

**ATTACHMENT A**  
**AUGUST 7, 2001 LETTER**  
**FROM ROBERT CARL VOIGT, SPRINT,**  
**TO CATHLEEN M. PLAUT**



Robert Carl Voigt  
Senior Attorney

14111 Capital Boulevard  
Wake Forest, NC 27587-5900  
Voice 919 554 7870  
Fax 919 554 7913

August 7, 2001

Ms. Cathleen M. Plaut, Attorney at Law  
Bailey & Dixon, L.L.P.  
Post Office Box 1351  
Raleigh, North Carolina 27602-1351

RE: @ COMMUNICATIONS, INC.

Dear Ms. Plaut:

This is in response to your e-mail message of July 25, 2001 concerning @ Communications' request for several Points-of-Interconnection (POIs) with the Sprint network. We understand the requested POIs are at the Greenville tandem, the New Bern tandem, the Rocky Mount tandem, and the Elizabeth City tandem.

Sprint will proceed with processing the @ Communications request for these POIs subject to the following: (1) Sprint will bill @ Communications for the full cost of transport from the POI to the local calling area in the same manner as Sprint bills all other interconnecting CLECs in North Carolina; (2) @ Communications agrees to make timely payment for the full cost of transport from the POI to the local calling area consistent with the recent holdings of the North Carolina Utilities Commission in two Arbitration Proceedings [AT&T/BellSouth; Docket No.'s P-140, Sub 73, and P-646, Sub 7; and Sprint/BellSouth; Docket No. P-294, Sub 23]; and (3) @ Communications will be treated in exactly the same manner as any other interconnecting CLEC in the event that @ Communications fails to make timely payment for the full cost of transport and any other proper charges.

Attached to this letter is an Acceptance Statement to be signed/dated by an authorized representative of @ Communications confirming agreement with the foregoing terms (which would simply mean that @ Communications will be treated in exactly the same manner as any other interconnecting CLEC). As soon as we have received written confirmation that @ Communications understands and agrees to the foregoing, Sprint will proceed with processing the requested POIs.

Ms. Cathleen M. Plaut  
August 7, 2001  
Page Two

For several reasons, Sprint cannot agree to @ Communications' request that Sprint bill for, and @ Communications pay for cost of transport on the basis of percent of originating use pending a later decision by the FCC in an as yet non-existent proceeding. First, Sprint's position is based upon the "here and now" as opposed to some hypothetical future situation. The present realities are: (i) there is no FCC Complaint proceeding pending; (ii) the North Carolina Complaint proceeding is being held in abeyance at the request of @ Communications; and (iii) the North Carolina Commission has clearly ruled in two recent Arbitration Orders that the CLEC bears the full cost of transport. Sprint's position simply reflects these present realities. Second, @ Communications' proposal would put @ Communications in a preferred position relative to all other interconnecting CLECs as to cost of transport. Third, @ Communications' proposal would impose upon Sprint an increased business risk of incurring a substantial uncollectible in the event of business failure by @ Communications while the as yet hypothetical FCC Complaint is pending. Fourth, in its Petition and Complaint to the North Carolina Utilities Commission, @ Communications complained that "Sprint is attempting to require @ Communications to bear the entire cost of the transport facilities from the IP to each local calling area." Then, in its request that the Commission hold the proceeding in abeyance, @ Communications stated that ". . . @ Communications reluctantly concedes that despite its continued belief that it should not have to shoulder the entire cost burden of all transport from the IP to and from each local calling area, the Commission has taken a firm position with respect to this issue and would likely reach the same result in this docket." Nonetheless, @ Communications is now asking Sprint to voluntarily agree to interim relief equivalent to what @ Communications was seeking in its Complaint (despite the fact that @ Communications has asked the Commission to hold the proceeding in abeyance), and which is counter to the clearly stated position of the North Carolina Commission in the two Arbitration Orders. For all of these reasons, Sprint cannot agree this request.

Sprint stands ready and willing to proceed with @ Communications' requested POIs as soon as @ Communications confirms its understanding and agreement with terms set forth in this letter. Please have an appropriate authorized representative of @ Communications

**Ms. Cathleen M. Plaut  
August 7, 2001  
Page Three**

**sign/date the attached Acceptance Statement, and return a signed/dated original to me at your convenience.**

**Sincerely,**

A handwritten signature in black ink that reads "Robert Carl Voigt". The signature is written in a cursive, flowing style.

**Robert Carl Voigt**

**RCV:sm**

**Attachment**

**Copy: Ms. Geneva S. Thigpen, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4325  
RE: Docket No. P-7, Sub 969 and P-10, Sub 611**

**Ms. Antoinette Wike, Chief Counsel  
North Carolina Utilities Commission - Public Staff  
4326 Mail Service Center  
Raleigh, North Carolina 27699-4326  
RE: Docket No. P-7, Sub 969 and P-10, Sub 611**

## ACCEPTANCE STATEMENT

**@ Communications, Inc. understands and agrees to the terms set forth in the foregoing letter regarding POIs and cost of transport. Specifically: (1) Sprint will bill @ Communications for the full cost of transport from the POI to the local calling area in the same manner as Sprint bills all other interconnecting CLECs in North Carolina; (2) @ Communications will make timely payment for the full cost of transport from the POI to the local calling area consistent with the recent holdings of the North Carolina Utilities Commission in two Arbitration Proceedings [AT&T/BellSouth; Docket No.'s P-140, Sub 73, and P-646, Sub 7; and Sprint/BellSouth; Docket No. P-294, Sub 23]; and (3) @ Communications will be treated in exactly the same manner as any other interconnecting CLEC in the event that @ Communications fails to make timely payment for the full cost of transport and any other proper charges.**

**@ Communications, Inc.**

**By: \_\_\_\_\_**  
**Authorized Representative**

**Name: \_\_\_\_\_**

**Title: \_\_\_\_\_**

**Date: \_\_\_\_\_, 2001**

**ATTACHMENT B**

**COMPLAINT TO NORTH CAROLINA UTILITIES COMMISSION**

**FILED**

**MAY 24 2001**

Clerk's Office  
N.C. Utilities Commission

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

**DOCKET NO. P-742 Sub 3**

**BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

**In the Matter of:**

**Petition of @ Communications, Inc. ) @ COMMUNICATIONS, INC.'S  
For Enforcement of Interconnection )  
Agreement Terms ) PETITION AND COMPLAINT**

**PETITION AND COMPLAINT**

@ Communications, Inc. (“@ Communications”), pursuant to NCUC Rule R1-9, hereby complains of acts or things done or omitted to be done by Carolina Telephone and Telegraph Company and Central Telephone Company (collectively, “Sprint”). @ Communications requests the Commission to enforce the Interconnection Agreement currently in effect between @ Communications and Sprint. @ Communications also seeks an interim order requiring Sprint to interconnect and exchange traffic pending a final ruling. In support of its Petition and Complaint, @ Communications shows the following<sup>1</sup>:

1. Petitioner's legal name and the address of its principal office are:

@ Communications, Inc.  
3000 Arendell Street, Suite 111  
Morehead City, North Carolina 2557

2. All communications, filings, orders and correspondence concerning this Petition should be directed to:

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<sup>1</sup> The factual assertions in this Petition are supported by the Affidavit of Eddie Arrants, President of @ Communications, Inc. See, Exhibit “A.”

W. Scott McCollough  
STUMPF, CRADDOCK, MASSEY & PULMAN, P.C.  
1801 North Lamar, Suite 104  
Austin, Texas 78701  
(512) 485-7920  
(512) 485-7921 (FAX)

Cathleen M. Plaut  
BAILEY & DIXON, L.L.P.  
104 Post Office Box 1351  
Raleigh, North Carolina 27602-1351  
(919) 828-0731  
(919) 828-6952 (FAX)

3. Respondent's legal name and the address of its principal office are:

Carolina Telephone and Telegraph Company  
Central Telephone Company  
(collectively, "Sprint")  
14111 Capital Boulevard  
Wake Forest, North Carolina 22587-5900

4. A copy of this Petition will also be served on counsel for Sprint:

Kathryn L. Feeney  
5454 West 110<sup>th</sup> Street  
Overland Park, Kansas 66211  
(913) 345-7946  
(913) 345-6497 (FAX)

5. @ Communications received its certificate of public convenience and necessity to provide local exchange telecommunications services on October 20, 1998 in Docket No. P-742. The Certificate of Public Convenience and Necessity to operate as a switchless reseller was issued on January 28, 1999 under Docket No. P-742, Sub 1.

6. @ Communications adopted the terms of the Sprint-MCImetro agreement. The Commission approved the @ Communications-Sprint interconnection agreement in March, 1999 in Docket No. P-10, sub 524<sup>2</sup> and Docket No. P-7, Sub 879.<sup>3</sup>

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<sup>2</sup> Agreement with Central Telephone Company.

<sup>3</sup> Agreement with Carolina Telephone and Telegraph Co.

7. The initial term of the @ Communications-Sprint Interconnection Agreement (“the Agreement”) term expired on or about August 16, 2000. The Agreement continues in force, however, because, (A) the parties are negotiating a replacement agreement and/or (B) on information and belief, the underlying agreement between MCImetro and Sprint is also still in effect.

8. @ Communications and Sprint are still in the process of implementing physical interconnection. The parties have a dispute over implementation and Sprint will not interconnect or exchange traffic unless @ Communications waives rights it possesses under the Agreement and FCC rules. The dispute relates to the cost responsibility for trunks on Sprint’s side of the interconnection point(s)(“IP”) between @ Communications’ network and Sprint’s network. Sprint is attempting to require @ Communications to bear the entire cost of the transport facilities from the IP to each local calling area.<sup>4</sup>

9. @ Communications has chosen to have a single IP in the LATA with each party bearing the cost of transport on its side of the IP. @ Communications’ right to make this choice is based on the Agreement and the FCC’s interconnection rules.

10. Attachment IV, Interconnection of the Agreement provides, in pertinent part:

**1.2 Interconnection Point**

1.2.1 “Interconnection Point” or “IP” means the physical point that establishes the technical interface, the test point, and the operational responsibility hand-off between MCI and Sprint for the local interconnection of their networks.

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<sup>4</sup> The correspondence between the parties, including Sprint’s last letter refusing to interconnect and exchange traffic unless @ Communications bears full cost responsibility for transport is attached to this Petition as Exhibit “B.”

1.2.2 MCIIm shall designate at least one (1) physical IP in the LATA (of which one (1) IP shall be a tandem office or from a location which MCIIm purchases transport to such tandem office, unless otherwise mutually agreed by the Parties) in which MCIIm originates Local Traffic and interconnects with Sprint. MCIIm will be responsible for engineering and maintaining its network on its side of the IP. Sprint will be responsible for engineering and maintaining its network on its side of the IP. If and when the Parties choose to interconnect at a mid-span meet, MCI and Sprint will jointly provision the facilities that connect the two (2) networks. Sprint will be required to provide either fifty percent (50%) of the facilities or to its exchange boundaries, whichever is less. MCIIm will be required to provide either fifty percent (50%) of the facilities or to its exchange boundaries, whichever is greater.

1.2.2.1 Upon MCIIm's request for additional points of interconnection, Sprint will interconnect with MCIIm at any Technically Feasible point of MCIIm's choosing.

1.2.2.2 Any end office not subtending Sprint's tandem Switch will require provisioning of a separate IP or purchase of transport to an existing IP is (*sic*) such transport is available, by MCI to terminate traffic to such end office.

\* \* \* \*

2.4.3 MCIIm may choose to establish direct trunking to any given end office. ...

\* \* \* \*

4.1.4 Trunking can be established to tandems or end offices or a combination of both via either one-way or two-way trunks. Trunking will be at the DS-0 level, DS-1 level, DS-3/OC-3 level or higher, as agreed upon by MCIIm and Sprint. Initial trunking will be established between the MCIIm switching centers and Sprint's access tandem(s). The Parties will utilize direct end office trunking under the following conditions:

4.1.4.1 **Tandem Exhaust.** If a tandem through which the Parties are interconnected is unable to, or is forecasted to be unable to, support additional traffic loads for any period of time, the Parties will mutually agree to an end office trunking plan that will alleviate the tandem capacity shortage and ensure completion of traffic between MCIIm

and Sprint subscribers.

**4.1.4.2 Traffic Volume.** The Parties shall install and retain direct end office trunking sufficient to handle actual or reasonably forecast traffic volumes, whichever is greater, between an MCI switching center and a Sprint end office where the traffic exceeds or is forecast to exceed 220,000 minutes of Local Traffic per month. The Parties will install additional capacity between such points when overflow traffic between the MCI switching center and Sprint access tandem exceeds or is forecast to exceed 220,000 minutes of Local Traffic per month unless otherwise mutually agreed.

**4.1.4.3 Mutual Agreement.** The Parties may install direct end office trunking upon mutual agreement in the absence of the conditions set forth in Subsections 4.1.4.1 and 4.1.4.2 above and agreement will not be unreasonably withheld.

11. @ Communications has already indicated to Sprint its selection of the IP in the LATA. That IP is the Sprint tandem in Greenville. Sprint has not indicated to @ Communications that any of the conditions specified in Section 4.1.4 (tandem exhaust, traffic volume) justifying direct end office terminations are met. Similarly, Sprint has not informed @ Communications that any of the end offices in the local exchange areas in which @ Communications will provide service do not subtend the Greenville tandem. Finally, Sprint has not requested any agreement from @ Communications to establish direct end office trunking to any particular end office; instead, Sprint is refusing to interconnect unless @ Communications pays for the transport facilities on Sprint's side of the IP to every local calling area. Section 4.1.4.3, which requires mutual agreement, does not allow Sprint to impose a trunking cost obligation far beyond and in direct conflict with the express terms of the Agreement and FCC rules.

12. The FCC's rules are consistent with the Agreement, and the FCC has recently reaffirmed and clarified these rules. A CLEC has the right to establish a single IP in a LATA and an ILEC bears the responsibility and cost of delivering traffic to and from the IP.<sup>5</sup>

13. The FCC recently this issue. *See*, 47 U.S.C. § 251(c)(2), (3); 47 C.F.R. § 51.305(a)(2); In the Matter of Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92, *Notice Of Proposed Rulemaking*, ¶¶ 72, 112-114 (Rel. April 27, 2001); In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic CC Docket Nos. 96-98, 99-68, *Order On Remand And Report And Order*, note 149 (Rel. April 27, 2001)<sup>6</sup>; In the Matter of Application by SBC Communications, *et al* to Provide In-Region, InterLATA Services in Texas, CC Docket No. 00-65, *Memorandum Opinion and Order*, FCC 00-238 at ¶ 78 (Rel. June 30, 2000); In the Matters of TSR Wireless, LLC, *et al.*, v. U S West Communications, Inc., *et al.*, File Nos. E-98-13, E-98-15, E-98-16, E-98-17, E-98-18, *Memorandum Opinion And Order*, ¶¶ 25, 31 (Rel. June 21, 2000). As the FCC explains in these decisions, a carrier can designate a single point of

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<sup>5</sup> @ Communications is aware of the NCUC's decisions in the AT&T and MCI arbitrations with BellSouth (Dockets P-140, Sub 73/P-646, Sub 7 and P-474, Sub 10). The differences here are that (1) those cases were arbitrations to establish new terms, whereas this matter involves an existing agreement that expressly allows a single IP and imposes transport cost responsibility to each carrier on each side of the IP, and (2) the AT&T and MCI decisions were issued before the FCC made it absolutely clear that the CLEC cannot be forced to pay for trunks on the ILEC's side of the IP. The NCUC's decisions in AT&T and MCI found the FCC rule allowed state commissions to impose cost responsibility on the CLEC, but invited the FCC to clarify the rule if the NCUC was incorrect in its finding. *See*, Arbitration Order, Dockets P-140, Sub 73 and P-646, Sub 7, Conclusion on Finding of Fact 1; Arbitration Order, Docket P-474, Sub 10, Conclusion on Finding of Fact 11. The federal commission has now so clarified its rules.

<sup>6</sup> Note 149 to the *Remand Order* states: "This interim regime affects only the intercarrier *compensation* (*i.e.*, the rates) applicable to the delivery of ISP-bound traffic. It does not alter carriers' other obligations under out Part 51 rules, 47 C.F.R. Part 51, or existing interconnection agreements, such as obligations to transport traffic to points of interconnection." (underline added)

interconnection in a LATA and each carrier is responsible for the underlying cost of the facilities on its side of the interconnection point. While the FCC has invited comment on whether the “single POI rules” should be changed, it has now made it perfectly clear that the current rules require ILECs such as Sprint to allow a CLEC to establish a single IP in the LATA and prohibit the ILEC from charging the CLEC transport from a local calling area to the IP.

14. Even if the FCC’s “single POI rules” did not have this result and @ Communications were required to establish multiple IPs, Sprint would still bear cost responsibility for the transport facilities in relation to its percent originating traffic. 47 C.F.R. § 51.709(b) states:

(b) The rate of a carrier providing transmission facilities dedicated to the transmission of traffic between two carriers’ networks shall recover only the costs of the proportion of that trunk capacity used by an interconnecting carrier to send traffic that will terminate on the providing carrier’s network. Such proportions may be measured during peak periods.

The FCC discussed this rule in the *Local Competition Order*<sup>7</sup>:

1062. Finally, in establishing the rates for transmission facilities that are dedicated to the transmission of traffic between two networks, state commissions should be guided by the default price level we are adopting for the unbundled element of dedicated transport. For such dedicated transport<sup>8</sup>, we can envision several scenarios involving a local carrier that provides transmission facilities (the “providing carrier”) and another local carrier with which it interconnects (the “interconnecting carrier”). The amount an interconnecting carrier pays for dedicated transport is to be proportional to its relative use of the dedicated facility. For example, if the providing carrier provides one-way trunks that the interconnecting carrier uses exclusively for sending terminating traffic to the providing

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<sup>7</sup> In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, *First Report and Order*, 11 FCC Rcd. 15499 (1996) (*Local Competition Order*).

<sup>8</sup> Paragraph 1039 of the *Local Competition Order* clarifies that “transport” as used in § 251(b)(5) of the Act pertains to trunking (whether common or dedicated) used to carry inter-network traffic from the IP to the terminating carrier’s end office switch.

carrier, then the interconnecting carrier is to pay the providing carrier a rate that recovers the full forward-looking economic cost of those trunks. The interconnecting carrier, however, should not be required to pay the providing carrier for one-way trunks in the opposite direction, which the providing carrier owns and uses to send its own traffic to the interconnecting carrier. Under an alternative scenario, if the providing carrier provides two-way trunks between its network and the interconnecting carrier's network, then the interconnecting carrier should not have to pay the providing carrier a rate that recovers the full cost of those trunks. These two-way trunks are used by the providing carrier to send terminating traffic to the interconnecting carrier, as well as by the interconnecting carrier to send terminating traffic to the providing carrier. Rather, the interconnecting carrier shall pay the providing carrier a rate that reflects only the proportion of the trunk capacity that the interconnecting carrier uses to send terminating traffic to the providing carrier. This proportion may be measured either based on the total flow of traffic over the trunks, or based on the flow of traffic during peak periods. Carriers operating under arrangements which do not comport with the principles we have set forth above, shall be entitled to convert such arrangements so that each carrier is only paying for the transport of traffic it originates, as of the effective date of this order.

15. Even if @ Communications has some cost responsibility for the transport trunks between each local calling area and the IP, that cost responsibility is limited only to the proportion equal to @ Communications' percent originating use. Sprint's attempt to require @ Communications to bear 100% cost responsibility regardless of the direction of the traffic violates the FCC's rules.

16. As shown above, Sprint is refusing to interconnect and refusing to exchange traffic unless @ Communications assumes the entire cost burden of all transport from the IP to and from each local calling area. This demand is wholly inconsistent with the current agreement and the FCC's rules. This dispute has delayed implementation of @ Communications' entry into local competition with Sprint. Sprint's refusal to abide by the contract and rules is unjust, unreasonable, anti-competitive and in violation of law.

17. @ Communications respectfully requests that the Commission expeditiously rule

on this matter and grant interim relief requiring Sprint to interconnect and exchange traffic pending a final ruling on cost responsibility.

WHEREFORE, @ Communications respectfully requests the Commission to enforce the Agreement and require Sprint to interconnect and exchange traffic with @ Communications in accordance with the Agreement and FCC rules. @ Communications also requests that the Commission quickly conduct such proceedings as are necessary and upon such hearings to grant interim and such other and further relief to which @ Communications may show itself to be entitled so that @ Communications may begin service.

Respectfully submitted, May 24, 2001.

By:   
Cathleen M. Plaut  
BAILEY & DIXON, L.L.P.  
Post Office Box 1351  
Raleigh, North Carolina 27602-1351  
(919) 828-0731

W. Scott McCollough  
STUMPF, CRADDOCK, MASSEY & PULMAN, P.C.  
1801 North Lamar, Suite 104  
Austin, Texas 78701  
(512) 485-7920

ATTORNEYS FOR @ Communications, Inc.

**EXHIBIT A**

STATE OF NORTH CAROLINA )  
 )  
COUNTY OF CARTERET )

**VERIFICATION**

**BEFORE ME**, the undersigned authority on this day personally appeared Eddie

Arrants, who swore upon his oath that the following facts are true and correct:

1. "My name is Eddie Arrants. I am of sound mind, have never been convicted of a felony, am capable of making this affidavit, am over eighteen (18) years of age and am fully competent to testify to the matters stated herein. I have personal knowledge of each of the facts stated herein and each is true and correct to the best of my knowledge and belief.

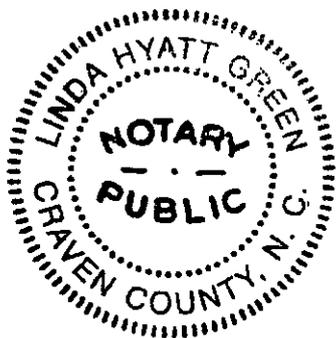
2. "I am President of @ Communications, Inc. I am authorized to execute this Affidavit on behalf of @ Communications, Inc.

3. "I have reviewed the Petition and Complaint of @ Communications, Inc. against Sprint, and each of the assertions contained in that pleadings are true and correct to the best of my knowledge and belief."

**FURTHER AFFIANT SAITH NOT.**

  
Eddie Arrants

**SWORN TO and SUBSCRIBED** before me on the 22 day of May, 2001.



Linda Hyatt Green  
Notary Public in and for the State of North Carolina

Linda Hyatt Green  
Printed or typed name

My Commission Expires 8-24-03

**EXHIBIT B**

**STUMPF CRADDOCK MASSEY & PULMAN**

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

1801 N. LAMAR BLVD, SUITE 104

AUSTIN, TX 78701

TELEPHONE (512) 485-7920

FACSIMILE (512) 485-7921

www.scmplaw.com

HOUSTON, TE  
SAN ANTONIO, TE  
BEAUMONT, TE

May 7, 2001

Attention: Mr. Donald O. Horton

Donald.Horton@mail.sprint.com

VIA FAX: 919.554.5301

Attention: Mr. Bill H. Edwards

Bill.H.Edwards@mail.sprint.com

Sprint Carrier Markets

1411 Capital Boulevard

Wake Forest, North Carolina 27587

Daryle A. Edwards

daryle.2.edwards@mail.sprint.com

National Account Mgr. - Local Services

Sprint LTD - Carrier Markets

6480 Sprint Parkway

Overland Park, KS 66251

Mailstop: KSOPHM0310-3A410

RE: @ Communications, Inc.; Response to DSL line sharing proposal; Response to POI Proposal

Dear Sprint Representatives:

@ Communications, Inc. (“@ Communications”) has carefully reviewed and considered Sprint’s last proposal for contract amendments to implement DSL line sharing and physical interconnection implementation. Our final response is below.

**DSL.** On April 25, 2001, Sprint provided its most recent attempt to conform Sprint’s generic line sharing terms to the DSLNet terms @ Communications specified it was adopting under § 252(i) of the Act. Once again, Sprint has made material changes to the DSLNet terms. A few examples of the discrepancies are:

1. Sprint removed terms relating to OSS for DSL;
2. Sprint added a requirement that DSL be provided only via equipment located in Sprint’s CO;
3. Sprint added a change of law provision in § 8;
4. Sprint gave pricing only for "Centel." @ Communications is in "Carolina Telephone" territory, but desires pricing for all areas in the state;
5. Sprint eliminated the prices for xDSL capable loop (i.e., not line shared); and
6. Sprint eliminated general and specific terms and prices for UNEs, Bona Fide Request process

RE:@ Communications, Inc.; Response to DSL line sharing proposal; Response to POI Proposal

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for further unbundling, Network Interface Device, Loop, Subloops, Local Switching, Tandem Switching, Transport, Signaling Systems and Databases and dark fiber.

We had anticipated some of the items listed in 6. might be removed in the most recent version, and were willing to consider limiting the opt-in to DSL-only provisions if Sprint would mirror the rest of the DSLNet Amendment. Sprint, however, has not mirrored the DSLNet amendment, despite several conversations and exchanges of correspondence on the matter. As a consequence, it is apparent that Sprint has no interest in granting @ Communications even the most basic rights under § 252(i), and it will likely be necessary to seek regulatory relief. Accordingly, @ Communications hereby advises Sprint that unless Sprint produces by Friday, May 11, 2001 an execution document for adoption of the DSLNet amendment – without change – @ Communications will seek relief in the appropriate forum alleging a bad faith violation of § 252(i) of the Act.

**POI.** Sprint continues to insist that @ Communications must effectively establish a Point of Interconnection within every local calling area. Further, Sprint is attempting to require @ Communications to accept cost responsibility – without regard to direction of traffic – for the facilities between each such exchange and the Sprint CO in which @ Communications, Inc. has collocation facilities that will in turn connect to @ Communications' switch. The parties have extensively discussed this issue.

As you know, @ Communications and Sprint are currently operating under the MCI Metro agreement. That agreement allows @ Communications, Inc. to establish a single point of interconnection in the LATA. Attachment IV ¶ 1.2.2. Direct end office trunks are not required unless and until traffic exceeds 220,000 minutes of use per month. *Id.*, ¶ 4.1.4.2 @ Communications was willing to discuss connecting to each tandem if the parties could reach agreement on cost responsibility. Sprint, however, has not agreed to bear any cost responsibility for even the trunks that would carry Sprint-originated traffic, from either the local calling area to the tandem or the tandem to the Sprint office that connects to @ Communications' switch.

@ Communications therefore gives notice that it will exercise its rights under the FCC's rules and the current agreement to establish a single point of interconnection in the LATA. Further, as required by the FCC rules, each party will bear cost responsibility for transporting traffic to the POI. *See*, 47 U.S.C. § 251(c)(2), (3); 47 C.F.R. § 51.305(a)(2); In the Matter of Application by SBC Communications, *et al* to Provide In-Region, InterLATA Services in Texas, CC Docket No. 00-65, *Memorandum Opinion and Order*, FCC 00-238 at ¶ 78 (Rel. June 30, 2000); In the Matters of TSR WIRELESS, LLC, *et al.*, v. U S WEST COMMUNICATIONS, INC., *et al.*, File Nos. E-98-13, E-98-15, E-98-16, E-98-17, E-98-18, *Memorandum Opinion And Order*, ¶¶ 25, 31 (Rel. June 21, 2000) The single point of interconnection will be in Greenville. @

Mr. Donald O. Horton  
Mr. Bill H. Edwards  
Daryle A. Edwards

Page 3

RE: @ Communications, Inc.; Response to DSL line sharing proposal; Response to POI Proposal

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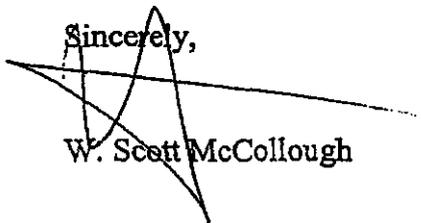
Communications had submitted ASRs potentially contemplating trunks from @ Communications to Rocky Mount. Sprint has not yet issued a commitment on those trunks, and we believe the ASR has not yet been processed. @ Communications withdraws the Rocky Mount ASRs.

We believe it is quite clear that Sprint does not intend to honor its obligations or @ Communications' rights under the rules and the current agreement in terms of POI and cost responsibility. You are on notice that unless you indicate in writing by Friday, May 11, 2001 that you will implement the single point of interconnection and honor the rules relating to cost responsibility, @ Communications will seek relief in the appropriate forum.

@ Communications has attempted to work with Sprint to implement interconnection and to obtain the ability to provide DSL service in accordance with the law, rules and agreements. Sprint has, on the other hand, not honored its commitments. We have suffered significant delay, and cannot continue to let time pass. We once again request your voluntary compliance. Otherwise, we shall be forced to seek relief to the full extent allowed by law.

If you have any questions, please feel free to contact me.

Sincerely,



W. Scott McCollough

Copy to: Kathryn Feeney  
Sprint  
Mail Code: KSOPKJ0505  
5454 West 110 Street  
Overland Park Kansas 66211  
FAX (913) 345-6497



REC'D MAY 17 2001  
5421 West 110th Street  
Overland Park, KS 66211

MAY 23 2001

Kathryn L. Feeny  
Attorney  
Telephone: (913) 345-7946  
Facsimile: (913) 345-6497

May 11, 2001

Via Facsimile

W. Scott McCollough  
Stumpf Craddock Massey & Pulman  
A Professional Corporation  
Attorneys at Law  
1801 N. Lamar Blvd, Suite 104  
Austin, TX 78701

Re: @ Communications, Inc.; Response to DSL line sharing proposal; Response to POI

Dear Mr. McCollough:

Your May 7, 2001 letter requests that Sprint allow @ Communications, Inc. ("@ Communications") to adopt the DSLNet amendment to the Covad agreement and that Sprint implement the single point of interconnection ("POI") and honor the rules relating to cost responsibility.

#### DSLNet Amendment

As you know, Sprint has been negotiating a new interconnection agreement with @ Communications for several months. Both parties have been negotiating in good faith and were close to reaching agreement when several issues arose during implementation under the MCImetro agreement previously opted into by @ Communications.

@ Communications requested the DSLNet amendment to the Covad agreement under §252(i). Sprint offered to make both the Covad agreement and the DSLNet amendment to the Covad agreement available to @ Communications as required by §252(i). @ Communications rejected this offer.

Sprint understood that @ Communications wanted a line sharing amendment to the MCImetro agreement. Sprint advised that it would offer @ Communications on an interim basis the same terms and conditions for line sharing as Sprint had offered to DSLNet. Sprint made this offer so @ Communications could order line sharing while negotiations on the new agreement were being completed.

Your May 7 letter was the first indication that @ Communications was interested in a new unbundled network element ("UNE") section. In addition to line sharing, the DSLNet amendment to the Covad agreement provides terms and conditions for UNEs. Before Sprint

W. Scott McCollough  
May 11, 2001  
Page 2

can offer @ Communications the same terms and conditions for UNEs as were offered to DSLNet, Sprint must review for inconsistencies the UNE section of the agreement the parties are currently operating under. The material changes to the line sharing terms and conditions in the DSLNet amendment noted in your letter refer to UNEs, and not to line sharing.

Sprint agrees to allow @ Communications to opt into the Covad agreement and the DSLNet amendment. Sprint is also willing to continue good faith negotiations on a new agreement, which includes both UNEs and line sharing. If @ Communications wants to replace the terms and conditions that exist for UNEs in the agreement the parties are currently operating under, Sprint will review the UNE section.

POI

Sprint prefers that CLECs designate one POI per calling area. However, Sprint agreed that @ Communications could designate one POI per local access and transport area (LATA), provided @ Communications compensates Sprint, or otherwise be responsible for, transport beyond Sprint's local calling area. This position is consistent with the terms and conditions in the agreement the parties are currently operating under, and we would add it would be acceptable for the terms and conditions for the new agreement the parties are negotiating.

Most importantly, this position is also consistent with the current state of the law in North Carolina. The North Carolina Utilities Commission in the Arbitration Order Docket No. P-646, Sub 7, concluded that requiring a CLEC to compensate the LEC for, or otherwise be responsible for, the transport beyond the local calling area does not violate any FCC rules or case law. The NCUC further held that such a result is equitable and in the public interest.

Sprint has worked with @ Communications to implement interconnection and to allow @ Communications the ability to provide line sharing in accordance with the law, rules and agreements. Sprint is willing to continue to work with @ Communications to achieve these goals. @ Communications may opt into the Covad agreement and the DSLNet amendment. If that is not desirable, Sprint is also willing to execute an interim agreement to allow line sharing under the same terms and conditions as offered to DSLNet in its amendment to the Covad agreement. Sprint will also continue to negotiate in good faith to finalize the new agreement.

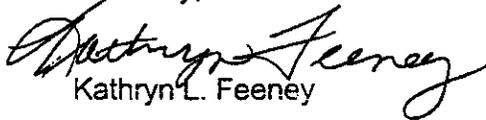
Sprint will allow @ Communications to designate one POI per LATA, and Sprint has cancelled the ASR contemplating trunks from @ Communications to Rocky Mount as you requested.

W. Scott McCollough  
May 11, 2001  
Page 3

However, consistent with the current state of the law in North Carolina, Sprint will continue to require @ Communications to compensate Sprint for, or otherwise be responsible for, transport beyond Sprint's local calling area.

Please call me if you would like to discuss this in any way.

Sincerely,

  
Kathryn L. Feeney

cc: Nelson W. Taylor III  
Donald Horton  
Bill Edwards  
Daryle Edwards

**ATTACHMENT C**

**ORDER OF NORTH CAROLINA UTILITIES COMMISSION**

JUL 20 2001

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. P-7, SUB 969  
DOCKET NO. P-10, SUB 611

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Petition of @ Communications, Inc. for )  
Enforcement of Interconnection Agreement )  
Terms, )  
Complainant, )  
v. )  
Carolina Telephone and Telegraph Company )  
and Central Telephone Company, )  
Respondents )

ORDER HOLDING DOCKETS IN  
ABEYANCE

BY THE CHAIR: On July 16, 2001, @ Communications, Inc. (@) filed a Reply to the Answer of Carolina Telephone and Telegraph Company and Central Telephone Company (Carolina) of July 9, 2001. The central issue concerned cost responsibility for trunks on Carolina's side of the interconnection point between @'s network and Carolina's. @ conceded that the Commission has ruled on the issue in a manner adverse to @'s position. Accordingly, @ requested the Commission to hold its Petition in abeyance while it initiates a proceeding with the Federal Communications Commission (FCC) seeking a declaratory ruling on the cost of transport issue. @ stated that, therefore, an oral argument before the Commission is unnecessary.

The Chair concludes that good cause exists to hold these dockets in abeyance pending further Order.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 19<sup>th</sup> day of July, 2001.

NORTH CAROLINA UTILITIES COMMISSION

*Geneva S. Thigpen*  
Geneva S. Thigpen, Chief Clerk