

P. B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>related to the common transport and tandem switching necessary to reach the IXC's POP. SWBT's position is contrary to the FCC Order as quoted above.</p> <p>Proposed Sections 5.2.2.2.1.2.1, 5.2.2.2.1.2.2, 5.2.2.2.1.3, 5.2.2.2.2.1, and 5.2.2.2.2.2 of Appendix Pricing UNE provide and illustrate how AT&T should bill originating and terminating access when it uses unbundled network elements purchased from SWBT. These Sections should be accepted for the reasons set forth above.</p>	<p><u>Originating access</u></p>		
<p>19.</p> <p><u>AT&T:</u> UNE Ordering and Provisioning -- should the contract require SWBT to provide AT&T the same types of operations support systems information and functions for pre-ordering, ordering and provisioning with the same timing and quality that SWBT provides to itself.</p> <p><u>SWBT:</u> What should the standard order intervals be for unbundled network elements? (Order No. 5, XI.6) Whether SWBT will</p>	<p>Attachment 7, Sections 2.1, 4.2.4, 4.2.5, 4.2.6, 6.7 and 8.0</p> <p>Attachment 2: Ordering and Provisioning Sections 4.7</p>	<p>On page 12 of the Award, the Commission ruled "An end user that chooses to switch LECs should not be penalized for that decision through delays, excess charges, or unnecessary inconvenience." Further, on page 57 of the Award, the Commission ruled that resold services, UNEs, ancillary functions, and interconnection is to be provided "at least equal in quality to that which the incumbent LEC provides itself." 47 C.F.R. Para. 51.311 (b).</p> <p>The FCC recognizes that nondiscriminatory access to the ILEC's operations support systems "is vital to creating opportunities for meaningful competition." FCC Order at ¶ 518. The FCC thus concluded that "an incumbent LEC must provide nondiscriminatory access to their operation support systems functions for pre-ordering, ordering, provisioning, maintenance and</p>	<p>2.1 SWBT and AT&T agree to work together to implement the Electronic Gateway Interface (EGI) used for resold services that provides non-discriminatory access to SWBT's pre-order process. AT&T and SWBT agree to implement the electronic interface, which will be transaction based, to provide the pre-service ordering information (i.e., address verification, service and feature availability, telephone number assignment, <u>dispatch requirements, due date, and Customer Service Record (CSR) information</u>), subject to the conditions as set forth in Attachment 2: Ordering and Provisioning - Resale, Paragraph 1.4.</p> <p><u>4.2.4 determine if a service call is needed to install the line or service;</u></p> <p><u>4.2.5 provide service availability</u></p>	<p>SWBT has committed to provide AT&T with the same quality of service that SWBT provides to its own end users for those items where the specific activity has been defined and agreed. AT&T has attempted to undermine SWBT's commitment by adding numerous activities for which SWBT cannot yet ascertain whether any technical impediments exist that would prevent from treating AT&T exactly the same. Therefore, it is premature for the Commission to mandate "parity" for these activities. In addition, these activities were not a part of the arbitration process.</p>	<p>SWBT objects to the inclusion of AT&T's proposed language.</p>

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<p>agree to work with AT&T to implement the 855 EDI transaction that indicates jeopardies of missed Due Dates.</p>		<p>repair, and billing available to the LEC itself. Such nondiscriminatory access includes access to the functionality of any internal gateway systems the incumbent employs in performing the above functions for its own customers." <i>Id.</i> at ¶523. The FCC required ILECs to meet the requirement of nondiscriminatory OSS access by January 1, 1997. <i>Id.</i> at ¶ 525.</p> <p>SWBT has failed to meet this requirement in its implementation negotiations with AT&T. SWBT has delayed and resisted providing AT&T with access to OSS functions that will enable AT&T to pre-order, order, and provision UNE service for its customers with the same quality and speed that SWBT uses to serve its retail customers, contrary to the requirements of Section 251(c)(3) of the Act and the FCC's very plain, specific interpretation. This resistance has manifested itself in disagreements over a number of provisions in Attachment 7: Ordering and Provisioning - Unbundled Network Elements.</p> <p>For example, proposed Section 2.1 of Attachment 7 would include dispatch requirements and due date in the categories of information that would be available to AT&T via electronic interface for pre-ordering purposes for unbundled network elements. That information is available to SWBT in performing pre-ordering for its retail customers who will be served through the same</p>	<p><u>dates to the customer;</u></p> <p>4.2.6 <u>provide information regarding facility availability to the customer premises, if applicable;</u></p> <p>6.7 <u>SWBT and AT&T agree to identify a mutually acceptable date for implementation of the 855 EDI transaction-based reply when SWBT's committed Due Date (DD) is in jeopardy of not being met by SWBT on any Unbundled Network Elements or Combinations no later than September 1, 1997. SWBT will concurrently provide the revised due date. SWBT may satisfy its obligations under this paragraph by providing AT&T access through the electronic interface to a database which identifies due dates in jeopardy and provides revised due dates as soon as they have been established by SWBT. On an interim manual basis, until the 855 transaction is available, SWBT and AT&T will establish mutually acceptable methods and procedures for handling the processes for a jeopardy notification or missed due dates.</u></p> <p><u>Att. 2: Ordering & Provisioning 4.7 SWBT will provide AT&T an 855 EDI transaction-based reply when SWBT's committed Due Date (DD) is in jeopardy of not being met by SWBT on any Resale service, which will concurrently provide the revised due date. SWBT and AT&T agree to identify a mutually acceptable</u></p>		

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		<p>equipment and facilities (i.e., network elements) as AT&T retail customers served through unbundled network elements. SWBT has agreed to provide this information via electronic interface for resale pre-ordering. See Attachment 2, Section 1.4. The FCC itself has said that, "to the extent that customer service representatives of the incumbent have access to . . . service interval information during customer contacts, the incumbent must provide the same access to competing providers." FCC Order at ¶ 523.</p> <p>SWBT's refusal to make this pre-ordering information available to AT&T via electronic interface cannot be justified under the Act. SWBT has commented in defense of its position that it does not "order UNEs" or "provide UNE service" itself, so that its failure to provide such information is not discriminatory. If SWBT is serious about this position, it misapprehends the fundamental nature of the 251(c)(3) requirement that UNEs must be provided on terms that are nondiscriminatory. The FCC expressly admonished that the Act requires ILECs to provide access to UNEs that is not only equal as between all carriers requesting access, but also "must be at least equal-in-quality to that which the incumbent LEC provides to itself." FCC Order at ¶ 312. This more broad nondiscrimination requirement is necessary to protect against the</p>	<p><u>date for implementation of the 855 EDI transaction-based reply no later than September 1, 1997.</u> SWBT may satisfy its obligations under this paragraph by providing AT&T access through the electronic interface to a database which identifies due dates in jeopardy and provides revised due dates as soon as they have been established by SWBT. On an interim <u>manual basis, until the 855 transaction is available,</u> SWBT and AT&T will establish mutually acceptable methods and procedures for handling the processes for a jeopardy notification <u>and</u> missed due dates</p> <p><u>8.0 INTERVALS FOR ORDER COMPLETION FOR UNE AND OTHER ITEMS</u></p> <p><u>SWBT will provide AT&T with the same provisioning intervals to that which SWBT provides to itself for the provision of local service to its customers, as shown on the chart below with the reference to "parity."</u></p>		

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		<p>ILEC's "incentive to discriminate against its competitors by offering them less favorable terms and conditions" than it provides itself. <i>Id.</i> at ¶ 218 (addressing interconnection; same concern referenced with regard to UNE access at ¶ 312, note 675).</p> <p>The Act's nondiscrimination requirement cannot be evaded by the facile contention that SWBT does not use unbundled elements for itself. SWBT has and does use unbundled elements -- i.e., facilities and equipment used to provide a telecommunications service (the definition of a network element at 47 C.F.R. § 51.5). The FCC's interpretation of the nondiscrimination requirement is directed at ILEC's such as SWBT. The requirement would be meaningless if ILECs could avoid it by saying that they do not order or use "unbundled network elements" as such.</p> <p>The only other explanation for SWBT's refusal to agree to provide pre-ordering information on due date and dispatch requirements electronically (as it will do for resale) is that its decision to treat all UNE orders as "designed circuit" orders (discussed under UNE Issue No. 9) will result in SWBT administering these orders under systems that do not provide electronic access to this information. SWBT's business discretion, however, does not extend to avoiding the requirements of the Act. This information is available to</p>			

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		<p>SWBT customer service representatives providing pre-order services to prospective POTS customers, customers who will be served by a combination of SWBT local switches, loops, and its common network. When AT&T performs pre-order services for prospective POTS customers whom it may serve through those same facilities ordered as unbundled network elements, the Act entitles it to the same information. AT&T's proposed Section 2.1 should be accepted in its entirety.</p> <p>For the same reason, AT&T's proposed Sections 4.2.4 through 4.2.6 should be accepted. These Sections will require the electronic gateway to allow AT&T representatives to perform three tasks -- determine if a service call is needed to install the line or service, provide availability dates to the customer, and provide information regarding facility availability to the customer premises. All these capabilities are available to SWBT representatives through its OSS systems. SWBT has agreed to provide interfaces that will enable AT&T representatives to perform these identical tasks for resale customers. Nondiscriminatory access requires these same capabilities to be provided for UNE pre-ordering and ordering.</p> <ul style="list-style-type: none"> • The same reasons compel acceptance of AT&T's proposed language for Sections 6.7(UNE), 			

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		<p>4.7 (Resale) and 8.0. In each instance AT&T's language is intended to provide AT&T with nothing more than what SWBT provides to itself. Section 6.7(UNE) and 4.7 (Resale) require SWBT to provide electronic notification when any UNE due date is in jeopardy of not being met. SWBT has a choice: Work with AT&T (and the industry standards) to develop an 855 EDI transaction for jeopardy notifications and missed due dates or allow AT&T access to SWBT's own database which SWBT reps are able to access for their customers. The electronic transmission is a medium for all LSPs to treat their customers at parity with SWBT's own customers. Section 8.0 requires SWBT to provision UNE orders within the same intervals that it meets in providing local service to its customers through the same types of facilities. All of these OCC functions are functions that SWBT provides to itself. All are important to AT&T's ability to compete meaningfully with the incumbent. All these contract provisions should be accepted in order to require SWBT to make nondiscriminatory OSS access a reality.</p>			
<p>20. AT&T: UNE Ordering and Provisioning -- Should AT&T's Language Regarding the</p>	<p>Attachment 7, Section 3.2</p>	<p>On page 12 of the Award, the Commission ruled "An end user that chooses to switch LECs should not be penalized for that decision through delays, excess charges, or unnecessary inconvenience."</p>	<p><u>3.2 AT&T and SWBT agree to implement the electronic interface, which will be transaction based, to provide the pre-service ordering information for unbundled Network Elements (i.e., address verification, service</u></p>	<p>The parties reached agreement on this issue in the Arbitration. Because the implementation of electronic interfaces is complex, continued negotiations are the most appropriate course of action. Adoption of AT&T's language would</p>	<p><u>3.2 AT&T and SWBT agree to implement the Electronic Gateway Interface, which will be transaction based, to provide the pre-service ordering information for unbundled Network Elements (i.e., address verification, service</u></p>

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<p>Schedule and Requirements for Implementing the EGI and EDI interfaces be accepted?</p> <p>SWBT: Should AT&T's Language Regarding the Schedule and Requirements for implementing the EGI and EDI interfaces be accepted? Should SWBT be required to provide the full complement of ordering and provisioning functionality through electronic interfaces for unbundled network elements and total service resale? (Order No. 5, II.1)</p>		<p>Further, on page 57 of the Award, the Commission ruled that resold services, UNEs, ancillary functions, and interconnection is to be provided "at least equal in quality to that which the incumbent LEC provides itself." 47 C.F.R. Para. 51.311 (b).</p> <p>The Parties have submitted competing language for Section 3.2 of Attachment 7, which provides the schedule and requirements for implementation of the EGI electronic interface for pre-ordering and the EDI interface for ordering and provisioning. AT&T's language includes dispatch requirements and due dates in the information to be provided via the pre-order interface, and SWBT's language does not. For the reasons discussed above (UNE Issue No. 19), electronic access to these two categories of information is required to provide AT&T non-discriminatory access to OSS functionality.</p> <p>The other material difference between AT&T's proposed language and SWBT's is that AT&T's proposal requires the ordering and provisioning interface to support ordering and provisioning for all of the network elements that the OCC has required SWBT to unbundle. SWBT would confine the interface to unbundled loops (with and without INP), INP, and unbundled switch ports. There is no justification under the Act or the FCC Order for confining ordering and provisioning interface functionality in this manner. Lack of industry standards is no</p>	<p><u>and feature availability, telephone number assignment, dispatch requirements, due date, and Customer Service Record information (CSR) in English subject to the conditions as set forth in Attachment Resale) not later than July 1, 1997. SWBT and AT&T also agree to work together to implement an Electronic Data Interface (EDI) for ordering and provisioning specified in the Local Service Ordering Electronic Data Interchange (EDI) Support Implementation Guide (SIG) dated May 20, 1996, or as otherwise agreed to in writing by the Parties. Both EGI for pre-order and EDI for ordering and provisioning will be available not later than July 1, 1997, for all pre-order and ordering and provisioning order types and functions as outlined in Attachment 3 to SWBT Exhibit No. 4 filed in Docket No. 96-395-U.</u></p>	<p>create unnecessary further disputes between the parties. Progress is being made through negotiations. Adoption of SWBT's language will be consistent with the agreement reached in the Arbitration and with SWBT's LBO which was adopted in Order No. 5.</p>	<p>and feature availability, telephone number assignment, and Customer Service Record information (CSR) in English. SWBT and AT&T also agree to work together to implement an Electronic Data Interface (EDI) for ordering and provisioning of the following elements: unbundled Local Loop, unbundled Local Loop with Interim Number Portability, Interim Number Portability, and unbundled Switch Ports. For these elements the order activity types supported include new connect, change, disconnect, inside move, outside move, records change, and conversion to new LSP. Both Electronic Gateway Interface for pre-order and EDI for ordering and provisioning for the above listed elements will be available not later than July 1, 1997.</p>

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		Justification for SWBT refusing to agree to work with AT&T to implement an interface that will provide full ordering and provisioning functionality for UNEs. AT&T's proposed Section 3.2 should be accepted.			
<p>22.</p> <p>AT&T: UNE Provisioning and Ordering - Miscellaneous Items</p> <p>SWBT: Should SWBT be required to provide the full complement of ordering and provisioning functionality through electronic interfaces for unbundled network elements and total service resale? (Order No. 5, II.1) Should the interconnection agreement contain performance standards? (Order No. 5, XI.1)</p>	<p>Attachment 7, Sections 6.5 and 7.6</p> <p>Attachment 2, O&P - Resale 4.5, and 7.6</p>	<p>On page 12 of the Award, the Commission ruled "An end user that chooses to switch LECs should not be penalized for that decision through delays, excess charges, or unnecessary inconvenience." Further, on page 57 of the Award, the Commission ruled that resold services, UNEs, ancillary functions, and Interconnection is to be provided "at least equal in quality to that which the incumbent LEC provides itself." 47 C.F.R. Para. 51.311 (b).</p> <ul style="list-style-type: none"> Proposed Section 6.5(UNE) and 4.5(Resale) would ask SWBT to perform pre-testing and provide test results to AT&T in support of Resale or UNEs AT&T has ordered. Again, this provision is a reasonable measure in order to achieve practical implementation of UNE or Resale orders to ensure ordering that works. If these results are not monitored, AT&T will have no idea whether or not it is receiving parity in performance with SWBT. SWBT has the ability to provide the information, and must track it to ensure that its own turn up results meet its expectations. AT&T should receive the same test information SWBT currently provides to itself. Therefore, 	<p><u>Attachment 7</u></p> <p><u>6.5 SWBT will perform pre testing and will provide in writing (hard copy) or electronically, as directed by AT&T, all test and turn up results in support of Unbundled Network Elements or Combinations ordered by AT&T.</u></p> <p><u>Attachment 2</u></p> <p><u>4.5 SWBT will perform pre-testing and will provide in writing (hard copy) or electronically, as directed by AT&T, all test and turn up results in support of Resale services ordered by AT&T.</u></p> <p><u>Attachment 7</u></p> <p><u>7.6 When new processes and new electronic interfaces are implemented between AT&T and SWBT, SWBT and AT&T will develop process performance requirements. Implementation of such measurements are subject to future agreements by SWBT and AT&T. All such process measurements will be subject to periodic review as agreed to by the Parties and subject to modification or discontinuance.</u></p>	<p>Performance standards and metrics do and will exist. The difference is the degree. AT&T's proposed language is vague and open-ended and would force SWBT into potentially onerous performance data obligations. Such obligations could be expensive and thus far, AT&T has not expressed a willingness to pay for this service. SWBT has committed that it will provide the same quality of service to AT&T as it provides to its own end users. In addition, SWBT's language reflects a commitment to work with AT&T to measure new processes against AT&T's expectations.</p>	<p>7.6 When SWBT processes and new electronic interfaces, SWBT will notify AT&T of the new process or electronic interface if same materially affects any other portion of this Agreement. In such case, SWBT will also notify AT&T of SWBT's performance expectation for the new process or electronic interface. SWBT will provide performance results to AT&T at 90 day intervals until two successive sets of results meet expectations.</p>

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Part B
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		<p>AT&T's language should be included.</p> <p>Proposed Section 7.6 (UNE) and 7.6 (Resale) will commit the parties to develop process performance requirements as new processes and new electronic interfaces are implemented between them. It is a reasonable, limited measure to provide some assurance that the processes developed between the parties will function effectively. As new processes and electronic interfaces are developed, SWBT must work with AT&T to ensure that 1) the new processes work according to the requirements set forth by both Parties; 2) any customer-affecting processes are monitored to ensure that AT&T can offer quality service to our end-users; and 3) as needs continue to change, the process requirements can be reevaluated and subject to review by both Parties. AT&T's language should be accepted.</p>	<p>Attachment 2</p> <p><u>7.6 When new processes and electronic interfaces are implemented between AT&T and SWBT, SWBT and AT&T will develop process metrics requirements. Implementation of such measurements are subject to future agreements by SWBT and AT&T. All such process metrics will be subject to review quarterly and subject to modification or discontinuance.</u></p>		
4l. Loop Cross Connect - Digital Loop to Multiplexer/Interoffice - 4 Wire PRI	Attachment 6, Section 11.2.2	<p>On page 21 of the award, the Commission awarded AT&T the full functionality of the elements ordered. The elements ordered are found on page 24 of the award as the LBO of SWBT. The pricing of these elements was arbitrated on pages 33 and 34 of the award. Here, AT&T seeks to realize the full functionality of the elements ordered without add-on prices in the form of cross-connects.</p> <p>SWBT's proposed 4-Wire PRI loop rate was approved by the</p>	<p>11.2.2 SWBT has proposed that, when AT&T orders a cross connect between a 4-Wire PRI digital loop and inter office transport, AT&T will pay the rates and charges labeled "Digital Loop to Multiplexer/ Interoffice - 4-Wire PRI." <u>AT&T will not be required to pay this cross connect charge unless so ordered by the Arkansas Commission or as the Parties may otherwise agree, but will pay the applicable local loop and transport charges, subject to section 1.3 of Appendix Pricing - UNE.</u></p>	<p>This is another case wherein AT&T is hopeful of obtaining a service free of charge. SWBT will unquestionably provide full functionality, however, equity dictates that it be allowed to recover its costs.</p>	<p>SWBT objects to the inclusion of AT&T's proposed language in 11.2.2.</p>

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		Commission with certain adjustments. SWBT did not propose a separate price for a cross-connect to connect such loops to multiplexer/dedicated transport facilities. It should not be permitted to add such a charge unilaterally now.			

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SOUTHWESTERN BELL TELEPHONE COMPANY
AND
AT&T
ARKANSAS
Schedule of Prices

Italic = Rate revised to reflect Arkansas Arbitration order.

	<u>Monthly Rates</u>			<u>Nonrecurring Charge</u>		<u>Price Category</u>
	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>	<u>Initial</u>	<u>Additional</u>	<u>See Section 1.3 of Pricing Appendix</u>
Unbundled Loops						
2-Wire Analog	<u>\$72.90/\$71.05</u>	<u>\$33.46/\$31.60</u>	<u>\$20.60/\$18.75</u>	N/A	N/A	<i>2 but disputed</i>
Conditioning for dB Loss	<u>\$9.76/\$7.60</u>	<u>\$9.76/\$7.60</u>	<u>\$9.76/\$7.60</u>	N/A	N/A	<i>2 but disputed</i>
2-Wire Digital BRI	<u>\$125.60/\$119.95</u>	<u>\$65.60/\$59.95</u>	<u>\$48.25/\$42.60</u>	N/A	N/A	<i>2 but disputed</i>
4-Wire Digital PRI	<u>\$218.05/\$204.70</u>	<u>\$169.20/\$165.85</u>	<u>\$147.30/\$133.95</u>	N/A	N/A	<i>2 but disputed</i>
Service Order	N/A	N/A	N/A	<u>\$24.15/\$0.00</u>	<u>\$24.15/\$0.00</u>	<i>2 but disputed</i>
Loop Cross Connects with testing (AT&T position: Cross Connects without testing should cost \$0.00)						
Analog Loop to Cage (same CO)						
2-Wire cross connect	<u>\$5.00/\$1.55</u>	<u>\$5.00/\$1.55</u>	<u>\$5.00/\$1.55</u>	N/A	N/A	<i>2 but disputed</i>
4-Wire cross connect	<u>\$7.20/\$3.10</u>	<u>\$7.20/\$3.10</u>	<u>\$7.20/\$3.10</u>	N/A	N/A	<i>2 but disputed</i>
Digital Loop to Cage (same CO)						
2-Wire BRI	<u>\$5.00/\$1.55</u>	<u>\$5.00/\$1.55</u>	<u>\$5.00/\$1.55</u>	N/A	N/A	<i>2 but disputed</i>
4-Wire PRI	<u>\$12.60/\$8.40</u>	<u>\$12.60/\$8.40</u>	<u>\$12.60/\$8.40</u>	N/A	N/A	<i>2 but disputed</i>
Analog Loop to Multiplexer/Interoffice						
2-Wire cross connect	<u>\$9.40/\$4.40</u>	<u>\$9.40/\$4.40</u>	<u>\$9.40/\$4.40</u>	N/A	N/A	<i>2 but disputed</i>
4-Wire cross connect	<u>\$11.80/\$5.90</u>	<u>\$11.80/\$5.90</u>	<u>\$11.80/\$5.90</u>	N/A	N/A	<i>2 but disputed</i>
Digital Loop to Multiplexer/Interoffice						
2-Wire BRI	<u>\$15.55/\$10.60</u>	<u>\$15.55/\$10.60</u>	<u>\$15.55/\$10.60</u>	N/A	N/A	<i>2 but disputed</i>
Port Charge Per Month						
Analog Line Port	<u>\$6.70/\$2.75</u>	<u>\$6.70/\$2.75</u>	<u>\$6.70/\$2.75</u>	NA	NA	<i>2 but disputed</i>

Under Price Category, 1=Agreed, 2=Interim Ordered, 3=Disputed. Where ATT and SWBT disagree, ATT position is shown in bold and underlined text, SWBT position is shown in bold text.
APSC = ATT requests the Arkansas PSC to determine the rates.

SOUTHWESTERN BELL TELEPHONE COMPANY
AND
AT&T
ARKANSAS
Schedule of Prices

Appendix Pricing UNE -
Schedule of Prices
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old/italic = Rate revised to reflect Arkansas Arbitration order.

	Monthly Rates			Nonrecurring Charge		Price Category
	Zone 1	Zone 2	Zone 3	Initial	Additional	See Section 1.3 of Pricing Appendix
BRI Port	\$6.90 / \$6.25	\$6.90 / \$6.25	\$6.90 / \$6.25	NA	NA	2 but disputed
PRI Port	\$217.16 / \$195.95	\$217.16 / \$195.95	\$217.16 / \$195.95	NA	NA	2 but disputed
Analog DID Trunk	\$31.35 / \$23.60	\$31.35 / \$23.60	\$31.35 / \$23.60	NA	NA	2 but disputed
Common Transport						
Per Minute Of Use Per Call	\$0.000441 /APSC	\$0.000456 /APSC	\$0.000555 /APSC			2 but disputed
Dedicated Transport						
DS1 Fixed	\$51.30 /APSC	\$51.30 /APSC	\$51.30 /APSC	\$408.00 / \$0.00	\$314.00 / \$0.00	2 but disputed
per Mile	\$17.70 /APSC	\$17.70 /APSC	\$17.70 /APSC	N/A	N/A	2 but disputed
DS3 Fixed	\$815.00 /APSC	\$815.00 /APSC	\$815.00 /APSC	\$473.00 / \$0.00	\$341.00 / \$0.00	2 but disputed
per Mile	\$118.00 /APSC	\$118.00 /APSC	\$118.00 /APSC	N/A	N/A	2 but disputed
Nonrecurring Charges						
Initial Additional						
SS7 Links - Cross Connect						
STP to Collocation Cage - DS0	\$81.20 / \$68.75	\$81.20 / \$68.75	\$81.20 / \$68.75	N/A	N/A	2 but disputed
STP to Collocation Cage - DS1	\$60.65 / \$49.55	\$60.65 / \$49.55	\$60.65 / \$49.55	N/A	N/A	2 but disputed
STP to SWBT MDF - DS0	\$81.20 / \$68.75	\$81.20 / \$68.75	\$81.20 / \$68.75	N/A	N/A	2 but disputed
STP to SWBT DSX Frame - DS1	\$60.65 / \$49.55	\$60.65 / \$49.55	\$60.65 / \$49.55	N/A	N/A	2 but disputed
Unbundled Signalling						
STP Access Connection - 1.544 Mbps	See Dedicated Transport					
	Interoffice Transport - DS1					2
STP Port	\$2,182.35 / \$2,163.50 per port					2 but disputed
Point Code Addition	N/A	N/A	N/A	\$49.75 / \$0.00	N/A	2 but disputed
Global Title Translation Addition (Simple/Single)	N/A	N/A	N/A	\$22.05 / \$0.00	N/A	2 but disputed
Line Information Database - Validation						
Validation Query			\$0.0260 per Query/APSC			2 but disputed
Query Transport (applies to all query types)			\$0.0045 per Query/APSC			2 but disputed
Service Order Charge				\$256.70 /APSC		2 but disputed
CNAM						
CNAM Service Query			\$0.0115 per Query/APSC			2 but disputed
Query Transport			\$0.0045 per Query/APSC			2 but disputed
Service Order Charge				\$256.70 /APSC		2 but disputed
Toll Free Database						
Toll Free Database Query			\$0.001020 per Message/Query/APSC			2 but disputed
Call Handling and Destination			\$0.000140 per Message/Query/APSC			2 but disputed
Directory Assistance						
Directory Assistance Call Completion (DACC)			\$0.24 per call/APSC			2 but disputed
Access to Directory Assistance Database, Attachment 6, 9.8.1						
Database Service			ICB/APSC			2 but disputed
Direct Access, per search			ICB/APSC			2 but disputed
Service Establishment			ICB/APSC			2 but disputed
Operator Services Call Completion Services						
Operator Assisted Call Processing			\$0.0163 / \$0.01625 per actual work second			2 but disputed
Fully Automated Station			\$0.157 / \$0.15710 per call			2 but disputed
Call Branding (DA/OS)						
Rate per branded call*			\$0.02 /APSC			2 but disputed
Rate per initial load			\$2,230.00 per TOPS switch/APSC			2 but disputed
Rate per subsequent changes to brand			\$2,230.00 per TOPS switch/APSC			2 but disputed
Applicable when OS/DA services are provided in conjunction with 1) unbundled Local Switching and 2) when multiple AT&T brands are required on the same trunk gr						
External Rater (DA/OS)						

Under Price Category, 1=Agreed, 2=Interim Ordered, 3=Disputed. Where ATT and SWBT disagree, ATT position is shown in bold and underlined text, SWBT position is shown in bold text.

APSC = ATT requests the Arkansas PSC to determine the rates.

SOUTHWESTERN BELL TELEPHONE COMPANY
AND
AT&T
ARKANSAS
Schedule of Prices

old/italic = Rate revised to reflect Arkansas Arbitration order.

	<u>Monthly Rates</u>			<u>Nonrecurring Charge</u>		<u>Price Category</u>
	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>	<u>Initial</u>	<u>Additional</u>	<u>See Section 1.3 of Pricing Appendix</u>
<i>Rate per initial load</i>		\$3,430.00	per TOPS switch/APSC			2 but disputed
<i>Rate per subsequent rate change</i>		\$2,460.00	per TOPS switch/APSC			2 but disputed
<i>Rate per subsequent reference change</i>		\$2,450.00	per TOPS switch/APSC			2 but disputed
Operations Support Systems (OSS)						
System Access		\$3,030.00/\$1,615.00				2 but disputed
Remote Access Facility						
Direct Connection		\$1,560.00	\$780.00 per port			2 but disputed
Dial-up Connection		\$312.00	\$166.00 per port			2 but disputed
Service Order Charges - Unbundled Element						
Provider Change Charge (Manual)				Simple NA/\$12.00	Complex NA/\$12.00	2 but disputed
Provider Change Charge (Electronic)				NA/\$5.00	NA/\$5.00	2 but disputed
Dark Fiber	ICB/APSC	ICB/APSC	ICB/APSC	ICB/APSC	ICB/APSC	2 but disputed

Under Price Category, 1=Agreed, 2=Interim Ordered, 3=Disputed. Where ATT and SWBT disagree, ATT position is shown in bold and underlined text, SWBT position is shown in bold text.
APSC = ATT requests the Arkansas PSC to determine the rates.

PART B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T-SWBT INTERCONNECTION AGREEMENT - ARKANSAS
COLLOCATION ISSUES

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
<p>1.</p> <p>AT&T: What is an appropriate definition of "Eligible Structures"?</p> <p>SWBT: What are the minimum requirements for collocation of AT&T's equipment at SWBT's premises? (Order No. 5, VI.)</p>	<p>Attachment 13: Appendix Collocation, Section 2.1</p>	<p>This issue was expressly resolved by the Arkansas Public Service Commission on pages 36 and 37 of the Commission's February 28, 1997, order. There, the Commission adopted AT&T's LBO, which provided that collocation be permitted in "all other similar buildings and structures owned or leased by SWBT that house network facilities." AT&T's proposed language attempts to complement the Commission's decision on this issue. AT&T's proposed language would require SWBT to allow collocation in its tandem offices and in all structures that house SWBT facilities on private rights-of way. SWBT's attempt to exclude tandem offices runs counter to paragraph 573 of the FCC Order, which interprets the "premises" concept "broadly" and inclusive of tandem offices. SWBT's attempt to exclude tandem offices also are counter to the Commission Order, which expressly granted AT&T the right to collocate in tandem offices. AT&T's proposed language that includes "all structures that house SWBT facilities on private rights-of-way" is necessary and reasonable; otherwise, AT&T would not be empowered to collocate in SWBT structures on private rights-of-way, such as university campuses, and AT&T would consequently be prevented from competing effectively with SWBT in markets served by those structures and the end-user</p>	<p>2.1 "Eligible Structures," as used herein, include all SWBT central offices, and serving wire centers and, <u>tandem offices</u> and all buildings and similar structures owned or leased by SWBT that house SWBT network facilities and, all structures that house SWBT facilities on public or private rights-of-way, and controlled environmental vaults (CEVs), huts, and cabinets.</p>	<p>In Order No. 5, the Commission cited the FCC Order on this issue in part, "to include LEC central offices, serving wire centers and tandem offices, as well as all buildings or similar structures owned or leased by the incumbent LEC that house LEC network facilities ... and any structures that house LEC network facilities on public rights-of-way, such as vaults containing loop concentrators or similar structures." On private rights-of-way, SWBT may, but should not be contractually obligated to, provide collocation. It is not reasonable for SWBT in all cases to allow AT&T to collocate when AT&T may not have the premises owner's consent to enter and install and maintain its equipment.</p>	<p>2.1 "Eligible Structures," as used herein, include all SWBT central offices, and serving wire centers and, tandem offices and all buildings and similar structures owned or leased by SWBT that house SWBT network facilities and, all structures that house SWBT facilities on public rights-of-way, including, where not impractical for technical reasons and not prohibited by legal obligation, controlled environmental vaults (CEVs), huts, and cabinets.</p>

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PART B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T-SWBT INTERCONNECTION AGREEMENT - ARKANSAS
COLLOCATION ISSUES

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>customers in those structures would be denied the benefits of competition. AT&T's proposed language is consistent with the Commission's ruling that AT&T be permitted to collocate in all buildings and structures, and did not limit collocation to buildings or structures on public rights-of-way. SWBT opposes any language that permits collocation on private rights-of-way, because the private owner maybe not consent to AT&T's occupancy of the Eligible Structure. SWBT's concern is unfounded. SWBT's concern is dealt with by Section 2.4 of the Collocation Appendix, which provides that SWBT's allocation of Collocated Space to AT&T may be restricted "subject to any other limitations provided by law." AT&T's proposed language therefore does not, as SWBT contends, contractually obligate SWBT to provide physical collocation on all private rights-of-way. And without AT&T's proposed language, AT&T would never be permitted to collocate on any private rights-of-way, because no private rights-of-way would be "eligible" for collocation. AT&T's proposed language should therefore be included.</p> <p>SWBT's proposed language should be excluded because it is unnecessary. SWBT is unambiguously required by law to allow collocation at all buildings and</p>			

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**PART B
 CONTRACTUAL DISPUTED ISSUES MATRIX
 AT&T-SWBT INTERCONNECTION AGREEMENT - ARKANSAS
 COLLOCATION ISSUES**

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		similar structures owned or leased by it that house SWBT network facilities, see FCC Order, ¶ 573; accordingly, SWBT's language serves no purpose. SWBT's proposed language should therefore be excluded.			

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P B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T - SWBT INTERCONNECTION AGREEMENT - ARKANSAS
POLES, CONDUITS, AND RIGHTS-OF-WAY

Issue	Attachment and Sections	Reason why language should be included or excluded	Reason why language should be included or excluded	Reason why language should be included or excluded	Reason why language should be included or excluded
<p>3. Should AT&T be permitted access to such ducts and conduits as building entrance ducts, riser ducts, and central office entrance conduits?</p>	<p>Attachment 13, Appendix Poles, Conduits, and Rights-of-Way, Secs. 3.10 and 4.01</p>	<p>Yes. In Issue No. 1 of the Arbitrator's Order (page 43 of the Order). The Arbitrator ruled that AT&T's proposed definitions of "conduit" and "conduit system" were "overly broad" because they included controlled environmental vaults (CEVs) as part of the conduit system. In accordance with this ruling, AT&T proposed language making it clear that CEVs and central office vaults, as well as huts and cabinets, were not included in the definition of "conduit" and "conduit system," and that collocation to vaults and other structures would be governed by separate collocation agreements or tariffs. The only remaining issue is whether AT&T may have access to conduits and ducts leading up to the collocated space and whether AT&T may have access to ducts under SWBT's control that reside within buildings (e.g., riser ducts within apartment complexes). Both the 1996 Act and the FCC First Report and Order require access to "any" or "all" poles, ducts, conduits, and rights-of-way owned or controlled by the utility. 42 U.S.C. §224(f)(1); FCC First Report and Order, ¶1123; See also ¶1185 (intent of Section 224(f)(1) is to allow telecommunications carriers to "piggy-back" along distribution networks owned or controlled by utilities).</p> <p>Entrance conduits and riser ducts are critical "choke points" in the network. While SWBT's construction crews have full access to all of the conduit system, gaining access to building entrance pathways is a tremendous hurdle for others in the industry of facilities-based providers. To exclude certain critical segments of</p>	<p>3.10 <u>Conduit system.</u> The term "conduit system" refers to any combination of ducts, conduits, manholes, and handholes joined to form an integrated whole. In this Appendix, the term "conduit system" refers to conduit systems owned or controlled by SWBT and does not include central office vaults, controlled environment vaults, and other SWBT structures (such as huts and cabinets) which terminate the conduit system, but does include building entrance ducts, riser ducts, and any other conduits under SWBT's ownership or control as provided in 42 U.S.C. §224(f)(1). SWBT's central office entrance conduits are considered to be part of the "conduit system."</p> <p>4.01 <u>Scope of Agreement.</u> This Appendix establishes procedures for grants of non-discriminatory access to SWBT poles, ducts, conduits, and rights-of-way located within this State, without regard to whether the site is located on public or private property. SWBT will provide AT&T and other telecommunications carriers, cable television systems, and competing providers of telecommunications services with nondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by SWBT and located within this State on rates, terms, and conditions that are consistent with the Pole Attachment Act, 47 U.S.C. §224. Separate facilities collocation agreements or tariffs, including other portions of the parties' Interconnection Agreement, and not this Appendix, shall govern AT&T's access, if any, to the following facilities which require</p>	<p>The real question is not whether AT&T's facilities should be permitted to occupy the building entrance ducts, risers and conduits in question but whether the arrangements relating to access to those facilities should be made under the Poles Appendix or under the same agreement, tariff, or order establishing AT&T's interconnection and collocation rights.</p> <p>The APSC has already ruled that central office vaults, controlled environment vaults, and other SWBT facilities connected to the conduit system do not fall within the definitions of "conduit" and "conduit system." In those situations in which AT&T may be afforded access to central office vaults, controlled environment vaults, huts, cabinets, and other similar outside plant structures by virtue of agreements, tariffs, or commission orders, the access provided under such agreement, tariff, or commission order should also provide for access to space, if any, within ducts, conduits, or rights-of-way needed to effectuate such access. For example, if it is necessary to utilize duct space between a SWBT manhole and a SWBT central office vault or duct space located within a central office vault in order to effectuate collocation arrangements, access to such duct space should be provided by SWBT pursuant to the collocation agreement.</p> <p>Other than to block access to space needed by others, AT&T has no need for access to the ducts which directly connect SWBT's manholes and SWBT's central office vaults or duct</p>	<p>3.10 Conduit system. The term "conduit system" refers to any combination of ducts, conduits, manholes, and handholes joined to form an integrated whole. In this Appendix, the term "conduit system" refers only to conduit systems owned or controlled by SWBT and does not include central office vaults, controlled environment vaults, and other SWBT structures (such as huts and cabinets) which branch off from or are physically connected to the conduit system.</p> <p>4.01 <u>Scope of Agreement.</u> This Appendix establishes procedures for grants of non-discriminatory access to SWBT poles, ducts, conduits, and rights-of-way located within this State, without regard to whether the site is located on public or private property. SWBT will provide AT&T and other telecommunications carriers, cable television systems, and competing providers of telecommunications services with nondiscriminatory access to the poles, ducts, conduits, and rights-of-way owned or controlled by SWBT and located within this State on rates, terms, and conditions that are consistent with the Pole Attachment Act, 47 U.S.C., Sec. 224. Separate facilities collocation agreements or tariffs, including other portions of the parties' Interconnection Agreement, and not this Appendix, shall govern AT&T's access, if any, to the following facilities which require special security, technical, and construction arrangements outside the scope of this Appendix: (a) SWBT's central office vaults and ducts, conduits, and risers entering and exiting SWBT's</p>

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F B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T - SWBT INTERCONNECTION AGREEMENT - ARKANSAS
POLES, CONDUITS, AND RIGHTS-OF-WAY

Issue	Attachment and Section	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>conduit from competitors, or to impose conditions that would delay access or make it more expensive for others than for SWBT, is not consistent with the intent of the 1996 Act to implement local competition by removing the barriers to entry for CLECs.</p> <p>SWBT's exclusion of central office entrance conduit has a strategic competitive significance as well. This is the aggregate point for all local service infrastructure for a given area: for at least the short to medium term future, every AT&T facility will have to pass through SWBT's central office conduit. SWBT's ability to control the timing of that potential competition allows SWBT to use its control of facilities and property to impede installation of equipment by those seeking to compete, in violation of the 1996 Act's directive of non-discriminatory access. FCC First Report and Order, ¶1123.</p>	<p>special security, technical, and construction arrangements outside the scope of this Appendix: (a) SWBT's central office vaults; (b) controlled environment vaults, huts, cabinets, and other similar outside plant structures and (c) ducts, conduits, and risers located within or entering SWBT buildings</p>	<p>space within central office vaults. The same is true with respect to ducts, conduits, and risers extending from SWBT's manholes and handholes to controlled environment vaults, huts, and similar structures. Instead of making access to these facilities subject to multiple agreements, access should be made subject to a single agreement, tariff, or commission order.</p>	<p>central offices; (b) controlled environment vaults, huts, cabinets, and other similar outside plant structures and ducts and conduits which serve no purpose other than to provide a means of entry to or exit from such vaults, cabinets, and structures; and © ducts, conduits, and risers located within or entering SWBT buildings.</p>
<p>7. May SWBT limit the Arbitrator's ruling that any transfer of SWBT's interest in real or personal property should be made subject to AT&T's rights under the Poles, Conduits, and Rights-of-Way Appendix?</p>	<p>Attachment 13, Appendix Poles, Conduits, and Rights-of-Way, Sec. 4.03</p>	<p>The Arbitrator adopted AT&T's LBO in response to the issue, "Before SWBT transfers its interest in property to which AT&T has attached facilities, must the transferee agree to be bound by the terms of the Poles, Conduits, and Rights-of-Way Appendix?". (Poles Issue No. 3, Arbitrator's Order pages 43-44). Instead of adopting AT&T's LBO, however, SWBT proposed a lengthy new Section 4.03 which makes only transfers between entities related to SWBT subject to AT&T's rights. SWBT simply proposes to provide notice and information to AT&T in the</p>	<p>4.03 SWBT's Obligations Regarding Conveyance, Transfer, or Abandonment of Poles, Ducts, Conduits, and Rights-of-Way Under SWBT's Ownership or Control. Before SWBT conveys or transfers any interest in real or personal property, including any poles, conduit, or ducts to or in which AT&T has attached or placed facilities pursuant to this Appendix, SWBT must ensure that the transferee agrees to be bound by the terms of this Poles, Conduits, and Rights-of-Way Appendix or that the transfer is</p>	<p>The real question is not whether the contract language should "track" the Arbitrator's language verbatim but whether the contract language should effectuate the Arbitration decision in a clear and readily understandable manner and in accordance with the applicable law.</p> <p>In Paragraph 1216 of the First Interconnection Order in CC Docket No. 96-98, the FCC (in a different context) has made it clear that the Pole Attachment Act does not give attaching parties "any interest in the pole or conduit other than access."</p>	<p>4.03 No Effect on SWBT's Right to Convey, Transfer, or Abandon Poles, Ducts, Conduits, and Rights-of-Way. AT&T's access rights to poles, ducts, conduits, and rights-of-way under this Appendix and licenses subject to this Appendix extend only to poles, ducts, conduits, and rights-of-way owned or controlled by SWBT while such poles, ducts, conduits, and rights-of-way remain under SWBT's ownership or control; provided, however, there should be some assurance that AT&T's investment will be</p>

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P B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T - SWBT INTERCONNECTION AGREEMENT - ARKANSAS
POLES, CONDUITS, AND RIGHTS-OF-WAY

Issue	Attachment and Sections	Reason why language should be included or excluded (AT&T)	Reason why language should be included or excluded (AT&T language)	Reason why language should be included or excluded (SWBT)	Reason why language should be included or excluded (SWBT language)
		<p>event of other transfers. While AT&T does not object to receiving notice and to having transfers to SWBT-related entities subject to AT&T's rights (and therefore added SWBT's provisions on these matters to AT&T's proposed Section 4.03), SWBT's limitation of the Arbitrator's ruling to only those transfers between related SWBT entities is unacceptable. AT&T's provision is needed to assure that transfers do not interfere with AT&T's provision of service to its end user customers. The Arbitrator's ruling should not be limited to transfers between SWBT entities.</p> <p>Further, SWBT asks AT&T not to "abridge the rights of SWBT or any electric utility" when poles are transferred subject to joint use agreements. Without more specificity from SWBT as to what AT&T is being asked to do or to agree to, AT&T cannot agree to this provision.</p>	<p><u>made subject to AT&T's rights under this Appendix and licenses subject to this Appendix. Transfers or conveyances of poles, ducts, conduits, or rights-of-way to any entity controlling, controlled by, or under common control with SWBT or to any entity which acquires or succeeds to ownership of substantially all of SWBT's assets shall likewise be subject to AT&T's rights under this Agreement. The following shall also apply:</u></p>	<p>Stated differently, attaching parties have the right to access for so long as a utility owns or controls a pole, duct, conduit, or right-of-way and no longer. The Arbitrator has ruled that "It is reasonable for AT&T to request some assurance that its investment will be protected, if SWBT transfers the property on which AT&T has facilities." SWBT's proposed text achieves that objective.</p> <p>The critical question that must be determined is "What are the existing rights of AT&T?" Under the Pole Attachment Act, and under the Poles Appendix, AT&T has no leasehold or fixed term of occupancy. Unlike a real estate lessee, AT&T is not obligated by a lease to remain on SWBT's poles or occupy SWBT's ducts, conduits, or rights-of-way for any fixed period of time. AT&T is free to abandon SWBT's poles, ducts, conduits, or rights-of-way at any time of its choosing. There is absolutely no commitment on AT&T's part. AT&T's only right is the right to continued access from SWBT for so long as the premises are subject to the Pole Attachment Act, that is, for so long as the premises are owned or controlled by SWBT.</p> <p>Prior to enactment of the Telecommunications Act of 1996, SWBT entered into a number of "joint use pole agreements" with electric utilities. Under these agreements, SWBT and electric utilities have shared poles in a manner which promotes economic efficiency by avoiding the unnecessary and unsightly duplication of utility poles on public and private property. Under some of these agreements,</p>	<p>protected if SWBT transfers its interest in real or personal property to which AT&T has attached or placed facilities. Except as provided in subsections (a)-(e) of this section, nothing contained in this Appendix or any license subject to this Appendix shall be construed as restricting SWBT's right to abandon, convey, or transfer to any person or entity SWBT's interest in any of SWBT's poles, ducts, conduits, or rights-of-way:</p> <p>(a) SWBT shall give AT&T no less than 60 days written notice prior to abandoning, conveying, or transferring any pole, duct, conduit, or right-of-way (1) to or in which AT&T has attached or placed facilities pursuant to this Appendix or (2) with respect to which AT&T has been assigned pole attachment or conduit occupancy space. The notice shall identify the transferee, if any, to whom any such pole, duct, conduit, or right-of-way is to be conveyed or transferred.</p> <p>(b) SWBT represents that prior to the effective date of this Appendix, and prior to enactment of the Telecommunications Act of 1996, SWBT entered into one or more "joint use pole agreements" with electric utilities located in this State and that such agreements may require SWBT to transfer or convey poles to such electric utilities from time to time. Nothing contained in this Appendix shall abridge the rights of SWBT or any electric utility to transfer or convey poles to one another under any contract executed prior</p>

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P B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T - SWBT INTERCONNECTION AGREEMENT - ARKANSAS
POLES, CONDUITS, AND RIGHTS-OF-WAY

Issue	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
				<p>negotiated on a voluntary basis rather than under compulsion of the Pole Attachment Act, SWBT is under a contractual obligation to convey properties to electric utilities from time to time. Electric utilities, of course, have their own safety and reliability concerns, not to mention their own rate structures based on their accounting records rather than SWBT's. When a pole is transferred to an electric utility, nothing in the Pole Attachment Act or the Poles Appendix suggests that the electric utility is perpetually bound by SWBT's agreement with AT&T.</p> <p>SWBT does not believe that either the letter or the spirit of the Arbitrator's ruling were intended to go farther than protecting the existing rights of AT&T to continued access. As provided in the FCC's rules, AT&T is entitled to 60-days notice before SWBT modifies a pole, duct, conduit, or right-of-way occupied by AT&T. That is the only right established by statute, rule, regulation, or FCC order. Nevertheless, SWBT is proposing as an alternative to the language proposed by AT&T specific language which SWBT believes will fully implement the Arbitrator's intent to protect AT&T's expectancy of continued occupancy. In all cases, SWBT will provide AT&T 60 days notice. If the facilities are transferred to an electric utility, SWBT will work with both AT&T and the electric utility to minimize any burdens to AT&T resulting from the transfer. Transfers of SWBT's poles, ducts, conduits, and rights-of-way shall be subject to AT&T's rights at the time of transfer. If the transfer is to a SWBT affiliate, AT&T's rights under the Poles</p>	<p>to the effective date of this Appendix. In the event of any transfer or conveyance of poles to an electric utility pursuant to such a joint pole agreement, SWBT will, at AT&T's request, provide AT&T and the transferee utility with such information as may be necessary to minimize any burdens to AT&T which may arise out of or in connection with the transfer or conveyance.</p> <p>(c) Transfers of SWBT's poles, ducts, conduits, and rights-of-way shall be subject to AT&T's rights at the time of transfer. AT&T shall, at the request of SWBT or the transferee, provide SWBT or the transferee with all information required to assess AT&T's rights, post-transfer intentions with respect to continued occupancy, and willingness to negotiate new rates, terms, and conditions of access. AT&T shall not unreasonably refuse to negotiate with the transferee. If the transferee itself is a local exchange carrier or other utility subject to the Pole Attachment Act, AT&T shall, at the request of the transferee, negotiate in good faith new rates, terms, and conditions of access.</p> <p>(d) Transfers or conveyances of poles, ducts, conduits, or rights-of-way to any entity controlling, controlled by, or under common control with SWBT or to any entity which acquires or succeeds to ownership of substantially all of SWBT's assets shall be subject to AT&T's rights under this Appendix and licenses subject to this</p>

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P B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T - SWBT INTERCONNECTION AGREEMENT - ARKANSAS
POLES, CONDUITS, AND RIGHTS-OF-WAY

Issue	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
				<p>Appendix shall be undisturbed. SWBT believes that these provisions fully cover the Arbitrator's ruling with the proper degree of operational specificity.</p> <p>The Oklahoma Corporation Commission has recently approved SWBT's proposed text for subsections (b), (c), and (d).</p>	<p>Appendix.</p> <p>(e) SWBT will consent to other occupants assuming ownership in case of abandonment, as it does with other utilities.</p>
<p>8. May SWBT limit or interfere with AT&T's right to conduct its normal business operations, except to the extent expressly provided by agreement or by law?</p>	<p>Attachment 13, Appendix Poles, Conduits, and Rights-of-Way, Secs. 4.05, 4.06</p>	<p>No. This issue was shown as "resolved" in the Arbitrator's Order, (Poles issue No. 12, Arbitrator's Order, page 26) because the parties had reached an agreement in principle on the concepts and had further agreed to develop language acceptable to both parties on the subject. Tr. 1041-42, 1044. In later discussions, AT&T proposed to delete its section 4.05 if SWBT was agreeable to adding a sentence at the end of Section 4.06 stating that each party may manage its own facilities and conduct its normal business operations unless the Appendix or applicable law expressly provides otherwise. Either provision is acceptable to AT&T; SWBT has objected to both. Either statement of the concept is reasonable and provides needed balance to the language throughout the Appendix granting SWBT some degree of control over AT&T's activities, to ensure that the control does not result in interference with AT&T's management of its own facilities. One of these provisions should be included in the Appendix.</p>	<p><u>4.05 No Effect on AT&T's Rights to Manage Its Own Facilities. This Appendix shall not be construed as limiting or interfering with AT&T's rights to conduct its normal business operations in serving its customers or to avail itself of new business opportunities except to the extent expressly provided in this Appendix or by the Telecommunications Act of 1996 or other applicable laws, rules, or regulations.</u></p> <p><u>4.06 No Right to Interfere with Facilities of Others. Except to the extent expressly provided by the provisions of this Appendix or by the Telecommunications Act of 1996 or other applicable laws, rules, or regulations, the provisions of this Appendix shall not be construed as authorizing either party to this Appendix, or persons acting on their behalf, to rearrange or interfere in any way with the facilities of the other party or joint users or with the use of or access to such facilities by the other party or joint users. Each party may manage its own facilities, conduct its normal business operations, serve its customers, or avail itself of new business opportunities, unless</u></p>	<p>: In Kansas, the parties agreed to SWBT's proposed Section 4.04 and further agreed to compress Sections 4.05 and 4.06 into a single section. The parties did not fully agree on the text of Section 4.06, as AT&T proposed to add a reference to the Telecommunications Act of 1996 as follows:</p> <p><u>4.05 No Right to Interfere. Except to the extent expressly provided by the provisions of this Appendix or by the Telecommunications Act of 1996 or other applicable laws, rules, or regulations, the provisions of this Appendix shall not be construed as authorizing either party to this Appendix, or persons acting on their behalf, to rearrange or interfere in any way with (a) the facilities of the other party or joint users, (b) the use of or access to such facilities by the other party or joint users, or (c) the ability of either party or joint users to conduct normal business operations, serve their respective customers, or avail themselves of new business opportunities.</u></p> <p>The language proposed by AT&T is too broad. It was originally drafted to parallel SWBT's earlier version of Section 4.04, which stated in</p>	<p><u>4.04 No Effect on SWBT's Rights to Manage Its Poles, Ducts, Conduits, and Rights-of-Way. Subject to AT&T's rights under this Appendix and applicable federal and state laws, rules, regulations, and commission orders, including, but not limited to, 47 C.F.R. §1.1403 (requiring 60 days' notice of contemplated modifications), SWBT may (a) locate, relocate, move, replace, modify, maintain, and remove all poles, ducts, conduits, and rights-of-way subject to this Appendix at any time and in any manner as SWBT deems appropriate and (b) enter into new agreements or arrangements with other persons or entities permitting them to attach facilities to SWBT's poles or place facilities in or on SWBT's ducts, conduits, or rights-of-way.</u></p> <p><u>4.06 No Right to Interfere. Except to the extent expressly provided by the provisions of this Appendix, the provisions of this Appendix shall not be construed as authorizing either party to this Appendix, or persons acting on their behalf, to rearrange or interfere in any way with (a) the facilities of the other party or joint users, (b) the use of or access to</u></p>

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P. B
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T - SWBT INTERCONNECTION AGREEMENT - ARKANSAS
POLES, CONDUITS, AND RIGHTS-OF-WAY

Issue	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
			<p><u>this Appendix or the Telecommunications Act of 1996 or other applicable laws, rules, or regulations expressly provide otherwise.</u></p>	<p>essence that AT&T's right to access SWBT's poles, ducts, conduits, and rights-of-way should not be viewed as interfering with SWBT's right to manage its facilities or conduct its own business operations. There was no need for a parallel provision because nothing in the Poles Appendix gave SWBT any right to utilize AT&T's poles, ducts, conduits, or rights-of-way. SWBT has now narrowed the scope of Section 4.04 and proposes Section 4.05 as a reciprocal non-interference provision.</p> <p>Neither the Telecommunications Act of 1996 nor other applicable laws, rules, or regulations should, as AT&T suggests, be viewed as authorizing either party to interfere with each other's management of facilities or conduct of business operations. To the extent that the parties have rights under these Acts, those rights are not rights to "interfere" with anything. Therefore, SWBT's language more concisely and accurately states the parties' respective "non-interference" rights.</p>	<p>such facilities by the other party or joint users, or (c) the ability of either party or joint users to conduct normal business operations, serve their respective customers, or avail themselves of new business opportunities.</p>
<p>12. Should the parties' agreement regarding liability under applicable environmental law be expanded to include disputed language about suits for negligence between the parties?</p> <p>AT&T: Should the term "environmental</p>	<p>Attachment 13, Appendix Poles, Conduits, and Rights-of-Way, Sec. 6.13(d); Sec. 6.13 introductory paragraph and subsections (a), (b), and (c)</p>	<p>No. AT&T originally requested contractual language in Section 6.13(d) that SWBT may not relieve itself of liability it would otherwise have under applicable environmental laws for the presence of environmental contaminants by allowing AT&T to perform tests or make its own determinations regarding the presence of contaminants. This issue was resolved prior to the Arbitrator's ruling by the parties' agreement to include mutual language that</p>	<p>6.13 Environmental Contaminants in SWBT's Conduit System. AT&T acknowledges that, from time to time, <u>environmental contaminants (e.g., hazardous materials and toxic substances)</u> may enter SWBT's conduit system and accumulate in manholes or other conduit facilities, and that environmental contaminants may be present at other sites where SWBT's poles, ducts, conduits, or rights-of-way are located.</p> <p>(a) AT&T may, at its expense,</p>	<p>Although AT&T has vigorously pursued the concept of requiring SWBT to make environmental disclosures to AT&T, AT&T continues to resist the concept that it should be legally responsible if it discharges hazardous substances from SWBT's conduit system. SWBT's proposed language in Section 6.13(d) is parallel and reasonable in all respects.</p> <p>It is totally inappropriate for AT&T to attempt to shield itself from liability</p>	<p>3.14A Hazardous substances. The term "<u>hazardous substances</u>" refers to hazardous and toxic substances, waste, pollutants, contaminants, and materials as defined in the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601(14), as amended, and other federal, state, and local health, safety, and environmental laws, ordinances, statutes, rules, and regulations applicable to sites subject to this</p>

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P B
CONTRACTUAL DISCLOSED ISSUES MATRIX
AT&T - SWBT INTERCONNECTION AGREEMENT - ARKANSAS
POLES, CONDUITS, AND RIGHTS-OF-WAY

Issue	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
<p>contaminants" be replaced by the term "hazardous substances"?</p> <p>SWBT: Should the term "environmental contaminants" be replaced by the term "hazardous substances, should the term "hazardous substances" be defined as proposed by SWBT, and should SWBT's proposed Section 6.13(d) be approved as proposed by SWBT?</p>		<p>compliance with the requirements of Section 6.13 is not a release or limitation of liability of either party as to environmental laws. This agreement is now embodied in the first sentence of Section 6.13(d). SWBT proposes additional language, however, in an attempt to expand the parties' agreement to provide grounds for future lawsuits between the parties regarding negligence liability for environmental contamination. Provisions regarding the parties' environmental liability are included in the Terms and Conditions section of the Interconnection Agreement [CHECK THIS]. SWBT's proposed expansion of Section 6.13 goes far beyond the parties' agreement and should not be included in the Poles, Conduits, and Rights-of-Way Appendix. SWBT also objects to the use of the term "environmental contaminants" and desires to replace it with the statutory phrase "hazardous substances." However, the phrase "hazardous substances" is defined in different ways in different statutes and the use of such phrase could lead to confusion. Since the parties have not agreed to a definition of "hazardous substances," however, the contractual language should be left as is in this paragraph.</p> <p>In its LBO, SWBT proposed the term "environmental contaminants" as well, but withdrew its agreement to the term during negotiations after the Arbitrator's Order was entered. The Arbitrator was presented with two environmental issues (Poles Issues Nos. 6 and 7), whether SWBT could relieve itself of liability it would otherwise have for environmental</p>	<p>perform such inspections and tests at the site of any pole, duct, conduit, or right-of-way occupied by or assigned to AT&T as AT&T may deem necessary to determine the presence at such sites of <u>environmental contaminants</u>.</p> <p>(b) SWBT makes no representations to AT&T or personnel performing work on AT&T's behalf that SWBT's poles, ducts, conduits, or rights-of-way will be free from <u>environmental contaminants</u> at any particular time. Before entering a manhole or performing any work within or in the vicinity of SWBT's conduit system or any other site subject to access under this Appendix, AT&T or personnel acting on AT&T's behalf shall independently determine, to their satisfaction, whether such <u>contaminants</u> are present and conduct their work operations accordingly.</p> <p>(c) Each party shall promptly notify the other of <u>environmental contaminants</u> known by such party to be present within or in the vicinity of poles, ducts, conduits, or rights-of-way occupied by or assigned to AT&T pursuant to this Appendix if, in the sole judgment of such party, such <u>environmental contaminants</u> create a serious danger to (1) the health or safety of personnel working at the site or (2) the physical integrity of the other party's facilities placed or to be placed on, within, or in the vicinity of such poles, conduits, or rights-of-way.</p>	<p>for violating environmental laws relating to the discharge of contaminants and attempting elsewhere to force SWBT to indemnify it for so doing.</p> <p>For more than two months, SWBT has proposed a definition of the term "hazardous substances" and sought AT&T's approval of this definition. When AT&T pointed out that SWBT's definition did not refer to OSHA, SWBT added a reference to OSHA. When AT&T pointed out that SWBT's definition did not refer to petroleum, SWBT added a reference to petroleum. To date, AT&T has neither accepted SWBT's definition or proposed an alternative. Because SWBT has disclosure obligations, it is important that the scope of SWBT's disclosure obligations be defined with an appropriate definition of the term "hazardous substances." The term undefined term "environmental contaminants" has no ascertainable core of meaning, unlike the term "hazardous substances" which has an established core of meaning in environmental law. The term "hazardous substances" should replace the term "environmental contaminants" wherever that term appears in the Poles Appendix.</p> <p>Although SWBT is confident AT&T has an excellent environmental compliance program, SWBT is disturbed by AT&T's refusal to agree to even-handed proposals relating to environmental issues. SWBT's proposals on these issues are reasonable and should be approved.</p>	<p>Appendix, including but not limited to the Occupational Safety and Health Act ("OSHA"). In general, the term "hazardous substances" refers to any substance the presence, use, transport, abandonment or disposal of which (a) requires investigation, remediation, compensation, fine, or penalty under health, safety, and environmental laws, ordinances, statutes, rules, and regulations applicable to sites subject to this Appendix or (2) poses risks to human health, safety, or the environment and is regulated under any such laws, ordinances, statutes, rules, and regulations. For the purposes of this Appendix, the term "hazardous substances" shall also include petroleum, natural gas, and other combustible or noxious liquids, gases, or solids which may accumulate at sites subject to this Appendix.</p> <p>6.13 Hazardous Substances. AT&T acknowledges that, from time to time, hazardous substances (as defined in Section 3.14A of this Appendix) may enter SWBT's conduit system and accumulate in manholes or other conduit facilities, and that hazardous substances may be present at other sites where SWBT's poles, ducts, conduits, or rights-of-way are located.</p> <p>(a) AT&T may, at its expense, perform such inspections and tests at the site of any pole, duct, conduit, or right-of-way occupied by or assigned to AT&T as AT&T may deem necessary to determine the presence</p>

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