

PART C  
**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>example, SWBT has been reimbursed for 153% of the common charges that it has incurred. Second, SWBT's proposed language discriminates against initial collocators and in favor of subsequent collocators, because while a subsequent collocator will pay to SWBT a common charge that reflects its pro-rata share of SWBT's costs, the initial collocator will, in many circumstances, pay more than that amount. By discriminating against initial collocators this language also encourages telecommunications providers to put off collocation efforts until another provider has already collocated in an Eligible Structure, and therefore encourages a wait-and-see attitude that is anti-competitive. SWBT's proposed language should therefore be excluded.</p> <p>In response, SWBT claims, because its interconnection agreements with other collocators contain a similar twelve month limitation, the exclusion of SWBT's proposed language would prejudice SWBT with respect to these other collocators. SWBT argues that these other collocators "are not required ... to pay for common costs if they are not collocated in an office within 12 months of the first collocator." SWBT's argument misreads the language of this section, which does not contain such a limit ("The next three subsequent collocators that share such common elements ... will pay a 'Common Charge' equal to the initial Common Charge multiplied by</p>			

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		a fraction ..."). Moreover, even if SWBT were somehow correct, the problem is addressed by the ability of other collocators to elect "most favored nation status" and "piggy back on the AT&T agreement."			
11. How should the parties be compensated should regulatory approval of a Collocated Space be refused after preparation of the space has begun?	Attachment 13: Appendix Collocation, Section 4.4	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. In the event that the preparation of the Collocated Space has commenced and that the Commission fails to approve the Parties' collocation arrangement, this section provides for payments between AT&T and SWBT in an attempt to return the parties, as closely as possible, to their pre-contract positions. To accomplish that objective, the section in part requires AT&T to reimburse SWBT for SWBT's non-recoverable costs. Like any other ratepayer, AT&T should not have to pay for unreasonable costs incurred by a public utility. AT&T's proposed language would limit AT&T's reimbursement obligation to those non-recoverable costs which are reasonable. Such a limitation is appropriate. AT&T, like any other purchaser of construction services, should not be required to pay unreasonable construction costs; otherwise, SWBT would have no incentive to complete the preparation of the Collocated Space efficiently	4.4 At the written election of AT&T, and upon payment of the sums described above in sections 4.2 and 4.3, SWBT will begin preparing the Collocated Space for AT&T prior to receiving the regulatory approval required by section 3.7 above. Payment to SWBT of the remaining charges under these sections shall be due upon completion. If the Commission fails to give unqualified approval to the Parties' collocation arrangement as required by section 3.7, and the Parties do not otherwise agree to continue the collocation arrangement for the Collocated Space, AT&T will pay to SWBT, within a reasonable time after the Commission's decision, an amount equal to SWBT's <u>reasonable</u> non-recoverable costs less net salvage and less the amount already paid to SWBT. Non-recoverable charges include, the non-recoverable cost of equipment and material ordered, provided, or used; trued-up Subcontractor Charges, the non-recoverable cost of installation and removal, including the costs of equipment and material ordered, provided, or used; labor, transportation and any associated costs. If the amounts already paid to SWBT plus the net salvage exceed SWBT's <u>reasonable</u> non-recoverable costs, SWBT will refund to AT&T the excess amount within a reasonable	Only upon AT&T's written request will SWBT begin preparing the Collocated Space prior to receiving regulatory approval. Since early preparation is at AT&T's request, then AT&T should assume the risk that includes paying the actual costs incurred by SWBT up to the point the preparation is halted. SWBT proposes that AT&T pay SWBT an amount equal to SWBT's non-recoverable costs less estimated net salvage and less the amount already paid to SWBT. Non-recoverable charges are delineated in Appendix Collocation Section 4.4 and SWBT and AT&T will negotiate any other non-recoverable costs due to SWBT by AT&T. SWBT will refund to AT&T the excess amount if the amount paid to SWBT plus estimated net salvage exceeds SWBT's non-recoverable costs.	SWBT opposes the bolded and underlined language proposed by AT&T.

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		<p>and economically. AT&amp;T's proposed language would also require SWBT to provide AT&amp;T with a detailed invoice itemizing the non-recoverable costs that SWBT has incurred. The invoice is necessary so that AT&amp;T may determine the nature and amount of SWBT's non-recoverable costs and so that AT&amp;T may determine whether those costs are reasonable. AT&amp;T's language should therefore be included.</p> <p>SWBT's proposed language provides that "estimated" net salvage be deducted from the non-recoverable costs that AT&amp;T must pay to SWBT. AT&amp;T opposes this language, because there is no reason for an estimated rather than an actual value to be used; the actual value would better accomplish the objective of placing the parties in their pre-contract positions. The remainder of SWBT's proposed language notes that the permissible non-recoverable charges listed in this section are not exclusive. This language is unreasonable, because it renders the</p> <p>(Continued)</p>	<p>time after the Commission's decision. <b><u>SWBT will provide AT&amp;T with a detailed invoice itemizing its non-recoverable costs.</u></b></p>		
(Continued)		<p>(Continued)</p> <p>list ineffective as a limitation on SWBT's ability to bill non-recoverable charges to AT&amp;T. This Appendix is intended to define the Parties' relationship with respect to collocation at SWBT's Eligible Structures. By qualifying provisions in the Appendix with terms such as "including but not limited to," SWBT attempts to remove all clarity from the Parties' arrangement to its future</p>			

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<p>12.</p> <p><b>AT&amp;T:</b> May AT&amp;T review and approve the working drawings and specifications for the preparation of the Collocated Space and the modification of the Eligible Structure?</p> <p><b>SWBT:</b> is AT&amp;T entitled to have approval rights over working drawings and specifications for modifications to the eligible structure?</p>	<p>Attachment 13: Appendix Collocation, Section 4.5</p>	<p>benefit. SWBT's proposed language is therefore unreasonable.</p> <p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix.</p> <p>AT&amp;T's proposed language would require SWBT to provide AT&amp;T with copies of the working drawings and specifications for the preparation of the Collocated Space and would allow AT&amp;T to propose alterations to those working drawings and specifications. AT&amp;T's request is not unreasonable. Like any purchaser of construction services, AT&amp;T requests the right to inspect and modify the working drawings and specifications from which the construction services will be performed. Such a procedure would allow AT&amp;T to prevent construction errors before they happen, which would reduce the risk of cost overruns and would limit the amount of time for (and disruption caused by) construction activities that occur within SWBT's Eligible Structures. AT&amp;T does not seek the review of drawings for all modifications to SWBT's Eligible Structure, and instead seeks only the right to review drawings and specifications that are sufficient to allow AT&amp;T to verify that the Collocated Space is constructed in accord with AT&amp;T's collocation</p>	<p>4.5 SWBT will contract for or perform the preparation of the working drawings and specifications for the modification of the Eligible Structure and the preparation of the Collocated Space. <b><u>Prior to SWBT commencing any construction or preparation activities, SWBT will provide copies of the working drawings and specifications to AT&amp;T, and AT&amp;T must approve these working drawings and specifications within seven days of receipt. Upon AT&amp;T's request, SWBT will modify the working drawings and specifications in accord with AT&amp;T's requested alterations. SWBT will provide copies of the modified working drawings and specifications to AT&amp;T and AT&amp;T must approve these modified working drawings and specifications within seven days of receipt. The Completion Interval will be abated between SWBT's provision of the working drawings and specifications to AT&amp;T and AT&amp;T's approval of those working drawings and specifications.</u></b></p>	<p>Adopting the AT&amp;T language would deny SWBT the right to manage its own property and would subject SWBT to endless disputes. AT&amp;T's proposal would give AT&amp;T the right to override SWBT's decisions regarding construction in its own premises. In order for SWBT to provide physical collocation in a non-discriminatory manner to all collocators, SWBT request the Commission to reject AT&amp;T's proposal.</p>	<p>SWBT opposes the AT&amp;T proposed language that is bolded and underlined.</p>

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		request. SWBT's opposition to AT&T's proposed language is unreasonable. SWBT does not require "exclusive control" over design and construction of the Collocated Space that AT&T will occupy and for which AT&T will pay for the construction. Instead, SWBT can share control over design and construction with AT&T, the user of the Collocated Space. Accordingly, AT&T's proposed language should therefore be included.			
<p>13.</p> <p><b>AT&amp;T:</b> May AT&amp;T review SWBT's bids and participate in the bid acceptance process?</p> <p><b>SWBT:</b> Is AT&amp;T entitled to have approval rights over contractor bids for modifying eligible structure?</p>	Attachment 13: Appendix Collocation, Section 4.6	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&T's proposed language would require SWBT to notify AT&T of the receipt of bids for the preparation of the Collocated Space and would require SWBT to provide copies of those bids for AT&T's review. AT&T's proposed language would then require SWBT and AT&T jointly to evaluate those bids. AT&T's proposed language is reasonable and should be included. Considering that AT&T (and not SWBT) will pay the eventual cost of the services bid, AT&T should be permitted to participate in the bid selection process. Moreover, since AT&T may subcontract the preparation of the Collocated Space using its own subcontractors, AT&T's review of those bids is essential to render effective AT&T's right to use	<p><b><u>4.6 After AT&amp;T approves the working drawings and specifications, SWBT will solicit bids for the modification of the Eligible Structure and the preparation of the Collocated Space. SWBT will notify AT&amp;T of its receipt of such bids and will provide copies of those bids to AT&amp;T. SWBT and AT&amp;T will jointly evaluate those bids, and SWBT will not accept any bids without AT&amp;T's assent.</u></b></p>	The Commission must reject AT&T's proposals not only to grant AT&T approval rights over working plans and specifications, but now the Commission must reject AT&T's proposal for evaluating and selecting contractor bids for these facilities. SWBT must be able to consider not only the AT&T collocation requests, but those of the collocators with whom AT&T is competing. Approval of AT&T's proposal would in effect usurp SWBT's rights as the property owner to manage its own business.	SWBT opposes AT&T's proposed language

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		<p>its own subcontractors.</p> <p>SWBT also asserts that SWBT is prohibited from disclosing the content of its bids to AT&amp;T by nondisclosure agreements between it and its subcontractors. AT&amp;T would be willing to sign similar nondisclosure agreements, should SWBT's subcontractors require it.</p>			
<p>14. May AT&amp;T subcontract the preparation of the Collocated Space?</p>	<p>Attachment 13: Appendix Collocation, Section 4.7</p>	<p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&amp;T's proposed language would allow AT&amp;T to subcontract the modification of the Eligible Structure as allowed by Section 51.323(j) of the FCC's regulations, which provides that "[a]n incumbent LEC shall permit a collocating telecommunications carrier to subcontract the construction of physical collocation arrangements with contractors approved by the incumbent LEC." SWBT contends that AT&amp;T's subcontractors should be allowed to do <i>nothing</i> other than construction activities <i>within</i> the Collocated Space. SWBT's opposition to AT&amp;T's proposed language is based upon an overly narrow interpretation of the phrase "physical collocation arrangements," which SWBT construes to exclude the construction of the collocation cage itself and any work occurring outside of the</p>	<p>4.7 AT&amp;T may subcontract the preparation of the Collocated Space <b>or the modification of the Eligible Structure</b> with contractors approved by SWBT. SWBT's approval of contractors will be based on the same criteria that it uses in approving contractors for its own purposes, which approval will not be unreasonably withheld. AT&amp;T will be responsible for the cost of its own contractors; SWBT will adjust the Preparation Charge to account for AT&amp;T's provision of its own contractors.</p>	<p>The FCC permits AT&amp;T to "subcontract the construction of the physical collocation arrangements with contractors approved by (SWBT)" within the "cage." Interconnection Order at Section 598. See, also, 47 C.F.R. Section 51.323(j)(1997). Consistent with this requirement, under this Appendix, AT&amp;T can subcontract collocation arrangements within its cage, subject to SWBT's prior approval of the subcontractor. SWBT is not required to, and will not, contractually extend the modification of its own buildings and facilities to AT&amp;T or any other LSP. The potential for damage or interference with the operation of the building facilities, which support SWBT's network and support other collocators, is material. For these reasons the Commission must not approve AT&amp;T's proposal.</p>	<p>SWBT will <b>contract for and perform</b> the construction and preparation activities underlying the Preparation Charge, including the Common Charge, the Collocated Space Charge, and the Subcontractor Charges, and any Custom Work charges, using same or consistent practices that are used by SWBT for other construction and preparation work performed in the Eligible Structure.</p>

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		collocation cage. SWBT's interpretation would exclude AT&T's subcontractors from participating in the lion's share of the construction work for which AT&T is required to pay, rendering AT&T's right to use its own subcontractors ineffective as a method of controlling AT&T's costs. SWBT also claims that the use of AT&T's subcontractors would create a security risk. Any such risk is minimal, due to SWBT's right of approval for AT&T's subcontractors. AT&T's proposed language goes no further than is allowed by the regulations, and SWBT's opposition to this language is therefore unreasonable.			
15. May AT&T subcontract the preparation of Collocated Space?	Attachment 13: Appendix Collocation, Section 4.8	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&T's proposed language makes clear that AT&T may subcontract the construction and preparation of the Collocated Space as allowed by Sec. 57.323(j) of the FCC's regulations. If AT&T's proposed language for Section 3.7 is included, this proposed language should also be included.	<b><u>4.8 Except for construction and preparation activities performed by AT&amp;T's own contractors, SWBT or SWBT's subcontractors</u></b> will perform the construction and preparation activities underlying the Preparation Charge, including the Common Charge, the Collocated Space Charge, and the Subcontractor Charges, and any Custom Work charges, using same or consistent practices that are used by SWBT for other construction and preparation work performed in the Eligible Structure.	AT&T's language would permit them to perform construction work in addition to that within the AT&T cage. This is the same as it sought in Issue 14, and this language must be rejected for the same reasons. SWBT must plan, contract for and perform construction and preparation activities except for that which AT&T subcontracts for within their cage.	SWBT opposes the inclusion of the AT&T proposed bold and underlined language.
16. AT&T: Should SWBT be required to provide as-built drawings to AT&T?	Attachment 13: Appendix Collocation, Section 4.9	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is	<b><u>4.9 SWBT will provide to AT&amp;T ordinary construction documentation submitted to and received from contractors or its internal engineering or installation work force, including but not limited to as-built drawings, for</u></b>	AT&T has a right to only construction related to its own "cage". Approval of AT&T's proposal would give them a contractual guarantee to access to competitive and, in many cases, proprietary and confidential information about SWBT and the	SWBT opposes the inclusion of AT&T's language.

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<p>SWBT:            Can AT&amp;T require the provision of collocated space construction documentation that may include proprietary information regarding other collocators or SWBT?</p>		<p>detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&amp;T's proposed language would require SWBT to provide AT&amp;T with construction documentation and as-built drawings for all work done related to the construction of the Collocated Space. This requirement imposes no real burden on SWBT, as SWBT will have created this documentation during its construction of the Collocated Space. It is a standard construction industry practice for a contractor to provide as built drawings and other construction documentation as part of the contractor's services. AT&amp;T requires this documentation so that it may verify that the construction of the Collocated Space was properly accomplished, and so that it can reference those drawings should the information contained in them later be required. AT&amp;T's proposed language is reasonable and should therefore be included.</p> <p>SWBT claims that AT&amp;T should not be permitted to review this documentation because it may contain "competitive" information. SWBT's claim that this documentation would reveal competitive information is absurd, because this documentation relates to the construction of AT&amp;T's Collocated Space and therefore will not contain information regarding SWBT's equipment or facilities. To the extent that the documentation contains any proprietary information, SWBT could certainly redact that information from the documentation</p>	<p><b><u>any work related to construction of the Collocated Space.</u></b></p>	<p>other collocators. In its FCC-mandated role as coordinator of the Collocated Space, SWBT cannot be placed in the position of sharing competitive information and documentation of one collocator with any other collocator(s). Thus, AT&amp;T's request must be denied.</p>	

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17. Must SWBT allow AT&T to perform periodic inspections of the construction of the Collocated Space?	Attachment 13: Appendix Collocation, Section 4.10	<p>provided to AT&amp;T.</p> <p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&amp;T's proposed language would allow AT&amp;T to perform regular inspections of the preparation of the Collocated Space during the construction process to insure that the construction is properly performed. AT&amp;T's proposed language would then require SWBT to correct any construction errors as soon as reasonably practicable. AT&amp;T's proposed language is reasonable. The conduct of periodic inspections of a construction site to insure compliance with drawings and specifications is a standard construction industry practice. Such inspections are conducted to identify construction errors earlier rather than later to reduce the cost of correcting those errors. Accordingly, AT&amp;T's need to perform these periodic inspections is not, as SWBT contends, obviated by the post-construction inspection authorized by Section 5.2 of the Collocation Appendix. AT&amp;T's proposed language would not impose a significant burden on SWBT; because the inspections would occur during the construction process, SWBT employees should be present to accompany AT&amp;T on these</p>	<p><b><u>4.10 SWBT will permit AT&amp;T to inspect the ongoing preparation of the Collocated Space or modification of the Eligible Structure at regular intervals. At a minimum, SWBT will permit AT&amp;T to inspect the Collocated Space and Eligible Structure when construction is approximately 25% completed, when construction is approximately 50% completed, and when construction is approximately 75% completed. Should AT&amp;T's inspections reveal that SWBT or SWBT's subcontractors have deviated from the approved working drawings and specifications in the construction of the Collocated Space or modification of the Eligible Structure, SWBT will correct those deviations as soon as reasonably practicable.</u></b></p>	<p>SWBT is responsible for all work performed in the Eligible Structure, except for work directly related to AT&amp;T's "cage". In the Appendix in section 5.2, AT&amp;T is permitted to inspect the completed Collocation Space. If at that time the inspection of AT&amp;T's "cage" reveals deviations from AT&amp;T's drawings and specifications that require SWBT's correction, then SWBT will make such corrections. Due to security and operational integrity concerns, AT&amp;T must not be permitted to interfere with SWBT's rights and responsibilities as the property owner and provider of physical collocation.</p>	<p>SWBT opposes the inclusion of AT&amp;T's language.</p>

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		inspections. AT&T's proposed language is not unreasonable and should therefore be included.			
<p>18.</p> <p><b>AT&amp;T:</b> May AT&amp;T subcontract the preparation of Collocated Space or pursue other remedies if SWBT performs inefficiently?</p> <p><b>SWBT:</b> In connection with the preparation of its cage within the collocated space, can AT&amp;T hire subcontractors to expedite completion of the requested work?</p>	Attachment 13: Appendix Collocation, Section 4.12	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&T's proposed language allows AT&T to subcontract the preparation of the Collocated Space if SWBT is unable to complete the preparation of the Collocated Space within the specified Completion Interval. The proposed language provides an effective remedy for AT&T when SWBT performs the preparation of the Collocated Space inefficiently. This is a reasonable business practice which is often included in construction contracts to remedy a failure to complete construction on time. The proposed language is also consistent with Section 51.323(j) of the FCC's regulations and is therefore reasonable. AT&T's proposed language should therefore be included.	4.12 SWBT will exercise due diligence to prepare the Collocated Space in a reasonable time period, not to exceed three months from AT&T's acceptance of SWBT's price quotation, unless otherwise mutually agreed to in writing by AT&T and SWBT. In the event that SWBT is not able to prepare the Collocated Space within the quoted Completion Interval, SWBT will provide AT&T with a revised Completion Interval within seven (7) working days after SWBT ascertains that the original Completion Interval cannot be met. If the revised Completion Interval is objectionable to AT&T, and the parties cannot resolve AT&T's objection, the issue may be presented to the State Commission for review. <b><u>Alternatively, if the revised Completion Interval is objectionable to AT&amp;T, AT&amp;T may individually subcontract the further preparation of the Collocated Space or further modification of the Eligible Structure with contractors approved by SWBT. SWBT's approval of contractors will be based on the same criteria that it uses in approving contractors for its own purposes, which approval will not be unreasonably withheld. AT&amp;T will be responsible for the cost of its own contractors; SWBT will, however, reduce the Preparation Charge by AT&amp;T's</u></b>	AT&T's proposed language is overreaching. AT&T is attempting to gain control over the entire Eligible Structure not just its Collocation Space. SWBT will permit AT&T to use subcontractors for work only in their "cage". This again is consistent with Section 51.323(j) of the FCC's rules. AT&T is protected by provisions contained in Section 4.12 of this Appendix. AT&T's proposal exceeds their permitted responsibility and must be denied.	[SWBT opposes the inclusion of AT&T's language.]

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<p>19.</p> <p><b>AT&amp;T:</b> Must SWBT pay liquidated damages for delayed completion of Collocated Space?</p> <p><b>SWBT:</b> Can SWBT be made liable for liquidated damages if the collocated space is not completed within the proper interval?</p>	<p>Attachment 13: Appendix Collocation, Section 4.13</p>	<p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&amp;T's proposed language provides for liquidated damages of \$1,000.00 per day should SWBT not complete the preparation of the Collocated Space within the quoted Completion Interval. Liquidated damages for such a delay is appropriate, considering the difficulties of proof of loss and the absence of a feasible remedy to compensate AT&amp;T for such a delay including damages to goodwill. Liquidated damages clauses are common in construction contracts for those reasons, and this specific clause is not unreasonable. AT&amp;T's proposed language should therefore be included.</p>	<p><b>4.13 If SWBT is not able to prepare the Collocated Space within the quoted Completion Interval, SWBT will be liable to AT&amp;T for liquidated damages in the amount of \$1,000.00 for each day between the expiration of the quoted Completion Interval and the completion of the Collocated Space.</b></p>	<p>The common practice in the construction of telephone plant is to excuse the party responsible for construction from performance, in the event of circumstances beyond its control, with a <i>force majeure</i> clause. Imposing a liquidated damages clause would lead to SWBT obtaining indemnification from its contractors for liabilities due to construction delays, increasing the contractors cost of construction. SWBT's charges to collocators would thus be adjusted upward to take into account the risk of potential liquidated damages in spite of SWBT's best efforts to meet the Completion Interval. Liquidated damages also raises the issues of who caused the delay and for how long did it last. This would increase the administrative costs and likewise would increase the overall costs of providing collocation to AT&amp;T, and any other collocator.</p>	<p>[SWBT opposes the inclusion of AT&amp;T's language.]</p>
<p>20. Must SWBT correct errors in the preparation of the Collocated Space?</p>	<p>Attachment 13: Appendix Collocation, Section 5.2</p>	<p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&amp;T's proposed language would allow AT&amp;T to inspect the Collocated Space and Eligible Structure and would require</p>	<p><b>5.2 On or after the Commencement Date, AT&amp;T will be permitted to access the Collocated Space and Eligible Structure for the limited purpose of inspecting them. At AT&amp;T's request and at SWBT's expense, SWBT will correct all deviations of SWBT's preparation of the Collocated Space or its modification of the Eligible Structure from the approved working drawings and specifications as soon as</b></p>	<p>AT&amp;T's proposal is another attempt usurp SWBT's legal responsibility for maintaining areas it owns. SWBT is obligated and committed to providing non-discriminatory and secure access to LSPs physically collocating in SWBT's Eligible Structures. There are safeguards for AT&amp;T if any variations to requirements shown on the approved layout are detected. Corrections will be made if variations exist that have not been approved by AT&amp;T and SWBT will be responsible</p>	<p>On or after the Commencement Date, AT&amp;T will be permitted to access the Collocated Space for the limited purpose of inspecting it. <b>SWBT will not permit AT&amp;T to access the Collocated Space for any purpose other than inspection until AT&amp;T has paid to SWBT the unpaid portions of the Common Charge, Collocated Space Charge, and Custom Work Charge.</b></p>

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Part C  
**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - ARKANSAS**  
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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>SWBT to correct SWBT's errors in both the preparation of the Collocated Space and modification of the Eligible Structure. Both the inspection and error-correction requirements are common in construction contracts and are reasonable in this section. AT&amp;T's proposed language should therefore be included.</p> <p>SWBT argues that AT&amp;T's proposed language requiring SWBT to "correct all errors in SWBT's preparation of the Collocated Space" is unnecessary, due to part 4B of SWBT's technical publication. However, in light of the position taken by SWBT with regard to Sections 11.2 and 11.3 of the Collocation Appendix, the technical publication imposes no error correction requirement upon SWBT, because SWBT attempts to reserve the right to modify that technical publication whenever it chooses to. If SWBT is truly willing to correct all errors in SWBT's preparation of the Collocated Space, then SWBT should bind itself to do so in its Interconnection Agreement with AT&amp;T. AT&amp;T's structure of approvals, inspections, and other requirements implement standard construction industry practices that ensure that a purchaser of construction services gets what it pays for.</p> <p>SWBT's alternative language would prohibit AT&amp;T from accessing the Collocated Space for any purpose other than inspection prior to AT&amp;T's</p>	<p><b><u>reasonably practicable. After AT&amp;T has approved both SWBT's preparation of the Collocated Space and modification of the Eligible Structure, AT&amp;T may occupy the Collocated Space.</u></b></p>	<p>for the costs of making such changes. Permitting AT&amp;T to occupy the Collocated Space prior to paying the non-recurring charges would result in SWBT having to allow any collocator to use the Most Favored Nation clause to gain the same right, thereby opening up the process to endless dispute and refusal to pay for actual costs. For SWBT to meet its legal obligations AT&amp;T's proposal regarding inspection rights must be denied.</p>	

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		payment of the unpaid portions of the Preparation Charge. This language is unreasonable for the reasons stated in the section of this Matrix addressed to Section 5.3 of this Appendix.			
21. When may AT&T occupy the Collocated Space?	Attachment 13: Appendix Collocation, Section 5.3	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. SWBT's proposed language would prohibit AT&T from occupying the Collocated Space until after AT&T has paid to SWBT the remaining portions of the Preparation Charge. <i>In contrast</i> , AT&T's proposed language, taken in concert with the language in Section 5.2, would permit AT&T to occupy the Collocated Space immediately after AT&T had approved SWBT's preparation of the Collocated Space. Under AT&T's proposed language, SWBT would bill the unpaid portions of the Preparation Charge at that time, and AT&T would pay that bill in accord with the payment provisions of this Appendix. SWBT opposes AT&T's proposed language, due to the alleged risk that AT&T may not pay those charges. SWBT's argument ignores standard telecommunications industry practices, where actions are taken prior to and on the expectation of payment. Moreover, to the extent that there is any risk of nonpayment (a risk that is quite minimal, in light of	<b><u>5.3 After AT&amp;T has approved both SWBT's preparation of the Collocated Space and modification of the Eligible Structure, SWBT will bill AT&amp;T the unpaid portions of the Common Charge, Collocated Space Charge, and Custom Work Charge, as specified in sections 4.2 and 4.3 above.</u></b>	The adoption AT&T's language would provide countless opportunities for them to essentially scuttle a process that is designed to accomplish one purpose, which is to allow a competitor physical access to SWBT's premise and facilities in order to compete with SWBT and others. AT&T should not be permitted to occupy the Collocated Space until the unpaid portions of these charges have been paid. SWBT will notify AT&T that the collocated space is ready for occupancy within 7 days after receipt of the unpaid portions of these charges.	<b>AT&amp;T will not occupy the Collocated Space until the unpaid portions of these charges have been paid. SWBT will notify AT&amp;T that the collocated space is ready for occupancy within seven (7) days after receipt of the unpaid portions of these charges.</b>

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		<p>the financial health and stability of AT&amp;T), SWBT would be protected by Section 17.1 of the Collocation Appendix and by the interest provisions of the Interconnection Agreement regarding late charges. SWBT's argument would require the Collocated Space to remain vacant while SWBT prepares and forwards a bill to AT&amp;T and while AT&amp;T processes payment of that bill. In light of SWBT's oft-invoked fear that AT&amp;T may attempt to "warehouse" Collocated Space, SWBT's argument appears disingenuous. AT&amp;T's language should therefore be included.</p>			
<p>22a. Must SWBT provide specifications for the following portions of the Collocated Space to AT&amp;T?</p> <p>a. Point of Termination Bays</p>	<p>Attachment 13: Appendix Collocation, Section 5.4</p>	<p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&amp;T's proposed language would require SWBT to provide AT&amp;T with detailed drawings of the SWBT Point of Termination Bays in AT&amp;T's Collocated Space within seven days of AT&amp;T's approval of the preparation of the Collocated Space. This requirement imposes no real burden on SWBT, because SWBT will have created these drawings during its preparation of the Collocated Space. AT&amp;T requires these drawings so that it can navigate the Point of Termination frame that is installed in the Collocated Space, and so that AT&amp;T can efficiently accomplish the</p>	<p>5.4 SWBT will provide telephone equipment drawings depicting the exact location, type, and cable termination requirements (i.e., connector type, number and type of pairs, and naming convention) for SWBT Point of Termination Bay(s) to AT&amp;T within <b>seven (7) days</b> of AT&amp;T's approval of SWBT's preparation of the Collocated Space.</p>	<p>SWBT has already agreed to provide the detailed drawings. Final detailed drawings are provided by SWBT's drafting contractor, and once SWBT has received the final drawings, SWBT will promptly provide them to AT&amp;T. The time frame for providing the information should be a "commercially reasonable time" because that is the time frame the drafting contractor will provide SWBT the detailed drawings. AT&amp;T's request is without merit and is unreasonable and must be denied.</p>	<p>SWBT opposes the inclusion of AT&amp;T's <b>bolded and underlined</b> language.</p>

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		interconnection of AT&T's facilities with SWBT's network. A requirement to provide final, as-built drawings is common in other construction contracts. AT&T's proposed language is not unreasonable and should therefore be adopted.			
22b. Outside plant cable ingress and egress	Attachment 13: Appendix Collocation, Section 5.5	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&T's proposed language would require SWBT to provide AT&T with detailed drawings of AT&T's outside plant cable ingress and egress into the Collocated Space. This requirement imposes no real burden on SWBT, because SWBT will have created these drawings during its preparation of the Collocated Space. AT&T requires these drawings so that it can have a record of the AT&T cable ingress and egress and so that AT&T can verify that AT&T's cable uses diverse routes into the SWBT Eligible Structure. A requirement to provide final, as-built drawings is common in other construction contracts. AT&T's proposed language is not unreasonable and should therefore be included.	<b><u>5.5 SWBT will provide detailed telephone equipment drawings depicting the exact path, with dimensions, for AT&amp;T outside plant cable ingress and egress into AT&amp;T Collocated Space within seven (7) days of AT&amp;T's approval of SWBT's preparation of the Collocated Space. Such path and any areas around it in which AT&amp;T must work to perform installation will be free of friable asbestos, lead paint (unless encapsulated), radon, and other health or safety hazards.</u></b>	SWBT objects to putting any language in the Agreement that grants AT&T approval rights over the work done in the Eligible Structure or Collocated Space. SWBT will determine the exact path from the vault to the Collocated Space in such a way as to minimize congestion within the areas between the two points. SWBT will measure and provide the cable length for AT&T's use in providing cable required to reach the collocation space from the manhole. SWBT will provide AT&T a review and note taking regarding the Work Order for this work, and SWBT determine the format in order to protect any related proprietary material. This will allow AT&T to ascertain that SWBT provided the requested level of diverse routing.. However, SWBT will not agree to a 7 day period to provide this information. The time for providing this information should be a "commercially reasonable time". AT&T's proposal should be denied.	SWBT opposes the inclusion of AT&T's language.
22c. power cabling connectivity	Attachment 13: Appendix Collocation, Section 5.6	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by	<b><u>5.6 SWBT will provide power cabling connectivity information including the sizes and number of power feeders to AT&amp;T within fourteen (14) days of AT&amp;T's approval of SWBT's preparation of</u></b>	SWBT will be required to obtain this information from its vendors or from its warehouse records and, therefore, AT&T's proposal of fourteen days is unreasonable. SWBT should be given a "commercially reasonable	SWBT opposes the inclusion of AT&T's bolded and underlined language.

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		implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&T's proposed language would require SWBT to provide AT&T with detailed power connectivity information within fourteen days of AT&T's approval of the preparation of the Collocated Space. This requirement imposes no real burden on SWBT, because SWBT will have created these drawings during its preparation of the Collocated Space. AT&T requires these drawings so that it may verify the use of properly-sized power cable connectivity and so that AT&T may verify that SWBT's power cabling complies with the requirements of this Appendix. A requirement to provide final, as-built drawings is common in other construction contracts. AT&T's proposed language is not unreasonable and should therefore be included.	the Collocated Space.	time" to provide this information. AT&T's proposal should be denied.	
23. What must AT&T do to establish occupancy of the collocated space?	Attachment 13: Appendix Collocation, Section 5.7	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix.  (1) <u>Connection of equipment to SWBT's network</u> – SWBT's proposed language is offered in an attempt to achieve the goals of precluding the "inefficient use" of Collocated Space and of requiring the collocation of equipment that is "used and useful."	5.7 Unless there are unusual circumstances, AT&T must place operational telecommunications equipment in the Collocated Space within sixty (60) days after AT&T is permitted to occupy the Collocated Space under sections 5.2 and 5.3 above, provided, however, that this sixty (60) day period will not begin until regulatory approval is obtained under section 3.7 above. <b><u>AT&amp;T may comply with this requirement by permitting another local service provider to collocate equipment or facilities in the Collocated Space, pursuant to section 17.1 below.</u></b> If AT&T fails to comply with this requirement, SWBT may elect to	The collocation requirements in Section 251(c)(6) of the Act are intended expressly to provide LSPs a specific opportunity to take advantage of such interconnection or UNE access. This portion of the Act gives AT&T the right to collocate equipment to be used for interconnection purposes, but not have the space sit idle. SWBT proposes to include language that requires AT&T to use the collocated space within a reasonable time or SWBT may elect to terminate the collocation agreement. SWBT has the discretion to extend the deadline if AT&T has demonstrated that AT&T has exercised their best effort to meet the	SWBT opposes AT&T's bolded and underlined language.

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		<p>While AT&amp;T concurs with these goals, AT&amp;T disagrees that SWBT's language is necessary to achieve these goals. AT&amp;T has already agreed to comply with the requirement that its equipment be "operational" within sixty days after AT&amp;T is permitted to occupy the Collocated Space, a requirement for which compliance is solely within AT&amp;T's control. This requirement is sufficient to achieve SWBT's goals. Whether AT&amp;T's equipment is connected to SWBT's network within sixty days after AT&amp;T is permitted to occupy the Collocated Space is within the control of SWBT instead of AT&amp;T. It would be inequitable to allow SWBT to terminate a collocation arrangement based upon a connection delay that is SWBT's own fault.</p> <p>(2) <u>Sublease of Collocated space</u> - SWBT's arguments regarding the sublease of Collocated Space are addressed in the portion of this document relating to Section 17.1 of the Collocation Appendix.</p> <p>(3) <u>AT&amp;T's liability for unpaid charges</u>. SWBT's proposed language would require AT&amp;T to pay the unpaid balance of the charges if a collocation arrangement is terminated under Section 5.7 of the Collocation appendix. Although AT&amp;T does not oppose a remedy which makes SWBT whole, this remedy does not accomplish that objective. This liquidated damages clause is inappropriate, because SWBT's damages are not difficult to</p>	<p>terminate the collocation arrangement provided, however, SWBT in its sole discretion may extend up to an additional ninety (90) days to AT&amp;T upon a demonstration by AT&amp;T that it exercised its best effort to comply with this requirement and that circumstances beyond AT&amp;T's reasonable control prevented AT&amp;T from complying with this requirement.</p>	<p>60 day deadline. AT&amp;T could "warehouse" collocation space without this requirement to connect and use their equipment within the required time, which would be contrary to the intent of the Act and the Interconnection Order Paragraph 586. Allowing AT&amp;T to "warehouse" collocation space can create a barrier to competition. Subleasing was not contemplated under the Act nor the Interconnection Order at Paragraph 579. The FCC mandated that SWBT be the coordinator of the collocated space within its premises, and AT&amp;T is proposing language that usurps SWBT's this role. SWBT would not be able to manage the renovation of existing facilities nor the construction of new facilities if AT&amp;T were allowed to take on this subleasing role. SWBT's proposed language, requiring AT&amp;T to connect its Collocated Space equipment and making AT&amp;T liable for unpaid charges, must be adopted, and AT&amp;T's proposed language, permitting it to sublease the Collocated Space, must be rejected.</p>	

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		<p>prove and because, in many circumstances, the clause would overcompensate SWBT for its damages. Should SWBT mitigate its damages by finding another local service provider to occupy the Collocated Space, the other local service provider should be required to pay the unpaid portion of the construction charges (which amounts to 50% of the Preparation charge and 15% of any Custom Work Charge) instead of AT&amp;T.</p>			
<p>24. Under what circumstances may SWBT raise the monthly charge for a Collocated Space?</p>	<p>Attachment 13: Appendix Collocation, Section 5.8</p>	<p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. SWBT's proposed language would allow it to increase the "Monthly Charge" to AT&amp;T upon thirty (30) days' notice at any time and for any reason. This language is unreasonable, because it permits SWBT to quote one Monthly Charge prior to the preparation of the Collocated Space and then levy a higher Monthly Charge after AT&amp;T has paid for the construction of the Collocated Space. This bait-and-switch approach is unfair and should not be permitted. Moreover, AT&amp;T's alternative language is not unreasonable. AT&amp;T's language would prohibit SWBT from raising the monthly charge for the first six months of AT&amp;T's use of the Collocated Space. For the remainder of AT&amp;T's occupancy of the</p>	<p>5.8 Beginning on the first date of occupancy of the Collocated Space, AT&amp;T will pay the Monthly Charge to SWBT for each month that AT&amp;T occupies the Collocated Space. <b><u>The Monthly Charge will not be increased during the first six months of AT&amp;T's use of the Collocated Space. Thereafter, SWBT may increase the Monthly Charge upon thirty (30) day's notice to AT&amp;T to compensate it for an increase in SWBT's actual costs associated with the Collocated Space; otherwise SWBT will not increase the Monthly Charge.</u></b></p>	<p>Pursuant to the Act rates for interconnection, including collocation, are to be non-discriminatory and based upon a price allowing a reasonable profit. AT&amp;T's proposal could result in SWBT not receiving a reasonable profit on Collocated Space, and through the MFN clause other collocators would have the same option to prevent SWBT from receiving a profit with their contracts. AT&amp;T's proposal limiting SWBT's ability to increase the Monthly Charge must be denied.</p>	<p>Beginning on the first date of occupancy of the Collocated Space, AT&amp;T will pay the Monthly Charge to SWBT for each month that AT&amp;T occupies the Collocated Space. <b>The Monthly Charge may be increased upon thirty (30) days' notice by SWBT.</b></p>

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		Collocated Space, SWBT would be permitted to increase the Monthly Charge on thirty (30) days' notice in order to compensate SWBT for an increase in SWBT's actual costs associated with the Collocated Space. AT&T's language would therefore protect SWBT should an increase in SWBT's actual costs render the provision of the Collocated Space uneconomical. SWBT's language should be excluded and AT&T's language should be included. If AT&T's definition of the "monthly charge" in Section 3.3.2 is adopted, the charge would consist of only certain specific fees, none of which are subject to large or frequent fluctuations in cost.			
<p>25.</p> <p><u>AT&amp;T:</u> How should the parties be compensated should AT&amp;T cancel a request for Collocated Space?</p> <p><u>SWBT:</u> Can AT&amp;T compel SWBT to bear the loss of nonrecoverable charges incurred when AT&amp;T cancels a request for collocated space or fails to occupy a collocated space in the time specified in Section 5.7?</p>	Attachment 13: Appendix Collocation, Section 5.9	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. In the event that AT&T cancels a collocation request or fails timely to occupy the Collocated Space, this section provides for payments between AT&T and SWBT in an attempt to return the parties, as closely as possible, to their pre-contract positions. To accomplish that objective, the section in part requires AT&T to reimburse SWBT for SWBT's non-recoverable costs. AT&T's proposed language would limit AT&T's reimbursement obligation to those non-recoverable	5.9 In the event that AT&T cancels a request for Collocated Space or fails to occupy a Collocated Space in the time provided under section 5.4 above, then in addition to any other remedies that SWBT might have, AT&T will owe to SWBT its <b>reasonable non-recoverable costs less net salvage and less the amounts already paid to SWBT.</b> Non-recoverable costs include the non-recoverable cost of equipment and material ordered, provided or used; trued-up Subcontractor Charges, the non-recoverable cost of installation and removal, including the costs of equipment and material ordered, provided or used; labor; transportation and any other associated costs. If the amounts already paid to SWBT plus the net salvage exceed SWBT's reasonable nonrecoverable costs, SWBT will refund to AT&T the excess amount	SWBT proposes the reimbursement liability to include non-recoverable costs less net salvage value. AT&T wants to limit this reimbursement to "reasonable " non-recoverable costs and AT&T objects to SWBT's estimating net salvage value. This same subject was discussed previously in Issue 11. The use of estimated net salvage is a commonly used telephone practice and SWBT is appropriately proposing that use here. SWBT's language should be approved.	In the event that AT&T cancels a request for Collocated Space or fails to occupy a Collocated Space in the time provided under Section 5.7 above, then in addition to any other remedies that SWBT might have, AT&T will owe to SWBT its non-recoverable costs less <b>estimated net salvage.</b> Non-recoverable costs include the non-recoverable cost of equipment and material ordered, provided or used; trued-up Subcontractor Charges, the non-recoverable cost of installation and removal, including the costs of equipment and material ordered, provided or used; labor; transportation and any other associated costs. If the amounts already paid to SWBT plus the <b>estimated net salvage exceed</b> SWBT's reasonable non-recoverable costs, SWBT will refund to AT&T the excess amount within

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		<p>costs which are reasonable. Such a limitation is appropriate. Like any other ratepayer, AT&amp;T should not have to pay for unreasonable costs incurred by a public utility. AT&amp;T, like any other purchaser of construction services, should not be required to pay unreasonable construction costs; otherwise, SWBT would have no incentive to complete the preparation of the Collocated Space efficiently and economically. AT&amp;T's proposed language would also require SWBT to provide AT&amp;T with a detailed invoice itemizing the non-recoverable costs that SWBT has incurred. This detailed invoice is necessary so that AT&amp;T may determine the nature and amount of SWBT's non-recoverable costs and so that AT&amp;T may determine whether those costs are reasonable. AT&amp;T's proposed language should therefore be included.</p> <p>AT&amp;T's proposed language provides that AT&amp;T's liability to SWBT be reduced by the amounts already paid to SWBT. This language is necessary to return the parties, as closely as possible, to their pre-contract positions. Without AT&amp;T's language, this section would constitute an invalid penalty clause, among other reasons, because (1) the situation addressed by the clause is not one in which damages are impossible to pre-estimate with certainty; (2) the penalty paid under the clause is not proportionate to the damages sustained by SWBT but instead is</p>	<p>within thirty (30) days of the cancellation of the request. <b><u>SWBT will provide AT&amp;T with a detailed invoice itemizing its non-recoverable costs.</u></b></p>		<p>thirty (30) days of the cancellation of the request.</p>
(Continued)		(Continued)		(Continued)	(Continued)

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25. How should the parties be compensated should AT&T cancel a request for Collocated Space?		<p>proportionate to the amount already paid by AT&amp;T to SWBT; and (3) the clause is intended by SWBT to impose a penalty on AT&amp;T instead and is not intended as a means to calculate damages. AT&amp;T's proposed language should therefore be included.</p> <p>SWBT's proposed language provides that "estimated" net salvage be deducted from the non-recoverable costs that AT&amp;T must pay to SWBT. AT&amp;T opposes this language, because there is no reason for an "estimated" rather than an actual value to be used; the actual value would better accomplish the objective of placing the parties in their pre-contract positions. SWBT's proposed language is therefore unreasonable.</p>			
<p>26.</p> <p><u>AT&amp;T:</u> May AT&amp;T object to SWBT's trued-up charges?</p> <p><u>SWBT:</u> Can AT&amp;T have a longer period to pay its bills for collocation charges than all other collocators?</p>	Attachment 13: Appendix Collocation, Section 5.10	AT&T's proposed language confirms that AT&T may object to SWBT's trued-up charges with a variety of mechanisms, should those trued-up charges be unreasonable. Otherwise, there would be no effective check against SWBT's imposition of unreasonable charges on AT&T, and SWBT's price quotation would become effectively worthless. AT&T's language proposed was anticipated by page 36 of the Commission's order, which determined that pricing of collocation arrangements should be calculated "on an individual basis." One natural element of individual base pricing is Commission review to	5.10 Within one hundred twenty (120) days of the completion date of the Collocated Space, SWBT will perform a true-up of all Subcontractor Charges using the actual amounts billed by subcontractors. Any amounts incurred above the Subcontractor Charges will be billed to AT&T or, alternatively, any amount below such Charges will be remitted to AT&T. <b><u>AT&amp;T may object to SWBT's trued-up charges informally with SWBT, or alternatively, AT&amp;T may object to SWBT's trued-up charges with the State Commission or pursuant to the dispute resolution provisions of this Appendix.</u></b>	SWBT believes AT&T's proposed language is unnecessary since this billing dispute can be handled on an informal basis or in accordance with the dispute resolution procedures contained in the General Terms and Conditions section of this Agreement. AT&T's proposed modification that would involve the Commission in resolving these minor business disputes is inappropriate and must be denied.	5.10 Within one hundred twenty (120) days of the completion date of the Collocated Space, SWBT will perform a true-up of all Subcontractor Charges using the actual amounts billed by subcontractors. Any amounts incurred above the Subcontractor Charges will be billed to AT&T or, alternatively, any amount below such charges will be remitted to AT&T.

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**  
**Bold represents language proposed by SWBT and opposed by AT&T.**

PART C  
**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
		determine that prices are calculated appropriately.			
27. What terms and conditions should govern billing and payment of Collocation Charges?	Attachment 13: Appendix Collocation, Section 6.1	<p>AT&amp;T's proposed language would require AT&amp;T to pay SWBT's collocation charges within forty-five (45) days of the billing date. In contrast, SWBT's proposed language would require AT&amp;T to pay those charges within thirty (30) days of the billing date. The terms and conditions portion of the Interconnection Agreement contains provisions, agreed to by both parties, that govern billing and payment, requiring AT&amp;T to pay SWBT's bills within thirty (30) days of AT&amp;T's receipt of those bills. Here, considering that SWBT's collocation charges are calculated on a case-by-case basis rather than established in the Interconnection Agreement, AT&amp;T needs fifteen (15) more days to review those charges carefully to determine whether those charges are reasonable. AT&amp;T's proposed departure from the payment terms in the terms and conditions portion of this Interconnection Agreement is justified; AT&amp;T's proposed language should therefore be included.</p> <p>AT&amp;T's other proposed language clarifies that this section applies only to the billing and payment of collocation charges and does not apply to charges specified in other portions of the Agreement. This language is not unreasonable and should therefore be included.</p>	6.1 <b>Billing of collocation charges specified in this Appendix shall occur on or about the 25th day of each month, with payment due forty-five (45) days from the bill date.</b> SWBT may change its billing date practices upon thirty (30) days notice to AT&T.	AT&T's proposed language is unnecessary and would create a discriminatory treatment of other collocators. AT&T has ample opportunity to review initial price quotations prior to construction as do all collocators, and to permit AT&T additional time to remit payment would be contrary to standard business practices and discriminate against other collocators who must pay in thirty (30) days. AT&T's proposal for a longer period of time to pay bills must be denied.	Billing shall occur on or about the 25 <sup>th</sup> day of each month, with <b>payment due thirty (30) days from the bill date.</b> SWBT may change its billing date practices upon thirty (30) days notice to AT&T.]
28. What amount of interest should AT&T pay SWBT on unpaid	Attachment 13: Appendix Collocation, Section 6.3	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends,	[AT&T opposes the inclusion of SWBT's proposed language]	Interest penalties should be the same for all of SWBT's collocation customers, therefore, AT&T must pay interest charges as all other	<b>6.3 In the event that any charge is not paid when due, the unpaid amounts shall bear interest in accordance with the terms and</b>

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collocation charges?		however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. SWBT's proposed language conflicts with the interest provisions in the terms and conditions portion of the Interconnection Agreement. Those interest provisions are agreed to by both parties and are reasonable. Moreover, SWBT has advanced no reason why a different interest rate should apply to collocation charges than which applies to other charges under the entire Interconnection Agreement.		collocation customers and pay interest charges applicable to collocation arrangements. AT&T's exemption from paying interest charges in this instance would be unfair and discriminatory treatment and, therefore, AT&T should be required to pay just like all other collocators.	conditions set forth in SWBT's intrastate tariff payment provision(s) applicable to access services in Arkansas, or the highest rate permitted by law, whichever is lower, from the due date until paid.
29.  AT&T: What terms and conditions should govern the relocation of Collocated Space at SWBT's request?  SWBT: Must SWBT bear AT&T's cost of relocating collocated space?	Attachment 13: Appendix Collocation, Section 7.1	AT&T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. This section allows SWBT to relocate AT&T's Collocated Space at AT&T's expense if SWBT determines that AT&T's continued occupancy of the Collocated Space is uneconomical for SWBT. Under SWBT's proposed language, SWBT's determination that continued occupancy is uneconomical would be unreviewable. In light of the potential for SWBT to impose astronomical costs upon AT&T by continually relocating AT&T's Collocated Spaces, it is unreasonable to vest the "uneconomical" determination solely	7.1 Notwithstanding section 2.3 above, in the event that SWBT determines it necessary for the Collocated Space to be moved within an Eligible Structure or to another Eligible Structure, AT&T is required to do so. In such an event, AT&T shall be responsible for the preparation of the new Collocated Space at the new location if such relocation arises from circumstances beyond the reasonable control of SWBT, including condemnation or government order or regulation that makes the continued occupancy of the Eligible Structure uneconomical. Otherwise SWBT shall be responsible for any such preparation <b>and will bear all SWBT and AT&amp;T costs associated with the preparation and relocation.</b> If Collocated Space is relocated under this section 7.1, SWBT and AT&T will cooperate to insure that AT&T will not experience out of service	AT&T and SWBT are in general agreement concerning the procedures to employ if the Collocated Space must be relocated. However, there AT&T misunderstands SWBT intentions when AT&T is required to pay for the preparation of Collocated Space at new locations when the cause for the relocation is beyond SWBT's reasonable control. Two scenarios are involved with this issue. One where SWBT might require AT&T to relocate inside and Eligible Structure. Another is when a government order or regulation makes continued occupancy of the Eligible Structure to be uneconomical. Under the second case even SWBT would be relocating and incurring their own costs to do so. Under the first case if SWBT did this needlessly or without a business reason AT&T is protected by the Paragraph 7.1 of the Appendix. The FCC has granted SWBT broad discretion to determine how an	SWBT opposes the inclusion of the AT&T proposed <b>bolded and underlined</b> language.

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		<p>in SWBT's hands. SWBT's proposed language should therefore be excluded.</p> <p>AT&amp;T's proposed language would require SWBT to bear all relocation costs if SWBT's relocation decision is not justified by any of the factors listed in this section. By continually relocating AT&amp;T's collocated spaces, SWBT could interfere with AT&amp;T's service to end user customers and prevent AT&amp;T from providing quality service to customers. AT&amp;T's proposed language is reasonable, and it should therefore be included.</p>	<p>conditions beyond reasonable cut-over intervals while collocated equipment is relocated, reconnected, and tested.</p>	<p>Eligible Structure is used for collocation, including the right to relocate if necessary. SWBT should not be forced to pay AT&amp;T's relocation costs in these instances so AT&amp;T's modified language should be rejected.</p>	
<p>30. What terms and conditions should govern the relocation of Collocated Space at AT&amp;T's request?</p>	<p>Attachment 13: Appendix Collocation, Section 7.2</p>	<p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. Under AT&amp;T's proposed language, SWBT must allow AT&amp;T to move the Collocated Space to a new space on a non-discriminatory, first-come, first-served basis. This language is necessary to clarify that the FCC requirement that space be allocated in a non-discriminatory manner applies both to the initial acquisition of Collocated Space and to the relocation of Collocated Space. SWBT's proposed language, on the other hand, is ambiguous and would therefore allow SWBT unfettered discretion to deny a relocation request based upon "associated requirements." SWBT's proposed</p>	<p>7.2 In the event that AT&amp;T requests that the Collocated Space be moved within an Eligible Structure or to another Eligible Structure, SWBT shall permit AT&amp;T to relocate the Collocated Space, subject to the availability of space and <b><u>in a nondiscriminatory, first-come, first-served basis.</u></b> AT&amp;T shall be responsible for all applicable charges associated with the move, including the reinstallation of its equipment and facilities and the preparation of the new Collocated Space and the new Eligible Structure as applicable.</p>	<p>SWBT objects to AT&amp;T's proposed language only because it is not necessary to insert it in this paragraph. SWBT mandate from the FCC was to coordinate and manage collocation in a non-discriminatory, first-come, first-served basis, therefore, to include that language here is needless. SWBT objects to the language modification proposed by AT&amp;T.</p>	<p>SWBT opposes the inclusion of the proposed AT&amp;T bolded and underlined language.</p>

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		language should therefore be excluded, and AT&T's proposed language should be included.			
<p>31.</p> <p>AT&amp;T: Which transmission medium should AT&amp;T be permitted to use?</p> <p>SWBT: How many points of entry to an Eligible Structure must SWBT provide?</p>	<p>Attachment 13: Appendix Collocation, Section 8.1</p>	<p>AT&amp;T acknowledges that this precise issue has not yet been expressly presented to the Commission for resolution. AT&amp;T contends, however, that this implementation issue has been arbitrated by implication. This contention is detailed in the portion of this matrix which discusses Section 2.5 of the Collocation matrix. AT&amp;T's proposed language would allow AT&amp;T to use technically appropriate media as a transmission medium to the Collocated Space. In a competitive marketplace, AT&amp;T should be able to use a variety of different transmission media both to address its needs and to meet the needs or desires of its end-user customers. Changes in technology or the needs of a group of customers may require the use of media other than fiber optic cable, copper cable, coaxial cable, or microwave transmission facilities. AT&amp;T's proposed language that references other "technically-appropriate media" is necessary and reasonable; should a new high-technology transmission medium (such as superconducting wire, for example) become technically feasible for collocation, AT&amp;T should be permitted to use it.</p> <p>The need to ensure reliability through redundancy or the need to provide a different calling scope than SWBT may require the use of two or more points of entry in order to better serve end user customers. AT&amp;T's</p>	<p>8.1 AT&amp;T may use single mode dielectric fiber optic cable <b>or other technically-appropriate media</b> as a transmission medium to the Collocated Space or Eligible Structure. AT&amp;T may use copper cable or coaxial cable only where AT&amp;T can demonstrate that interconnection of copper or coaxial cable will not impair SWBT's ability to serve its own customers or other collocators. AT&amp;T may use microwave transmission facilities as a transmission medium to the Eligible Structure where Collocated Space is located, except where such microwave transmission facilities are not practical for technical reasons or because of space limitations. SWBT will provide at least two separate points of entry to the Eligible Structure wherever there are at least two entry points for SWBT's cable facilities and at which space is available for new facilities in at least two of those entry points. <b>Where such space is not immediately available, if SWBT makes additional entry points available for SWBT's use, SWBT will size such separate points of entry to accommodate AT&amp;T's use of such entry points. In each instance, where SWBT performs such work in order to accommodate its own needs and those specified by AT&amp;T's written request, AT&amp;T and SWBT will share the costs of sizing the entry points incurred by SWBT by prorating those costs</b></p>	<p>SWBT expects AT&amp;T to use forward-looking technology, i.e. fiber optic cable, to provide transmission to the Collocated Space. Fiber optic cable supports all levels of service and is the technology SWBT employees to in its central offices to support video services. Copper cable consumes much more space and maintenance resources and, thus, the Commission should reject it as a permissible transmission medium to SWBT's facilities. SWBT only proposes to require AT&amp;T to consolidate entry points when AT&amp;T has more than two with six months notice and given that no additional vacant facilities exist. Without the safeguards proposed in SWBT's proposed language, collocators could intentionally place multiple undersized cables in existing entry points, thereby, rapidly exhausting available entrance facilities and barring entry of other collocators without fully utilizing the capacity.</p>	<p>SWBT opposes the inclusion of the AT&amp;T proposed bolded and underlined language.</p>

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