

**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE  
TELECOMMUNICATIONS ACT OF 1996**

Dated as of \_\_\_\_\_, 1998

by and between

New England Telephone and Telegraph Company

and

Covad Communications Company

### 13.0 COLLOCATION -- SECTION 251(c)(6)

13.1 BA shall offer to Covad Physical or Virtual Collocation of equipment necessary for Interconnection (pursuant to Section 4.0) or for access to unbundled Network Elements (pursuant to Section 11.0), pursuant to the terms and conditions in this Section and BA's approved Tariffs on file with the FCC and the DTE, except that BA may offer only Virtual Collocation if BA demonstrates to the Department that Physical Collocation as described in this Agreement is not practical for technical reasons or because of space limitations, as provided in Section 251 (c)(6) of the Act. BA shall provide Collocation solely for the purpose of Interconnection with facilities or services of BA or access to unbundled Network Elements of BA, except as otherwise mutually agreed to in writing by the Parties or as required by the FCC or the Department, subject to applicable federal and state Tariffs and license agreements.

13.2 BA shall offer, upon request by Covad and to the extent technically feasible, Physical Collocation arrangements where the dedicated space may be a minimum of approximately twenty-five (25) square feet, at the appropriate cost. Such arrangements will be made pursuant to applicable Tariffs when such Tariffs are approved.

13.3 Bell Atlantic will provide Covad with Physical Collocation as specified in Sections 13.1 and 13.2 above; provided however, that upon written request by Covad, Bell Atlantic will not enclose by a cage or other means Covad's equipment that is placed within the secured and physically separated area set aside by Bell Atlantic within a central office for the purposes of collocation set forth in 13.1 above and pursuant to BA's state collocation Tariff(s) on file with the DTE. When Covad avails itself of this option, Bell Atlantic will adjust its charges for Physical Collocation, as approved by the Department, by deducting the costs included in the approved charges associated with enclosing a collocater's equipment by a cage or other means within the collocation area.

13.4 BA shall provide Collocation at additional locations for placement of equipment necessary for interconnection or for access to unbundled Network Elements, and alternative physical collocation arrangements, to the extent required by Applicable Law.

13.5 In comport with Applicable Law, Covad reserves the right to have Covad's dedicated Collocation space constructed by a third party sub-contractor in accordance with BA engineering specifications utilizing a BA-approved sub-contractor. Request by Covad for approval of additional sub-contractors will not be unreasonably withheld.

13.6 Covad may collocate Digital Subscriber Line Access Multiplexers ("DSLAM"s) in its collocated space, subject to the requirements of this Section. Covad may install any equipment allowed by Law, including Remote Switching Modules ("RSM"s) and DSLAMs in its Collocation space unless and until the FCC determines that incumbent LECs need not permit Collocation of such equipment, or until the Massachusetts arbitration decision on which this clause is based is reversed or overruled, in which event BA must allow Covad a reasonable

transition period for removing, replacing or modifying such equipment, or for otherwise negotiating a mutually satisfactory alternative arrangement with BA. Covad agrees that any such equipment must comply with National Equipment Building System ("NEBS") Level III. Covad agrees that such RSM or DSLAM equipment as may be collocated at BA premises will not be used to provide switching functionality unless such use is specifically approved by the Department.

13.7 Covad agrees to offer to BA Collocation of equipment for purposes of Interconnection (pursuant to Section 4) on a non-discriminatory basis and at comparable rates, terms and conditions as Covad may provide to other third parties. Covad shall provide such collocation subject to applicable Tariffs.

13.8 In the course of implementation of a Collocation project, BA shall:

- (a) identify the Collocation project manager assigned to the project;
- (b) develop a written comprehensive "critical tasks" timeline detailing the work (and relative sequence thereof) that is to be performed by each Party or jointly by both Parties; and
- (c) provide Covad with the relevant engineering requirements.

13.9 The Collocating Party shall purchase Cross Connection to services or facilities as described in applicable Tariffs or this Agreement. Transport facilities may be leased from BA under terms and conditions set forth in this Agreement or applicable Tariffs.

13.10 Except in the event that Covad changes its Application for Collocation requirements after they have been accepted by BA and such changes would, in the reasonable judgment of BA, cause a construction or other delay which would affect the delivery of collocated space, or in the event of "Special Circumstances" detailed by BA for Covad, and subject to the circumstances contemplated by Section 29.3 of this Agreement, the collocated space shall be constructed, made ready, and delivered by BA to Covad within fifteen (15) weeks of the date of receipt by BA of Covad's Application for Collocation and the applicable BA Tariff fee(s).

Covad and BA also agree that a three (3) week extension will apply when "Special Circumstances" are identified at the time of a "space walk-through" or later in the collocation process, provided BA notifies Covad within two (2) business days of the discovery of such "Special Circumstances". For the purposes of this Section 13.0, the term "Special Circumstances" shall mean special, unusual or unanticipated conditions or circumstances arising out of or required by Covad's Application for Collocation (excluding changes made by Covad to such Application after such Application has been accepted by BA) which could, in the reasonable judgment of BA, cause a construction or other delay in the delivery of collocated space, including, by way of illustration and without limitation, major construction obstacles, asbestos abatement procedures or uncustomary modifications to the Collocation premises.



In those instances where Covad changes its requirements which will affect the delivery of collocated space, or where otherwise extraordinary circumstances exist, the interval for construction and delivery of the collocated space shall be extended to reflect those changes upon mutual agreement of the Parties.

13.11 Collocation shall occur under the terms of each Party's applicable and available Tariffs, subject to the provisions of this Section 13, and pursuant to Applicable Law.

### 13.12 Dedicated Transit Service

13.12.1 "Dedicated Transit Service" provides for the dedicated connection between a Covad Collocation arrangement established pursuant to applicable tariffs and/or license agreements at a BA premises and a Collocation arrangement of a third Party carrier that maintains a Collocation arrangement at the same premises. Dedicated Transit Service shall be provided using a cross-connection (dedicated connection) using suitable BA-provided cable or transmission facilities or any other mutually agreed upon arrangement.

13.12.2 The carrier that requests the Dedicated Transit Service shall be the customer of record for both ends of the service in terms of ordering, provisioning, maintenance, and billing. Alternative arrangements may be utilized if agreed upon by all three parties. Rates and charges for Dedicated Transit Service are stated in Exhibit A.



**Bell Atlantic - Massachusetts and Covad  
PRICING SCHEDULE<sup>1</sup>**

**BA Services, Facilities, and Arrangements:****I. Call Transport & Termination**

	BA Service	Non-recurring	Recurring
1.	Reciprocal Compensation Traffic delivered to BA Interconnection Point	\$..008*/mou (Peak) \$.008*/mou (Off-Peak)	End Office Termination End Office Termination
		\$..008*/mou (Peak) \$.008*/mou (Off-Peak)	Tandem Termination Tandem Termination
		Charged in accordance with Note 2 below.	
	Access charges for termination of intrastate and interstate Toll Traffic	Per BA FCC No. 1 interstate and DTE No. 15 intrastate access tariffs (charged in conjunction with Local Traffic, using PLU and PIU factors, as appropriate)	
3.	Entrance facilities, and transport, as appropriate, for Interconnection at BA End Office, Tandem Office, Serving Wire Center, or other Point of Interconnection	Per BA FCC No. 1 interstate and DTE No. 15 intrastate access tariffs for Feature Group D service.	

<sup>1</sup> All rates and/or rate structures set forth herein, that are marked with an asterisk ("\*"), as applied to wholesale discount of retail Telecommunications Services, unbundled Network Elements or call transport and/or termination of Local Traffic purchased for the provision of Telephone Exchange Service or Exchange Access, shall be interim rates and/or rate structures. These interim rates and/or rate structures shall be replaced on a prospective basis by such permanent rates and/or rate structures (applicable to wholesale discount of retail Telecommunications Services, unbundled Network Elements or call transport and/or termination of Local Traffic purchased for the provision of Telephone Exchange Service or Exchange Access) as may be approved by the Department and if appealed as may be ordered at the conclusion of such appeal. At such time as such permanent rates and/or rate structures have been approved by the Department, the Parties shall append to this Exhibit an Exhibit AA, setting forth such rates and/or rate structures, which Exhibit AA the Parties shall update periodically as necessary.

Pending approval of rates and/or rate structures filed for intrastate physical collocation, all intrastate physical collocation services shall be charged at rates found in Mass. DTE Tariff No. 15.

Note 2: **RECIPROCAL COMPENSATION TRAFFIC TERMINATION RATES**

A. Charges by BA

INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE  
TELECOMMUNICATIONS ACT OF 1996

Dated as of October 7, 1998

by and between

BELL ATLANTIC - VIRGINIA INC.

and

DIECA COMMUNICATIONS, INC.

12.4.6 BA may impose additional restrictions on Covad's resale of BA's retail Telecommunications Services to the extent permitted by Applicable Laws.

### 13.0 COLLOCATION -- SECTION 251(c)(6)

13.1 BA shall offer to Covad Physical or Virtual Collocation of equipment necessary for Interconnection (pursuant to Section 4.0) or for access to unbundled Network Elements (pursuant to Section 11.0), pursuant to the terms and conditions in this Section and BA's ~~approved Tariffs on file with the FCC and the Commission~~, except that BA may offer only Virtual Collocation if BA demonstrates to the Commission that Physical Collocation as described in this Agreement is not practical for technical reasons or because of space limitations, as provided in Section 251(c)(6) of the Act. BA shall provide Collocation solely for the purpose of Interconnection with facilities or services of BA or access to unbundled Network Elements of BA, except as otherwise mutually agreed to in writing by the Parties or as required by the FCC or the Commission, subject to applicable federal and state Tariffs and license agreements.

13.2 BA shall offer, upon request by Covad and to the extent technically feasible, Physical Collocation arrangements where the dedicated space may be a minimum of approximately twenty-five (25) square feet, at the appropriate cost. In the event there is no existing Tariff for this arrangement, the Parties shall expeditiously and in good faith negotiate interim terms for this type of physical Collocation. Such arrangements will be made pursuant to applicable Tariff(s) when such Tariff(s) are approved.

13.3 BA will provide Covad with Physical Collocation as specified in Sections 13.1 and 13.2 above; provided however, that upon written request by Covad, Bell Atlantic will not enclose by a cage or other means Covad's equipment that is placed within the secured and physically separated area set aside by Bell Atlantic within a Central Office for the purposes of Collocation set forth in 13.1 above and pursuant to any applicable BA Collocation Tariff(s). In the event that there is no existing Tariff for this entire arrangement, the Parties shall expeditiously and in good faith negotiate interim terms for this type of physical Collocation. This entire arrangement will be made pursuant to applicable Tariff(s) when such Tariff(s) are approved.

13.4 Collocation shall be made available to Covad on BA Premises as required by Applicable Law and in a manner that is at parity to the priorities that BA provides to persons who are permitted to collocate, including BA's Affiliates that are required to collocate. Pursuant to applicable Tariff, or to Schedule 13.4 until such time as an approved Tariff is effective, BA will provide Covad with shared cage Collocation, in which Covad can collocate equipment in another collocating entity's physical Collocation arrangement. Upon request by Covad for shared cage Collocation, the Parties will negotiate expeditiously and in good faith to resolve any operational, provisioning and billing issues that are not covered by an applicable Tariff or Schedule 13.4. Notwithstanding any other provision of this Agreement, BA will provide Covad with alternative Collocation arrangements (including "cage-less" physical Collocation) to the

extent that such arrangements are required by Applicable Law, and may consider other alternative arrangements proposed by Covad. BA shall provide Collocation at additional locations for placement of equipment necessary for Interconnection or for access to unbundled Network Elements to the extent required by Applicable Law.

13.5 In comport with Applicable Law, Covad reserves the right to have Covad's dedicated (but not common) Collocation space constructed by a third party sub-contractor in accordance with BA engineering specifications utilizing a BA-approved sub-contractor. Request by Covad for approval of additional sub-contractors will not be unreasonably withheld.

13.6 Covad may collocate Digital Subscriber Line Access Multiplexers ("DSLAM"s) in its collocated space, subject to the requirements of this Section. Covad may install any equipment allowed by Law, including Remote Switching Modules ("RSM"s) and DSLAMs in its Collocation space unless and until the FCC, the Commission, or a court of competent jurisdiction determines that incumbent LECs need not permit Collocation of such equipment, in which event BA must allow Covad a reasonable transition period for removing, replacing or modifying such equipment, or for otherwise negotiating a mutually satisfactory alternative arrangement with BA. Covad agrees that any such equipment must comply with National Equipment Building System ("NEBS") Level III. Covad agrees that such RSM or DSLAM equipment as may be collocated at BA premises will not be used to provide switching functionality unless such use is specifically approved by the Commission.

BA will permit Covad to install, maintain, repair and use ATM cross-connect equipment in BA Premises where Covad has established a physical Collocation arrangement, provided that such equipment will be used to support pre-defined point-to-point Private Virtual Connections ("PVC"s) between the Premises-collocated equipment and other points off BA's network. The ATM cross-connect equipment shall be used exclusively for aggregating and transporting traffic and will not under any circumstances be used for dynamic routing or switching of traffic. BA shall have the right at its own expense to audit Covad's use of such collocated equipment, and if it finds that Covad is using the equipment for switching of Local Traffic or other uses prohibited hereunder, BA may either invoke the dispute resolution provisions of this Agreement, or notify Covad in writing and Covad shall then remove such equipment from BA's Premises.

13.7 Covad agrees to offer to BA Collocation of equipment for purposes of Interconnection (pursuant to Section 4.0) on a non-discriminatory basis and at comparable rates, terms and conditions as Covad may provide to other third parties. Covad shall provide such Collocation subject to applicable Tariffs.

13.8 In the course of implementation of Collocation project, BA shall:

- (a) identify the Collocation project manager assigned to the project;
- (b) develop a written comprehensive "critical tasks" timeline detailing the work (and relative sequence thereof) that is to be performed by each Party or jointly by both Parties; and

(c) provide Covad with the relevant engineering requirements.

13.9 The Collocating Party shall purchase Cross Connection to services or facilities as described in applicable Tariffs or this Agreement. Transport facilities may be leased from BA under terms and conditions set forth in this Agreement or applicable Tariffs.

13.10 Except in the event that Covad changes its Application for Collocation requirements after they have been accepted by BA and such changes would, in the reasonable judgement of BA, cause a construction or other delay which would affect the delivery of collocated space, or in the event of "Special Circumstances" detailed by BA for Covad, and subject to the circumstances contemplated by Section 29.3 of this Agreement, the collocated space shall be constructed, made ready, and delivered by BA to Covad within the interval specified in the applicable Tariff following the date of receipt by BA of Covad's Application for Collocation and the applicable BA Tariff fee(s).

Covad and BA also agree that a three (3) week extension will apply when "Special Circumstances" are identified at the time of a "space walk-through" or later in the Collocation process, provided that BA notifies Covad within two (2) business days of the discovery of such "Special Circumstances". For the purposes of this Section 13.0, the term "Special Circumstances" shall mean special, unusual, or unanticipated conditions or circumstances arising out of or required by Covad's Application for Collocation (excluding changes made by Covad to such Application after such Application has been accepted by BA) which could, in the reasonable judgement of BA, cause a construction or other delay in the delivery of collocated space, including, by way of illustration and without limitation, major construction obstacles, asbestos abatement procedures or uncustomary modifications to the Collocation premises.

In those instances where Covad changes its requirements which will affect the delivery of collocated space, or where otherwise extraordinary circumstances exist, the interval for construction and delivery of the collocated space shall be extended to reflect those changes upon mutual agreement of the Parties.

13.11 Collocation shall occur under the terms of each Party's applicable and available Tariffs, subject to the provisions of this Section 13, and pursuant to Applicable Law.

#### **13.12 Cage-to-Cage Interconnection**

13.12.1 Cage-to-Cage Interconnection provides for the dedicated connection between a Covad Collocation arrangement established pursuant to applicable Tariffs and/or license agreements at a BA Premises and the Collocation arrangement of a third party carrier that maintains a Collocation arrangement at the same premises, so long as the collocated equipment of both Collocation arrangements is used for Interconnection with BA or access to BA's unbundled Network Elements. Covad shall purchase Cage-to-Cage Interconnection using Collocation Cross Connections to services and facilities as described in applicable Tariffs.

13.12.2 The carrier that requests the Collocation Cross Connections shall be the customer of record for both ends of the service in terms of ordering, provisioning, maintenance, and billing. Alternative arrangements may be utilized if agreed upon by all three parties. Rates and charges for Collocation Cross Connections are stated in Exhibit A.

## **SECTION 251(b) PROVISIONS**

### **14.0 NUMBER PORTABILITY -- SECTION 251(b)(2)**

#### **14.1 Scope**

14.1.1 The Parties shall provide Local Telephone Number Portability ("LTNP") on a reciprocal basis to each other to the extent technically feasible, and in accordance with rules and regulations as from time to time prescribed by the FCC and/or the Commission.

14.1.2 Until Permanent Number Portability is implemented by the industry pursuant to regulations issued by the FCC and/or the Commission, the Parties agree to reciprocally provide Interim Number Portability to each other at the prices listed in Exhibit A. Such agreed-upon prices for INP are not intended to reflect either Party's views on the cost recovery mechanisms being considered by the FCC in its current proceeding on number portability issues.

14.1.3 Upon the agreement of the Parties or issuance of applicable FCC and/or Commission order(s) or regulations mandating the adoption of a Permanent Number Portability ("PNP") arrangement, BA and Covad will commence migration from INP to the agreed-upon or mandated PNP arrangement as quickly as practically possible while minimizing interruption or degradation of service to their respective Customers. Once PNP is implemented, either Party may withdraw, at any time and at its sole discretion, its INP offerings, subject to advance notice to the other Party and coordination to allow the seamless and transparent conversion of INP Customer numbers to PNP. Upon implementation of PNP pursuant to FCC or Commission regulation, both Parties agree to conform and provide such PNP. To the extent PNP rates or cost recovery mechanisms are not established by the applicable FCC or Commission order or regulation mandating the adoption of PNP, the Parties will negotiate in good faith the charges or cost recovery mechanism for PNP service at such time as a PNP arrangement is adopted by the Parties.

14.1.4 Under either an INP or PNP arrangement, Covad and BA will implement a process to coordinate LTNP cutovers with ULL conversions (as described in Section 11 of this Agreement).

#### **14.2 Procedures for Providing INP Through Remote Call Forwarding**

Covad and BA will provide INP through Remote Call Forwarding as follows:

BELL ATLANTIC-VIRGINIA, INC. AND COVAD

DETAILED SCHEDULE OF ITEMIZED CHARGES<sup>1</sup>

A. BA Services, Facilities, and Arrangements:

	<u>BA Service</u>	<u>Non-recurring</u>	<u>Recurring</u>
1.a.	Entrance facilities, and transport, as appropriate, for Interconnection at BA End Office, Tandem Office, or other Point of Interconnection	Per interstate [BA FCC #1 sec. 6.9.1.] access tariffs for Feature Group D service  Illustrative:  Interstate non-recurring: \$1, plus \$1 switched access connection charge per DS-1 trunk; DS-1 entrance facility \$210-\$212/mo.	
1.b.	Collocation and related services for Interconnection at BA End Office, Tandem Office, or other Point of Interconnection	Per interstate [BA FCC 1 sec. 19] access tariffs.	

<sup>1</sup> Pursuant to the Commission's Orders in Case Nos. PUC960100, PUC960103, PUC960104, PUC960105, and PUC960113, issued on November 8, 1996, rates as set forth herein, as applied to wholesale discount of retail Telecommunications Service are final or permanent (until otherwise changed by the Commission), and all other rates, including rates for unbundled Network Elements, call transport and/or termination of Local Traffic, shall be interim rates. These interim rates shall be replaced on a prospective basis by such permanent rates as may be approved by the Commission from time to time. As such permanent rates are approved by the Commission, the Parties shall append to this Exhibit an Exhibit AA, setting forth such rates. Exhibit AA may be updated from time to time by agreement of the Parties or by order of the Commission.

	<u>BA Service</u>	<u>Non-recurring</u>	<u>Recurring</u>
1.c.	Tandem transit arrangements (for Interconnection between Covad and carriers other than BA)	Per tariffs cited in sections 1.a. and 1.b. above, as applicable; separate trunks required for IXC subtending trunks	Per interstate [BA FCC 1 Sec. 6.9.1.B] for tandem switching and tandem switched transport  Illustrative:  Interstate tandem switching \$.000800/mou, tandem switched transport \$.000279/mou plus \$.000030/mou/mile
1.d.	911 Interconnection	Per tariffs cited in 1.a., 1.b., and 1.c. above, as applicable, for entrance facility plus applicable transport, or Collocation Arrangement at 911 tandem	
1.e.	Directory assistance Interconnection	Per interstate tariff BA FCC 1 sec. 9.6.B	Per interstate tariff BA FCC 1 sec. 9.6.B  Illustrative:  Per call rate \$.000082 fixed, \$.000019 per mile, \$.000353 tandem switching, \$.002311 interconnection
1.f.	Operator services (call completion) Interconnection	Per separate contract	
2.	Unbundled elements	Available as listed herein and pursuant to Section 11 of the Agreement	
3.	Poles, ducts, conduits, ROW	Per contract rates pursuant to 47 U.S.C. sec. 224	
4.a	Local loop transmission  Unbundled Local Loop Element and cross-connect to Basic Links	Interim rates as follows until Commission determines permanent rates:	Interim rates as follows until Commission determines permanent rates:

	<u>BA Service</u>	<u>Non-recurring</u>	<u>Recurring</u>
	2 Wire Analog Loops (POTS Loops) & 4 Wire Loops	Service Order \$20.21  Installation for new customers, per loop \$27.02  Installation for existing customers, per loop \$13.91	2-wire loops  Monthly <u>Geographic Zone</u> <sup>2</sup> <u>Rate Density</u> Group 1                    \$ 9.52 Density Group 2        \$13.31 Density Group 3        \$19.54  4-wire loop rates - two times the 2- wire rates
4.a (Cont.)	ISDN Loops	<u>Service Order:</u> \$23.93 <u>Installation:</u> If premises visit not required, initial & each additional loop - \$18.47  If premises visit required, initial loop - \$90.87  If premises visit required, additional loop - \$40.02	<u>Density Cell:</u> 1 - \$19.87/Month 2 - \$24.47/Month 3 - \$41.26/Month
	DS-1 Loops	<u>Service Order:</u> \$17.72 <u>Installation:</u> If premises visit not required, initial & each additional loop - \$70.58  If premises visit required, initial loop - \$156.29  If premises visit required, additional loop - \$105.43	<u>Density Cell:</u> 1 - \$157.09/Month 2 - \$177.55/Month 3 - \$233.74/Month
	2 Wire ADSL Loops 2 Wire & 4 Wire HDSL Loops	TBD TBD	TBD TBD

<sup>2</sup> Geographic density zones as proposed by BA in Exhibit CAE-54 in Case Nos. PUC960100, PUC960103, PUC960104, PUC960105, and PUC960113.

	<b>BA Service</b>	<b>Non-recurring</b>	<b>Recurring</b>
	Distance Extensions for various ULL types for distances exceeding transmission characteristics in applicable technical references	TBD	TBD
	Coordinated cutover	Without field dispatch \$11 With field dispatch \$25	
	Cross Connects to Basic Links:		\$0.86/DS-O All others at BA's interstate expanded interconnection tariff.
4.b.	Special construction charges	As applicable per BA-VA SCC 203 sec. 2	
4.c.1	Service Technician Charges (Maintenance Service Charges) (service technician work on unbundled loops outside of the central office)	As per BA Companies Administrative Guidelines (Detariffed Services) Section 6.D.2 Illustrative: Initial visit charge \$42.00 Work charge (per quarter hour) \$16.00	

	<u>BA Service</u>	<u>Non-recurring</u>	<u>Recurring</u>
4.c.2	Central office technician charges	Per interstate BA FCC 1 sec. 19.7.7 tariff. <u>Normal Working Hours:</u> First 1/2 hour or fraction thereof \$90.00/technician Each Additional 1/2 hour or fraction thereof \$30.00/technician  <u>Overtime:</u> First 1/2 hour or fraction thereof \$100.00/technician Each Additional 1/2 hour or fraction thereof \$40.00/technician  <u>Premium Time:</u> First 1/2 hour or fraction thereof \$120.00/technician Each Additional 1/2 hour or fraction thereof \$50.00/technician	
5.a.	Trunk Side local transport  DS-1 trunks	Per interstate [BA FCC 1 sec. 6.9.1.C] tariffs  Illustrative recurring: \$60/mo fixed, \$17.70/mile/mo	
5.b.	DS-3 trunks	Tariff reference see 5.a. above.  Illustrative recurring: \$900/mo fixed, \$180/mile/mo	
5.c.	Mid-span meet arrangements	To be charged in accordance with the requirements of Section 4.3 of the Agreement	
6.	Local switching <sup>3</sup>  Unbundled Switching Element  POTS switch Port	\$6/service order per line to establish or modify service  \$6/service order plus \$6/Port	\$0.003/mou of local switch usage  \$1.55/mo

<sup>3</sup> In addition to the recurring and non-recurring rates set forth herein for unbundled switching elements, BA may levy upon a purchaser of such elements any access charges (or portion thereof) permitted by Applicable Laws.

## PART III: SERVICE DESCRIPTION -- ANCILLARY FUNCTIONS

### 1. Intentionally Omitted

### 2. Collocation

#### 2.1 Definition

Subject to the availability of space, physical collocation ("collocation") is the right of COVAD to obtain dedicated space, power and other associated resources as provided herein in the BELL ATLANTIC Local Serving Office (LSO) serving wire centers and tandem offices which are specified in NECA 4, as well as all other BELL ATLANTIC premises as required under the Act and the Order ("Collocation Premises"), and to place equipment in such spaces to interconnect with the BELL ATLANTIC network services and/or unbundled Network Elements and/or interconnect to any other interconnector located in such Collocation Premises through BELL ATLANTIC facilities. Subject to Section 7.4 of the General Terms and Conditions of this Agreement, BELL ATLANTIC shall provide to COVAD collocation space necessary for the placement of equipment necessary for interconnection and for access to unbundled Network Elements according to applicable BELL ATLANTIC tariffs, including but not limited to P. S. C. No. 900 Tariff, as in effect from time to time and the terms of this Agreement. On COVAD's written request, BELL ATLANTIC will provide virtual collocation, even if physical collocation is available, but subject to and in accordance with applicable tariffs and the terms of this Agreement; provided, however, that BELL ATLANTIC agrees not to voluntarily file any tariff provision with the Commission that is inconsistent with the position that virtual collocation is available upon request even if physical collocation is also available. Except for the provisions of Section 2.4.23 of this Part III, the provisions of this Part III shall not be applicable to collocation for solely interstate purposes. Except for the provisions of Section 2.4.23 of this Part III, if COVAD requests collocation for solely (100%) interstate purposes, the same shall be governed by applicable FCC tariffs, and whether a purpose constitutes interstate or intrastate shall be determined according to applicable FCC rules and tariffs.

#### 2.2 Technical Requirements

2.2.1 BELL ATLANTIC shall provide, upon request by COVAD, a license to occupy space to meet COVAD's needs for placement of equipment for interconnection, or access to unbundled Network Elements pursuant to the requirements in this Agreement.

NYT

\$3000 per initial data plus  
\$250/ monthly update\*

3. Intentionally Omitted:

4. Operations Systems Access:

Per Transaction Charge -	**
Monthly Data Access -	**
Operations Support Charge - per MOU (Single charge per MOU for any single element)	\$ .0014*

5. Other

Record Change Charge -	**
Duplicate Bill Charge -	\$.12/page(paper), \$14/disk,* \$15.96/tape* \$.0015/record*
Data Entry Search -	**
Call Blocking -	**
Design Change Charge -	\$113.98 per order*
AIN Query Launch Charge -	**
New Rate Elements, OSS and Databases	**
Special Construction/ICB requests -	**

6. Intentionally Omitted

XII. A. Collocation\*\*<sup>3</sup>

1.Cage - 1st 100 ft. - per P.S.C. 900 Tariff

<sup>3</sup> Including conditioning charges.  
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- 2. Cage - Add. ft. - per P.S.C. 900 Tariff
- 3. Cable Space - per P.S.C. 900 Tariff
- 4. Space - per P.S.C. 900 Tariff
- 5. Basic DW Power - per P.S.C. 900 Tariff
- 6. Additional Power - Individual Case Basis
- 7. Application Fee per P.S.C. 900 Tariff

**B. Virtual Collocation**

Application fee: \$2,500.00  
 Other Charges: ICB

**XIII. Customized Routing/Network Design Request**

Unbundled Network Elements - Individual Case Basis

Prices for non-standard offering will be on an Individual Case Basis.

**XIV. Alternate Billed Calls**

Billing and Collection Fee - \$.05 per call

**XV. NID \$ .58 per month\***

**XVI. Branding**

914 Branding Fee \$.05 per message\*

**XVII. Additional Charges:**

Additional charges which are filed with the Commission shall apply, at a zero rate, on an interim basis. Such charges shall be true-up as specified in this part IV, Section B, footnote entitled "True-Up." Provided, further, that, if any rate element is a duplicate of a rate element identified by a single asterisk in this Part IV, Section B, BELL ATLANTIC may assess the charge identified by the single asterisk, rather than a zero charge.

XVIII. Electronic Copies

Electronic copies of SAG	TBD
Electronic copies of NPA-NXX Features & Facilities	TBD

**RATE APPLICATION RULES**

1. General

- (a) Rates for elements, services or activities not listed in this Part IV shall be applied pursuant to tariffs or Commission approved rates (subject to any appropriate cost methodology, for unbundled Network Elements and other services) or, if there shall not be a tariff or Commission approved rate covering such elements, services or activities, such rates as the Parties shall agree. Such rates shall be applied as of the date of filing or submission of the proposed rates with the Commission, subject to true-up back to the date of such submission or filing. For those unbundled Network Elements and other services required to be provided by BELL ATLANTIC pursuant to Section 251 of the Act, the rates for such unbundled Network Elements and services shall be in accordance with the Act and applicable effective decisions, orders, rules and regulations of the Commission. Nothing in this subparagraph shall be construed as a waiver by COVAD of its right to contest proposed rates in appropriate proceedings before the Commission.
- (b) Those rates set forth in Part IV that are marked with a double asterisk are interim rates and no provision in these Rate Application Rules is intended to limit, nor shall any such provision be deemed to limit, the right of

COVAD to challenge before the Commission the imposition of a tariffed rate other than zero with respect to such item or the right of BELL ATLANTIC to seek approval from the Commission of a tariffed rate other than zero with respect to such item.

- (c) If either Party cannot measure time of day for purposes of rendering its bill to the other Party the other Party will, upon request (to the extent possible), provide verifiable time of day factors to the billing Party for use in rendering its bill.
- (d) Day, evening, and night shall be defined as provided in the P.S.C. 915 Tariff for Local Services and in the P.S.C. 914 tariff for all other services and elements provided under this Agreement.
- (e) Billable traffic exchanged pursuant to this Agreement shall be measured for terminating usage charges in actual conversation seconds, where available, and measured for originating usage charges in actual access seconds. Access seconds include conversation seconds plus a non-conversation time additive, which includes the message attempts ("NCTA"), consistent with current practices. Where the originating usage measured contains only conversation seconds, the Parties will agree on a methodology to convert and bill in access seconds, which will include an NCTA. The Parties shall agree on the calculation of the NCTA. The total conversation seconds and access seconds per chargeable traffic types shall be totaled for the entire processing cycle and then rounded to the next higher whole minute.
- (f) The terms and provisions of this Part IV and of Attachment 6, including, without limitation, the rates for unbundled Network Elements provided, shall be subject to, and interpreted in all respects consistently with, the applicable call flows diagram(s) annexed hereto as Exhibit A (the "Call Flows Diagrams").

## **2. Reciprocal Compensation**

- (a) Charges for Reciprocal Compensation shall be billed in accordance with Attachment 6. Reciprocal Compensation for the termination of this traffic shall be charged at rates specified in Part IV to this Agreement.
- (b) In lieu of the Reciprocal Compensation arrangement referred to above and where permitted by state law or Commission regulation or order, the

parties may mutually agree to adopt a bill and keep compensation arrangement or such other mutually agreed upon compensation arrangement.

- (c) Reciprocal Compensation shall be priced depending on whether the traffic terminates at the carrier's end office ("Meetpoint A") or at the carrier's tandem point of interconnection ("Meetpoint B").
- (d) Where either Party uses a single trunk to carry Reciprocal Compensation Traffic and other types of traffic, such Party shall provide the other Party with verifiable factor(s) identifying the percentage(s) of such different traffic types which shall be used to determine the number of minutes of that trunk group that will be charged at each applicable rate. Factors may be updated as appropriate not more often than quarterly by the Party providing such factors to reflect the actual mix of traffic.

### 3. Unbundled Network Elements

- (a) "BELL ATLANTIC Shared Transport Rate" shall be the blended rate of common direct transport and common transport through tandem switched arrangements, as described in Exhibit A to this Part IV.
- (b) "Call Usage Detail Service" rates for record processing, data transmission and tape cartridge (as specified in Section XI.B of this Part IV) shall apply for end-user call-detail records transferred.
- (c) When the unbundled Local Switching Network Element is provided, COVAD shall pay rates in this Part IV for the appropriate line port charge, the appropriate local switching usage charge, and the appropriate local switching common trunk charge, based on time of day, where applicable.
- (d) When the unbundled Tandem Switching Network Element is provided, COVAD shall pay rates in this Part IV for the appropriate tandem switching usage and appropriate tandem trunk or port charges, based on time of day, where applicable.
- (e) Unbundled Local Switching Network Elements and Tandem Switching Network Elements do not include the price for STP usage charges,

CENTREX, Ring-Mate or Three-Way Calling, which will be charged separately.

- (f) Where COVAD provides its own loops to the integrated digital line port, the integrated digital line port, dedicated local switch trunk port and dedicated tandem trunk port rates can be derived by multiplying the Local Switching Digital Line Port, Local Switching Digital Trunk Port and Tandem Switching Digital Trunk rates by a factor of nineteen (19), respectively.
- (g) To the extent COVAD orders multiplexers to complete service at a level different from the dedicated transport level ordered, separate multiplexer rates shall apply.
- (h) Overflow billing from dedicated switching will be billed as BELL ATLANTIC Shared Transport. Where actual overflow MOU cannot be determined, BELL ATLANTIC will bill based on an estimate of overall traffic, as calculated in a special study with respect to overflows. The methodology for such special study shall be developed jointly by the Parties.

**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE  
TELECOMMUNICATIONS ACT OF 1996**

Dated as of 7th October, 1998

by and between

**BELL ATLANTIC - NEW JERSEY, INC.**

and

**DIECA COMMUNICATIONS, INC.**

12.4.6 BA may impose additional restrictions on Covad's resale of BA's retail Telecommunications Services to the extent permitted by Applicable Laws.

### 13.0 COLLOCATION -- SECTION 251(c)(6)

13.1 BA shall offer to Covad Physical or Virtual Collocation of equipment necessary for Interconnection (pursuant to Section 4.0) or for access to unbundled Network Elements (pursuant to Section 11.0), pursuant to the terms and conditions in this Section and BA's approved Tariffs on file with the FCC and the Board, except that BA may offer only Virtual Collocation if BA demonstrates to the Board that Physical Collocation as described in this Agreement is not practical for technical reasons or because of space limitations, as provided in Section 251(c)(6) of the Act. BA shall provide Collocation solely for the purpose of Interconnection with facilities or services of BA or access to unbundled Network Elements of BA, except as otherwise mutually agreed to in writing by the Parties or as required by the FCC or the Board, subject to applicable federal and state Tariffs and license agreements.

13.2 BA shall offer, upon request by Covad and to the extent technically feasible, Physical Collocation arrangements where the dedicated space may be a minimum of approximately twenty-five (25) square feet, at the appropriate cost. In the event there is no existing Tariff for this arrangement, the Parties shall expeditiously and in good faith negotiate interim terms for this type of physical Collocation. Such arrangements shall be made pursuant to applicable Tariff(s) when such Tariff(s) are approved.

13.3 BA will provide Covad with Physical Collocation as specified in Sections 13.1 and 13.2 above; provided however, that upon written request by Covad, Bell Atlantic will not enclose by a cage or other means Covad's equipment that is placed within the secured and physically separated area set aside by Bell Atlantic within a Central Office for the purposes of Collocation set forth in 13.1 above and pursuant to any applicable BA Collocation Tariff(s). In the event that there is no existing Tariff for this entire arrangement, the Parties shall expeditiously and in good faith negotiate interim terms for this type of physical Collocation. This entire arrangement shall be made pursuant to applicable Tariff(s) when such Tariff(s) are approved.

13.4 Collocation shall be made available to Covad on BA Premises as required by Applicable Law and in a manner that is at parity to the priorities that BA provides to persons who are permitted to collocate, including BA's Affiliates that are required to collocate. Pursuant to applicable Tariff, or to Schedule 13.4 until such time as an approved Tariff is effective, BA will provide Covad with shared cage Collocation, in which Covad can collocate equipment in another collocating entity's physical Collocation arrangement. Upon request by Covad for shared cage Collocation, the Parties will negotiate expeditiously and in good faith to resolve any operational, provisioning and billing issues that are not covered by an applicable Tariff or Schedule 13.4. Notwithstanding any other provision of this Agreement, BA will provide Covad with alternative Collocation arrangements (including "cage-less" physical Collocation) to the

12.4.6 BA may impose additional restrictions on Covad's resale of BA's retail Telecommunications Services to the extent permitted by Applicable Laws.

### 13.0 COLLOCATION – SECTION 251(c)(6)

13.1 BA shall offer to Covad Physical or Virtual Collocation of equipment necessary for Interconnection (pursuant to Section 4.0) or for access to unbundled Network Elements (pursuant to Section 11.0), pursuant to the terms and conditions in this Section and BA's approved Tariffs on file with the FCC and the Board, except that BA may offer only Virtual Collocation if BA demonstrates to the Board that Physical Collocation as described in this Agreement is not practical for technical reasons or because of space limitations, as provided in Section 251(c)(6) of the Act. BA shall provide Collocation solely for the purpose of Interconnection with facilities or services of BA or access to unbundled Network Elements of BA, except as otherwise mutually agreed to in writing by the Parties or as required by the FCC or the Board, subject to applicable federal and state Tariffs and license agreements.

13.2 BA shall offer, upon request by Covad and to the extent technically feasible, Physical Collocation arrangements where the dedicated space may be a minimum of approximately twenty-five (25) square feet, at the appropriate cost. In the event there is no existing Tariff for this arrangement, the Parties shall expeditiously and in good faith negotiate interim terms for this type of physical Collocation. Such arrangements shall be made pursuant to applicable Tariff(s) when such Tariff(s) are approved.

13.3 BA will provide Covad with Physical Collocation as specified in Sections 13.1 and 13.2 above; provided however, that upon written request by Covad, Bell Atlantic will not enclose by a cage or other means Covad's equipment that is placed within the secured and physically separated area set aside by Bell Atlantic within a Central Office for the purposes of Collocation set forth in 13.1 above and pursuant to any applicable BA Collocation Tariff(s). In the event that there is no existing Tariff for this entire arrangement, the Parties shall expeditiously and in good faith negotiate interim terms for this type of physical Collocation. This entire arrangement shall be made pursuant to applicable Tariff(s) when such Tariff(s) are approved.

13.4 Collocation shall be made available to Covad on BA Premises as required by Applicable Law and in a manner that is at parity to the priorities that BA provides to persons who are permitted to collocate, including BA's Affiliates that are required to collocate. Pursuant to applicable Tariff, or to Schedule 13.4 until such time as an approved Tariff is effective, BA will provide Covad with shared cage Collocation, in which Covad can collocate equipment in another collocating entity's physical Collocation arrangement. Upon request by Covad for shared cage Collocation, the Parties will negotiate expeditiously and in good faith to resolve any operational, provisioning and billing issues that are not covered by an applicable Tariff or Schedule 13.4. Notwithstanding any other provision of this Agreement, BA will provide Covad with alternative Collocation arrangements (including "cage-less" physical Collocation) to the

extent that such arrangements are required by Applicable Law, and may consider other alternative arrangements proposed by Covad. BA shall provide Collocation at additional locations for placement of equipment necessary for Interconnection or for access to unbundled Network Elements to the extent required by Applicable Law.

13.5 In comport with Applicable Law, Covad reserves the right to have Covad's dedicated (but not common) Collocation space constructed by a third party sub-contractor in accordance with BA engineering specifications utilizing a BA-approved sub-contractor. Request by Covad for approval of additional sub-contractors will not be unreasonably withheld.

13.6 Covad may collocate Digital Subscriber Line Access Multiplexers ("DSLAM"s) in its collocated space, subject to the requirements of this Section. Covad may install any equipment allowed by Law, including Remote Switching Modules ("RSM"s) and DSLAMs in its Collocation space unless and until the FCC, the Board, or a court of competent jurisdiction determines that incumbent LECs need not permit Collocation of such equipment, in which event BA must allow Covad a reasonable transition period for removing, replacing or modifying such equipment, or for otherwise negotiating a mutually satisfactory alternative arrangement with BA. Covad agrees that any such equipment must comply with National Equipment Building System ("NEBS") Level III. Covad agrees that such RSM or DSLAM equipment as may be collocated at BA premises will not be used to provide switching functionality unless such use is specifically approved by the Board.

BA will permit Covad to install, maintain, repair and use ATM cross-connect equipment in BA Premises where Covad has established a physical Collocation arrangement, provided that such equipment will be used to support pre-defined point-to-point Private Virtual Connections ("PVC"s) between the Premises-located equipment and other points off BA's network. The ATM cross-connect equipment shall be used exclusively for aggregating and transporting traffic and will not under any circumstances be used for dynamic routing or switching of traffic. BA shall have the right at its own expense to audit Covad's use of such collocated equipment, and if it finds that Covad is using the equipment for switching of Local Traffic or other uses prohibited hereunder, BA may either invoke the dispute resolution provisions of this Agreement, or notify Covad in writing and Covad shall then remove such equipment from BA's Premises.

13.7 Covad agrees to offer to BA Collocation of equipment for purposes of Interconnection (pursuant to Section 4.0) on a non-discriminatory basis and at comparable rates, terms and conditions as Covad may provide to other third parties. Covad shall provide such Collocation subject to applicable Tariffs.

13.8 In the course of implementation of Collocation project, BA shall:

- (a) identify the Collocation project manager assigned to the project;
- (b) develop a written comprehensive "critical tasks" timeline detailing the work (and relative sequence thereof) that is to be performed by each Party or jointly by both Parties; and

(c) provide Covad with the relevant engineering requirements.

13.9 The Collocating Party shall purchase Cross Connection to services or facilities as described in applicable Tariffs or this Agreement. Transport facilities may be leased from BA under terms and conditions set forth in this Agreement or applicable Tariffs.

13.10 Except in the event that Covad changes its Application for Collocation requirements after they have been accepted by BA and such changes would, in the reasonable judgement of BA, cause a construction or other delay which would affect the delivery of collocated space, or in the event of "Special Circumstances" detailed by BA for Covad, and subject to the circumstances contemplated by Section 29.3 of this Agreement, the collocated space shall be constructed, made ready, and delivered by BA to Covad within the interval specified in the applicable Tariff following the date of receipt by BA of Covad's Application for Collocation and the applicable BA Tariff fee(s).

Covad and BA also agree that a three (3) week extension will apply when "Special Circumstances" are identified at the time of a "space walk-through" or later in the Collocation process, provided that BA notifies Covad within two (2) business days of the discovery of such "Special Circumstances". For the purposes of this Section 13.0, the term "Special Circumstances" shall mean special, unusual, or unanticipated conditions or circumstances arising out of or required by Covad's Application for Collocation (excluding changes made by Covad to such Application after such Application has been accepted by BA) which could, in the reasonable judgement of BA, cause a construction or other delay in the delivery of collocated space, including, by way of illustration and without limitation, major construction obstacles, asbestos abatement procedures or uncustomary modifications to the Collocation premises.

In those instances where Covad changes its requirements which will affect the delivery of collocated space, or where otherwise extraordinary circumstances exist, the interval for construction and delivery of the collocated space shall be extended to reflect those changes upon mutual agreement of the Parties.

13.11 Collocation shall occur under the terms of each Party's applicable and available Tariffs, subject to the provisions of this Section 13, and pursuant to Applicable Law.

### 13.12 Cage-to-Cage Interconnection

13.12.1 Cage-to-Cage Interconnection provides for the dedicated connection between a Covad Collocation arrangement established pursuant to applicable Tariffs and/or license agreements at a BA Premises and the Collocation arrangement of a third party carrier that maintains a Collocation arrangement at the same premises, so long as the collocated equipment of both Collocation arrangements is used for Interconnection with BA or access to BA's unbundled Network Elements. Covad shall purchase Cage-to-Cage Interconnection using Collocation Cross Connections to services and facilities as described in applicable Tariffs.

13.12.2 The carrier that requests the Collocation Cross Connections shall be the customer of record for both ends of the service in terms of ordering, provisioning, maintenance, and billing. Alternative arrangements may be utilized if agreed upon by all three parties. Rates and charges for Collocation Cross Connections are stated in Exhibit A.

## **SECTION 251(b) PROVISIONS**

### **14.0 NUMBER PORTABILITY – SECTION 251(b)(2)**

#### **14.1 Scope**

14.1.1 The Parties shall provide Local Telephone Number Portability (“LTNP”) on a reciprocal basis to each other to the extent technically feasible, and in accordance with rules and regulations as from time to time prescribed by the FCC and/or the Board.

14.1.2 Until Permanent Number Portability is implemented by the industry pursuant to regulations issued by the FCC and/or the Board, the Parties agree to reciprocally provide Interim Number Portability to each other at the prices listed in Exhibit A. Such agreed-upon prices for INP are not intended to reflect either Party’s views on the cost recovery mechanisms being considered by the FCC in its current proceeding on number portability issues.

14.1.3 Upon the agreement of the Parties or issuance of applicable FCC and/or Board order(s) or regulations mandating the adoption of a Permanent Number Portability (“PNP”) arrangement, BA and Covad will commence migration from INP to the agreed-upon or mandated PNP arrangement as quickly as practically possible while minimizing interruption or degradation of service to their respective Customers. Once PNP is implemented, either Party may withdraw, at any time and at its sole discretion, its INP offerings, subject to advance notice to the other Party and coordination to allow the seamless and transparent conversion of INP Customer numbers to PNP. Upon implementation of PNP pursuant to FCC or Board regulation, both Parties agree to conform and provide such PNP. To the extent PNP rates or cost recovery mechanisms are not established by the applicable FCC or Board order or regulation mandating the adoption of PNP, the Parties will negotiate in good faith the charges or cost recovery mechanism for PNP service at such time as a PNP arrangement is adopted by the Parties.

14.1.4 Under either an INP or PNP arrangement, Covad and BA will implement a process to coordinate LTNP cutovers with ULL conversions (as described in Section 11 of this Agreement).

#### **14.2 Procedures for Providing INP Through Remote Call Forwarding**

Covad and BA will provide INP through Remote Call Forwarding as follows:

14.2.1 A Customer of one Party (“Party A”) elects to become a Customer of the other Party (“Party B”). The Customer elects to utilize the original telephone number(s)

Change in Law  
Covad / GTE OR  
Under negotiation.

Santa Clara, CA 95050  
Telephone number: 408/844-7450  
Facsimile number: 408/844-7501  
Internet address: chemmer@covad.com

29. Protection.

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

29.2 Resolution. If either Party causes an Impairment in Service, the Party whose network or service is being impaired (the "Impaired Party") shall promptly notify the Party causing the Impairment of Service (the "Impairing Party") of the nature and location of the problem and that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be required. The Impairing Party and the Impaired Party agree to work together to attempt to promptly resolve the Impairment of Service. If the Impairing Party is unable to promptly remedy the Impairment of Service, then the Impaired Party may at its option temporarily discontinue the use of the affected circuit, facility or equipment.

30. Publicity. Any news release, public announcement, advertising, or any form of publicity pertaining to this Agreement, provision of Services, UNEs or Facilities pursuant to it, or association of the Parties with respect to provision of the services described in this Agreement shall be subject to prior written approval of both GTE and Covad.

31. Regulatory Agency Control. This Agreement shall at all times be subject to changes, modifications, orders, and rulings by the Federal Communications Commission and/or the applicable state utility regulatory commission to the extent the substance of this Agreement is or becomes subject to the jurisdiction of such agency.

32. Changes in Legal Requirements and Subsequent Law.

32.1 GTE and Covad agree that the terms and conditions of this Agreement were composed in order to effectuate the legal requirements in effect at the time the Agreement was produced. Any modifications to those requirements will be deemed to automatically supersede any terms and conditions of this Agreement. The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, or regulations that subsequently may be prescribed by any federal, state or local governmental authority of appropriate jurisdiction. To the extent required by any such subsequently prescribed law, rule, or regulation, the Parties shall negotiate to modify, in writing, the affected term(s) and condition(s) of this Agreement to bring them into compliance with such law, rule, or regulation. In the event the Parties cannot agree on an amendment within thirty (30) days from the date any such law, rule, regulation or order becomes effective, then the Parties shall resolve their dispute under the applicable Dispute Resolution procedures set forth herein.

32.2 In the event GTE is permitted or required to discontinue any Unbundled Network Element

8.2.34.4.3 GTE will provide loop transmission characteristics to Covad end users which are equal to those provided to GTE end users.

8.2.44.4.4 If Covad leases loops which are conditioned to transmit digital signals, as a part of that conditioning, GTE will test the loop and provide recorded test results to Covad. If the loop does not meet the requested design parameters, Covad is not required to accept such loop. In maintenance and repair cases, if loop tests are taken, GTE will provide any recorded readings to Covad at time the trouble ticket is closed in the same manner as GTE provides to itself and its end users.

8.3 4.5 Pair Gain Technology. In situations where GTE uses pair gain technology in its network to provision portions of local loops, GTE's ability to provide unbundled loops may be affected. Where GTE utilizes integrated digital loop carrier (IDLC)<sup>1</sup> technology to provision a loop, GTE is not able to provide that loop as an unbundled loop. Where GTE utilizes other types of pair gain technology to provision a loop, GTE may be able to provide that loop as an unbundled loop, depending on the technology involved and the type of unbundled loop ordered, however, the capabilities of the unbundled loop may be limited. If Covad orders an unbundled loop to a location that is normally served by pair gain technology and GTE cannot meet the requirements of the unbundled loop due to the pair gain technology, GTE will use alternate facilities, if available, to provision the unbundled loop. If alternate facilities are not available, GTE will advise Covad that facilities are not available to provision the unbundled loop. GTE will not construct additional facilities at GTE's expense to provide the unbundled loop, however, Covad may use the bonafide request process in Article VIII of this Agreement to request GTE to construct additional facilities at Covad's expense.

8.3.14.5.1 GTE will permit Covad to collocate digital loop carriers and associated equipment in conjunction with collocation arrangements Covad maintains at a GTE Wire Center for the purpose of interconnecting to unbundled Loop elements.

8.4 4.6 Unbundled Loop Facility Qualification and Spectral Interference. If Covad plans to deploy enhanced copper technologies (ECTs), such as analog carrier, ADSL, or ISDN, over unbundled copper loops, that may potentially interfere with other ECTs deployed within the same cable sheath, Covad is responsible for notifying GTE of its intent. GTE will determine if there are any existing or planned ECTs deployed by GTE or other CLECs within the same cable sheath that may either cause interference or be interfered by Covad's proposed ECT. If there are existing ECTs deployed or in the process of being deployed by GTE or other CLECs, ~~or if GTE has existing near term plans (within 6 months of the date of facility qualification) to deploy such technology,~~ GTE will so advise Covad

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<sup>1</sup> See Bellcore TR-TSY-000008, Digital Interface Between the SLC-96 Digital Loop Carrier System and Local Digital Switch and TR-TSY-000303, Integrated Digital Loop Carrier (IDLC) Requirements, Objectives and Interface.

and Covad shall not be permitted to deploy the proposed ECT. If Covad disagrees with GTE's determination, GTE will review the basis of its determination with Covad and the Parties will attempt to jointly resolve the disagreement.

8.4.14.6.1 If Covad orders an unbundled digital loop, pursuant to Sections 4.2.3 or 4.2.4 above, and provides the industry standard codes on the order indicating the type of service to be deployed on the loop, that shall constitute notification and GTE will perform the loop qualification as part of the ordering process at no additional charge.

8.4.24.6.2 If Covad orders an unbundled analog loop, pursuant to Sections 4.2.1 or 4.2.2 above, and plans to deploy ECTs on that loop, notification must be provided separately and apart from the ordering process. Upon receipt of notification GTE will perform the loop qualification, however, additional charges may apply.

8.4.34.6.3 If Covad fails to notify GTE of its plans to deploy an ECT on an unbundled loop, either via the ordering process for a digital loop or via separate notification for an analog loop, and obtain prior qualification from GTE for the loop, if Covad's deployment of such technology is determined to have caused interference with existing or planned services deployed by GTE or another CLEC in the same cable sheath, Covad will immediately remove such ECT and shall reimburse GTE for all incurred expense related to this interference.

8.4.44.6.4 Provided Covad has notified GTE of its plans to deploy an ECT on an unbundled loop and obtained loop qualification pursuant to this Section 4.6, GTE will not deploy any ECTs within the same cable sheath that will be incompatible with Covad's technology.

8.4.5 The Parties acknowledge that certain issues regarding spectral interference in the provisioning of unbundled loops are being addressed by the FCC in pending rulemaking proceedings. The Parties agree they will negotiate terms and conditions as a result of such FCC rules once final and binding decisions are issued, subject to either Party's right to seek injunctive relief regarding such decisions, and amend the Agreement to reflect any such terms and conditions.

~~4.7~~ Intentionally left blank.

8.54.8 Subloops.

8.5.14.8.1 GTE will provide as separate items the loop distribution, loop concentrator and loop feeder on a case-by-case basis pursuant to a BFR as described in Article VIII, Section 1.

8.5.24.8.2 GTE will design and construct loop access facilities (including loop feeders and loop concentration/multiplexing systems) in accordance with standard industry practices as reflected in applicable tariffs and/or as agreed to by GTE and Covad.

8.5.34.8.3 Transport for loop concentrators/multiplexers services not supported by embedded technologies will be provided pursuant to applicable tariffs or as

Relevance of State/Fed Tariffs  
Covad/GTE OR  
Under negotiation

ARTICLE IX  
COLLOCATION

1. Physical Collocation. GTE shall provide to Covad physical collocation of equipment pursuant to 47 CFR § 51.323 necessary for interconnection or for access to UNEs, provided, however, that GTE may provide virtual collocation, ~~except when the Commission determines that virtual collocation cannot be provided as described below,~~ in place of physical collocation if GTE demonstrates to the Commission that physical collocation is not practical because of technical reasons or space limitations, as provided in Section 251(c)(6) of the Act. If the Commission determines that either physical or virtual collocation cannot be provided due to space limitations or technical reasons, Covad may submit a BFR to GTE and the Parties shall work together to determine whether alternative collocation arrangements are feasible. In the event GTE denies collocation space due to technical reasons or space limitations, GTE shall provide to the Commission information supporting GTE's decision within 30 days of denying Covad's request. GTE will provide such collocation for purposes of interconnection or access to UNEs pursuant to the terms and conditions in the applicable federal and state EIS tariffs.

Absent extenuating circumstances, GTE will work with Covad to install collocation arrangements within 90 days of receipt of an ASR and payment of 50% of the non-recurring charge. Covad is responsible for delivery of correct cables and equipment in a timely manner.

The Parties acknowledge that certain issues regarding collocation, including but not limited to, alternative arrangements for physical collocation (such as cageless collocation), types of collocated equipment, and collocation intervals, are being addressed by the FCC in pending rulemaking proceedings. The Parties agree they will negotiate terms and conditions as a result of such FCC rules once final and binding decisions are issued, subject to either Party's right to seek injunctive relief regarding such decisions, and amend the Agreement to reflect any such terms and conditions.

- 1.1 Space Planning. In addition to such provisions for space planning and reservation as may be set forth in the applicable GTE federal and state EIS tariffs, the parties agree to the following terms and conditions.
- 1.1.1 GTE has the right to reserve space within its central offices for its own use based on a 2-year planning horizon. If GTE believes that a longer planning horizon is appropriate for a specific project, GTE agrees to demonstrate its requirement to the Commission to determine if the longer reservation of space is reasonable.
- 1.1.2 GTE will notify Covad if it plans to build an addition to a central office where Covad has collocated facilities, if such addition would result in a material increase of space available for collocation.
- 1.1.3 Should Covad submit to GTE a two-year forecast for space planning for collocated facilities in a central office, GTE will, in good faith, consider and discuss such forecast with Covad when considering space planning or utilization decisions for such central office in accord with FCC Rule 51.323, ~~provided, however that any final space planning or utilization decision shall be made by GTE in its sole discretion in light of GTE requirements.~~
- 1.1.4 Subject to technical feasibility and space limitations, GTE will make available at applicable federal and state EIS tariffs such intraoffice facilities as may be necessary to accommodate projected volumes of Covad traffic.

ARTICLE VII  
UNBUNDLED NETWORK ELEMENTS

1. General. The purpose of this Article VII is to define generally, the UNEs that may be leased by Covad from GTE. Unless otherwise specified in this Agreement, provisioning of unbundled network elements will be governed by the GTE Guide. Additional procedures for pre-ordering, ordering, provisioning and billing of UNEs are outlined in Appendix F.

1.1 Prices. By eOrder of the Oregon Public Utility Commission, including but not limited to Commission order No. 97-239 entered in docket No. UM 844 and Commission order No. 98-144 entered in dockets UT 138 and UT 139, GTE has been directed by the Commission to a file state tariffs incorporating certain prices, terms and conditions for interconnection and access to UNEs established by the Commission in the above referenced proceedings. Pursuant to such Commission order, GTE has filed with the Commission GTE tariff P.U.C. OR. No. 15, which sets forth the respective prices, terms and conditions for interconnection and access to UNEs established by the Commission in the above referenced proceedings.

Covad has elected to purchase UNEs pursuant to GTE's tariff P.U.C. OR. No. 15. A general description of the UNEs as well as the prices, terms and conditions that apply to UNEs are provided in the tariff. The following terms and conditions are intended only to supplement the tariff. The description of the UNEs as well as the prices, terms and conditions that apply to UNEs are provided in the tariff. The following terms and conditions are intended only to supplement the tariff.

Where pricing, terms or conditions for interconnection and access to UNEs have not been established by Commission Order and set forth in the relevant GTE Oregon PUC tariff, the parties shall refer to the pricing, terms, or conditions for interconnection and access to UNEs set forth in Article VII of the Agreement. The Parties shall meet as needed, to identify any such omissions in the GTE Oregon PUC Tariff. Should a conflict arise between the relevant Oregon PUC Tariff (as modified from time to time by Commission Orders), and this Article VII, the Oregon PUC Tariff shall prevail.

The purpose of this Article VII is to define the UNEs that may be leased by Covad from GTE. Unless otherwise specified in this Agreement ~~the tariff~~, provisioning of unbundled network arrangements ~~elements~~ will be governed by the GTE Guide. Additional procedures for preordering, ordering, provisioning and billing of UNEs are outlined in Appendix F ~~of this Agreement. Should a conflict occur between the tariff and this Article VII, this Article VII shall prevail.~~

2. Unbundled Network Elements.

2.1 Categories. There are several separate categories of network components that shall be provided as UNEs by GTE. The nomenclature of the UNEs included in this Agreement and in the Guide may be different from the nomenclature used in the Oregon PUC Tariff. The following descriptions of UNEs are based on the nomenclature used in this Agreement. These descriptions are intended ~~only to be used~~ as a general reference to assist in implementing this Agreement. They do not

supercede the nomenclature and descriptions of UNEs provided in GTE's tariff P.U.C. OR. No. 15.

- (a) Network-Interface-Device (NID) The NID is the point of demarcation between the end user's inside wiring and GTE's facilities.
- (b) Loop-Elements A loop is an unbundled component of Exchange Service. In general, it is the transmission facility (or channel or group of channels on such facility) which extends from a Main Distribution Frame (MDF), or its equivalent, in a GTE end office or wire center to and including a demarcation or connector block in/at a subscriber's premises. Traditionally, loops were provisioned as 2-wire or 4-wire copper pairs running from the end office MDF to the customer premises. However, a loop may be provided via other media, including radio frequencies, as a channel on a high capacity feeder/distribution facility which may, in turn, be distributed from a node location to the subscriber premises via a copper or coaxial drop facility, etc.
- (c) Port and Local Switching Elements A port is an unbundled component of Exchange Service that provides for the interconnection of individual loops or trunks to the switching components of GTE's network. In general, it is a line card or trunk card and associated peripheral equipment on a GTE end office switch that serves as the hardware termination for the end user's Exchange Service on that switch and generates dial tone and provides the end user access to the public switched telecommunications network. The port does not include such features and functions which are provided as part of local switching. Each line-side port is typically associated with one (or more) telephone number(s), which serve as the end user's network address.
- (d) Transport Elements Local switching provides the basic switching functions to originate, route and terminate traffic and any signaling deployed in the switch. Local switching is provided in conjunction with unbundled ports. Vertical features are optional services associated with local switching, provided through software programming in the switch, which can be added on a per-feature basis.
- (e) SS7 Transport and Signaling Shared Transport is the physical interoffice facility medium that is used to transport a call originating on an unbundled port/local switching between switching offices. A central office switch translates the end user dialed digits and routes the call over a common transport trunk group that rides interoffice transmission facilities. These trunk groups and the associated interoffice transmission facilities are accessible by any end user (GTE or CLEC).
- (f) Dedicated Transport is the physical interoffice facility medium between designated Serving Wire Centers (SWC) within the same LATA. Dedicated Transport may extend between two GTE SWCs (Interoffice Dedicated Transport or IDT) or may extend from the GTE SWC to the CLEC premise (CLEC Dedicated Transport or CDT). Nothing in this definition shall be construed to limit the scope of dedicated transport as defined by paragraph 440 of the FCC's First Report and Order.

individually agreed upon by GTE and Covad. The Parties understand that embedded loop concentrators/multiplexers are not necessarily capable of providing advanced and/or digital services.

8.5.44.8.4 GTE will provide loop transmission characteristics as specified in Section 4.4.3 herein.

8.6 Digital Loops. Where available in GTE's network, GTE agrees to provide 2 wire and 4 wire digital loops to Covad which may be configured to support Enhanced Copper Technologies (ECTs), such as xDSL or ISDN, provided by Covad. GTE currently offers this capability in its Tariff P.U.C. OR. No. 15. Should such tariff be altered so that digital loops are no longer available pursuant to an approved GTE tariff, GTE agrees to negotiate terms and conditions for digital loops at that time and to amend this Agreement to include those terms and conditions.

~~5. Port and Local Switching Elements.~~

~~5.1 Port. Port is an unbundled component of Exchange Service that provides for the interconnection of individual loops or trunks to the switching components of GTE's network. In general, it is a line card or trunk card and associated peripheral equipment on GTE end office switch that serves as the hardware termination for the end user's Exchange Service on that switch and generates dial tone and provides the end user access to the public switched telecommunications network. The port does not include such features and functions which are provided as part of Local Switching. Each line side port is typically associated with one (or more) telephone number(s), which serve as the end user's network address.~~

~~5.2 Ports Available as UNEs. There are four types of Ports available as UNEs:~~

~~5.2.1 "Basic analog line side port" is a line side switch connection employed to provide basic residential and business type Exchange Service.~~

~~5.2.2 "ISDN BRI digital line side port" is a Basic Rate Interface (BRI) line side switch connection employed to provide ISDN Exchange Services.~~

~~5.2.3 "DS-1 digital trunk side port" is a trunk side switch connection employed to provide the equivalent of 24 analog incoming trunk ports.~~

~~5.2.4 "ISDN PRI digital trunk side port" is a Primary Rate Interface (PRI) Trunk Side switch connection employed to provide ISDN Exchange Services~~

~~5.3 Port Prices. Prices for Ports are listed in Appendix D.~~

~~5.4 Local Switching. Local switching provides the basic switching functions to originate, route and terminate traffic and any signaling deployed in the switch. Vertical features are optional services provided through software programming in the switch which can be added on a per feature basis with applicable rate. GTE will offer only those features and functions Currently Available to the particular platform used (e.g., DMS, 5ESS, GTD5). Any feature or function which is not available, but the switch is capable of providing, may be requested via the BFR process. Covad will be responsible for bearing any costs incurred by GTE in making such feature/function available, including Right to Use (RTU) fees. The rates for Local Switching and Vertical Features are listed in Appendix D.~~

Agreement: (i) will record, store, process and display calendar dates falling on or after January 1, 2000, in the same manner, and with the same functionality as such software records, stores, processes and calendar dates falling on or before December 31, 1999; and (ii) shall include without limitation date data century recognition, calculations that accommodate same century and multicentury formulas and date values, and date data interface values that reflect the century.

**15. Modification of Agreement**

- 15.1 BellSouth shall make available to DIECA any interconnection, service, or network element provided under any other agreement filed and approved pursuant to 47 USC § 252as controlled by the appropriate court of judicial review. The adopted agreement shall apply to the same states as such other agreement and for the identical term.
- 15.2 No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties.
- 15.3 Execution of this Agreement by either Party does not confirm or infer that the executing Party agrees with any decision(s) issued pursuant to the Telecommunications Act of 1996 and the consequences of those decisions on specific language in this Agreement. Neither Party waives its rights to appeal or otherwise challenge any such decision(s) and each Party reserves all of its rights to pursue any and all legal and/or equitable remedies, including appeals of any such decision(s).
- 15.4 In the event that any final and nonappealable legislative, regulatory, judicial or other legal action materially affects any material terms of this Agreement, or the ability of DIECA or BellSouth to perform any material terms of this Agreement, DIECA or BellSouth may, on thirty (30) days' written notice require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within ninety (90) days after such notice, the Dispute shall be referred to the Dispute Resolution procedure set forth in Section 11.

15.5

BellSouth and DIECA agree that the terms and conditions of this Agreement were agreed to in order to effectuate the legal requirements in effect at the time the Agreement was negotiated and executed. In the event that the FCC in its proceeding relating to Section 706 of the Telecommunications Act ("the 706 Proceeding") issues an order adopting rules or regulations that modify such legal requirements, to the extent that the effective date of said Order is not stayed, the Parties shall negotiate promptly and in good faith in order to amend the Agreement to substitute

contract provisions which are consistent with such rules. In the event the Parties cannot agree on an amendment within thirty (30) days from the date any such rules, regulations or orders become effective, then the Parties shall resolve their dispute under the applicable Dispute Resolution procedures set forth herein this Agreement. If, as a result of any further administrative or judicial proceedings, the FCC or a court of competent jurisdiction vacates or modifies, or otherwise changes the rules, regulations or requirement adopted in the 706 Proceeding, the Parties will, within 30 days, further modify this Agreement to comply with such vacation, modification or changes.

- 15.6 If any provision of this Agreement, or the application of such provision to either Party or circumstance, shall be held invalid, the remainder of the Agreement, or the application of any such provision to the Parties or circumstances other than those to which it is held invalid, shall not be effective thereby, provided that the Parties shall attempt to reformulate such invalid provision to give effect to such portions thereof as may be valid without defeating the intent of such provision.

**16. Waivers**

A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options, and each Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

**17. Governing Law**

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia, without regard to its conflict of laws principles.

**18. Arm's Length Negotiations**

This Agreement was executed after arm's length negotiations between the undersigned Parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all Parties.

**19. Notices**

- 19.1 Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, address to: