Regardless, other than attempting to muddy the waters and cloud the issues which are currently the subject of negotiation between Covad and SWBT (as not PacBell), Covad has failed to establish how the issues it has raised with respect to PacBell have any bearing on Covad's negotiations with SWBT in Texas. In fact, in our initial negotiations meeting for Texas, Mr. Dhruv Khanna stated that it was extremely pleased with SWBT's availability of, and procedures for handling, collocation in Texas and commended SWBT's Collocation Account Manager, Doris Justice, for the detailed information she provided to Covad in the meeting. Mr. Khanna also stated that he did not expect collocation to be an issue of contention between SWBT and Covad in Texas and indicated that this was a very good sign since the availability of collocation space was Covad's primary concern.

As stated earlier, we find your constant references to unproven allegations of anti-competitive behavior to be offensive and libelous. Covad has yet to prove a single instance of violation of antitrust laws or of anticompetitive behavior by any SBC company or affiliate. Your references to on-going litigation in California and your misrepresentations of the facts in that litigation are unacceptable in, and irrelevant to, these negotiations.

I. xDSL

A. Covad Review of SBC Tech Pubs 76860 and TP76730

In your letter, you advise that Covad was unable to provide SWBT with a redline version of SWBT's Tech Pubs 76860 and 76730 because we asked you to order such publications from our technical publication center in San Antonio (where all CLECs are asked to obtain copies of any publications and where we referred Covad to back in July), rather than provide you with copies. You failed to mention that SWBT's technical affiliate, Technology Resources, Inc., previously provided Covad with a copy of both of these Tech Pubs in meetings held in connection with the Texas Collaborative Process, along with draft Tech Pubs for SDSL and 2 wire HDSL. In addition, following our October 30 negotiations meeting, Larry Witt once again provided you copies of SWBT's draft Tech Pubs for SDSL and 2 wire HDSL. Although SWBT's Tech Pubs for SDSL and 2 Wire HDSL are still in draft form given SWBT's offer to accept comments from the industry relating to such Tech Pubs, SWBT would be willing to provision SDSL and HDSL capable loops to Covad in accordance with such Tech Pubs today, before they are finalized, as such Tech Pubs may be modified from time to time.

In our October 30, 1998 meeting, Covad agreed to provide SWBT with any comments/proposed redlines to such Tech Pubs. Had Covad advised SWBT that it could not locate its copies of the Tech Pubs and that Covad had not obtained copies of such publications from SWBT's San Antonio center, then we certainly would have provided you with additional copies. In addition, SWBT's draft Tech Pubs were provided to Covad to give Covad an opportunity to provide input. As you know, TRI also provided Covad with the same opportunity to comment on the draft Tech Pubs in meetings held in conjunction with the Texas Collaborative Process.

In fact, SWBT and its affiliates have engaged in numerous and substantive discussions seeking to address issues related to determining how SWBT's network can facilitate the use of DSL technology. On October 7, SWBT met with participants of the Texas Collaborative Process,

including Covad, and discussed the ADSL wholesale product plans in detail. SWBT shared its findings regarding spectrum management and its ADSL trial results for Austin. As a result of input received from various, SWBT agreed to change a number of policies and procedures as they related to ADSL capable loops.

On October 27, SWBT, PacBell and TRI hosted an ADSL industry forum in San Francisco in which Covad attended. At that forum, TRI reviewed its spectral management plans, introduced power spectrum density masks and technical publications covering HDSL and SDSL technologies. The draft technical publications had been provided prior to the meeting to all vendors and CLECs with a request for their input. TRI received no formal input from Covad.

An additional industry forum is planned to be held in San Francisco on November 17, 1998. The focus of this forum is to share PacBell's plans for spectrum management and operations procedures. At this meeting, PacBell will provide its standard loop qualification and provisioning intervals. A similar meeting will be scheduled in Austin within the next thirty days and will cover similar topics. Once again, Covad and the CLEC industry will have the opportunity to provide input regarding PacBell's and SWBT's plans.

[Disagree]

As a result of the above-referenced meetings, SWBT, on several occasions, has clearly articulated its concerns with respect to spectrum management and meaningful dialog has taken place between SWBT and various CLECs pertaining to such issues. In fact, SWBT's newly proposed language for a 2 wire ADSL Capable Loop in Texas reflects concessions made by SWBT as a result of information shared in these meetings. Thus, SWBT has already fulfilled Covad's request that spectrum management issues be addressed in an open industry forum, in addition to one-on-one negotiations, and has provided Covad with technical information in such meetings. To date, however, it is Covad who has failed to provide SWBT with any comments or redlines to the Tech Pubs and draft Tech Pubs previously provided to Covad, despite repeated requests from SWBT.

B. ADSL and 4-Wire HDSL Offerings

You once again falsely allege that SWBT has refused to allow Covad to offer any DSL technology, other than ADSL and 4 wire HDSL and that such refusal is unlawful and in direct contravention of FCC Orders and the Act. As discussed at length above, SWBT has not refused to allow Covad to offer other types of DSL technologies over SWBT UNEs. Rather, SWBT simply requested in negotiations that Covad submit any such requests via the BFR, or special request process, since no national standards have been developed for any DSL services other than ADSL (and even those are not complete), and because SWBT does not have a general wholesale offering for a generic "DSL" capable loop, or for any other types of DSL other than ADSL and 4 wire HDSL. However, as also discussed above, SWBT has expressed a willingness to evaluate Covad's request to provision SDSL and IDSL over existing UNE loops in Texas in advance of an approved Interconnection Agreement, but in order to commence such work, needs additional information from Covad. If Covad's DSL technologies are identified as being compatible with existing SWBT UNE loop offerings in Texas, SWBT would be willing to expand the definitions of such UNE offerings to include the conforming technology and its criteria (i.e, in a Technical

Unlawful to limit

Publication). In fact, SWBT would be willing to allow Covad to provision SDSL and 2 wire HDSL over existing SWBT UNE loops in Texas in accordance with SWBT's draft Tech Pubs for SDSL and 2 wire HDSL before such Tech Pubs are finalized, as they may be modified from time to time. Any such provisioning would occur over a UNE which has been defined in the Interconnection Agreement between our two companies to include the compatible technology. This would provide Covad with exactly what it has been requesting without having to resort to the BFR/special request process (discussed further below). Thus, Covad's representations that SWBT's "refusal to allow Covad to offer any xDSL other than ADSL and 4 wire HDSL is unlawful," is entirely false.

SWBT fundamentally disagrees with what appears to be Covad's premise on ILEC loop provisioning — namely, that the FCC has required ILECs to provide to requesting carriers a loop that can be used to provide any digital service that the purchasing carrier might wish to place on that loop. Such a "one size fit all" loop requirement does not exist, cannot be reconciled with the need to prevent harm to the services being provided over the ILECs network, and would result in far fewer uses being made of the ILECs network by requesting carriers, other carriers, and end-users.

SWBT does not dispute the plain language of the FCC's order that requires ILECs to provide "copper loops that are conditioned to transmit the digital signals needed to provide services such as ISDN, ADSL, HDSL, and DS-1 level signals." Advanced Services Order, ¶53 (citation omitted). SWBT is indisputably willing to agree to perform such conditioning, and is negotiating in good faith with Covad to reach agreement on the terms and conditions (including price) associated with any such conditioning (subject to a reservation of rights to accommodate pending reviews of that requirement).

Covad really seeks to bootstrap that requirement into an obligation that the conditioned loop be able to support any digital service. In doing so, Covad obfuscates the difference between the activities that may be required to condition a loop and the technical parameters and effects of the different digital services. While it is true that conditioning an unbundled loop for most DSL applications generally involves the same loop modifications (e.g., removal of excessive bridged taps, load coils and repeaters), the specific type and operational parameters of a digital service placed on the loop can have different effects within the network. For example, ADSL services whose upstream/downstream transmission run in opposite direction than normal (reverse ADSL) when placed near a loop operating in normal fashion (downstream: away from the Central Office) cause interference with each other and denigrate both services. Therefore, ADSL that share the same or adjacent binder groups cannot be operated in opposite directions, that is, the downstream transmissions must all be sent in the same direction or else neither will work in a predictable fashion. In addition, other DSL equipments conflict in different ways, i.e., HDSL tends to interfere at the central office end of an ADSL circuit on the upstream signal, whereas T1s tend to interfere on the downstream side. Different combinations and numbers in the same and adjacent binder groups need to be analyzed to see what effect they have on in going loops. Because ISDN, HDSL and T1 technologies are provisioned through the application of repeaters placed such that worst case noise conditions will not adversely affect them, there has been no

need in the past to deal with these numbers and combinations of disturbers (beyond application of proper design rules).

Because of those differences, SWBT cannot and is not required to provide an "all-digital-capable" loop. Indeed, if SWBT attempted to, we would fully expect to be subject to further claims and complaints from Covad and others due to the unavailability of such loops caused by the need to qualify loops to the highest standards for possible interference. For example, even though a loop might support ADSL or IDSL (through application of repeaters), but not HDSL, Covad's approach would result in an "unavailable" response due to Covad's proposed requirement that the loop meet the reach requirements of "all DSL technologies." The net result of Covad's approach would be fewer digital services provided by all carriers over SWBT's network. SWBT submits the FCC's order simply cannot countenance such a result; the FCC's objective has been greater offerings of digital services, not fewer. SWBT accordingly seeks to qualify loops on a per-digital use basis to maximize usage of the network.

Moreover, the FCC does not require that an ILEC accept any use of a UNE regardless of its effect the services provisioned over the network, whether by the ILEC itself or by other carriers using UNEs. In its earliest order, the FCC recognized a base ability of an ILEC to refuse unbundling requests due to adverse network reliability impacts. *See* 47 C.F.R. 51.5 (definition of "technical feasibility"). As explained at paragraph 203 of the First Report and Order, the Commission "conclude[d], however, that legitimate threats to network reliability and security must be considered in evaluating the technical feasibility of interconnection or access to incumbent LEC networks. Negative network reliability effects are necessarily contrary to a finding of technical feasibility. *Each carrier must be able to retain responsibility for the management, control, and performance of its own network.*" (Emphasis added).

As you are undoubtedly aware, one of the legitimate threats to network reliability repeatedly recognized by the FCC is interference between services. SWBT is only seeking to accomplish the same goal with its approach to UNE loops that are used to provision digital services. The FCC, in order to avoid interference, hazardous voltages, and other network ills, promulgated Part 68 to govern connection of customer premises equipment (CPE) to the public switch network. In fact, the FCC's description of the purpose behind Part 68's signal power limitations succinctly states the principal reason for SWBT's complained-of Technical Publications: "to protect the network from crosstalk and other interference caused by excessive signal power" by establishing "the maximum signal power that could be introduced into the network without causing harm to network facilities or degradation of service." *1998 Biennial Regulatory Review - Modifications to Signal Power Limitations Contained in Part 68 of the Commission's Rules*, CC Docket No. 98-163, Notice of Proposed Rulemaking, FCC 98-221, 1998 FCC LEXIS 4802, ¶5 (rel. September 16, 1998). As described by the FCC, its Rules have been imposed to "protect against interference among analog carriers in adjacent binder groups, and unacceptable noise and interference caused by introduction of excessive voltage into the network and, contingent upon the specific service involved, pulse amplitudes" and to avoid "interference with adjacent channels sharing the same transmission path." Id. at n.11, n.12 (discussing 47 C.F.R. 68.308 and 68.310, respectively). SWBT is similarly seeking to prevent those same harms or their counterparts with digital services. In addition, SWBT would note that DSL services are just now

beginning to be deployed in significant numbers and, as is typically the case, disruptions to services due to interference will increase as the number of density of DSL services increase. SWBT is not only concerned about the state of the network today, but also two or three years from now.

In order to do so, SWBT must know the particular digital service that is actually being placed on UNE loops, and ensure that the power and frequency being placed on a specific loop do not exceed certain standards for that particular service. SWBT cannot permit a "free for all" where Covad and every other carrier are allowed to place as much power and at whatever frequencies they desire whenever and for as long as they desire. To do so would only ensure that no carrier's services — not SWBT's, not Covad's, and no other carrier's alike — would work properly, particularly on initial turn-ups. Surely Covad can see the chaos that would result in such a situation. The FCC clearly has.

In the Advanced Service NPRM, the FCC acknowledges the inference that can be caused between digital services, id. ¶ 160, and has asked for comment on how to avoid interference and other harms through "loop spectrum management." As you may be aware, SWBT's parent company filed comments in that proceeding supporting the possible use of the industry standard-setting process to arrive at acceptable means of spectrum management. Undoubtedly, for the same or related reasons, the FCC has tentatively concluded that "there should be uniform standards for attachment of electronic equipment (such as modems and multiplexers) at the central office end of a loop by incumbent LECs and new entrants." Advanced Services NPRM, ¶ 163. Again, SWBT's parent company supports an industry standards approach for adopting such standards. At this point, however, neither the FCC nor any standard-setting process is even close to being completed on these interference issues. That does not mean these legitimate technical issues go away in the meantime; hence, SWBT's Technical Publications. As the FCC has recently concluded in a substantially similar situation, standards issued by a network provider are a reasonable and acceptable approach.

In the Report and Order in *Implementation of Section 304 of the Telecommunications Act of 1996; Commercial Availability of Navigation Devices*, CS Docket No. 97-80, 13 FCC Rcd 14775 (1998), one issue discussed was the potential for interference generated on multichannel video programming systems by third-party converter boxes ("navigation devices") that were being authorized for such systems. After concluding in yet another context that the right to attach third-party navigation devices did not extend to causing harm to the MVPD network (including interference to other users), id. [¶32], the FCC decided to permit "service providers to establish and enforce their own reasonable standards to define harm to their facilities" subject to FCC oversight in the event of dispute. Id. [¶36], [¶38]. Notably, the FCC's decision "relie[d] in part on the industry standards that have been developed or are being developed." Id. [¶36].

SWBT's Tech Pubs are similarly based upon the industry-standards that currently exist, and SWBT believes them to be fair and reasonable in their treatment of all current technologies, including the non-standardized ones that carriers like Covad may use. Moreover, SWBT's Tech Pub for ADSL consists of approximately 13 pages in the aggregate, a far contrast to the entirety of the FCC's Part 68 — a total of 161 pages in the 1997 edition of the C.F.R. — used by the

FCC to address CPE. In complexity and effects in the network, the various types of transmission equipment used to generate different digital signals within the network far exceed the relative simplicity of terminal equipment and its effects. If one acknowledges that the potential for undue interference must be limited in the network — as the FCC continually has — then the current use of Tech Pubs to address transmission equipment such as those used by SWBT cannot be fairly disputed.

In sum, until national standards are developed and adopted, SWBT must act in the best interests of all users of its network by testing technologies, gathering information, then designing UNEs to support them in a manner that preserves the integrity of its network for all. As established above, there is nothing in the FCC's orders or the Act itself which forecloses SWBT from doing so; to the contrary, there is ample legal support for the efforts made by SWBT to protect its network and the users of such network from harm.

C. BFR

In your letter, you allege that SWBT's requirement that Covad submit a BFR to SWBT if Covad wants to offer SDSL or any flavor of DSL not offered by SWBT is not supported by the Act or the FCC's Orders. You also incorrectly assert that the clean copper loop which SWBT offers to make available ADSL is the exact same UNE that Covad requires to provision SDSL and most other varieties of DSL. Finally, you claim that the BFR process would result in additional delay to Covad's entry into Texas.

First, as discussed at length above, SWBT has proposed an alternative to Covad submitting requests to provision DSL technologies other than ADSL and 4 wire HDSL which would be handled even before the parties enter into an Interconnection Agreement in Texas. As a result, your allegation that SWBT's proposal would delay Covad in any way is inaccurate, particularly given that it is Covad who is stalling these efforts by refusing to provide SWBT with the information it needs to address Covad's concerns in this regard. In addition, as discussed above, there is nothing in the Act or FCC's orders which forecloses SWBT from protecting the integrity of its network for all users, including Covad itself. Finally, contrary to your representation, the loop design for each type of DSL technology is different and each type of DSL technology has different spectrum characteristics i.e., DSL technologies are not compatible with each other in most circumstances. Therefore, SWBT must address each technology individually as opposed to generically.

Incidentally, I find it interesting that you continue to allege SWBT's BFR/special request process is unacceptable to Covad given your and Mr. Khanna's admissions in our October 30 meeting, following Covad's expressed dissatisfaction with such process, that neither of you had reviewed or were familiar with the terms of such process in SWBT's Texas Generic Agreement or the SWBT/AT&T Texas Interconnection Agreement.

D. Spectral Protector Coils

As discussed at length above, SWBT believes it is necessary, proper and clearly lawful, in order to protect the integrity of the network, that Covad (and all other CLECs) agree to use the ADSL

loop in a manner consistent with SWBT's technical publications and agree not to exceed specified power levels or other technical parameters given the significant effects of interference on neighboring digital services which has been recognized by the industry. The resulting industry effort to balance and manage spectrum conflicts within the network make it reasonable that SWBT to able to inventory services and employ non-service affecting controls, at its own cost, to avert serious harm to all users of SWBT's network. As set forth above, SWBT's proposed contract language giving it the right to install such a device clearly has no bearing on Covad's entry into the market given that such device does not even exist today. Even when it existence, such device would have no effect on Covad and other CLECs except to verify that the other carriers are abiding by the technical parameters they contractually agreed to abide by with SWBT. If Covad intends to fulfill its contractual commitments to SWBT, then this will not be an issue. Finally, Covad's attempts to tie this to the California litigation are wholly without merit, especially in light of the information set forth above relating to such litigation and in light of the fact that such a device is not even an issue in that litigation.

E. Manual Loop Qualification, Loop Qualification Pricing and Loop Qualification Intervals

In your letter, you propose that SWBT agree to implement an automated loop qualification process and provide Covad electronic access to such function by a date certain. As we discussed in our meeting on October 30, SWBT is in the process of developing a mechanized system for loop qualification and is doing so as quickly as possible. It is also SWBT's preference to have a mechanized system in place. As you can see from paragraph 16 of the newly proposed 2 Wire ADSL Capable Loop language attached hereto, SWBT has included language which provides: "SWBT agrees to notify Covad when it has developed a mechanized Loop Qualification Process and costs associated with such Process. Upon Covad's receipt of such notification by SWBT, the Parties will meet for the sole purpose (unless otherwise agreed to by both Parties), of negotiating rates, terms and conditions for Covad's use of the mechanized Process." The rates proposed in SWBT's proposed 2 Wire ADSL Capable Loop language contemplate the manual processes currently in place until such time as SWBT's mechanized system is in place and in use by CLECs, including Covad.

You have also proposed language that SWBT offer a standard interval for manual loop qualification of 3-5 days to a requesting CLEC and that the maximum standard interval for loop qualification be 10 days, until such time are automated loop qualification methods, procedures, and training are established for the central office. Consistent with SWBT's commitments in the meetings held in connection with the Texas Collaborative Process, which Covad attended, SWBT will agree to a standard loop qualification interval of 3 to 5 days for requests in the Austin market only, as set forth in Paragraph 4 of SWBT's newly proposed 2 Wire ADSL Capable Loop contract language. In other markets, SWBT, in the spirit of compromise, will agree to a maximum standard loop qualification interval of 15 days until loop qualification methods, procedures, and training are established for the central office.

SWBT has proposed additional language in Paragraph 4 which further provides: "In an effort to establish the Loop Qualification Process by central office in the priority order desired by Covad,

Covad will provide SWBT with a prioritized list of central office locations where Covad has appropriate associated equipment, has or has ordered shielded cable, and intends to order access to ADSL Loops. Within 60 days of receipt of the list of central offices, SWBT will establish Loop Qualification Process methods, procedures, and training, for Covad's three highest central office priorities and will meet with Covad to establish a schedule for the remaining identified locations, if any. In any event, Covad shall be entitled to the loop qualification interval of 3 to 5 days associated with any SWBT central office(s) which SWBT has completely inventoried for another CLEC or for SWBT's own purposes. After the initial loop qualification and installation on behalf of any CLEC in a given central office, a standard loop qualification interval of 3 to 5 days will be established."

We believe that SWBT's proposed language should satisfy all of Covad's concerns with respect to loop qualification.

II. Provisioning of xDSL Capable Loops

A. Proposed Loop Conditioning Parameters

SWBT believes that its proposed loop conditioning parameters are appropriate and will be supported by an interference table(s) currently being developed by TRI. This Exhibit (referred to as Exhibit "A" in SWBT's proposed 2 Wire ADSL Capable Loop contract language), will take into account adjacent binder groups and the number of interferers to determine the spectral characteristics of the loop in terms of loop length. Although SWBT's loop parameters are different than those previously established for PacBell, SWBT believes that such parameters are supported by TRI's findings and are necessary based upon the lessons learned by PacBell in California given its experience with ADSL and other DSL services to date. As discussed above, PacBell's Agreements containing ISDN/xDSL loop language were executed prior to the existence of any standards on ADSL (or any other DSL technology), and were the result of a very limited understanding of the new technologies. It was not clear at the time that ISDN and DSL had different loop design criteria and in fact did not coexist well when placed in the same binder groups. This lack of knowledge has contributed to a number of provisioning coordination problems, service disruptions due to facility modernization and interference with services of end users within PacBell's network. SWBT has no information to indicate whether GTE has had similar experiences. However, SWBT cannot ignore the difficulties experienced by its affiliate PacBell, and the results of testing performed by its technical arm, TRI.

NO
do coexist

B. Provisioning Intervals for xDSL Loops

SWBT believes it completely and adequately addressed Covad's proposal with respect to provisioning intervals for ADSL Capable Loops in subsection E above. SWBT addressed Covad's proposals with respect to other types of DSL Loops in subsection 5 and subsection I. B above.

III. Pricing of xDSL Capable Loops

Covad alleges that SWBT's proposed NRC pricing "for conditioning of xDSL loops" exceeds what other ILECs are charging including U.S. West, GTE-TX and PacBell. You also allege that SWBT's proposal to charge separately for removing load coils, bridged taps, and repeaters is also inconsistent with other ILEC practices.

First, SWBT has proposed rates for the conditioning of 2 Wire ADSL Capable Loops which are based upon TELRIC (forward looking) cost studies recently performed by SWBT, which assume the manual processes currently in place. As stated above, SWBT will agree to negotiate rates for Covad's use of the mechanized loop qualification as soon as SWBT has developed the Process and costs associated with such Process. SWBT would expect rates to differ among ILECs because costs differ among ILECs. As requested by Covad, SWBT will make the cost studies which support its non-recurring charges for ADSL loop conditioning in Texas available for inspection by Covad on SWBT's premises, subject to a non-disclosure agreement. Please let us know when you would like to review such information and we will arrange to have the studies available in our Dallas offices.

Covad has also requested that SWBT provide one uniform rate for conditioning, which includes the removal of load coils, bridged taps and repeaters and that such price should be a flat rate of $80 per loop order in Texas, similar to that which Covad alleges other carriers charge, such as GTE-TX. First, Covad fails to ignore that a uniform rate would be improper and result in a higher rate for conditioning. If SWBT was to charge one average price for loop conditioning instead of separate conditioning prices for load coils, repeaters, etc., the total average cost would be much higher. With the individual prices as proposed by SWBT, Covad has maximum flexibility of being charged only for the conditioning it requires. Thus, the rate structure proposed by SWBT actually benefits Covad and other requesting CLECs by ensuring that SWBT only charges for actual work performed on behalf of each CLEC and the CLEC is only required to pay for what it elects to order. Moreover, if Covad's assertions that it plans to market to customers in areas less than 17.5 kilofeet from the central office, the percentage of loops for which Covad will require conditioning should be low. Finally, Covad's proposal of an $80 flat rate fails to take into account SWBT's costs, which SWBT is clearly entitled to recover when providing UNEs to CLECs or performing functions on their behalf. Therefore, as discussed in every negotiations session with Covad to date, SWBT is not willing to agree to a rate, without regard to SWBT's costs.

IV. Shielded Cross Connects

A. Provisioning and Pricing

Covad has requested that SWBT provide the underlying cost data for SWBT's proposed rate in Texas for a shielded cross-connect and the spectrum management data to support SWBT's contention that shielded cross connects are necessary to reduce spectral interference. Covad also expresses its belief that it should be allowed to self-provision shielded cross connects.

As requested, SWBT will agree to make its cost studies which support its rate for a shielded cross-connect in Texas available for inspection by Covad on SWBT's premises, subject to a non-

disclosure agreement. Please let us know when Covad would like to review such information and we will make it available for review in our Dallas offices.

With respect to your requests for data to support the shielded cross-connects, Covad attended both the Texas and California forums hosted by SWBT, PacBell and TRI. The purposes of those forums was to share our plans and obtain input and suggestions from CLECs and vendors. During these forums, TRI explained the problems encountered with noise as a result of provisioning PacBell's retail ADSL service without shielded cable. Based upon PacBell's experience when deploying ADSL and during subsequent testing of this technology, SWBT/TRI determined that shielded cable must be a requirement for all ADSL providers. This requirement has been adopted to protect the integrity of the network for all users. In the October 27 meeting in California, all of the CLECs in attendance, including Covad, indicated that they were amenable to the use of shielded cross-connects by all carriers, including SWBT and PacBell for their own use. Currently, PacBell in California is replacing all cross-connects which are not shielded. Thus, it is my understanding that Covad has already acknowledged the need for, and agreed to the use of shielded cross-connects by all carriers.

V. Provisioning of DS-1 and DS-3 Capable Loops

A. Description of DS-1 and DS-3 Capable Loops

SWBT fully responded to Covad's requests for DS-1 and DS-3 capable loops in Texas in subsection 2 above.

Yackle, Cliff

From: QUICK, MARI S (SBC) [MQ0298@txmail.sbc.com]
Sent: Thursday, January 14, 1999 1:45 PM
To: BEVERLY REID; KING, RICHARD L (SBC); THURWALKER, JAMES A (SBC); MAH, LARRY K (SWBT); A EDWARD FRISA; AARON S VINYARD JR; ALAN C THIEBAUD; ANDREW P (ANDY) WALKER; ANNA SALGUERO; BILL SLOCOMB; BRUCE R NESBIT JR; CHAD KEITH; Cherylann Mears; CHRISTY S ELLIOTT; CLIFFORD YACKLE; Dan Jacobsen; Dave Kong; DAVE R KOENIG; DEBRA A DIETZ; DON ANTHONY FULTON; DONALD K PAVLACIC; ELIZABETH (BETH) RICE; Eric Boyer; EUGENE G FEDELIN; FREDERICK M DOERING; GARVIN H SHIPLEY JR; GEORGE R PHILLIPS JR; GERALD O (JERRY) ELLIS; GREG LYON; GREGORY A WEBER; IDA MILLS; Isabelle Salgado; JAMES R (JIM) BROOKS; JAMES M BOUFFARD; JAMES R GOODSON; JAN L BROWN; JAN SUNDAY; JEFFREY GAY; Jerry Fuess; JILL E MORLOCK; JIM PAUL; JOHN R MONROE; KEVIN CHAPMAN; KIM HARVEY; LARRY D MERRITT; LARRY WREN; LEE A CULVER; LEO F ROHDE; Lincoln Brown; LINDA A MARTIN; LINDA R MORGAN; LYNN LEHEW; MARI S QUICK; MARIA E MALHAM; MARK P ROYER; MARK RUSSELL; MAUREEN LACONTE; MELVIN A SMITH; Merrie Cavanaugh; PEGGY BLANNER; PHILIP BOWIE; RICHARD T JORDAN; RICK MANTOOTH; RONALD C OWENS; SALVADOR M CUELLAR JR; SANDRA H TUHOLSKE; STEVE WEINERT; STEVEN F NAIL; STEVEN L BARTSCH; STEVEN P FORMHALS; Terry Peters; TERRY STECKLINE; THOMAS E ZURHEIDE; THOMAS MAXWELL; TONI R GOSA; VICTORIA BIRD; William Hurst; WILLIAM R DREXEL; Wing Eng; WINSTON H SMITH; YOLANDA (YOLI) BARRERA
Subject: URGENT - ATTY CLIENT COMM"N

Importance: High

IMPORTANT INFORMATION FROM:
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RE: MIDWEST RETAIL ADSL

"This is an attorney/client privileged communication. Ensure that all documents, including "Word", e-mail, and attachments, that do not represent SBC's current retail plans are destroyed and/or deleted from the hard drive of your computer immediately."

MARI QUICK
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ACIC011759

ACI-153

Interim Agreement between Southwestern Bell Telephone Company and Covad Communications Co.

1.0 Introduction

The Parties acknowledge and agree that they are entering into the terms of this Interim Agreement as a result of Order No. 5, Interim Order, entered by the Arbitrators in the following consolidated arbitration proceedings pending before the Texas Public Utility Commission ("PUC"): Petition of Accelerated Connections, Inc., d/b/a ACI Corp. ("ACI") for Arbitration to Establish an Interconnection Agreement with Southwestern Bell Telephone Company ("SWBT"), Docket No. 20226 and Petition of DIECA Communications, Inc., d/b/a COVAD Communications Co. ("COVAD") for Arbitration of Interconnection Rates, Terms and Conditions and Related Arrangements with SWBT, Docket No. 20272 ("the Arbitration"). Consequently, the Parties believe that the rates, terms and conditions set forth in this Interim Agreement are not available for adoption by any other carrier (other than ACI or COVAD) under Section 252(i) of the Act. The Parties further acknowledge and agree that the rates, terms and conditions set forth in this Interim Agreement are interim (as more specifically set forth below) and subject to the outcome of the Arbitration (subject to any appeals and associated judicial review), and approval by the Texas PUC of the revised Physical Collocation Tariff recently filed in Project No. 16251, *Investigation of Southwestern Bell Telephone Company's Entry into Texas InterLATA Telecommunications Market,* (subject to any appeals and associated judicial review). Following the issuance of a final Order by the PUC in the Arbitration and approval by the PUC of the revised Physical Collocation Tariff filed in Project No. 16251, the Parties shall meet within thirty days and expend diligent efforts to arrive at an agreement on terms and conditions which comply with the final Order(s). Disputes between the Parties concerning the interpretation of the actions required or the provisions affected in said Sections shall be handled under the Dispute Resolution procedures set forth in the underlying Interconnection Agreement. The results of the Arbitration shall be effective the date the PUC's Order(s) becomes final, unless the Order(s) is stayed pending appeal. The revised Physical Collocation Tariff shall be effective when approved by the Texas PUC, unless the effectiveness of the Tariff is stayed pending appeal. When such PUC Order(s) becomes final, all of the rates, terms and conditions set forth in this Interim Agreement (with the exception of the delivery Schedules set forth on Exhibit "A"), including but not limited to any indemnity language ordered by the Texas PUC in connection with such Arbitration, shall be subject to true-up retroactively to the effective date of the Arbitrator's Order No. 5, Interim Order.

Nothing in this Interim Agreement shall constitute a waiver by either Party of any positions it may have taken or will take in the pending Arbitration or any other regulatory or judicial proceeding. This Interim Agreement also shall not constitute a concession or admission by either Party and shall not foreclose either Party from taking any position in the future in any forum addressing any of the matters set forth herein. The Parties acknowledge and agree that they are entering into this Interim Agreement as a result of Order No. 5, Interim Order entered in the Arbitration on an interim basis only. The Interim Agreement shall not be used by either party in the Arbitration or any other

regulatory or judicial proceeding to characterize that the terms in this agreement are appropriate on an ongoing basis.

2.0 Collocation Requests

2.1 SWBT will deliver to COVAD physical collocation space under the following schedule: 30 offices in June, including 11 caged and 19 cageless arrangements; 35 offices in July, including 10 caged and 25 cageless arrangements; 40 offices in August, all of which will be cageless arrangements; and 8 offices in September, all of which will be cageless arrangements. These arrangements will be delivered in accordance with the Schedules attached hereto as Exhibit "A." As reflected on the attached Schedules, all caged and cageless arrangements will be turned over to COVAD on the specific dates set forth on Exhibit "A" in accordance with the rates, terms and conditions set forth in the existing Texas Physical Collocation Tariff . SWBT will advise COVAD during the course of the month the exact date that each cageless arrangement will be turned over to COVAD. All turnover dates set forth on Exhibit "A" constitute the date construction will be completed by SWBT and the space will be turned over to COVAD to begin installing its equipment.

2.2 Any requests by COVAD for caged collocation arrangements in SWBT central offices other than those collocation arrangements identified on Exhibit "A" shall be handled in accordance with the rates, terms and conditions of the applicable Texas Physical Collocation Tariff in effect at the time the requests are received by SWBT.

3.0 Rates for Physical Collocation Arrangements

3.1 SWBT shall provide caged collocation arrangements to COVAD at the rates set forth in the existing Texas Physical Collocation Tariff.

3.2 SWBT's interim rates for cageless collocation shall be as follows:

Two Framed Bay Collocation	$10,000*
Four Framed Bay Collocation	$15,000*
Six Framed Bay Collocation	$25,000*

* The Parties acknowledge and agree that Covad's payments for cageless collocation shall be subject to retro-active true-up for a period of six (6) months from the date the Texas PUC approves rates for cageless physical collocation. Any collocation that was paid for prior to that 6 month period will not be subject to true-up.

Tariff.

4.0 Transport

4.1 COVAD shall be entitled to order DS-1 and/or DS-3 transport under this Interim Agreement based upon the rates, terms and conditions set forth below.

4.2 In ordering DS-1 and/or DS-3 transport under this Interim Agreement, COVAD shall specify the two end points of the circuits, which at a minimum, shall include: (1) an interoffice circuit between two SWBT central offices; or (2) a dedicated circuit between COVAD's collocation facilities and COVAD's wire center as agreed to by the parties in Section 8.2, Attachment 6: UNE of the underlying Agreement.

4.3 Under this Interim Agreement, COVAD shall order transport as special access which may be converted to UNEs at no charge when its Texas Interconnection Agreement with SWBT becomes effective. The Parties acknowledge and agree that all of the rates for transport provisioned under this Interim Agreement are interim and subject to true-up upon final approval of the parties' Interconnection Agreement by the Texas PUC.

4.4 Under this Interim Agreement, COVAD shall submit to SWBT its Access Service Requests ("ASRs") to SWBT's Local Service Center ("LSC") for its desired transport a minimum of thirty (30) calendar days prior to SWBT's scheduled turnover of collocation arrangements as specified on Exhibit "A" and as defined above. Upon receipt of the requisite thirty (30) calendar days notice from COVAD, SWBT shall deliver transport under this Interim Agreement based upon the following intervals:

For all of the physical collocation arrangements SWBT is scheduled to deliver to COVAD from June through September, 1999, SWBT shall turnover transport to COVAD ten (10) business days following the scheduled turnover of each physical collocation arrangement to COVAD as specified on Exhibit "A."

5.0 DSL

5.1 General Terms and Conditions Relating to Unbundled DSL-Capable Loops:

The Parties acknowledge and agree that with the exception of the issues presented to the Texas PUC for Arbitration in Docket Nos. 20272 and 20226, SWBT and COVAD have reached an Agreement with respect to the rates, terms and conditions set forth in the underlying Interconnection Agreement negotiated between the Parties. For purposes of this interim Agreement, the Parties hereby incorporate the agreed-to rates, terms and conditions set forth in the underlying Agreement into this Interim Agreement.

5.2 Unbundled DSL-Capable Loop Offerings:

During the interim period, COVAD will advise SWBT of the type of specific technology(ies) and PSD masks, where known (including T1.E1 proposed and/or approved PSD masks), that COVAD plans to provision over an unbundled SWBT loop. COVAD's loop technologies are: IDSL, SDSL at speeds up to 1.1 Mbps, and ADSL up

to speeds of 1.5 Mbps/384 kbps and 1.1 Mbps/1.1 Mbps. Where no PSD mask exists, COVAD will advise SWBT of the type of equipment it will use to provision its DSL-based services over SWBT unbundled loops, along with the power and speed it plans to operate such equipment. COVAD will order loop types as specified by SWBT during the interim period. However, COVAD may order 2-wire digital loops for its IDSL service.

During this interim period, SWBT shall not deny COVAD's request to deploy any of the loop technologies identified above that COVAD is deploying or has deployed in the territory of SWBT's sister company Pacific Bell. COVAD's deployment of loop technologies during the interim period by itself shall not be deemed a successful deployment of the technology under the FCC's Order issued on March 31, 1999 in CC Docket 99-48.

5.3 Pre-qualification of Loops

SWBT will provide COVAD with the same access to the operations support systems ("OSS") functions for pre-ordering, ordering, and provisioning DSL-capable loops that SWBT is providing any other CLEC and SWBT's own retail ADSL service representatives. The provisions relating to OSS, set forth in Attachments 6-10 of the underlying Agreement agreed to between the Parties, shall govern the Parties' respective rights and obligations with respect to OSS.

5.4 Loop Qualification

Until a mechanized process is in place for Loop Qualification, requests for Loop Qualification shall be submitted to SWBT on a manual basis. A standard Loop Qualification interval of 3-5 business days is available.

If the results of the Loop Qualification indicate that the loop is less than 12,000 feet and meets the Technical Parameters without additional conditioning, COVAD will be notified, and will be provided loop makeup data. Should the loop meet SWBT design requirements but not function as desired by COVAD, COVAD may request, and must pay for, any requested conditioning at the rates set forth below. Loops less than 12,000 feet that do not meet SWBT's design criteria for its tariffed ADSL service but that could be conditioned to meet the minimum requirements defined in the associated SWBT Technical Publications through the removal of load coils, bridged tap and/or repeaters will be so conditioned at no charge to COVAD.

If the results of the Loop Qualification indicate that the loop is between 12,000 feet and 17,500 feet and does otherwise meet the Technical Parameters, COVAD may order and SWBT will provide the loop and the associated loop makeup data. COVAD may order loop conditioning. The charges set forth below will apply.

If the results of the Loop Qualification indicate that the loop length exceeds 17,500 feet, COVAD will be so notified and provided the associated loop make-up data.

If COVAD subsequently orders the loop with or without optional conditioning, COVAD will be billed for any conditioning work requested.

5.5 Service Performance

SWBT will not guarantee that the local loop(s) ordered will perform as desired by COVAD for DSL-based or other advanced services, but will guarantee basic metallic loop parameters, including continuity and pair balance.[1] COVAD requested testing by SWBT beyond these parameters will be billed on a time and materials basis at Access Tariff 73 rates.

SWBT will not pay any performance penalties during the term of the Interim Agreement.

5.6 Maintenance

Maintenance, other than assuring loop continuity and balance, on unconditioned or partially conditioned loops in excess of 12,000 feet will only be provided on a time and material basis as set out elsewhere in this Agreement. On loops where CLEC has requested that no conditioning be performed, SWBT's maintenance will be limited to verifying loop suitability for POTS. For loops having had partial or extensive conditioning performed at COVAD's request, SWBT will verify continuity, the completion of all requested conditioning, and will repair at no charge to COVAD any gross defects which would be unacceptable for POTS and which do not result from the loop's modified design.

5.7 Provisioning and Installation

5.7.1 The provisioning and installation interval for a DSL Capable loops, where no conditioning is requested, will be 5-7 business days after the Loop Qualification process is complete on orders for 1-20 loops per order or per end-user location, or the provisioning and installation interval applicable to SWBT's tariffed DSL-based services, or its affiliate's, whichever is less. The provisioning and installation intervals for the DSL Capable loops where conditioning is requested will be 15 business days for loops up to 17,500 feet on orders for 1 to 20 loops per order or per end-user customer location, or the provisioning and installation interval applicable to SWBT's tariffed DSL-based services or its affiliate's where conditioning is required, whichever is less. Orders for more than 20 loops per order or per end-user location, or any order for a DSL-Capable Loop in excess of 17,500 feet where conditioning is requested, will have a provisioning and installation interval agreed upon by the Parties for each instance.

5.7.2 Subsequent to the initial order for a DSL Capable Loop, additional conditioning may be requested on such loop at the rates set forth below and the applicable service order charges will apply; provided, however, when requests to add or

[1] This language implements Section V.E of MOU Attachment B (p. 34).

modify conditioning are received within 24 hours of the initial order for a DSL Capable Loop, no service order charges shall be assessed, but may be due date adjusted as necessary. The provisioning interval for additional requests for conditioning pursuant to this subsection will be the same as set forth above.

5.8 SWBT may use a selective feeder separation method to manage the spectrum. In all cases, SWBT will manage the spectrum in a competitively neutral manner consistent with all relevant industry standards.[2] In the interim period, SWBT agrees that COVAD's order for a DSL Capable loop will not be delayed by any lack of availability of a specific binder group or spectrum exhaust; provided, however, SWBT shall be under no obligation to provision DSL-Capable Loops in any instance where physical facilities do not exist. SWBT may reconfigure loops into a designated binder group.

5.9 Rates for DSL Capable Loops and Associated Charges, Billing and Payments of Rates and Charges

5.10 SWBT's rate for DSL Capable Loops, and associated charges, shall be as follows:

	Recurring	Nonrecurring Initial	Nonrecurring Additional
*2-wire DSL-Capable Loops (Statewide Average)	$14.15**	$15.03**	$6.22**
2-wire Digital Loop	$38.24	$15.03	$6.22
4-wire Analog Loop	$19.41	$15.03	$6.22
*Loop Qualification Process	$0.00	$0.00	
*DSL Shielded Cross Connect to Collocation	$0.00	$0.00	$0.00
2-Wire Cross-Connect to Collocation	$0.00	$6.91	$4.97
4-Wire Cross-Connect to Collocation	$0.00	$29.04	$29.04
*DSL Conditioning Options			
Removal of Repeaters	$0.00	$0.00	$0.00
Removal of Bridged Taps and Repeaters	$0.00	$0.00	$0.00
Removal of Bridged Taps	$0.00	$0.00	$0.00

[2]This language implements Section V.F of MOU Attachment B (p. 34).

Removal of Bridged Taps and Load Coils	$0.00	$0.00	$0.00
Removal of Load Coils	$0.00	$0.00	$0.00
Conditioning for loops over 17,500 ft	$0.00	$0.00	$0.00

* The Parties acknowledge and agree that all of the rates set forth above, with the exception of the rates established by the Texas PUC in the Mega Arbitration II and which COVAD agreed to in Appendix Pricing UNE - Schedule of Prices to the underlying Agreement, are interim and subject to true-up pending the establishment of permanent rates by the Texas Commission.

** It is SWBT's position that the rate set forth for the 2-wire DSL loop above is appropriate for SWBT's 2-wire ADSL Capable Loop and the 2-wire Mid-band Symmetric Technology Capable Loop offerings since those non-recurring and recurring rates are the statewide average rates for the 2-wire analog loop in Texas which were established by the Texas PUC in the Mega Arbitration II, but SWBT does not agree that such rates are appropriate for all DSL-capable loop offerings.

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Commissioner

July 26, 1999

Mr. James Galloway, Filing Clerk
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 787011

RE: **DOCKET 20226 – *PETITION OF ACCELERATED CONNECTIONS, INC., D/B/A ACI CORPORATION FOR ARBITRATION TO ESTABLISH AN INTERCONNECTION AGREEMENT WITH SOUTHWESTERN BELL TELEPHONE COMPANY***

DOCKET NO. 20272 – *PETITION OF DIECA COMMUNICATIONS, INC. D/B/A/ COVAD COMMUNICATIONS COMPANY FOR ARBITRATION OF INTERCONNECTION RATES, TERMS, CONDITIONS, AND RELATED ARRANGEMENTS WITH SOUTHWESTERN BELL TELEPHONE COMPANY*

Dear Mr. Galloway:

On behalf of Katherine Farroba and Rowland Curry, attached for filing is an original and 15 copies of Order No. 20 on the above dockets. As part of the filing package the order has three attachments (Attachment A, B & C).

Please note that only Attachments B &C, attached in a sealed envelope, are to be filed under seal, as they contain confidential material.

Your assistance in processing this filing is appreciated. Please direct any questions or comments to Katherine Farroba and Rowland Curry

Sincerely,

Katherine Farroba

Rowland Curry

DOCKET NO. 20226

PETITION OF ACCELERATED CONNECTIONS, INC., d/b/a ACI CORP. FOR ARBITRATION TO ESTABLISH AN INTERCONNECTION AGREEMENT WITH SOUTHWESTERN BELL TELEPHONE COMPANY	§ § § § § §	PUBLIC UTILITY COMMISSION OF TEXAS

DOCKET NO. 20272

PETITION OF DIECA COMMUNICATIONS, INC., d/b/a COVAD COMMUNICATIONS COMPANY FOR ARBITRATION OF INTERCONNECTION RATES, TERMS, CONDITIONS AND RELATED ARRANGEMENTS WITH SOUTHWESTERN BELL TELEPHONE COMPANY	§ § § § § § §	PUBLIC UTILITY COMMISSION OF TEXAS

ORDER NO. 20

ORDER RULING ON ACI's AND COVAD's MOTIONS AND AMENDED MOTIONS ON SANCTIONS, ACI's AND COVAD's MOTIONS TO DECLASSIFY ACI EXHIBIT 153, SWBT's MOTION TO RECONSIDER AND REVERSE BENCH RULING, AND SWBT's LIMITED AND CONDITIONAL OFFER OF PROOF RELATING TO ACI EXHIBIT 153

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should be imposed against SWBT for: (1) failure to properly respond to discovery requests; (2) failure to properly designate knowledgeable witnesses; (3) improper designation of certain documents as "confidential information;" (4) intentional alteration of documents so as to make them misleading; and (5) issuance of a specific directive in ACI Exhibit 153 in circumvention of discovery.[2]

In summary, the findings of the Arbitrators are as follows:

- The Arbitrators grant Petitioners' Motions to Declassify ACI Exhibit 153 as discussed in Section II. A. of this Order. The Arbitrators find no basis for confidential designation of ACI Exhibit 153 under the terms of the Protective Order in these proceedings or applicable law. However, the Arbitrators also stay the ruling on declassification pending a ruling on appeal by the Commissioners on this Order.
- The Arbitrators overrule SWBT's Motion to Reconsider.[3] The Arbitrators find no new argument or grounds justifying reversal of the Arbitrators' decision to admit ACI Exhibit 153 into evidence. The bench ruling stands, for all of the reasons stated by the Arbitrators during the June 3, 1999, hearing on sanctions, and for the reasons discussed below at Section II. B. of this Order.
- The Arbitrators also deny, in Section II. C. of this Order, SWBT's request to use a specific document claimed as privileged in a manner which constitutes an offensive use of a privilege that does not afford Petitioners or the Arbitrators an opportunity to review a complete record.[4]

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[2] For the purpose of clarity in this order, the Arbitrators have included ACI Exhibit 153 as confidential Attachment B, and will refer throughout this Order to confidential statements as shown in specific paragraph numbers in confidential Attachment C. That system of reference should allow this Order to remain nonconfidential, but will refer to items that have been designated as confidential.

[3] SWBT Motion to Reconsider and Reverse Bench Ruling as to Status of Attachment 4 of ACI's Amended Motion for Sanctions (June 16, 1999). Attachment 4 to ACI's Amended Motion for Sanctions is more appropriately referred to as ACI Exhibit 153, and the Arbitrators will use that designation throughout this Order.

[4] *See* TEX. R. CIV. EVID. 107 (Rule of Optional Completeness). Further, TEX. R. CIV. EVID. 106, Remainder of or Related Writings or Recorded Statements, does not create an exception to the prohibition against using privileged documents without supplementing discovery, as set out in TEX. R. CIV. PROC. 193.4(c).

- The Arbitrators grant Petitioners' motions for sanctions[5] in part and deny them in part. The Arbitrators find that SWBT's failure to produce requested documents and the directive contained in ACI Exhibit 153 (Attachment B) constitute an abuse of discovery. The Arbitrators also find that SWBT's failure to provide witnesses who were knowledgeable about their company's activities on which they were providing testimony was an abuse of discovery. Although the Arbitrators do not rule in this Order on the Motions to Declassify[6] which allege that SWBT misdesignated certain documents as "confidential information" in violation of the Protective Order. the Arbitrators do find that the declassification of misdesignated documents is a more appropriate remedy than the imposition of sanctions.
- The Arbitrators deny Petitioners' motions related to SWBT's alteration of ACI Exhibit 17a. While it is clear that the document was not properly redacted, there is no evidence that there was intent or malice on the part of SWBT in doing so.
- The Arbitrators conclude the appropriate form of sanctions is to require SWBT to pay all of Petitioners' costs, expenses, and attorneys' fees directly resulting from the additional discovery, depositions, additional preparation for and attendance at the portion of the hearing on the merits and the sanctions hearing which occurred after ACI Exhibit 17 was produced on April 15, 1999. These amounts will be determined in Phase II. of the sanctions proceeding as discussed in Section III. of this Order.

B. PROCEDURAL HISTORY

In December 1998, Petitioners requested the Commission to conduct arbitration proceedings to resolve issues concerning xDSL service provisioning pursuant to interconnection agreements with SWBT. Discovery commenced on January 6, 1999. On the day after the

[5] Accelerated Connections, Inc.'s Motion for Sanctions Against Southwestern Bell Telephone Co. (April 20, 1999); Communication Co.'s Motion for Sanctions Against Southwestern Bell Telephone Co. for Discovery Abuses (April 23, 1999); Accelerated Connections. Inc.'s Amended Motion for Sanctions Against Southwestern Bell Telephone Co. (June 1, 1999); Communications Company's Motion Joining ACI Corp.'s Amended Motion for Sanctions Against Southwestern Bell Telephone Company (June 2, 1999).

[6] The Arbitrators rule on ACI's and 's specific motions to declassify ACI Exhibit 153 as discussed in Section II. A. of this Order. ACI's and 's motions to declassify other documents will be addressed in a subsequent order.