offs." USWC position, of course, would allow it to engage in the discriminatory conduct discussed above. Furthermore, USWC has never presented any concrete examples of legitimate reasons for "bundling" together the terms and conditions for entirely different services and elements. Finally, USWC's position does not explain why individual components of an agreement which was arbitrated rather than negotiated should not be available for adoption.

Q. Would Sprint's proposed application of the MFN provision harm USWC?

A. No. USWC can hardly be harmed by providing interconnection arrangements on a nondiscriminatory basis to all new entrants. If USWC really wanted to save effort and expense in the implementation of the competitive environment it should want to combine all negotiations and give every CLEC entrant exactly the same provisions in all areas. This would reduce the number of contracts it has to administer.

Q. How does Sprint's proposed language compare to the South Dakota Commission's decision on this issue in the AT&T/US WEST arbitration?

A. The Commission found that under §252(i), if U S WEST enters into an agreement with a party other than AT&T during the course of the AT&T agreement which contains terms and conditions different from those available under the AT&T agreement, AT&T may substitute terms and conditions of that agreement for terms and conditions contained in the AT&T agreement. Sprint believes that the Commission correctly determined the issue since Sprint interprets the decision to mean that individual terms and conditions may be substituted and that the entire agreement need not be substituted, as USWC proposes. The Commission decision is therefore acceptable to Sprint, although Sprint's proposed contract language would spell out certain reasonable exceptions, as I discussed above.

Issue #3 - Inclusion of Features and Functions in Unbundled Switching

Q. Will you please explain the issue between Sprint and USWC concerning the inclusion of features and functions in the unbundled switching element?

A. Yes, in negotiations, USWC has taken the position that the unbundled switching element which it will provide under the Act will not include all the "Features and Functions" of its switches. Sprint desires all the functionality without having to pay additional non-recurring charges and order charges and believes that the Act supports such availability. Sprint is also concerned that such an exclusion could lead to USWC deeming the capabilities as non-telecommunications services and refusing to offer them to CLECs. Consequently, Sprint felt it necessary to have this issue arbitrated by the South Dakota Commission

However, on further reflection, Sprint does not believe it is necessary to have this issue arbitrated. Sprint has not asked for arbitration on rate and price issues because it has agreed with USWC to pay the rates for unbundled network elements (as well as resold services, reciprocal compensation and other services from USWC) which apply to AT&T. The South Dakota PUC has addressed this issue in the AT&T case by determining that the charges for switching should include the features and functionalities in the switch, and Sprint is entitled to the same rate structure under its agreement with USWC. However, if USWC does not agree with this interpretation, this issue may need to be arbitrated and Sprint reserves the right to present rebuttal testimony on the issue

Issue #4 - Combining of Unbundled Elements

Q. Please describe this issue, as well as Sprint's position and U S WEST's position.

A. At issue is whether CLECs are allowed to purchase all of the unbundled network elements used to provide a telecommunications service and rebundle those same elements to provide that same telecommunications service. This issue focuses on the relationship between section 251(c)(3) of the Act which requires ILECs to provided CLECs access to unbundled network elements at TELRIC based prices and section 251(c)(4) which requires ILECs to offer telecommunications services for resale at wholesale prices.

Sprint's position is that there should be no restrictions on the rebundling of unbundled network elements. Sprint should be allowed to purchase all of the unbundled network elements used to provide a telecommunications service at unbundled prices and rebundle them to provide of that same telecommunications service. U S WEST's position is that CLECs should not be able to offer telecommunications services solely by recombining unbundled elements because it is similar to purchasing the telecommunications service via resale at the different wholesale price.

Q. What does the Act say regarding the issue of Rebundling?

A. The Act allows CLECs to rebundle the necessary and technically feasible components of a service purchased on an unbundled element basis. The Act

states that an ILEC must provide access to "unbundled network elements in a manner that allows the requesting carrier to combine such elements in order to provide" telecommunications service. 47 U.S.C. para 251(c)(3).

Q. What does the FCC's Order say regarding the issue of Rebundling?

A. The FCC specifically addressed this issue in their First Report and Order in paragraphs 317 - 341. The FCC asked the question "whether carriers can order and combine network elements to offer the same services that incumbent LECs offer for resale under section 251(c)(4)" specifically noting the different pricing standards for unbundled network elements and resale services (see para. 317).

The FCC concluded that "Congress did not intend section 251(c)(3) to be read to contain any requirement that carriers must own or control some of their own local exchange facilities before they can purchase and use unbundled elements to provide a telecommunications service." (see para. 328) The FCC explained the benefits of their decision stating that "a carrier offering services solely by recombining unbundled elements can offer services that differ from those offered by an incumbent." "Additionally, carriers using unbundled elements can bundle services that incumbent LECs sell as distinct tariff offerings,..." (see para. 333)

Earlier in their order, the FCC touched on this issue and stated that "We agree with the Illinois Commission, the Texas Public Utility Counsel, and others that this language (section 251(c)(3)) bars incumbent LECs from imposing

limitations, restrictions, or requirements on requests for, or the sale or use of, unbundled elements that would impair the ability of requesting carriers to offer telecommunications services in the manner they intend. For example, incumbent LECs may not restrict the types of telecommunications services requesting carriers may offer through unbundled elements,..." (para. 292). Additionally, the FCC stated that ILECs "are required to perform the functions necessary to combine those elements that are ordinarily combined in their network, in a manner in which they are typically combined" (para. 296).

Q. What does Sprint seek from this arbitration with regard to rebundling?

A. Sprint desires language that allows, as ordered by the Act and FCC, the ability to combine unbundled network elements in any technically feasible way, including the ability to recombine elements to recreate existing telecommunications services. The following Sprint proposed language has been unanimously adopted in the six jurisdictions ruling on Sprint's USWC Arbitration Petitions to date:

> U S WEST will not restrict the types of telecommunications services Sprint may offer through unbundled elements, nor will it restrict Sprint from combining elements with any technically compatible equipment that U S WEST or Sprint owns or for which Sprint arranges. U S WEST will provide Sprint with all of the functionalities of a particular element, so that Sprint can provide any telecommunications services that can be offered by means of the element. U S WEST

agrees to perform and Sprint agrees to pay for the TELRIC costs of the functions necessary to combine requested elements in any technically feasible manner either with other elements from U S west's network, or with elements possessed or arranged for by Sprint. However, U S WEST need not combine network elements in any manner requested if not technically feasible, but must combine elements ordinarily combined, whether in its particular network or not, in the manner they are typically combined.

Q. What language has U S WEST proposed and why is it unacceptable to Sprint?

A. The USWC language states, in part, that "U S WEST will not combine U S WEST's Unbundled Loops with U S WEST's Unbundled Switching Element to provide a finished service to [CLEC]." U S WEST's proposed language is in direct opposition to the FCC's conclusions in their First Report and Order and to the language that Sprint seeks. U S WEST seeks to prevent Sprint from recombining unbundled network elements to recreate a telecommunications service. U S WEST's language will severely limit the utilization of USWC's unbundled loop and switching network elements because adoption of this language would erect an enormous barrier that would deter effective facilities-based local competition. U S WEST's proposed language would require CLECs to either install switches or loops before a CLEC could begin to offer local service on a

facilities basis. Such widespread facility deployment is not possible in the early stages of building a network. CLECs need the flexibility offered by recombining unbundled network elements in order to have a cost-effective alternative to offer ubiquitous local service to all customers within a given U S WEST service area. In effect, U S WEST's prohibition on recombining unbundled network elements would force CLECs to remain resellers until such time as they could duplicate the USWC infrastructure.

Q. What is your recommendation for the Commission?

A. I recommend that the Commission adopt Sprint's proposed language. Sprint's proposed language is consistent with the Act and is in compliance with the FCC's findings in its First Report and Order and would foster many benefits for local end-user customers. As the FCC noted, "a carrier offering services solely by recombining unbundled elements can offer services that differ from those offered by an incumbent." (see para. 333). Additionally, adoption of Sprint's proposed language would foster the development of facilities-based competition by providing an economical alternative for CLECs to use while they build out the necessary pieces of their network.

Q. Does Sprint agree with the South Dakota Commission's decision on this issue in the AT&T/U S WEST arbitration?

A. Yes, not only did the Commission correctly decide that the Act requires U S WEST to allow recombining of unbundled elements, it also wisely held that U S WEST's proposal to charge a "rebundling" charge was not cost justified.

Issue #5 - Service Measures and Standards

Q. What is the issue regarding service measures and standards?

A. Sprint strongly believes that it is necessary for the interconnection agreement with USWC to contain a set of services measures and performance standards for the services to be rendered by USWC to Sprint. Furthermore, Sprint desires a process by which it can be assured of improvement in the quality of service provided by USWC. USWC, on the other hand, proposes only to use the service standards required by state commissions.

Q. Why does Sprint feel so strongly about the area of performance standards, measures and process improvement?

A. Quality is the single most important factor in entering and establishing a foothold in the newly competitive market.

Sprint has focused both its long distance and local business upon the principles of quality and quality improvement. Our customers have come to expect the very highest quality in service offerings, call clarity and billing accuracy. This commitment to quality caused Sprint to build the nation's first all digital, fiber optic network which is now the standard by which others are

measured. Sprint customers have long held an expectation of high quality. Sprint's commitment to its customers, indeed its reputation of quality, is the foundation of customer expectations in the new competitive local business.

Sprint has embraced a process of continued business process improvement. This systematically drives the company toward customer expectations and process improvement. Sprint has also included key vendors in the process resulting in large scale benefits for suppliers as well. Managing and improving the quality of a service requires commitment, constant monitoring of well-defined performance measures and pin-point attention to performance problems. Interestingly, USWC is one such supplier on the long distance business side of our relationship as a carrier access vendor.

Entering the local communications market represents significant risk to Sprint. Not only in terms financial commitment but in terms of Brand Risk. If Sprint is not able to be successful in the local market where it has entered using the Sprint brand, it is almost certain that market share in the long distance sector will be adversely affected. This risk can only be ameliorated through continued commitment to quality.

Without quality of service information, controlled by the incumbent provider, Sprint cannot meet customer expectations and improve the quality of service to end users. Without U S WEST's cooperation in process improvement benefits to end users will go unrealized.

Q. Just what is the extent of U S WEST's obligation in providing competitive services to the CLECs?

A. U S WEST, according to the Act is obligated to provide service "... that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection..." (251 (c)(2)(C)). Inherent in this requirement is the burden of proof that a service is at parity with U S WEST's own internal services, services provided to subsidiaries and affiliates and other Interconnectors. Service measures are the only effective way to ensure this equality. Although the FCC declined to specify reporting requirements or measures, because of the insufficiency of its record, it did encourage states to adopt such reporting requirements or measures, at paragraph 311 of its First Report and Order implementing the Act.

Q. How critical to the establishment of competition are Quality Measures?

A. Four issues really must be considered in this question:

1. Service measures are critical to management of a telecommunications operation. It goes without saying that an operation as complex and sophisticated as a modern telecommunications provider like U S WEST manages its traffic, service, billing, facilities, and processes with a great deal of specificity and precise measurements. U S WEST measures its activity on a daily, weekly and monthly basis. For example, service centers measure and report to internal

management the number of orders processed, the number of failed orders and call answer times just to name a few. If a problem arises or trends reveal process problems management takes immediate corrective action. If U S WEST uses a contractor to provide part of its services it certainly communicates standards, monitors performance measures and enforces standards.

2. Similarly, information will be critical to managing the resale or provision of rebundled services in the marketplace. As Sprint's vendor, U S WEST is the sole source of this critical data. It bears the burden as the provider of services to supply not only a service but the essential information needed to manage the service. Services provided by U S WEST to Sprint clearly will not manage themselves. These services and elements are a complex and delicate array of network variables, the compromise of which will render them unusable.

3. Service measures are critical to guarantee service parity. Without measures of service parity could directly disadvantage Sprint or its end-users. For example, consider the issue of Held Orders. U S WEST could, in the absence of measures, unfairly monopolize available facilities while issuing held orders for the CLECs. Customers unable to obtain service from Sprint would leave Sprint because of U S WEST's actions would spread the word of Sprint's inability and potential Sprint customers would go to U S WEST to avoid being treated as a held order. This discriminatory outcome is just one of many negative possibilities.

4. Service measures and an effective process of Quality Improvement are vital to improving customer service. Customers will switch carriers assuming a

high level of service and will meet with devastating disappointment if services are not at least at parity with their former service.

Differentiation in the market, at least at first, should not be on the basis of the quality of the network performance. The network must perform with equal reliability and be equally accessible to all users. Quality measures are an essential part of ensuring parity.

Q. What is the service measurement and reporting process Sprint desires?

A. Sprint has requested that U S WEST cooperate in establishing a meaningful and systematic method of measuring service quality, reporting results and remedying problems that will ensure that Sprint is indeed receiving parity service and can work with U S WEST to improve service when service levels are unacceptable. Sprint will initiate a process of Business Process Improvement for its CLEC business in keeping with the company direction. As most of the processes in this business are partially provided by U S WEST, Sprint will require information to evaluate U S WEST's portion of the services and processes.

Q. What specific steps does Sprint's proposed process entail?

A. Sprint desires agreement on a set of reasonable measures with specific objectives that are reported with adequate detail. The specific objectives or target levels of these measures will be set cooperatively after Sprint and U S WEST jointly review the current performance of U S WEST. The process steps would parallel

those already in place between the interexchange carriers and the larger local exchange carriers around the country. U S WEST already has a similar process in place with the long distance side of Sprint. Before any of these steps can be initiated, Sprint and U S WEST must agree to contract provisions surrounding the Quality measures and Improvement.

Step 1. Sprint & U S WEST meet to review the current performance of U S WEST in each performance measure. Two levels will be discussed for each measure including: 1) a historically based level of U S WEST performance for parity reasons and 2) a Sprint objective for each measure which will serve as the Sprint internal benchmark to work towards. The Sprint measure may not be bought into by U S WEST absent a commitment to process improvement, but Sprint is hopeful that the merits of such a cooperative effort will become apparent to U S WEST.

Step 2. U S WEST gathers and self-reports monthly the results of the month's activity in each performance area. These results reports would include the following:

a. the absolute measures of performance for Sprint, parity comparisons between the results of Sprint and U S WEST itself, and

b. parity comparisons between Sprint and the sum of the other CLECs (without U S WEST).

Step 3: U S WEST reviews its measures for the month and investigates deviations from parity with other parties and provides Sprint with an explanation of the deviations and what will be done in the following period(s) to remedy the problem.

Step 4: The monthly results would then be reviewed by Sprint noting any exceptions to minimums and remedial plans provided by U S WEST. An internal tracking mechanism will be established at Sprint for the item in question. If a measure is below an acceptable (critical) level, or shows deviation from an agreed upon improvement plan in a subsequent period immediate discussions would be pursued with the U S WEST account manager to determine the root cause of the problem.

Step 5: A semi-annual feedback document will be created by Sprint to evaluate U S WEST's performance in all areas with special attention to improvement in problem areas. In a semi annual meeting Sprint and the U S WEST account team will meet together to discuss the review and plans to remedy any problems.

Step 6: If progress on a remedial plan is not being achieved, then a previously provided escalation list would be consulted to gain executive attention and focus on the problem.

Step 7: Remedies would only be exercised as needed to ensure that Sprint is not damaged by malignant problems. Sprint would also have access to the Commission if poor quality becomes excessive. This would be seen as an

extreme remedy by Sprint as we expect to have an effective working rapport established with U S WEST.

Step 8. The meeting in item 1 above would then be repeated in an annual U S WEST and Sprint account team meeting to review the progress of the year and, if appropriate, set new goals.

Q. What are the specific measures required to ensure parity and facilitate management of the business?

A. Sprint attached to the Petition a list of service measures and their target standards for admittance to the record in this proceeding. These are the measures that Sprint feels will allow us to not only ensure parity of service but manage the business relationship we will have with USWC.

Q. How does Sprint propose to change measures when needed or adjust the standards for individual measures?

A. This question raises an important definitional distinction in this discussion. There is a difference between a measure and a standard. A "measure" is merely the objective reporting of an activity. For example, a percentage of completion out of total attempts. A "standard" of a measure is a target objective set for a measure. For example, the standard for a Service Orders Completed measure might be set at 95% service orders completed by customer desired due date. The standard is the trigger for remedial activity. If the absolute level of a measure is

below standard, the companies would meet to prescribe a remedial effort to bring the measure up to standard.

In direct and rebuttal testimony filed in the Sprint arbitration cases in other jurisdictions, U S WEST confused these two terms which created the misperception that measures drive the company's operating costs up. Higher standards may require investment or financial commitment by U S WEST but "measures" in and of themselves do not drive costs.

Q. What benefits may accrue to U S WEST and others in the process of measuring and improving performance?

A. Any improvement that is made in support of a CLEC request will also have positive affects on U S WEST retail customers. For example, if in the process of measuring and improving the process of order entry, a CLEC helps U S WEST to cut its order cycle time, U S WEST retail customers would also receive shorter order times. U S WEST paints a dismal picture of quality improvement but in reality it may just be the incentive U S WEST needs to improve its own retail service performance. It may result in fewer Commission imposed fines or customer complaints from its own end users.

Q. Do you have any comments on the South Dakota Commission's decision on this issue in the AT&T arbitration?

A. Yes. The Commission declined to consider adoption of AT&T's proposed DMOQs, suggesting that the Commission may open a separate docket to consider

these issues. Sprint and other CLECs, including AT&T have recently agreed on the minimum set of measures and performance standards which should be applied to the services provided by ILEC's to new entrants. Those are the measures and standards which I am sponsoring. If the Commission wishes to consider those proposals in a separate proceeding, like other state commissions are doing, it should do so in the near future so that new entrants will not be handicapped for too long in providing quality services to their customers.

Issue #6 - Unfair Restrictions on Resale of Telecommunications Services

Q. Please describe this issue, as well as Sprint's position and U S WEST's position concerning the resale of USWC services.

A. There are two issues of disagreement regarding the resale restrictions USWC is seeking to place upon Sprint. The first restriction is that USWC is seeking to not offer certain services, such as residential service, for resale at a wholesale discount rate. The other restriction is that USWC is seeking to limit how services can be resold such that Sprint is constrained to mirroring USWC's tariff offerings.

Sprint's position is that all retail services must be offered at wholesale prices. This is in line with the Act and the FCC's order. Additionally, it is Sprint's position that USWC does not have authority to impose additional restrictions on the resale of their services other than those contemplated by the Act and the Order. Those restrictions deal solely with the reselling of residential

local service to business customers and of reselling Lifeline service to customers that are not eligible for Lifeline service.

U S WEST's position is that they are not required to offer all retail services at a wholesale discount. Additionally, it is U S WEST's position that they may restrict the resale of their retail services only to those customers to whom they currently sell the service.

Q. Please elaborate on the first issue regarding USWC's refusal to offer resold residential service at wholesale discounts?

A. The USWC proposed contract does not specifically state that there are services not offered at a wholesale a discount. Instead, there is a reference to Appendix A (the pricing attachment of the contract) which lists the services that are offered for resale including all the expected services representing Basic Telecommunications services. The misleading part is that many of the services are not offered at a wholesale discount. They are offered to the reseller at "100%" of the retail price. In this rather clandestine manner, USWC effectively prevents basic services from being resold to the public. This is truly anti-competitive.

Q. What does the Act say about wholesale rates for resold services?

A The Act clearly states that an ILEC must "... offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers

who are not telecommunications carriers. . ." (see 47 U.S.C. at Section 251(c)(4)). In addition, Section 252(d)(3) of the Act states that wholesale rates must be based on "retail rates charged to subscribers for the telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by the local exchange carrier."

Q. What does the FCC say about wholesale rates for resold services?

A. The FCC Order sets forth a recommended methodology to be used to determine the avoided costs discount by which ILECs are required to reduce the retail price of their telecommunications service offerings for wholesale customers. The FCC specifically discussed wholesale pricing for below-cost and residential services. In paragraph 956 of the First Report and Order, the FCC stated that "we believe that below-cost services are subject to the wholesale rate obligation under section 251(c)(4). First, the 1996 Act applies to "any telecommunications service" and thus, by its terms, does not exclude these types of services."

Q. What does Sprint seek from this arbitration with regard to wholesale rates for resold residential service?

A. Sprint desires the Commission to order U S WEST to offer all telecommunications services, including residential service, at the appropriate wholesale discounted rate. I am not making a recommendation as to the exact

percentage discount for this rate, because Sprint has stipulated that it will accept the pricing resulting from the AT&T/U S WEST arbitrated agreement. Rather, I am recommending that the Commission require whatever wholesale discount flows from the AT&T/U S WEST arbitrated agreement be applied to all U S WEST's services available for resale.

Q. Please elaborate on the second issue regarding the additional restrictions USWC is seeking to place on the resale of its telecommunications services.

A. USWC desires additional resale restrictions that essentially would bind resellers to sell only to the customers services that are identical to USWC services offered under tariff. Sprint, on the other hand, seeks to be able to resell services without any restrictions beyond those put forth by the FCC in its First Report and Order.

Q. What does the Act say regarding resale restrictions?

A. Section 251(c)(4) of the Act declares that incumbent LECs have the duty "to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers..." and also grants State commissions the ability to carve out exceptions for certain, limited cross-class selling.

Q. What cross class resale restrictions did the FCC deem appropriate?

A. Paragraph 962 of the FCC's Order restricts the resale of residential service to business customers and the resale of services that are priced based on means (e.g.

Lifeline) to customers not qualified to receive such means-based prices. Sprint is fully aware and supportive of the Order's specifically identified cross-class selling restrictions. These restrictions are tied directly to historical public policy pricing structures designed to hold down basic residential rates and prices for those in need. The FCC recognizes these as reasonable cross-class restrictions.

Q. What did the FCC say about additional cross-class or other resale restrictions such as those that U S WEST is seeking to impose?

A. The FCC Order at paragraph 939 concluded that resale restrictions are presumptively unreasonable. The FCC reasoned that the ability of an incumbent LEC to impose resale restrictions and conditions is likely to be evidence of market power and that in a competitive market, an individual seller would not be able to place significant restrictions on buyers because such buyers turn to other sellers. In this case, the seller is US West, and the buyer is Sprint. Because US West is, for all practical purposes, the only wholesaler, Sprint has nowhere to turn if US West imposes restrictions on the resale of certain services.

Aside from the two cross-class selling restrictions mentioned above, the FCC clearly stated that all other cross-class selling restrictions should be presumed unreasonable. There is no basis for restricting the resale of business services to residential customers. Such a restriction would deny the opportunity for residential customers that desire a particular service that is currently offered by US West only to business customers from obtaining that service simply

because the customer is not classified as a business customer. Such a restriction is inappropriate.

Q. What is Sprint's position regarding the additional restrictions U S WEST seeks to place on the resale of its telecommunications services?

A. Sprint proposes language that complies with the Order and the Act. Specifically, Sprint agrees that Lifeline services should be restricted to Lifeline type customers and that residential services should not be sold to business customers. Sprint's language details the logical and appropriate constraints to be placed upon the resale of these services by CLECs. These limitations are intended to follow the Order exactly to balance the need to protect U S WEST and at the same time provide maximum opportunity for Sprint and the other fledgling competitors to establish a presence in the market.

Q. What is U S WEST's position regarding the additional restrictions it seeks to place on the resale of its telecommunications services?

A. USWC wants resale restrictions that go far beyond the FCC's Order. USWC seeks additional resale restrictions that essentially would bind resellers to sell only to the customers services that are identical to USWC services offered under tariff. By constricting resale opportunities, Sprint will not have sufficient latitude to introduce or package services to attract new customers. As discussed above, the FCC noted that in a competitive resale market, an individual seller (such as U S

WEST) would not be able to place significant resale restrictions on buyers because such buyers would turn to other sellers.

Q. What does Sprint seek from this arbitration with regard to wholesale rates for resold residential service?

A. Sprint desires that the Commission limit U S WEST to just the two cross-class resale restrictions that the FCC identified in its Order. Sprint agrees that Lifeline services should be restricted to Lifeline type customers and that residential services should not be sold to business customers. However, U S WEST should not be allowed to place any additional restrictions beyond those mentioned. Sprint requests that the Commission allow Sprint, not USWC, to control Sprint's marketing plans and service offerings beyond the two reasonable limitations. If this is not the case, Sprint will be at the mercy of USWC for service offerings and will be reduced to a mere sales agent for U S WEST. However, by allowing Sprint to resell services without unnecessary restrictions, customers will reap the benefits that new competitors will bring to the marketplace such as packaging existing services in new ways that better meet customers' needs and desires.

Q. How does your position compare with the South Dakota Commission's decision on the issue in the AT&T proceeding?

A. Sprint believes that the Commission was correct in deciding that avoided cost discounts must be provided on all services subject to resale and that, except for

the restrictions on resale of services available only to residential customers and restrictions related to promotions of less than 90 days, the other broad restrictions proposed by USWC were not shown to be reasonable and nondiscriminatory.

Q. Please summarize your testimony.

A. I have detailed the concerns that Sprint has with USWC positions which USWC refuses to change even in light of the fact that numerous other jurisdictions have rejected USWC's positions, often in more than one proceeding in that state. Sprint desires a fair opportunity to enter the USWC local exchange markets on an even footing with the other CLECs in compliance with the Act. MFN is a critical part of ensuring that Sprint and other CLECs are not subject to discriminatory or preferential treatment by USWC. Sprint must be allowed the access charges due to it under Interim Number Portability in compliance with FCC decisions. Further, USWC must not be allowed to restrict Sprint's ability to recombine unbundled elements in contravention of the Act and FCC rules. Sprint must also be able to purchase all the elements inherent in switching and not have to pay inflated cumulative rates for functions which a nearly inseparable. Service measurement and quality improvement are key factors to ensuring that Parity service is provided by USWC and that anti competitive opportunities are not exploited by USWC. Lastly, USWC should not be allowed to avoid its obligations under the Act to provide services for resale by not providing an avoided cost discount on all such services and by imposing unreasonable restrictions on how such services are resold. These issues must be settled in favor

of Sprint, and through the MFN mechanism in favor of the entire CLEC community so that competition will be able to effectively begin.

Q. Does this conclude you testimony?

A. Yes, it does. Thank you.

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Telephone 605 336-2424
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John R. McDowell

J.W. Boyce (1884-1915)
John S. Murphy (1924-1966)

May 12, 1997

William Bullard, Executive Director
S.D. Public Utilities Commission
500 E. Capitol
Pierre, SD 57501

Re: In the Matter of the Interconnection Contract Negotiations between Sprint Communications Company L.P. and U S West Communications, Inc. Pursuant to 47 U.S.C. Section 252 (TC97-045)
Our File No. 2104-97-045

Dear Mr. Bullard:

Enclosed please find for filing our firm's original Notice of Appearance in this matter together with the Certificate of Service.

Sincerely yours,

BOYCE, MURPHY, McDOWELL & GREENFIELD, L.L.P.

Thomas J. Welk

TJW:vjj
Enclosure

cc: William Heaston
Jon Lehner
Donald A. Low
Richard P. Tieszen
Thomas H. Harmon
Camron Hoseck

BOYCE, MURPHY, McDOWELL & GREENFIELD, L.L.P.

ATTORNEYS AT LAW

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RECEIVED
MAY 14 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

May 12, 1997

Camron Hoseck, Staff Attorney
S.D. Public Utilities Commission
500 E. Capitol
Pierre, SD 57501

Richard P. Tieszen
Thomas H. Harmon
Tieszen Law Office
P.O. Box 626
Pierre, SD 57501-0626

Donald A. Low
Sprint Communications Company L.P.
8140 Ward Parkway - 5E
Kansas City, MO 64114

Re: In the Matter of the Interconnection Contract Negotiations between Sprint Communications Company L.P. and U S West Communications, Inc. Pursuant to 47 U.S.C. Section 252 (TC97-045)
Our File No. 2104-97-045

Dear Counsel:

Enclosed please find our firm's Notice of Appearance in the above referenced matter. This is intended as service upon you by mail.

Sincerely yours,

BOYCE, MURPHY, McDOWELL & GREENFIELD, L.L.P.

Thomas J. Welk

TJW/vjj
Enclosure

cc: William P. Heaston
Jon Lehner

0142.49.349

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE INTERCONNECTION CONTRACT NEGOTIATIONS BETWEEN SPRINT COMMUNICATIONS COMPANY L.P. AND U S WEST COMMUNICATIONS, INC. PURSUANT TO 47 U.S.C. SECTION 252	)))))	**TC97-045** **NOTICE OF APPEARANCE**

TO: SPRINT COMMUNICATIONS COMPANY L.P. AND ITS ATTORNEYS, DONALD A. LOW, RICHARD P. HESZEN AND THOMAS H. HARMON, AND THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION, AND ITS ATTORNEY, CAMRON HOSECK.

Notice is hereby given that the undersigned now also appear as attorneys of record for U S West Communications, Inc., in the above-captioned matter.

Dated this 12th day of May, 1997.

Thomas J. Welk
Tamara A. Wilka
BOYCE, MURPHY, MCDOWELL & GREENFIELD, L.L.P.
P.O. Box 5015
Sioux Falls, SD 57117-5015
(605)336-2424

Attorneys for U S West Communications, Inc.

CERTIFICATE OF SERVICE

I, Thomas J. Welk, do hereby certify that I am a member of the law firm of Boyce, Murphy, McDowell & Greenfield, and on the 12th day of May, 1997, I mailed a true and correct copy of Notice of Appearance to the following by U.S. mail, postage prepaid thereon.

Donald A. Low
Sprint Communications Company LP
8140 Ward Parkway - 5E
Kansas City, MO 64114

Richard P. Tieszen
Thomas H. Harmon
P.O. Box 626
Pierre, SD 57501-0626

Camron Hoseck
South Dakota Public Utilities Commission
500 E. Capitol
Pierre, SD 57501

Thomas J. Welk

Tieszen Law Office, LLP

222 East Capitol, Suite 1
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Pierre, South Dakota 57501-0626

605 224-1500 FAX 605 224-1600

Richard P. Tieszen
Thomas H. Harmon

Karla L. Engle

May 15, 1997

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MAY 16 1997

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

William Bullard
Executive Director
South Dakota Public Utilities Commission
500 East Capitol
Pierre, SD 57501-5070

Re **In The Matter of the Interconnection Contract Negotiations Between Sprint Communications Company L.P. and U S West Communications, Inc. Pursuant to 47 U.S.C. Section 52; TC 97-045**

Dear Director Bullard

Enclosed for filing in the above-referenced matters is an Order signed by the Honorable Steven L. Zinter, Sixth Circuit Court, admitting Donald A. Low to the Bar to appear in the above-referenced matter. If you need a copy of the motions, please let me know. All communications should continue to be provided to Mr. Low.

Sincerely,

TIESZEN LAW OFFICE

Thomas H. Harmon

THH:jj
Enclosure
cc w/enc: Donald A. Low

BAR 97-15

RECEIVED

MAY 16 1997

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

STATE OF SOUTH DAKOTA	)	IN CIRCUIT COURT
	) SS	
COUNTY OF HUGHES	)	SIXTH JUDICIAL CIRCUIT

BEFORE THE PUBLIC UTILITIES COMMISSION
STATE OF SOUTH DAKOTA

IN THE MATTER OF THE INTERCONNECTION CONTRACT NEGOTIATIONS BETWEEN SPRINT COMMUNICATIONS COMPANY L.P. AND U S WEST COMMUNICATIONS, INC. PURSUANT TO 47 U.S.C. SECTION 252.	)	TC 97-045
	)	ORDER

Based upon the Motion of Non-Resident and the Motion of Resident Attorney, it is hereby

ORDERED that Donald A. Low be and hereby IS ADMITTED to the Bar of this Court for the purpose of appearing before the Public Utilities Commission in the above-captioned matter. Mr. Low shall observe, comply with, and be responsible to follow the Rules of this Court, the rules of the South Dakota Supreme Court, the laws and the Constitution of the State of South Dakota.

Dated this 9 day of May, 1997.

BY THE COURT:

Steven L. Zinter
Circuit Court Judge

ATTEST:
Mary L. Erickson
Clerk of Court
(SEAL)
by Sharon McCaffree
Deputy

STATE OF SOUTH DAKOTA
CIRCUIT COURT, HUGHES CO
FILED
MAY 09 1997
Mary L. Erickson CLERK
By _____ Deputy

U S WEST, Inc.
1801 California Street, Suite 5100
Denver, Colorado 80202
303 672-2810
Facsimile 303 295-7069

William P. Heaston
Senior Attorney

USWEST

RECEIVED
MAY 21 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

May 20, 1997

FAX Received MAY 16 1997

Mr. William Bullard, Jr.
Executive Director
South Dakota Public Utilities Commission
State of South Dakota
500 East Capitol Avenue
Pierre, South Dakota 57501

Re: In the Matter of the Interconnection Contract Negotiations Between Sprint Communications Company L.P. and U S WEST Communications, Inc. Pursuant to 47 U.S.C. Section 252 Docket No. TC97-045

Dear Mr. Bullard:

Enclosed is the original STIPULATION AND AGREEMENT between Sprint Communications Company, L. P. and U S WEST Communications, Inc. which was fax filed on May 16, 1997.

If you have any questions, please contact me.

Yours truly,

William P. Heaston

Enclosure
cc: Donald Low
WPH:mb

RECEIVED

MAY 1997

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In the Matter of the Interconnection Contract Negotiations Between Sprint Communications Company L P and U S West Communications, Inc Pursuant to 47 U S C Section 252	)))	Docket No TC 97-045

FAX Received MAY 16 1997

STIPULATION AND AGREEMENT

Whereas, on April 25, 1997, Sprint Communications Company L P ("Sprint"), Petitioner in this matter, filed a Petition for Arbitration requesting that the Public Utilities Commission of South Dakota ("PUC") arbitrate certain issues which remain unresolved in the negotiations between Sprint and U S WEST Communications, Inc ("USW") for an interconnection agreement; and

Whereas, on May 5, 1997, Sprint filed an Amended Petition and a Prehearing Motion which, respectively, amended the Petition to delete one of the issues on which arbitration is requested and asked for a PUC determination that the decisions on the arbitrated issues should be the same as those made in the arbitration between USW and AT&T Communications of the Midwest, Docket No TC96-184 ("AT&T / USW arbitration"); and

Whereas, Sprint and USW agree that the resources of both parties and the PUC should not be called upon needlessly for arbitration of issues which have been previously addressed in the AT&T / USW arbitration; and

Whereas, those issues may be appropriately resolved by incorporation of the PUC decisions in the AT&T / USW arbitration into an interconnection agreement between Sprint and USW;

Therefore, Sprint and USW stipulate and agree as follows

1 The parties shall submit a negotiated interconnection agreement between Sprint and USW to the PUC for approval pursuant to §252(e) of the Telecommunications Act of 1996, as soon as they are able to complete such an agreement but no later than sixty days after Sprint's dismissal of its Petition for Arbitration is approved by the PUC

2 The interconnection agreement shall reflect the decisions of the PUC in the AT&T / USW arbitration (Docket No TC96-184) on the issues on which arbitration was sought in Sprint's Petition for Arbitration, as amended, except as noted below, by either (a) incorporating any provisions or language on those issues approved or ordered by the PUC for the interconnection agreement between AT&T and USW, or (b) if no such interconnection provisions or language has been approved or ordered, incorporating the decisions of the PUC on those issues as set forth in its March 20, 1997, Order in the AT&T / US West arbitration (Docket No TC96-184)("PUC Order"), as may be changed on reconsideration or rehearing The issues and the respective decisions of the PUC are as follows

a Switched access charges for ported numbers as decided in paragraph 218 of the PUC Order.

b Resale restrictions as decided in paragraphs 142 to 165 and 195 of the PUC Order.

c Combining of unbundled elements as decided in paragraphs 79 to 85 of the PUC Order.

d Quality and business process standards as decided in paragraphs 247 and 248 of the PUC Order, and

e. Most favored nations ("MFN") or "pick and choose" provision as decided in paragraph 21 of the PUC Order

Although Sprint's Petition also listed an issue concerning the features and functions included in unbundled switching, the parties have determined that that issue is governed by a prior agreement on pricing issues and therefore need not be addressed separately. Sprint shall have the right to decide which of the above two methods of initially reflecting the PUC decisions in the interconnection agreement shall be used.

3. The interconnection agreement shall also provide that the provisions regarding the issues outlined in Paragraph 2 of this Stipulation shall be modified based on any final regulatory or judicial decision or order arising from reconsideration, re-hearing or judicial review of the AT&T / USW arbitration decisions in Docket No. TC96-184, and on any final decision arising from the U.S. Eight Circuit Court of Appeals review of the FCC's First Report and Order in CC Docket Nos. 95-185 and 96-98 (rel. Aug. 8, 1996) which affects the AT&T / USW arbitration decisions, to the extent such final decision or order is not already reflected in the interconnection agreement.

4. Sprint shall forthwith dismiss or withdraw its Petition for Arbitration, as amended, without prejudice to its rights to request new arbitrations in future proceedings pursuant to §252(b)(1) of the Telecommunications Act of 1996, on issues not included in its April 25th Petition for Arbitration and without prejudice to its rights to seek separate regulatory resolution of disputes arising from implementation of this Stipulation and Agreement.

5. This stipulation is not to be construed by Sprint or any other party as an exercise of the "pick and choose" provision alleged to be allowed under 47 U.S.C.

§252(i), 47 C F R §809, and the provisions of the FCC's First Report and Order in CC Docket Nos 95-185 and 96-98 (rel Aug 8, 1996) which discuss those statutory and regulatory provisions

6 This Stipulation and Agreement shall not be used to adversely affect USW's rights in any proceeding on reconsideration or judicial review of the PUC's decisions in the AT&T / USW arbitration nor shall it be used to adversely affect either Sprint's rights to intervene and support AT&T's positions in reconsideration or judicial review proceedings or USW's rights to object to any such Sprint intervention and support

7 This Stipulation and Agreement shall be effective immediately upon its signature by both parties and shall be filed with the PUC to support Sprint's withdrawal or dismissal of its Petition for Arbitration

Dated 5/17/97

U S WEST Communications, Inc

By

William P Heaston
Senior Attorney
U S WEST
1801 California St
Denver, CO 80202
(303) 672-2810
FAX (303) 295-7069

Sprint Communications Company L P

By

Donald A Low
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8553.9424

Sprint

9300 Ward Parkway
Kansas City, MO 64114
Telephone (913) 624-3000
Fax (913) 624-3941

Donald Low
Senior Attorney
State Regulatory, West Central Region

May 16, 1997

RECEIVED
MAY 19 1997
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

FAX Received MAY 16 1997

William Bullard
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Ave
Pierre, SD 57501

BY FAX AND OVERNIGHT MAIL

Re: Sprint / US West Arbitration -
Docket No. TC 97-045

Dear Mr. Bullard

Enclosed for filing in the above referenced matter are the original and eleven copies of Sprint's Motion to Withdraw. Please return a filed stamped copy of each in the enclosed envelope.

A copy of this filing is being served on counsel for U S WEST by facsimile.

Thank you for your assistance.

Very truly yours,

Donald Low

pc: Bill Heaston, US West
Dick Tieszen

RECEIVED
MAY 19 1997
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

In the Matter of the Interconnection Contract Negotiations Between Sprint Communications Company L P and U S West Communications, Inc Pursuant to 47 U S C Section 252	))))	Docket No TC 97-045

MOTION TO WITHDRAW

Sprint Communications Company L P ("Sprint"), Petitioner in this matter, hereby requests that the Commission allow it to withdraw its Petition for Arbitration, as amended on May 5, 1997, in this matter, pursuant to Commission rule ARSD 20 10 01 02 04 In support of this Motion, Sprint alleges and states as follows

1 On April 25, 1997, Sprint filed a Petition for Arbitration requesting that the Public Utilities Commission of South Dakota ("PUC") arbitrate certain issues which remain unresolved in the negotiations between Sprint and U S WEST Communications, Inc ("USW") for an interconnection agreement, and

2 On May 5, 1997, Sprint filed an Amended Petition and a Prehearing Motion which, respectively, amended the Petition to delete one of the issues on which arbitration is requested and asked for a PUC determination that the decisions on the arbitrated issues should be the same as those made in the arbitration between USW and AT&T Communications of the Midwest, Docket No TC96-184 ("AT&T / USW arbitration")

3 Sprint and USW have reached a Stipulation and Agreement so that the Commission's arbitration of the issues is no longer necessary Instead, Sprint and USW will file a negotiated interconnection agreement within sixty days after withdrawal of Sprint's Petition for Arbitration is granted by the Commission Attached is a copy of that Stipulation and Agreement executed by Sprint USW is filing a copy of the signature page

executed by it today and will shortly file the complete executed version of that Stipulation and Agreement

4 Withdrawal of Sprint's Petition for Arbitration is in the public interest since needless expenditure of resources by the parties and the Commission will be avoided and the public interest will not be served by continuation of the proceeding As reflected in the Stipulation and Agreement, USW supports this Motion

Respectfully submitted,
Sprint Communications Company L P

Donald A Low
8140 Ward Parkway 5E
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Fax (913) 624-5681

Richard P Tieszen
Thomas H Harmon
Tieszen Law Office
222 E Captol
Pierre, SD 57501
(605) 224-1500
FAX (605) 224-1600

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing was served by sending a copy thereof to the following persons on this 16th day of May, 1997

William P Heaston
Senior Attorney
U S WEST
1801 California St
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(303) 672-2810
FAX (303) 295-7069

Thomas Welk
Tamara Wilka
Boyce, Murphy, McDowell & Greenfield
P O Box 5015
Sioux Fall, SD 57117-5015

0142.49.361

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE INTERCONNECTION CONTRACT NEGOTIATIONS BETWEEN SPRINT COMMUNICATIONS COMPANY L.P. AND U S WEST COMMUNICATIONS, INC. PURSUANT TO 47 U.S.C. SECTION 252	)))))	ORDER GRANTING WITHDRAWAL TC97-045

On April 25, 1997, the Public Utilities Commission (Commission) received a filing from Sprint Communications Company, L.P. (Sprint) pursuant to 47 U.S.C. Section 252(b)(1) to arbitrate open issues related to its interconnection negotiations with U S WEST Communications, Inc. (U S WEST). A procedural schedule was established in this matter on May 2, 1997. An Arbitration hearing was scheduled for June 10, 1997.

On May 16, 1997, Sprint filed a Motion to Withdraw and a Stipulation and Agreement signed by both Sprint and U S WEST which states that the parties will submit a negotiated interconnection agreement between Sprint and U S WEST to the Commission for approval pursuant to Section 252(e) of the Telecommunications Act of 1996, as soon as the parties are able to complete the agreement but no later than sixty days after Sprint's dismissal of its Petition for Arbitration is approved by the Commission.

On June 3, 1997, at its regularly scheduled meeting, the Commission considered Sprint's Motion to Withdraw. The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-31 and the Telecommunications Act of 1996. The Commission voted unanimously to approve Sprint's Motion to Withdraw. It is therefore

ORDERED that Sprint's Motion to Withdraw is hereby approved.

Dated at Pierre, South Dakota, this 10th day of June, 1997.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By Delaine Kolbo

Date 6/13/97

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION

James A. Burg

JAMES A. BURG, Chairman

PAM NELSON, Commissioner

LASKA SCHOENFELDER, Commissioner