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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

November 13, 2001

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By hand delivery

Magalie R. Salas, Esq.
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: **CC Docket No. 00-251**
In the Matter of the Petition of AT&T Communications of Virginia, Inc., TCG Virginia, Inc., ACC National Telecom Corp., MediaOne of Virginia and MediaOne Telecommunications of Virginia, Inc. for Arbitration of an Interconnection Agreement With Verizon Virginia Inc. Pursuant to Section 252(e)(5) of the Telecommunications Act of 1996

Dear Ms. Salas:

On behalf of AT&T Communications of Virginia, Inc. and its affiliates listed above, enclosed please find an original and three (3) copies of AT&T's proposed interconnection agreement with Verizon Virginia Inc.

Respectfully submitted,

Mark A. Keffer
AT&T
3033 Chain Bridge Road
Oakton, VA 22185
703 691-6046

0+6

Enclosures

cc: Dorothy Attwood (8 copies)
John Stanley
Jeffrey Dygert
Katherine Farroba

CERTIFICATE OF SERVICE

I hereby certify that on November 13, 2001, a copy of the foregoing was sent via hand delivery, Federal Express, U.S. mail and/or email to:

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Federal Communications Commission
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Washington, D.C. 20544

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Mark Keffer

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

Dated as of [TBD]

by and between

VERIZON VIRGINIA INC.

and

AT&T COMMUNICATIONS OF VIRGINIA

[separately by and between VERIZON VIRGINIA INC. and TCG VIRGINIA, INC.]

[separately by and between VERIZON VIRGINIA INC. and ACC NATIONAL TELECOM CORP.]

[separately by and between VERIZON VIRGINIA INC. and MEDIAONE OF VIRGINIA AND MEDIAONE TELECOMMUNICATIONS OF VIRGINIA, INC]

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

This Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996, is effective as of the [TBD] day of ____, 2001 (the "Effective Date"), by and between Verizon Virginia, Inc. (formerly known as Bell Atlantic – Virginia, Inc.") ("Verizon"), a Virginia corporation with offices at 600 East Main Street, 11th floor, Richmond, Virginia 23219 and AT&T Communications of Virginia, Inc. ("AT&T"), a Virginia corporation with offices at 3033 Chain Bridge Road, Oakton, Virginia 22185 (the "Parties").

WHEREAS, the Federal Communications Commission (the "FCC") has issued rules to implement the Telecommunications Act of 1996 (as amended or modified from time to time, the "Act") (including In the Matter of the Local Competition Provisions in the Telecommunications Act of 1996, FCC 96-325 (hereinafter, as amended, modified, stayed or reconsidered from time to time, the "Order"); and

WHEREAS, the Parties want to interconnect their networks at mutually agreed upon points of interconnection to provide Telephone Exchange Services, Switched Exchange Access Services, and other Telecommunications Services (all as defined below) to their respective customers.

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, AT&T and Verizon hereby agree as follows:

1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below in this Section 1. All capitalized terms used but not defined shall have the meanings set forth in the Act.

1.1 "Act" means the Communications Act of 1934 (47 U.S.C. 151 et seq.), as from time to time amended (including, without limitation, by the Telecommunications Act of 1996), and as from time to time interpreted in the duly authorized rules and regulations of the FCC or the Commission.

1.2 "ADSL" or "Asymmetrical Digital Subscriber Line" means a transmission technology on twisted pair copper Loop plant, which transmits an asymmetrical digital signal of up to 6 mbps to the Customer and up to 640 kbps from the Customer, as specified in ANSI standards T1.413-1998 and Verizon Technical Reference TR-72575.

1.3 [Intentionally omitted.]

1.4 "Agreement" means this Interconnection Agreement including all Exhibits, Schedules, addenda, and attachments referenced herein and/or appended hereto.

1.5 "Ancillary Traffic," means all traffic that is destined for ancillary services, or that may have special billing requirements, including but not limited to the following: BLV/BLVI, Directory Assistance, 911/E911, Operator Services (IntraLATA call completion), IntraLATA third party, collect and calling card, 8YY database query, LIDB, and information services requiring special billing as described in section 7.1.

1.6 "Applicable Laws" or "Law" means all laws, rules, regulations, and orders (state or federal) which are applicable to each Party's performance of its obligations hereunder.

1.7 [Intentionally omitted.]

1.8 [Intentionally omitted.]

1.9 "Automatic Number Identification" or "ANI" means a signaling parameter which refers to the number transmitted through a network identifying the billing number of the calling party.

1.10 "Bona Fide Request" or "BFR" means the process as described in Exhibit B that prescribes the terms and conditions relating to AT&T's request that Verizon provide unbundled Network Elements or Combinations that it is not otherwise required to provide under the terms of this Agreement.

1.11 "Busy Line Verification" or "BLV" means an operator request for a status check on the line of a called party. The request is made by one Party's operator to an operator of the other Party. The verification of the status check is provided to the requesting operator.

1.12 "Busy Line Verification Interrupt" or "BLVI" means a service that may be requested and provided when BLV has determined that a line is busy due to an ongoing call. BLVI is an operator interruption of that ongoing call to inform the called party that a calling party is seeking to complete his or her call to the called party.

1.12(a) "Call Detail Information" means the usage information for either a Verizon resold local exchange dial tone line or unbundled Local Switching port purchased by AT&T under this Agreement that Verizon would record if Verizon was furnishing such Verizon retail local exchange dial tone line service to a Verizon end-user retail Customer.

1.13 "Calling Party Number" or "CPN" is a Common Channel Signaling ("CCS") parameter which refers to the number transmitted through a network identifying the calling party.

1.14 "Central Office Switch" means a switch used to provide Telecommunications Services, including, but not limited to:

(a) an "End Office Switch" or "End Office" which is a switching entity that is used to terminate Customer station Loops for the purpose of interconnection

to each other and to trunks. An "End Office Host" is an End Office that has the capability of supporting other switching entities in a Host-Remote relationship by providing "Host" functionalities to those remote entities; "End Office Remote" is an End Office that is not an End Office Host; and

(b) a "Tandem Switch" or "Tandem Office" or "Tandem" which is a switching entity that has billing and recording capabilities and is used to connect and switch trunk circuits between and among End Office Switches and between and among End Office Switches and carriers' aggregation points, points of termination, or points of presence, and to provide Switched Exchange Access Services.

A Central Office Switch may also be employed as a combination End Office/Tandem Office Switch or 911 tandem.

1.15 "CLASS (Custom Local Access Signaling Service) Features" means certain CCS-based features available to Customers including, but not limited to: Automatic Call Back; Call Trace; Caller Identification, and future CCS-based offerings.

1.16 "Collocation" means an arrangement in which the equipment of one Party (the "Collocating Party") is installed and maintained at the premises of the second Party (the "Housing Party") for the purpose of Interconnection with the Housing Party or access to the unbundled Network Elements of Verizon.

1.17 "Commission" means the Virginia State Corporation Commission.

1.18 "Common Channel Signaling" or "CCS" means a method of transmitting call set-up and network control data over a digital signaling network separate from the public switched telephone network facilities that carry the actual voice or data traffic of the call. "SS7" means the common channel out of band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph ("CCITT") and the American National Standards Institute ("ANSI"). Verizon and AT&T currently utilize this out-of-band signaling protocol. "CCSAC" or "CCSAS" means the Common Channel Signaling access connection or service, respectively, which connects one Party's signaling point of interconnection to the other Party's STP for the exchange of SS7 messages.

1.19 "Competitive Local Exchange Carrier" or "CLEC" means any Local Exchange Carrier other than Verizon, operating as such in Verizon's certificated territory in Virginia. For purposes of this Agreement, AT&T is a CLEC.

1.19(a) "Contract Period", as used in Section 12 and Section 22, means a stated period or minimum period of time for which AT&T is required by this Agreement to subscribe to, use and/or pay for a Resold Service.

1.20 "Cross Connection" means a jumper cable, or similar connection provided with a Collocation arrangement at the digital signal cross connect, Main Distribution Frame or other suitable frame or panel between (i) the Collocating Party's equipment and (ii) the equipment or facilities of the Housing Party.

1.21 "Customer" means a third-party residence or business end-user subscriber to Telecommunications Services provided by either of the Parties, provided, however, the term "Customer" does not include a Party.

1.22 "Days" shall mean calendar days unless otherwise designated as "business days".

1.23 [Intentionally omitted.]

1.24 [Intentionally omitted.]

1.25 "Digital Signal Level" means one of several transmission rates in the time-division multiplex hierarchy.

1.26 "Digital Signal Level 0" or "DS0" means the 64 Kbps zero-level signal in the time-division multiplex hierarchy.

1.27 "Digital Signal Level 1" or "DS1" means the 1.544 Mbps first-level signal in the time-division multiplex hierarchy.

1.28 "Digital Signal Level 3" or "DS3" means the 44.736 Mbps third-level in the time-division multiplex hierarchy.

1.29 "8YY" refers to toll free service area codes and includes the existing 800, 888, 877, 866, and 855 toll free service access codes and such other future toll free service access codes as may be approved by the Industry Numbering Committee or its successor.

1.30 "Entrance Facility" means the facility between a Party's designated premises and the Central Office serving that designated premises.

1.31 "Exchange Message Interface" or "EMI" means the standard used for exchange of Telecommunications message information among Telecommunications Carriers for billable, non-billable, sample, settlement, and study data. EMI format is contained in SR-320 published by the Alliance for Telecom Industry Solutions.

1.32 "FCC" means the Federal Communications Commission.

1.33 "FCC Regulations" means the regulations duly and lawfully promulgated by the FCC, as in effect from time to time.

1.34 "HDSL" or "High-Bit Rate Digital Subscriber Line" means a transmission technology which transmits up to a DS-1-level signal using any one of the following line codes: 2 Binary / 1 Quartenary ("2B1Q"), Carrierless AM/PM, Discrete Multitone ("DMT"), or 3 Binary / 1 Octal ("3B1Q").

1.35 [Intentionally omitted.]

1.36 "Independent Telephone Company" or "ITC" means any entity other than Verizon which, with respect to its operations within Virginia, is an Incumbent Local Exchange Carrier.

1.37 "Information Services Traffic" means Local Traffic or IntraLATA Toll Traffic which originates on a Telephone Exchange Service line and which is addressed to an information service provided over a Party's information services platform (e.g., 540, 550, 976, 940, and 970).

1.38 "Inside Wire" or "Inside Wiring" means all wire, cable, terminals, hardware, and other equipment or materials on the Customer's side of the Rate Demarcation Point.

1.39 "Integrated Digital Loop Carrier" or "IDLC" means a subscriber Loop carrier system which integrates within the switch at a DS1 level that is twenty-four (24) Loop transmission paths combined into a 1.544 Mbps digital signal.

1.40 "Integrated Services Digital Network" or "ISDN" means a switched network service providing end-to-end digital connectivity for the simultaneous transmission of voice and data. Basic Rate Interface-ISDN ("BRI-ISDN") provides for digital transmission of two 64 kbps bearer channels and one 16 kbps data and signaling channel (2B+D). Primary Rate Interface-ISDN ("PRI-ISDN") provides for digital transmission of twenty three (23) 64 kbps bearer channels and one (1) 64 kbps data and signaling channel (23 B+D).

1.41 [Intentionally omitted.]

1.42 "Interexchange Carrier" or "IXC" means a carrier that provides, directly or indirectly, interLATA and in some instances intraLATA Telephone Toll Services.

1.43 "Interim Number Portability" or "INP" means the use of existing and available call routing, forwarding, and addressing capabilities (e.g., remote call forwarding) to enable a Customer to receive Telephone Exchange Service provided by any Local Exchange Carrier operating within the exchange area with which the Customer's telephone number(s) is associated, without having to change the telephone number presently assigned to the Customer and regardless of whether the Customer's chosen Local Exchange Carrier is the carrier that originally assigned the number to the Customer.

1.44 [Intentionally omitted.]

1.44(a) "Internet Service Provider ("ISP")" is an entity that provides its customers the ability to obtain on-line information through the Internet.

1.45 "IntraLATA Toll Traffic" means those intraLATA calls, if any, that are not defined as Local Traffic in this Agreement.

1.46 "ISP-bound Traffic" shall have the same meaning, when used in this Agreement, as is used in the FCC's Order on Remand and Report and Order in CC Docket Nos. 96-98 & 99-68, FCC 01-131, released April 27, 2001 (ISP Remand Order).

1.46(a) "Jurisdiction" means the Commonwealth of Virginia.

1.46(b) "Line Sharing" is an arrangement by which Verizon facilitates AT&T's provision of ADSL (in accordance with T1.413), Splitterless ADSL (in accordance with T1.419), RADSL (in accordance with TR # 59), MVL (a proprietary technology), or any other xDSL technology that is presumed to be acceptable for shared line deployment in accordance with FCC rules, to a particular Customer location over an existing copper Loop that is being used simultaneously by Verizon to provide analog circuit-switched voice grade service to that Customer by making available to AT&T, solely for AT&T's use for provisioning those Advanced Services that are presumed to be acceptable for shared line deployment in accordance with FCC rules ("Advanced Services"), the frequency range above the voice band on the same copper Loop required by AT&T to provide such services, as more fully described in Schedule 11.2.17. This Agreement addresses line sharing over loops that are entirely copper loops, provided, however, that if Verizon is required under Applicable Law to provide Line Sharing over loops that are not copper facilities in their entirety, the provisions of section 27.4 shall apply. The Parties do not intend anything in this Agreement to prejudice either AT&T's position that line sharing may occur on loops constructed of fiber optic cable, digital loop carrier electronics, and copper distribution cable or Verizon's position that line sharing can only occur over copper loops or copper sub-loops.

1.47 "Line Side" means an End Office Switch connection that provides transmission, switching and optional features suitable for Customer connection to the public switched network, including loop start supervision, ground start supervision, and signaling for basic rate ISDN service.

1.48 "Line Splitting" is an arrangement by which AT&T, at its Collocation arrangement or the Collocation arrangement provided by Verizon to another CLEC, facilitates that CLEC's provision of ADSL (in accordance with T1.413) or any other xDSL technology that is presumed to be acceptable for shared line deployment in accordance with FCC rules, to a particular AT&T Customer over the high frequency range portion of an existing copper xDSL compatible Loop (including where an existing copper Loop is made available via pair swap or station transfers) (i.e. compatible with an xDSL service that is presumed to be acceptable for shared line deployment in accordance with FCC rules) ("data channel") provided by Verizon that is used simultaneously by AT&T to provide analog circuit-switched voice grade service to that Customer through the provision of unbundled Local Switching, as more fully described in Schedule 11.2.17.

1.49 [Intentionally omitted.]

1.50 [Intentionally omitted.]

1.51 "Local Traffic," means traffic that is originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that other Party's network, within a given local calling area or expanded area service area as determined by the calling and called NPA/NXX's.

1.51(a) "Loop" means a transmission path that extends from a Main Distribution Frame, DSX panel or functionally comparable piece of equipment in a Customer's serving End Office to the Loop Demarcation Point (or NID if installed at the Loop Demarcation Point) in or at the Customer's premises. The actual transmission facilities used to provide a Loop may utilize any of several technologies.

1.51(b) "Loop Demarcation Point" or "Rate Demarcation Point" means the physical point in a Verizon-provided network facility at which Verizon's responsibility for maintaining the network facility ends and the Customer's responsibility for maintaining the remainder of the facility begins, as set forth in Verizon's applicable Tariffs, if any, or as otherwise prescribed under Applicable Law.

1.51(c) "Loss" or "Losses" means any and all losses, costs (including court costs), claims, damages (including fines, penalties, and criminal or civil judgments and settlements), injuries, liabilities and expenses (including attorneys' fees).

1.52 "Main Distribution Frame" or "MDF" means the primary point at which outside plant facilities terminate within a Wire Center for interconnection to other telecommunications facilities within the Wire Center.

1.53 "MECAB" means the Multiple Exchange Carrier Access Billing (MECAB) document prepared by the Billing Committee of the Ordering and Billing Forum ("OBF"), which functions under the auspices of the Carrier Liaison Committee ("CLC") of the Alliance for Telecommunications Industry Solutions ("ATIS"). The MECAB document, published by Bellcore as Special Report SR-BDS-000983, contains the recommended guidelines for the billing of an Exchange Access service provided by two or more LECs, or by one LEC in two or more states, within a single LATA.

1.54 "MECOD" means the Multiple Exchange Carriers Ordering and Design (MECOD) Guidelines for Access Services - Industry Support Interface, a document developed by the Ordering/Provisioning Committee under the auspices of OBF. The MECOD document, published by Bellcore as Special Report SR-STS-002643, establishes methods for processing orders for Exchange Access service which is to be provided by two or more LECs.

1.55 "Meet-Point Billing" or "MPB" means an arrangement whereby two or more LECs jointly provide to a third party (e.g. an Interexchange Carrier) the transport element of a Switched Exchange Access Service to one of the LECs' End Office Switches, with each LEC receiving an appropriate share of the transport element revenues as defined by their effective Exchange Access tariffs, and as also outlined in the MECAB guidelines. "Meet-Point Billing Traffic" means traffic that is subject to an effective Meet-Point Billing arrangement.

1.56 "Mid-Span Fiber Meet" means an Interconnection architecture whereby two carriers' transmission facilities meet at a mutually agreed-upon point of Interconnection ("POI").

1.57 [Intentionally omitted.]

1.58 [Intentionally omitted.]

1.59 "Network Interface Device" or "NID" means an interface provided by a Telecommunications Carrier, including all features, functions and capabilities of such interface, and terminating such Carrier's telecommunications network on the property where a Customer's service is located at a point determined by such Carrier. The NID contains an FCC Part 68 registered jack from which Inside Wire may be connected to the other Party's network.

1.60 "North American Numbering Plan" or "NANP" means the numbering plan used in the United States that also serves Canada, Bermuda, Puerto Rico and certain Caribbean Islands. The NANP format is a 10-digit number that consists of a 3-digit NPA code (commonly referred to as the area code), followed by a 3-digit NXX code and 4-digit line number.

1.61 "Numbering Plan Area" or "NPA" is also sometimes referred to as an area code. There are two general categories of NPAs, "Geographic NPAs" and "Non-Geographic NPAs." A Geographic NPA is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that geographic area. A Non-Geographic NPA, also known as a "Service Access Code" or "SAC Code," is typically associated with a specialized telecommunications service which may be provided across multiple geographic NPA areas; 8YY, 900, 700, 500 and 888 are examples of Non-Geographic NPAs.

1.62 "NXX," "NXX Code," or "End Office Code" means the three digit switch entity indicator (i.e., the first three digits of a seven digit telephone number).

1.62(a) "Operator Services" means: (a) services accessed by dialing 411, 555-1212, 1-555-1212, 0+ local, 0+ intraLATA, and, 0-; and, (b) any other automated or live operator or directory assistance service.

1.62(b) "Order" means an order or application.

1.62(c) "Percent Interstate Usage" or "PIU" is a factor that is used to determine the interstate portion of minutes of traffic exchanged via Traffic Exchange Trunks. PIU is developed from the measurement of calls in which the calling and called parties are not located within the same state. PIU is the first such factor applied to traffic for jurisdictional separation of traffic.

1.62(d) "Percent Local Usage" or "PLU" is a factor that is used to determine the portion of Local Traffic minutes exchanged via Traffic Exchange Trunks. PLU is developed from the measurement of calls in which the calling and called party are located

within a given local calling area or expanded area service area as determined by the calling and called NPA/NXX's. The PLU factor is applied to traffic only after the PIU factor has been applied for jurisdictional separation of traffic.

1.63 "Point of Interconnection" or "POI" means, for purposes of exchanging traffic between AT&T and Verizon, a location on the terminating Party's network to which the interconnecting Party terminates its trunks. For purposes of accessing unbundled network elements, the Point of Interconnection is a location on Verizon's network where AT&T accesses unbundled network elements.

1.64 "Port Element" or "Port" means a line card (or equivalent) and associated peripheral equipment on an End Office Switch which interconnects individual Loops or individual Customer trunks and the switching components of an End Office Switch and the associated switching functionality in that End Office Switch. Each Port is typically associated with one (or more) telephone number(s) which serves as the Customer's network address. The Port Element is part of the provision of unbundled local Switching Element.

1.65 "Rate Center Area" or "Exchange Area" means the geographic area that has been identified by a given LEC as being associated with a particular NPA-NXX code assigned to the LEC for its provision of Telephone Exchange Services. The Rate Center Area is the exclusive geographic area which the LEC has identified as the area within which it will provide Telephone Exchange Services bearing the particular NPA-NXX designation associated with the specific Rate Center Area.

1.65(a) A "Rate Center Point" is a specific geographic point, defined by a V&H coordinate, located within the Rate Center Area and used to measure distance for the purpose of billing Customers for distance-sensitive Telephone Exchange Services and Toll Traffic.

1.66 [Intentionally omitted.]

1.67 "Rating Point" or "Routing Point" means a specific geographic point identified by a specific V&H coordinate. The Routing Point is used to route inbound traffic to specified NPA-NXXs and Rating Point is used to calculate mileage measurements for distance-sensitive transport charges of switched access services. Pursuant to Bellcore Practice BR-795-100-100, the Rating Point may be an End Office location, or a "LEC Consortium Point of Interconnection." Pursuant to that same Bellcore Practice, examples of the latter shall be designated by a common language location identifier ("CLLI") code with (x)KD in positions 9, 10, 11, where (x) may be any alphanumeric A-Z or 0-9. The Rating Point/Routing Point must be located within the LATA in which the corresponding NPA-NXX is located. However, the Rating Point/Routing Point associated with each NPA-NXX need not be the same as the corresponding Rate Center Point, nor must it be located within the corresponding Rate Center Area, nor must there be a unique and separate Rating Point corresponding to each unique and separate Rate Center.

1.68 "Reciprocal Compensation" means the arrangement for recovering costs incurred for the transport and termination of Local Traffic originating on one Party's network and terminating on the other Party's network and refers to the payment arrangements set forth in Subsection 5.7 below.

1.69 "Retail Prices" means the prices at which Verizon retail Telecommunications Services are provided by Verizon at retail to subscribers who are not Telecommunications Carriers.

1.70 "Service" means any interconnection arrangement, Network Element, Telecommunications Service, Collocation arrangement, or other service, facility or arrangement, offered for sale by a Party under this Agreement.

1.71 "Service Control Point" or "SCP" means the node in the Common Channel Signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real time database system that, based on a query from a service switching point ("SSP") and via a Signaling Transfer Point, performs subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.

1.72 "Signaling Transfer Point" or "STP" means a packet switch in the CCS network that is used to route signaling messages among SSPs, SCPs and other STPs in order to set up calls and to query databases for advanced services. Verizon's network includes mated pairs of local and regional STPs. STPs are provided in pairs for redundancy. Verizon STPs conform to ANSI T1.111-8 standards. It provides SS7 Network Access and performs SS7 message routing and screening.

1.72(a) [Intentionally omitted.]

1.73 "Switched Access Detail Usage Data" means a category 1101XX record as defined in the EMI Bellcore Practice BR-010-200-010.

1.74 "Switched Access Summary Usage Data" means a category 1150XX record as defined in the EMI Bellcore Practice BR-010-200-010.

1.75 "Switched Exchange Access Service" means the offering of transmission and switching services for the purpose of the origination or termination of Toll Traffic. Switched Exchange Access Services include but may not be limited to: Feature Group A, Feature Group B, Feature Group D, 700 access, 8YY access, and 900 access.

1.76 "Synchronous Optical Network" or "SONET" is the North American standard for the transmission of high capacity bandwidth over optical facilities.

1.77 "Tariff" means any applicable federal or state tariff of a Party, as may be amended by the Party from time to time, under which a Party offers a particular service, facility, or arrangement. A Tariff shall not include any "Statement of Generally Available Terms and Conditions" ("SGAT") which Verizon has filed or may file pursuant to Section 252(f) of the Communications Act of 1934, 47 U.S.C. § 252(f).

1.78 [Intentionally omitted.]

1.79 [Intentionally omitted.]

1.80 [Intentionally omitted.]

1.81 [Intentionally omitted.]

1.82 [Intentionally omitted.]

1.83 [Intentionally omitted.]

1.84 [Intentionally omitted.]

1.85 "Termination Date Verizon Service" means: (a) any Resold Service being provided by Verizon under this Agreement at the time of termination of this Agreement, that at the time of termination of this Agreement is subject to a Contract Period which is greater than one (1) month; and, (b) any Resold Service requested by AT&T under this Agreement in an Order accepted by Verizon prior to termination of this Agreement but not yet being provided by Verizon at the time of termination of this Agreement, that is subject to an initial Contract Period which is greater than one (1) month.

1.85(a) "Toll Traffic" means traffic that is originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that Party's network and is not Local Traffic or Ancillary Traffic. Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic," depending on whether the originating and terminating points are within the same LATA.

1.86 [Intentionally omitted.]

1.87 "Tandem Transit Traffic" or "Transit Traffic" means Telephone Exchange Service traffic that originates on AT&T's network (either as a facilities-based carrier or through AT&T's purchase of unbundled Network Elements), and is transported through a Verizon Tandem to the Central Office of a CLEC, ITC, Commercial Mobile Radio Service ("CMRS") carrier, or other LEC that subtends the relevant Verizon Tandem to which AT&T delivers such traffic substantially unchanged. In these cases, neither the originating nor terminating Customer is a Customer of Verizon. "Transit Traffic" and "Tandem Transit Traffic" do not include or apply to traffic that is subject to an effective Meet-Point Billing Arrangement.

1.88 "Trunk Side" means a Central Office Switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity (e.g., another carrier's network). Trunk Side connections offer those transmission and signaling features appropriate for the connection of switching entities.

1.89 [Intentionally omitted.]

1.90 [Intentionally omitted.]

1.91 "Voice Grade" means either an analog signal of 300 to 3000 Hz or a digital signal of 56/64 kilobits per second. When referring to digital Voice Grade service (a 56/64 kbps channel), the terms "DS-0" or "sub-DS-1" may also be used.

1.91(a) [Intentionally omitted.]

1.92 "Wire Center" means a building or portion of a building which serves as a Routing Point for Switched Exchange Access Service. The Wire Center serves as the premises for one or more Central Offices.

2.0 INTERPRETATION AND CONSTRUCTION

2.1 All references to Sections, Attachments, Exhibits and Schedules shall be deemed to be references to Sections, Attachments, Exhibits and Schedules to this Agreement unless the context shall otherwise require or as specifically provided herein. The headings used in this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require or as otherwise specifically provided herein, any reference to any agreement, other instrument (including Verizon or other third party offerings, guides or practices), statute, regulation, rule or Tariff is to such agreement, other instrument, statute, regulation, rule or Tariff, as amended and supplemented from time to time (and, in the case of a statute, regulation, rule or Tariff, to any successor provision).

2.2 The terms and conditions of any and all Attachments, Schedules and Exhibits hereto, as amended from time to time by mutual agreement of the Parties, are incorporated herein by reference and shall constitute part of this Agreement as if fully set forth herein. This Agreement shall be construed and/or interpreted wherever possible to avoid conflict between the provisions hereof and the Attachments, Schedules or Exhibits hereto. If any provision contained in this main body of the Agreement and any Attachment, Schedule or Exhibit hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this main body of the Agreement shall prevail.

2.3 Each Party hereby incorporates by reference those provisions of its Tariffs that govern the provision of any of the services or facilities provided hereunder. Subject to the terms set forth in Section 20 regarding rates and charges, to the extent any provision of this Agreement and an applicable Tariff cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this Agreement (including without limitation its Attachments, Exhibits and Schedules) shall prevail. In those instances where the Tariff and the Agreement address the same subject matter and there is no conflict, the more specific provisions shall prevail over the more general. The fact that a condition, right, obligation, or other term appears in this Agreement but not in any such Tariff or in such Tariff but not in this Agreement, shall not be interpreted as, or be deemed grounds for finding, a conflict for purposes of this Section 2.

2.4 Other Definitional Provisions. The terms defined in this Agreement include the plural as well as the singular. Unless otherwise expressly stated, the words "herein", "hereof", "hereunder", and other words of similar import refer to this

Agreement as a whole. The words "include" and "including" shall not be construed as terms of limitation. The word "day" or "days" shall mean calendar day(s) unless otherwise designated.

3.0 SCOPE

This Agreement sets forth the terms, conditions and prices under which AT&T and Verizon will offer and provide to each other within each LATA in which the Parties operate in Virginia interconnection of their respective networks and services, as applicable, related to such interconnection, for their respective use in providing Telephone Exchange Services. Additionally, this Agreement sets forth the terms, conditions, and prices that Verizon will provide within each LATA in which it operates in Virginia access to unbundled Network Elements and Resold Services (as defined in Section 12) and ancillary services related thereto consistent with both Parties' rights and obligations to the extent required by Applicable Law.

Notwithstanding any other provision of this Agreement, with respect to Verizon Virginia, the scope of this Agreement shall include only the service territory of Verizon Virginia's predecessor company prior to June 30, 2000 (i.e., Bell Atlantic – Virginia, Inc.).

4.0 INTERCONNECTION PURSUANT TO SECTION 251(C)(2)

The types of Traffic to be exchanged under this Agreement shall be Local Traffic, IntraLATA Toll (and InterLATA Toll, as applicable) Traffic, Tandem Transit Traffic, Meet Point Billing Traffic, and Ancillary Traffic. Subject to the terms and conditions of this Agreement, interconnection of the Parties' facilities and equipment pursuant to this Section 4.0 for the transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic shall be established in accordance with Schedule 4.

4.1 Scope

4.1.1 Schedule 4 describes the architecture for Interconnection of the Parties' facilities and equipment over which the Parties shall configure the following separate and distinct trunk groups:

> Traffic Exchange Trunks for the transmission and routing of terminating Local Traffic, Tandem Transit Traffic, translated LEC IntraLATA toll free service access code (e.g., 800/888/877) (hereinafter, 8YY) traffic, IntraLATA Toll Traffic, and, where agreed to between the Parties, InterLATA Toll Traffic between their respective Telephone Exchange Service Customers pursuant to Section 251(c)(2) of the Act, and, Internet Traffic, all in accordance with Schedule 4 and Section 5 below;
>
> Access Toll Connecting Trunks for the transmission and routing of Exchange Access traffic, including translated interLATA 8YY traffic, between AT&T Telephone Exchange Service Customers

and purchasers of Switched Exchange Access Service via a Verizon access Tandem, pursuant to Section 251(c)(2) of the Act, in accordance with Schedule 4 and Section 6 below;

Untranslated 8YY Access Toll Connecting Trunks for the transmission and routing of untranslated 8YY traffic from AT&T Telephone Exchange Service Customers to a single Verizon access Tandem as designated by Verizon for translation in accordance with Schedule 4 and Section 6 below;

Information Services Trunks for the transmission and routing of terminating Information Services Traffic in accordance with Schedule 4 and Section 7 below;

911/E911 Trunks for the transmission and routing of terminating E911/911 traffic, in accordance with Schedule 4 and Section 7 below; and

Other types of trunk groups may be used by the Parties as provided in Schedule 4 and other Sections of this Agreement or in other separate agreements between the Parties (e.g., Directory Assistance Trunks, Operator Services Trunks, BLV/BLVI Trunks).

4.1.2 Points of Interconnection. Verizon shall permit AT&T to interconnect at any technically feasible point on Verizon's network, including, without limitation, tandems, end offices, outside plant and Customer premises, as described in and in accordance with Schedule 4.

4.2 Intentionally omitted

4.3 Intentionally omitted

4.4 Interconnection in Additional LATAs

4.4.1 If AT&T determines to offer Telephone Exchange Services and to interconnect with Verizon in any LATA in which Verizon also offers Telephone Exchange Services and in which the Parties are not already interconnected pursuant to this Agreement, AT&T shall provide written notice to Verizon of the need to establish interconnection in such LATA pursuant to this Agreement.

4.4.2 The notice provided in Section 4.4.1 shall include (a) the initial Rating Point(s) AT&T has designated in the new LATA; (b) AT&T's intended interconnection activation date and (c) a forecast of AT&T's trunking requirements conforming to Section 10.3. Within ten (10) business days of Verizon's receipt of AT&T's notice provided for in Section 4.4.1, Verizon and AT&T shall confirm the applicable Points(s) of Interconnection and the interconnection activation date for the new LATA.

4.4.3 The interconnection activation date in a new LATA shall be mutually agreed to by the Parties after receipt by Verizon of all necessary information. Unless otherwise agreed to by the Parties, such interconnection activation date shall not be earlier than sixty (60) days, and not later than one hundred eighty (180) days, after receipt by Verizon of all necessary information.

4.5 Additional Interconnection Methods

Verizon will make available to AT&T any other method that is mutually agreed to by the Parties or as required by Applicable Law.

5.0 TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC PURSUANT TO SECTION 251(C)(2) AND CALL DETAIL

5.1 Scope of Traffic

Section 5 prescribes parameters for trunk groups (the "Traffic Exchange Trunks") used for Interconnection pursuant to Section 4 (and Schedule 4) for the transmission and routing of Local Traffic, Transit Traffic, translated LEC IntraLATA 8YY Traffic, InterLATA Toll Traffic (to the extent applicable), and IntraLATA Toll Traffic between the Parties' respective Telephone Exchange Service Customers.

5.2 Trunk Group Connections and Ordering

5.2.1 Traffic Exchange Trunk group connections will be made at a DS-1 or DS-3 level. Higher speed connections shall be made, when and where available, in accordance with the Joint Implementation and Grooming Process prescribed in Section 10. Ancillary Traffic trunk groups may be made below a DS-1 level, as may be mutually agreed to by both Parties.

5.2.2 Each Party will identify its Carrier Identification Code, a three or four digit numeric obtained from Telecordia, to the other Party when ordering a trunk group.

5.2.3 Unless mutually agreed to by both Parties, each Party will send a Carrier Identification Code and outpulse ten (10) digits to the other Party. The Parties shall use GR-394-CORE format for IXC-bound calls and use GR-317-CORE format for LEC-bound calls.

5.2.4 Each Party will use commercially reasonable efforts to monitor its trunk groups and to augment those groups using generally accepted trunk engineering standards so as to not exceed blocking objectives. Each Party agrees to use modular trunk engineering techniques for trunks subject to this Agreement, with the exception of (a) E911/911 trunks; (b) BLV/BLVI trunks; and any other trunk types as mutually agreed to by the Parties.

5.3 Additional Switching System Hierarchy and Trunking Requirements

For purposes of routing traffic to the other Party, both Parties agree to use the Local Exchange Routing Guide (LERG).

5.4 Signaling

Each Party will provide the other Party with signaling necessary for the routing and completion of the other Party's traffic in accordance with the provisions contained in Section 17 below.

5.5 Grades of Service

Each Party shall engineer and shall monitor and service all trunk groups under its control consistent with the Joint Implementation and Grooming Process as set forth in Section 10 and any service standards established herein or in relevant FCC or Commission regulations or proceedings.

5.6 Measurement and Billing (excluding Meet Point Billing)

5.6.1 Terms and Conditions for Meet Point Billing are addressed in Section 6.

5.6.2 Except as otherwise provided in this Agreement, each Party will bill and record in accordance with this Agreement those charges the other Party incurs as a result of purchasing Network Elements, Combinations, Interconnection, Reciprocal Compensation charges, and Resold Services as set forth in this Agreement, as applicable. With respect to each bill rendered by Verizon to AT&T, such bill shall be consistent with (i) the terms of the agreement entered into by Verizon and others (including AT&T) on August 20, 1999 in settlement of *MCI Worldcom, Inc. and AT&T Corp. v. Bell Atlantic Corp.*, FCC File No. EAD-99-00003 ("Settlement Agreement"), as may be amended from time to time, and any collaborative proceedings or arbitrated decisions arising from that Settlement Agreement; and (ii) the provisions of the Application of GTE Corporation, Transferor and Bell Atlantic Corporation, Transferee, Memorandum Opinion and Order, Appendix D, CC Docket no. 98-184, FCC 00-221 (rel. June 16, 2000) ("Merger Conditions"). Notwithstanding any other provision of this Agreement, if any provision contained in this Section 5.6. (and/or Schedule 5.6 of this Agreement) conflicts with any term or condition of the Merger Conditions or otherwise would require Verizon, prior to the time period contained in the Merger Conditions or in a manner inconsistent with the Merger Conditions, to implement any Verizon OSS process, interface, or business rule, including but not limited to the Change Management Process, or any Verizon OSS Services as those terms are defined in this Agreement, the term or condition contained in the Merger Conditions shall prevail. If any provision contained in this Section 5.6 (and/or Schedule 5.6 of this Agreement) and any provision of the Settlement Agreement as may be amended from time to time, and any collaborative proceedings or arbitrated decisions arising from that Settlement Agreement cannot be reasonably construed or interpreted to avoid conflict, the terms of the Settlement

Agreement shall prevail. Conflicts among this Section 5.6 (and/or Schedule 5.6 of this Agreement), the Settlement Agreement, and the Merger Conditions shall be resolved in accordance with the following order of precedence, where the document identified in subsection "(a)" shall have the highest precedence: (a) the Settlement Agreement; (b) the Merger Conditions; and (c) this Section 5.6 (and/or Schedule 5.6 of this Agreement).

5.6.3 Bills will be provided by each Party on a monthly basis and shall include: (a) all non-usage sensitive charges incurred for the period beginning with the current bill date and extending up to, but not including, the next bill date, (b) any known unbilled non-usage sensitive charges for prior periods, (c) unbilled usage sensitive charges for the period beginning with the last bill date and extending up to, but not including, the current bill date, (d) any known unbilled usage sensitive charges for prior periods, and (e) any known unbilled adjustments. A CSR (Customer Service Record) will automatically by included with each monthly Verizon bill for each applicable Billing Account Number (BAN). The CSR is an inventory of recurring network elements and/or Resold Services provided to the CLEC and, in addition to other information, includes for each such recurring network element and/or Resold Service the quantity, the Universal Service Order Code (USOC), description and monthly recurring charge.

5.6.4 The Bill Date, as defined in Schedule 5.6, must be present on each bill transmitted by the billing Party.

5.6.5 Each Party shall provide the other Party at no additional charge applicable contact numbers for the handling of any billing questions or problems that may arise during the implementation and performance of the terms and conditions of this Section and Schedule 5.6.

5.6.6 For billing purposes, each Party shall pass Calling Party Number ("CPN") information on each call carried over the Traffic Exchange Trunks.

5.6.6.1 If the originating Party passes CPN on ninety percent (90%) or more of its calls, the receiving Party shall bill the originating Party the Local Traffic termination rates, intrastate Switched Exchange Access Service rates, intrastate/interstate Transit Traffic rates, or interstate Switched Exchange Access Service rates applicable to each minute of traffic, as provided in Exhibit A and applicable Tariffs, for which CPN is passed. For the remaining (up to ten percent (10%)) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at Local Traffic termination rates, intrastate Switched Exchange Access Service rates, intrastate/interstate Transit Traffic rates, or interstate Switched Exchange Access Service rates applicable to each minute of traffic, as provided in Exhibit A and applicable Tariffs, in direct proportion to the minutes of use of calls passed with CPN information.

5.6.6.2 If the originating Party passes CPN on less than ninety percent (90%) of its calls, the receiving Party shall bill the higher of its intrastate Switched Exchange Access Service rates or its interstate Switched Exchange Access

Service rates for that traffic passed without CPN which exceeds ten percent (10%), unless the Parties mutually agree that such other rates should apply to such traffic. For any remaining (up to ten percent (10%)) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at Local Traffic termination rates, intrastate Switched Exchange Access Service rates, intrastate/interstate Transit Traffic rates, or interstate Switched Exchange Access Service rates applicable to each minute of traffic, as provided in Exhibit A and applicable Tariffs, in direct proportion to the minutes of use of calls passed with CPN information.

5.6.7 At such time as a receiving Party has the capability, on an automated basis, to use such CPN information to classify traffic delivered by the other Party as either Local Traffic or Toll Traffic, such receiving Party shall bill the originating Party the Local Traffic termination rates, intrastate Switched Exchange Access Service rates, or interstate Switched Exchange Access Service rates applicable to each minute of Traffic for which CPN is passed, as provided in Exhibit A and applicable Tariffs. If the receiving Party lacks the capability to use CPN information to classify, on an automated basis, traffic delivered by the other Party as either Local Traffic or Toll Traffic, the originating Party will supply an auditable Percent Local Use ("PLU") and Percent Interstate Use ("PIU") factor on a quarterly basis, based on the previous three months' traffic, and applicable to the following three months. The PIU and PLU factors applicable upon the Effective Date are specified in Schedule 5.6.7. Such factors may be updated by the originating Party quarterly by written notification.

5.6.8 Measurement of billing minutes for purposes of determining terminating compensation shall be in conversation seconds. Measurement of billing minutes for originating toll free service access code (e.g., 8YY) calls shall be in accordance with applicable tariffs.

5.7 Reciprocal Compensation Arrangements -- Section 251(b)(5)

5.7.1 Reciprocal Compensation arrangements address the transport and termination of Local Traffic, including IntraLATA Toll Traffic for the purposes of reciprocal compensation, over the terminating carrier's switch in accordance with Section 251 (b)(5) of the Act. Verizon's delivery of Local Traffic to AT&T that originates with a third party carrier is addressed in Section 7.2. Compensation for the transport and termination of traffic not specifically addressed in this Section 5.7 shall be as provided elsewhere in this Agreement, or, if not so provided, as required by the Tariffs of the Party transporting and/or terminating the traffic.

5.7.2 Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.

5.7.3 The Parties shall compensate each other for the transport and termination of Local Traffic including IntraLATA Toll Traffic for the purposes of reciprocal compensation, in an equal and symmetrical manner at the rates provided in the Detailed Schedule of Itemized Charges (Exhibit A hereto), as may be amended from time

to time in accordance with Exhibit A and Section 20 or, if not set forth therein, in the applicable Tariff(s) of the terminating Party, as the case may be. These rates are to be applied at the AT&T-POI for traffic delivered by Verizon, and at the Verizon-POI for traffic delivered by AT&T. Except as expressly specified in this Agreement, no additional charges, including port or transport charges, shall apply for the termination of Local Traffic delivered to the Verizon-POI or the AT&T-POI by the other Party. When Local Traffic is terminated over the same trunks as Toll Traffic, any port or transport or other applicable access charges related to the delivery of Toll Traffic shall be prorated to be applied only to the Toll Traffic.

5.7.4 AT&T will pay Verizon the approved rate for termination of Local Traffic at the Tandem Office rate (including both transport and End Office termination) for Local Traffic AT&T delivers to Verizon via tandem trunks, and AT&T will pay Verizon the approved rate for End Office termination for Local Traffic AT&T delivers to Verizon via end office trunks. Verizon will pay AT&T the approved Tandem Office rate set forth in Exhibit A for Local Traffic Verizon delivers to AT&T. In addition to the foregoing, where either Party delivers traffic to the other Party at a POI location that is distant from the terminating switch, the Party delivering the traffic to that location will pay the other Party that Party's approved dedicated transport rate for the distance between the POI and terminating switch.

5.7.5 This section is intended to implement the ISP Remand Order for any period in which the ISP Remand Order is effective during the Term of this Agreement.

5.7.5.1 The Parties agree to compensate each other for delivering ISP-bound traffic and section 251(b)(5) traffic in accordance with the terms and conditions of this Section and Section 5.7. For purposes of this section, ISP-bound traffic and section 251(b)(5) Local Traffic shall be identified in accordance with the provisions of Subsection 2 below.

5.7.5.2 Compensation for ISP-bound Traffic.

5.7.5.2.1 All Local Traffic that is terminated by one Party for the other Party pursuant to this Agreement within any calendar quarter in excess of an amount (measured by total minutes of use) that is three times the traffic that is terminated by the other Party pursuant to this Agreement shall be conclusively defined as ISP-bound Traffic. All other Local Traffic that is exchanged between the Parties shall be conclusively defined as any call that would be considered a local call ("Voice Traffic").

5.7.5.2.2 All Voice Traffic and all ISP-bound Traffic that is exchanged pursuant to this Agreement shall be compensated as follows:

5.7.5.2.2.1 All Voice Traffic that is exchanged pursuant to this Agreement shall be compensated pursuant to Exhibit A.

5.7.5.2.2.2 All ISP-bound Traffic that is exchanged pursuant to this Agreement shall be compensated as follows:

(a) Commencing on the effective date of this Agreement and continuing until December 13, 2001, $.0015 per minute of use.

(b) Commencing on December 14, 2001 and continuing until June 13, 2003, $.0010 per minute of use.

(c) Commencing on June 14, 2003, $.0007 per minute of use. To the extent that the FCC has not taken further action with respect to inter-carrier compensation for ISP-bound Traffic by June 14, 2004 and this Agreement remains in effect after June 14, 2004, the Parties agree that the rate of $.0007 per minute of use for ISP-bound Traffic shall remain applicable for such period.

(d) No charges shall apply to the carriage (including transport and termination) of Voice Traffic and ISP-bound Traffic by either Party for the other Party except as set forth above.

5.7.5.2.2.3 The rates described in Subsection 2.2.2. above shall apply only if: (a) Verizon requests that ISP-bound Traffic be treated at the rates specified in the ISP Remand Order; (b) Verizon offers to exchange all traffic subject to the reciprocal compensation provisions of section 251(b)(5) with LECs, CLECs, and CMRS providers at these rates; and (c) Verizon has paid all past due amounts owed to AT&T for the delivery of ISP-bound Traffic prior to June 14, 2001. If Verizon does not comply with these conditions, then the rate for the delivery of ISP-bound Traffic shall be the rate for the delivery of Voice Traffic.

5.7.5.2.3 The ability of either Party to receive compensation for ISP-bound Traffic shall be limited as follows based on "growth caps" on compensation for ISP-bound Traffic consistent with the ISP Remand Order. The Parties shall first determine the total number of minutes of use of ISP-bound Traffic (as defined in Subsection 2.1 above) terminated by one Party for the other Party for the three-month period commencing January 1, 2001 and ending March 31, 2001. The Parties shall then multiply this number of minutes by 4.4, and the resulting product shall be the terminating Party's "2001 ISP-bound Annualized Traffic Cap." The total number of minutes of use of ISP-bound Traffic for which one Party may receive compensation from the other Party during the period July 1, 2001 through December 31, 2001 shall equal 50% of that Party's 2001 ISP-bound Annualized Traffic Cap. The total number of minutes of use of ISP-bound Traffic for which one Party may receive compensation from the other Party

during the period January 1, 2002 through December 31, 2002 or for any calendar year thereafter shall equal 1.1 times that Party's 2001 ISP-bound Annualized Traffic Cap. Neither Party may refuse to pay compensation for ISP-bound Traffic to the other Party based on the application of the foregoing "growth caps" until the aggregate amount of ISP-bound Traffic billed by the other Party for a specific calendar year exceeds the applicable maximum number of minutes of use of ISP-bound Traffic that may be compensated pursuant to this Subsection 2.3 for the entire year (beginning in calendar year 2002) or applicable portion thereof (for calendar year 2001).

5.7.5.2.4 The Parties shall bill each other for Voice Traffic and ISP-bound Traffic each month on the following basis:

5.7.5.2.4.1 For the period commencing on the effective date of this Agreement and continuing through September 30, 2001, each Party shall bill the other Party for Voice Traffic and ISP-bound Traffic based on the relative percentage of minutes of use of total combined Voice Traffic and ISP-bound Traffic represented by each type of traffic during the two-month period ending on May 31, 2001. For example, if Verizon terminated 100 minutes for AT&T during the two-month period ending on May 31 and AT&T terminated 500 minutes for Verizon during that period, the proportion of traffic terminated by AT&T would be 60% Voice Traffic [(3 x 100) / 500] and 40% ISP-bound Traffic [(500 – (3 x 100)) / 500], and for the period through September 30, 2001, AT&T would bill 60% of its total minutes of use billed for each month (or portion thereof) at the rate applicable to Voice Traffic and 40% of its total minutes of use at the rate applicable to ISP-bound Traffic.

5.7.5.2.4.2 For each calendar quarter commencing with the fourth quarter of 2001, each Party shall bill the other Party for Voice Traffic and ISP-bound Traffic based on the relative percentage of minutes of use of total combined Voice Traffic and ISP-bound Traffic represented by each type of traffic during the first two months of the immediately preceding calendar quarter. For example, if Verizon terminated 100 minutes for AT&T during the period July 1, 2001 through August 31, 2001, and AT&T terminated 500 minutes for Verizon during that period, the proportion of traffic terminated by AT&T would be 60% Voice Traffic [(3 x 100) / 500] and 40% ISP-bound Traffic [(500 – (3 x 100)) / 500], and for the period October 1, 2001 through December 31, 2001, AT&T would bill 60% of its total minutes of use billed for each month (or portion thereof) at the rate applicable to Voice Traffic and 40% of its total minutes of use at the rate applicable to ISP-bound Traffic.

5.7.5.2.4.3 Verizon will calculate the factors to be used for the relative percentage of minutes of use of total combined Voice Traffic and ISP-bound Traffic represented by each type of traffic during periods referred to in Subsections 2.4.1 and 2.4.2 above, and Verizon will notify AT&T of such factors in writing by no later than the first day of the period during which such factors will be used. Such factors will govern all billing during the applicable period, and the Parties will not true up any billing for prior periods based on actual balance of traffic during such period. However, AT&T may audit Verizon's factors as provided in Subsection 2.5 below, and the Parties will true up billing for any period to the extent the factors applicable to such period were incorrectly calculated.

5.7.5.2.4.4 If a Party is terminating both Voice Traffic and ISP-bound Traffic for the other Party, that Party may bill all such traffic at a blended rate based on the weighted average of the rates applicable to Voice Traffic and the rates applicable to ISP-bound Traffic, using the factors specified in Subsection 2.4.3 above. In the event that AT&T is delivering both Voice Traffic and ISP-bound Traffic to Verizon, and Verizon does not provide factors to AT&T, including minute counts used to determine what portion of AT&T's traffic constitutes "Voice Traffic" and what traffic constitutes "ISP-bound Traffic," by the first day of the period during which such factors will be used, AT&T shall bill Verizon for all traffic during such period at the rate applicable to Voice Traffic.

5.7.5.2.4.5 AT&T shall have the right to audit factors provided by Verizon pursuant to Subsection 2.4.3 above and Verizon bills relating to settlements pursuant to this Section, as specified in Section 28.10 (Audits), including the right to audit the number of minutes of use terminated by Verizon for AT&T during any period to the extent such information may affect the volume of traffic that is considered to be Voice Traffic or ISP-bound Traffic under this Agreement. Each Party shall bear its own expenses associated with such audits (provided, however, that AT&T may seek reimbursement from Verizon in the event that an audit finds that an adjustment should be made in the charges that AT&T is entitled to collect from Verizon for reciprocal compensation by an amount that is greater than two percent (2%) of the aggregate charges for reciprocal compensation that had been billed in the audited period).

5.7.5.2.5 The Parties have entered into this Agreement providing for differential compensation of Voice Traffic and ISP-bound Traffic based on the ISP Remand Order, which is on appeal to the United States Circuit Court of Appeals

for the District of Columbia Circuit. Without waiving any of their rights to assert and pursue their positions on issues related to compensation for Voice Traffic and ISP-bound Traffic, each Party agrees that until the ISP Remand Order is stayed or reversed or modified on appeal, the Parties shall exchange and compensate each other for Voice Traffic and ISP-bound Traffic on the terms and conditions provided herein. At such time as the ISP Remand Order is stayed, reversed or modified, then (1) ISP-bound traffic shall be deemed Local Traffic retroactive to the effective date of this Agreement; (2) any compensation that would have been due under this Agreement since its effective date for the exchange of ISP-bound traffic shall immediately be due and payable; and (3) the Parties shall immediately begin the exchange of ISP-bound traffic that was subject to the ISP Remand Order on the same terms, conditions, and rates as they exchange section 251(b)(5) traffic.

5.7.6 No Reciprocal Compensation shall apply to special access, private line, or any other traffic that is not switched by the terminating Party.

5.7.7 Transport and termination of the following types of traffic shall not be subject to the Reciprocal Compensation arrangements set forth in this Section 5.7, but instead shall be treated as described or referenced below:

5.7.7.1 Where AT&T provides service to an AT&T Customer using any combination of Network Elements that includes the unbundled local switching Network Element, the Parties shall adopt a "bill and keep" compensation arrangement for Local and intraLATA Toll Traffic. Under this compensation arrangement, the terminating carrier will not charge the originating carrier for Local and intraLATA Toll Traffic at either the appropriate End Office or Tandem rate. Notwithstanding the implementation of "bill and keep" compensation arrangement for Local Traffic, Verizon will record and forward to AT&T all associated usage as provided in Section 5.8.

5.7.7.2 The transport for alternate-billed calls (e.g., collect, calling card, and third party billed calls) will be billed in accordance with the applicable provisions of this Agreement. The Parties will mutually arrange for settlement of intraLATA intrastate alternate-billed calls (e.g., collect, calling card, and third-party billed calls) originated or authorized by their respective Customers in Virginia.

5.7.7.3 Switched Exchange Access Service shall continue to be governed by the terms and conditions of the applicable federal and state Tariffs and, where applicable, by a Meet-Point Billing arrangement in accordance with Section 6.3.

5.7.7.3.1 At such time that the Parties reach agreement upon a mutually acceptable settlement process, the originating Party will receive a credit for reciprocal compensation in those instances:

(i) where IntraLATA 8YY Toll Traffic calls are translated by the originating Party prior to delivery by that Party of such traffic to the terminating Party, and

(ii) where the terminating Party bills the originating Party Reciprocal Compensation in error for such IntraLATA 8YY Toll Traffic; and

(iii) where the originating Party provides appropriate records to the terminating Party to substantiate each request for credit.

Subsequent to the Effective Date of this Agreement, the Parties shall negotiate a mutually acceptable settlement process for reciprocal compensation credits in accordance with this Section 5.7.7.3.1.

5.7.3 Each Party reserves the right to audit all Traffic, up to a maximum of two audits per calendar year, to ensure that proper rates are being applied appropriately, provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit disclosed material errors or discrepancies. Each Party agrees to provide the necessary Traffic data in conjunction with any such audit in a timely manner. Except as otherwise provided herein, audits shall be conducted pursuant to Section 28.10.

5.8 Call Detail

5.8.1 Verizon will provide Call Detail Information originating from AT&T customers using certain Verizon Network Elements or Verizon Telecommunications Services with no rounding of billable time on unrated usage to full minutes. Call Detail Information generally includes, but is not limited to, the following categories of information where Verizon currently records such data in the ordinary course of its business: (i) completed calls, including 8YY calls and alternately billed calls; (ii) calls to directory assistance; and (iii) calls to and completed by Operator Services where Verizon provides such service to an AT&T Customer.

5.8.2 These records shall be transmitted to the other Party daily, Monday through Friday, except holidays observed by either Party's data centers. These records shall be transmitted in EMI format via Connect:Direct, provided however that if AT&T and Verizon do not have Connect:Direct capabilities, such records shall be transmitted as the Parties agree. Verizon and AT&T agree that they will retain, at each Party's sole expense, copies of all EMI records transmitted to the other Party for at least seven (7) calendar days after transmission to the other Party.

5.8.3 Each Party will provide the other Party with EMI records formatted in accordance with EMI industry standard guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents.

5.8.4 Verizon will provide AT&T valid lists and ongoing updates of all carrier identification codes ("CIC") and associated billing information for each Verizon Tandem to insure accurate billing in accordance with guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents.

5.8.5 Each Party will provide the other Party with a CIC on each EMI record transmitted to the other Party.

5.8.6 If Verizon does not have a CIC for any local exchange carrier, CLEC or IXC for whom Verizon must supply to AT&T billing records or information pursuant to this Section 5.8, Verizon agrees that it will assist the local exchange carrier, CLEC or IXC in obtaining a CIC expeditiously. Until the local exchange carrier, CLEC or IXC has received a CIC, Verizon agrees that it will submit its pseudo-CIC to AT&T on those records for billing and payment. Verizon further agrees that it will be responsible for obtaining reimbursement for the respective charges from the appropriate carrier.

5.8.7 If AT&T does not have a CIC for a local exchange carrier, CLEC or IXC for whom AT&T must supply to Verizon billing records or information pursuant to this Section 5.8, AT&T agrees that it will assist the local exchange carrier, CLEC or IXC in obtaining a CIC expeditiously. Until the local exchange carrier, CLEC or IXC has received a CIC, AT&T agrees that it will submit its pseudo-CIC to Verizon on those records for billing and payment. AT&T further agrees that it will be responsible for obtaining reimbursement for the respective charges from the appropriate carrier.

6.0 TRANSMISSION AND ROUTING OF EXCHANGE ACCESS TRAFFIC PURSUANT TO 251(C)(2)

6.1 Scope of Traffic

Section 6 prescribes parameters for certain trunks to be established over the interconnections specified in Section or Schedule 4 for the transmission and routing of traffic between the Parties' Telephone Exchange Service Customers and Interexchange Carriers ("Access Toll Connecting Trunks"), in any case where the Party elects to have its End Office Switch subtend the other Party's Tandem. This includes casually-dialed (10XXX and 101XXXX) traffic.

6.2 Trunk Group Architecture and Traffic Routing

6.2.1 Each Party shall establish two-way Access Toll Connecting Trunks by which it will provide tandem-transported Switched Exchange Access Services to Interexchange Carriers to enable such Interexchange Carriers to originate and terminate traffic to and from its Customers. Neither Party will charge the other Party for the facilities, including multiplexing and cross-connects.