I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge and belief. Executed this 20th day of October in McLean, Virginia.

Kay D. Speerstra

A

EXHIBIT A

LCI International®
Worldwide Telecommunications

Anne K. Bingaman
Senior Vice President
President, Local
Telecommunications Division

July 18, 1997

VIA FAX

Mr. Joseph M. Baker
Sales Vice President, Interconnection
Mr. Ken Enman
Marketing
Mr. Drew Parker
Project Manager
BellSouth Telecommunications, Inc.
675 W. Peachtree St., #4429
Atlanta, GA 30375

Dear Messrs. Baker, Enman & Parker:

Attached for your review is the test plan for the UNE platform trial between LCI and BellSouth. LCI is interested in conducting a full and complete test of the network platform arrangement. This industry has much to learn, and we look forward to this opportunity to gain important operational experience. We believe that this test plan is consistent with what other new CLECs have been running.

I invite BellSouth to a meeting on August 6, 1997, or before, between our staffs to fill in specific dates and any additional details you require. You can call me at your earliest convenience at (703) 610-3878 or page me at 1 (888) 503-0251.

Sincerely,

Kay D Speerstra

Kay D. Speerstra

attachment
KS:slg
cc: Anne Bingaman

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UNBUNDLED NETWORK PLATFORM TEST PLAN SUBMITTED BY LCI INTERNATIONAL TO BELLSOUTH

SCOPE OF TEST

This test between BellSouth and LCI is designed to jointly trial the processes and capabilities needed to order, provision and bill for a combination of Unbundled Network Elements ("UNEs"). LCI intends to use a configuration that combines the "common transport," switch and non-discriminatory access to BellSouth's interoffice network employing the existing routing instructions in the switch for the transport and termination of local calls. The test will proceed in two phases:

(1) an initial test limited to LCI lines; and

(2) a field trial involving actual third party end-users.

PHASE 1

Phase 1 will test elements on a very limited basis. LCI will use a small number of lines (20 or less at each location) belonging to our sales office in Atlanta, and possibly one other site. The test will contain as many variables as this small sample allows, but may not contain all available choices. It is designed to test basic procedures. The test will last long enough to allow bills to be rendered and reviewed by all parties. It is our intention that even though bills are rendered, no payment will be made for service of any kind during Phase 1 of the trial.

OBJECTIVES

We need to be able to test and verify the following:

- ❑ Manual orders placed for the purposes of testing the network functionality
- ❑ Exchange of daily usage containing all details necessary to allow LCI to render accurate bills to:
  - ◊ End-users
  - ◊ Other IXCs (both originating and terminating)
  - ◊ BellSouth for reciprocal compensation
- ❑ Trouble reporting/resolution/escalation procedures
- ❑ BellSouth billing to LCI for both accuracy and timeliness. This would include the suppression of billing that, in a UNE environment, belongs to LCI -- not BellSouth. We also need to test the billing for the specific UNE elements both recurring and non-recurring. LCI is interested in jointly billing access services based on the single bill/multiple tariff option.
- ❑ The ability to route intraLATA toll traffic to the LCI POP for completion
- ❑ An order to Add/Change/Delete service submitted electronically by EDI. This needs to include the ability to check order status and receive confirmations. We need to establish that this can be done at parity with BellSouth's own retail customers.

We will need the trial data transmitted to us separately from our current production data. We may also need additional data from BellSouth to allow us to verify the data that we receive.

LCI will want to test four types of orders:

(1) An "as is" conversion (*i.e.*, a customer keeps the exact same set of features that comprise the existing service arrangement).

(2) Installation of new service.

(3) A conversion where the end-user adds or deletes services, including vertical or class features.

(4) A conversion of complex customers. This may include PBX, Centrex, ISDN, ADSL or MDSL features.

We also desire to test selective routing and/or custom branding on OS/DA type calls on a set of lines.

During any of the above scenarios it is important for our customer to see service quality at parity with that which an BellSouth direct customer would see for the following call types:

- ❑ Direct Dial local
- ❑ IntraLATA 800
- ❑ Operator services
- ❑ Directory assistance/411
- ❑ E911 or 911
- ❑ 900/976 (unless blocked)
- ❑ interLATA 8XX
- ❑ 1+ long distance
- ❑ 10XXX
- ❑ International
- ❑ FGA/B/D
- ❑ InterLATA
- ❑ 700
- ❑ 500

LCI requests that, during and at the end of Phase 1, BellSouth be available to review progress or results as needed.

PHASE 2

The purpose of **Phase 2** is to test all the same elements as Phase 1 but at the next level. We will want to test the process end-to-end in a "production like" environment. For this test, we will be using actual customers with a much wider variety of services.

LCI will also want to test compatability across the different switch types that exist within BellSouth's network. LCI understands that all switches of a type may not be on the same software load. We anticipate using several hundred lines for this test. As with Phase 1, we will want the test to last long enough to render and verify the subsequent billing.

Phase 2 will commence after LCI is satisfied that all issues from Phase 1 have been adequately addressed.

B

EXHIBIT B

LCI International®
Worldwide Telecommunications

Anne K. Bingaman
Senior Vice President
President, Local
Telecommunications Division

September 2, 1997

Via Facsimile – 205-977-0037
Ms. Pam Kruse
BellSouth
3555 Collinnade, Room E4E1
Birmingham, AL

Dear Ms. Kruse:

This letter is in follow-up to the test plan that I sent to Drew Parker on July 18, 1997, and to the telephone conference call that Rocky Unruh and I had with you and various other BellSouth representatives on August 14, 1997.

As you know, LCI is currently providing local exchange service as a reseller in several states in BellSouth's region. As LCI has previously advised BellSouth, LCI plans to begin offering local exchange and exchange access service in BellSouth's region over a combination of unbundled network elements obtained from BellSouth, in a configuration that has come to be known as the "UNE Platform."

The platform that LCI intends to use consists of the following combination of network elements: loops, local switching, and access to BellSouth's interoffice network for the transport and termination of calls (*i.e.*, "shared transport"). Using this platform, LCI would rely on the pre-existing algorithms in the switch for routing local exchange and interexchange traffic. LCI would share with BellSouth (and other unbundled local switching purchasers) the existing trunk ports for purposes of routing local calls, and originating and receiving toll calls. Local calls to or

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from LCI's local customers would be routed over the shared trunk ports on to the existing interoffice network, pursuant to the existing routing instructions in the switch.

As the provider of local exchange service to its end-user customers over this UNE Platform, LCI would collect reciprocal compensation for termination of local calls, and would pay reciprocal compensation to the terminating carrier for local calls originated by LCI's end-user customers. As the provider of exchange access, :LCI would collect access charges from the interexchange carriers of interexchange calls originated by or terminated to LCI's end-user customers.

LCI's right to compete using the UNE Platform described above was most recently confirmed by the FCC in its Third Order on Reconsideration in the Local Competition docket (CC Docket No. 96-98), and in its Memorandum Opinion and Order on Ameritech's section 271 application (CC Docket No. 97-137). While LCI is anxious to begin competing for local service with the UNE Platform, it first needs to undertake a trial of the operational support systems that BellSouth has in place for the ordering, provisioning, and billing of the combination of UNEs, including BellSouth's capabilities to provide the information that will enable LCI to bill reciprocal compensation and access charges to interexchange carriers. The test plan that I sent to Drew Parker on July 18, 1997 describes the type of operational trial that LCI wishes to undertake with BellSouth.

We trust that this letter will provide BellSouth with sufficient information concerning LCI's request such that BellSouth can respond and move forward with the test LCI has requested. If BellSouth needs any further information, please do not hesitate to call me I look forward to hearing from you as soon as possible.

Sincerely,

Kay Speerstra

Kay Speerstra
UNE Project Manager

KS/lgp
cc: Anne K. Bingaman
Rocky Unruh

C

EXHIBIT C

BELLSOUTH

BellSouth Interconnection
Room South E4E1
3535 Colonnade Parkway
Birmingham, Alabama 35243

September 10, 1997

Kay Speerstra
UNE Project Manager
LCI International
8180 Greensboro Drive
McLean, VA 22102

Dear Ms. Speerstra:

This letter is in response to your letter of September 2, 1997, and follow-up to the conference call of August 14, 1997.

The platform that LCI intends to use for combining unbundled network elements has been determined to be "recombination". Recombination is the practice of combining unbundled network elements to mirror tariffed offerings. Rulings by the 8th Circuit Court have not required BellSouth to combine individual UNE's. BellSouth does, however, offer individual UNEs in a manner that allows CLECs to combine them. Additionally, BellSouth will continue to offer individual UNEs in an un-separated fashion as required by the FCC Order (51-315 b). This means, for example, that BellSouth will continue to provide all of the components of the loop (feeder, distribution, NID, etc.) in a combined manner.

In response to the 8th Circuit Court ruling, BellSouth is charging resale rates for unbundled elements ordered in combination that replicate a tariffed offering. If you have any further questions, please call me on 205-977-1445.

Sincerely,

Pam Kruse

Pam Kruse
Systems Designer

D

EXHIBIT D

Anne K. Bingaman
Senior Vice President
President, Local
Telecommunications Division

September 24, 1997

VIA FAX

Mr. Joe Baker
Vice President - Sales
Interconnection Service
BellSouth
675 W. Peachtree St., NE
Atlanta, GA 30375

Re: UNE Platform

Dear Mr. Baker:

As you know, LCI is currently reselling local exchange service in several states in BellSouth's region. As we have previously advised BellSouth, LCI's business plan is to begin offering as soon as possible local exchange and exchange access service in BellSouth's region over a combination of unbundled network elements obtained from BellSouth in a configuration that has come to be known as the "UNE platform."

In pursuit of our business objectives, LCI appointed a project manager for the UNE platform, Kay Speerstra, in June of 1997. On July 18, 1997, Ms. Speerstra sent to Drew Parker of BellSouth an Unbundled Network Platform Test Plan, proposing to establish a test between our two companies of the processes and procedures for, among other things, the ordering and provisioning of a combination of unbundled network elements. A copy of Ms. Speerstra's letter and test plan is enclosed.

When we did not get a response from BellSouth to our test plan, Ms. Speerstra made several telephone calls to Mr. Parker, and Mr. Parker thereafter set up a conference call with BellSouth representatives on August 14, 1997. During that conference call, BellSouth's representatives, including Mr. Parker and Systems Designer, Pam Kruse, claimed to not fully understand LCI's description of the UNE platform, and asked that LCI detail its position to BellSouth in writing. Pursuant to that request, Ms. Speerstra sent a letter to Ms. Kruse dated September 2, 1997, a copy of which is also enclosed. As you can see, Ms. Speerstra's letter outlines the UNE platform that LCI wishes to establish in BellSouth's region.

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Just this week, Ms. Speerstra received a response from Ms. Kruse (dated September 10, but postmarked September 16), a copy of which is enclosed for your information. Ms. Kruse states in her letter that the UNE platform that LCI intends to use has been "determined to be a recombination" (by whom she does not state), and that pursuant to the Eighth Circuit's recent decision, BellSouth is not offering unbundled elements in combination. Ms. Kruse also states that if LCI orders individual elements in a combination that replicates a tariffed offering by BellSouth, BellSouth intends to charge LCI a resale rate for those elements.

I am writing to you to determine if Ms. Kruse has accurately stated BellSouth's position on the UNE platform requested by LCI. If she has, LCI objects to BellSouth's position as being contrary not only to the Telecommunications Act of 1996 (the "Act") and the FCC's regulations and orders interpreting and applying the Act, but also to the Eighth Circuit decision that Ms. Kruse cites in her letter.

As you know, section 251(c)(3) of the Act requires BellSouth to provide competitors "nondiscriminatory access to network elements," and to do so "in a manner that allows requesting carriers to combine such elements in order to provide . . . telecommunications service." Section 252(d)(1)(A)(i) requires that the price of network elements be "based on the cost" of providing the elements. The FCC's regulations under the Act preclude BellSouth from separating network elements that are currently combined in its network. See 47 C.F.R. § 51.315(b). As the FCC explained in its First Report and Order, this provision "bars incumbent LECs from separating network elements that are ordered in combination." See Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, First Report and Order, 293 (August 8, 1996).

In its decision reviewing the Local Competition Order, the Eighth Circuit affirmed that BellSouth (and other ILECs) have a duty to provide LCI with combinations of elements that BellSouth currently combines in its own network, while vacating only those regulations that dealt with new combinations. Moreover, the Eighth Circuit affirmed that competitors such as LCI could provide telecommunications services entirely through the use of unbundled elements obtained from an ILEC's network, and specifically rejected the ILECs' argument that the use of unbundled elements in this fashion constituted a resale service for which resale rates should be charged.

Following the Eighth Circuit's decision, the FCC has reconfirmed the obligation of ILECs to provide existing combinations of UNEs to competitors. In its Third Order on Reconsideration, the FCC determined that "although incumbent LECs are not required to combine transport and switching facilities to the extent that those elements are not already combined, incumbent LECs may not separate such facilities that are currently combined, absent an affirmative request." (At ¶ 44.) In the Ameritech Michigan Order,

the FCC emphasized that "when a competing carrier seeks to purchase a combination of network elements, an incumbent LEC may not separate network elements that the incumbent LEC currently combines." (At ¶ 336.)

The UNE platform that LCI seeks to obtain from BellSouth consists of elements that are already combined in BellSouth's network: loops, unbundled switching and common or shared transport. Thus, there is no "recombination" of these elements that is required, and BellSouth is obligated to provide them to LCI in the combination requested. Moreover, BellSouth is obligated by the Act to provide these combined elements to LCI at cost based rates, not resale rates. Despite Ms. Kruse's claim to the contrary, there is nothing in the Eighth Circuit decision to support charging resale rates for these combined elements.

LCI believes that its ability to compete against BellSouth for local exchange and exchange access service will be significantly impaired if BellSouth continues to refuse to provide the UNE platform to LCI. The FCC agrees. In its Ameritech Michigan Order, the FCC recognized that "the ability of new entrants to use . . . combinations of unbundled network elements is integral to achieving Congress' objective of promoting competition in the local telecommunications market." (At ¶ 332.) The FCC also determined that "limitations on access to combinations of unbundled network elements would seriously inhibit the ability of potential competitors to enter local telecommunications markets through the use of unbundled elements, and would therefore significantly impede the development of local exchange competition." (At ¶ 333.)

For the reasons set forth above, we renew LCI's request to move forward as soon as possible with a test of the UNE platform as outlined in our test plan and correspondence to BellSouth. Please advise me as soon as possible whether BellSouth intends to continue to refuse to provide the UNE platform to LCI, and, if so, whether Ms. Kruse has accurately stated the reasons for BellSouth's refusal in that regard. If Ms. Kruse did not accurately state BellSouth's position, then please advise me when we can move forward with the test we have proposed.

I look forward to hearing from you soon.

Sincerely,

Anne K. Bingaman

Anne K. Bingaman

AKB:sg

E

EXHIBIT E

BELLSOUTH

BellSouth Interconnection Services
Suite 350
One Chase Corporate Drive
Hoover, Alabama 35244

205 988-7600
Fax 205 988-6969

Fred P. Monacelli
Sales Assistant Vice President

October 7, 1997

Ms. Anne K. Bingaman
Senior Vice President - LCI
President, Local Telecommunications Division
8180 Greensboro Drive
McLean, Virginia 22102

Dear Ms. Bingaman:

This is in response to your September 24, 1997, letter to Joe Baker. In that letter you asked that BellSouth clearly state its position relative to LCI's unbundled network element (UNE) platform plan.

BellSouth considers LCI to be a valued customer. Regarding LCI's platform plan, BellSouth offers resale service and/or UNEs that LCI can combine with its own facilities to provide a telecommunications service or combine BellSouth UNEs itself to provide a unique telecommunications service or to duplicate a BellSouth retail service. BellSouth's position is consistent with the 8th Circuit Court of Appeal's July 18, 1997 opinion. The 8th Circuit plainly stated that the Act "unambiguously indicates that the requesting carriers will combine the unbundled network elements themselves." Therefore, there is no legal duty on the part of BellSouth to provide combined network elements to LCI. Consistent with the 8th Circuit's ruling, if it is LCI's plan to utilize all BellSouth network elements to provide finished telephone service, LCI may purchase all of the individual unbundled network elements needed to provide finished telephone service, but LCI must combine the necessary elements. The 8th Circuit ruling clearly finds, however, that BellSouth, as an ILEC, has no obligation to combine network elements. The 8th Circuit expressly stated in upholding the FCC's rule that "[our] ruling finding that [the Act] does not require an incumbent LEC to combine the elements for a requesting carrier establishes that requesting carriers will in fact be receiving the elements on an unbundled basis." Thus, the only meaning that can now be given to FCC Rule 51.315(b) is that an incumbent LEC may not further unbundle a network element to be purchased by another local provider unless explicitly requested to do so by that provider. The rule cannot be read as requiring ILEC's to deliver combinations to providers such as LCI.

In all states, when LCI orders individual network elements that, when combined by LCI, duplicate a retail service provided by BellSouth, BellSouth will treat, for purposes of billing and provisioning, that order as one for resale. When LCI orders individual network elements that, when combined by LCI, creates a unique LCI telecommunications service, BellSouth will treat, for purposes of billing and provisioning, that order as one for unbundled network elements.

BellSouth, however, is examining the viability of providing various combinations of UNEs as a service to its interconnection customers. Such service offerings would have prices that reflect the 8th Circuit's finding that the use of unbundled network elements involves greater risk to the other provider than does resale.

I trust that this response provides the details you were seeking. As your Account Team, we stand ready to support LCI's local service initiatives with the same professionalism and customer focus we provide on the "access" side of your business.

Sincerely,

Fred P. Monacelli

Fred Monacelli

cc: Joe Baker