

or if WorldCom were to refuse to pay bills that it undisputedly owed, and also to protect against non-payment by other competitive LECs that may opt into the agreement in the future.<sup>2386</sup> Verizon argues that, in such circumstances, it must be entitled to request reasonable assurance that amounts owed by these entities would be paid.<sup>2387</sup> Verizon conceded in its briefs it would not, at that time, require an assurance of payment from WorldCom, and offered to sign a letter to that effect.<sup>2388</sup> Notwithstanding the letter, Verizon argues that, under its proposed language, WorldCom would have to follow the assurance of payment procedures only in the event of a material adverse change in its creditworthiness, or if it refused to pay bills that are not subject to a bona fide billing dispute.<sup>2389</sup>

726. WorldCom responds that the “assurance of payment” provision proposed by Verizon is unnecessary for several independent reasons. First, WorldCom argues that Verizon has conceded in this proceeding that the “assurance of payment” provision addresses its concerns with other, less financially-stable competitive LECs that might opt in to the agreement, and not with WorldCom itself.<sup>2390</sup> Thus, WorldCom maintains that such a provision is inappropriate for an agreement between itself and Verizon. Second, WorldCom maintains that nothing in the Act requires competitive LECs to provide the demonstration of financial stability that Verizon seeks here.<sup>2391</sup> Third, WorldCom is concerned that the prescribed steps for adequate assurance of payment are onerous and could be triggered by “minor occurrences” such as a failure to pay a single bill.<sup>2392</sup> Fourth, WorldCom argues that Verizon’s proposal is unnecessarily draconian, as it could disrupt service to WorldCom customers, and irreparably damage customers’ goodwill towards WorldCom.<sup>2393</sup> Finally, WorldCom argues that even if such a provision were appropriate, the provision should give competitive LECs a reciprocal right to request assurances from Verizon.<sup>2394</sup>

### c. Discussion

727. We grant Verizon’s request to include the disputed provision, with changes as indicated below. We find that Verizon has a legitimate business interest in receiving assurances of payment, where warranted, from its competitive LEC customers. Although Verizon has admitted that its primary concern lies not with WorldCom, but with other competitive LECs that may opt into the interconnection agreement, we are convinced that Verizon has legitimate

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<sup>2386</sup> Verizon GTC Reply at 18.

<sup>2387</sup> *Id.*

<sup>2388</sup> Verizon GTC Brief at 31.

<sup>2389</sup> Verizon GTC Reply at 18.

<sup>2390</sup> WorldCom Brief at 217; WorldCom Reply at 186.

<sup>2391</sup> WorldCom Brief at 218; WorldCom Reply at 186.

<sup>2392</sup> WorldCom Brief at 218.

<sup>2393</sup> *Id.*

<sup>2394</sup> *Id.* at 219.

independent bases for requiring such assurances from WorldCom under certain circumstances (*i.e.*, if WorldCom were to refuse to pay bills that it undisputedly owed). WorldCom has not shown that the protection sought by Verizon in this instance is unreasonable, or inconsistent with industry practice with respect to other carriers in Virginia, or in other states.

728. In other contexts in this proceeding, Verizon concedes that WorldCom may be exempted from certain financial obligations so long as its net worth exceeds \$100 million.<sup>2395</sup> We believe that a similar approach is appropriate in resolving this issue. A threshold based upon net worth would establish Verizon's right to request assurances of payment from smaller or less-stable competitive LECs that may opt into the agreement, while recognizing the parties' intent to exempt WorldCom from the provision at the present time. Rather than address this "exemption" through a side agreement, as suggested by Verizon, we find that it is more appropriate to address it through contract language. Moreover, the exemption would lapse in the event that WorldCom's financial net worth should decrease below the \$100 million level. Accordingly, we require Verizon to modify its proposed "assurance of payment" provision to exempt WorldCom from the assurance of payment requirements as long as WorldCom sustains a net worth above \$100 million.<sup>2396</sup>

## 12. Issue VI-1-O (Default)

### a. Introduction

729. Verizon explains that a default provision is important to establish procedures to follow in the event that one party fails to comply with the terms of the interconnection agreement. WorldCom and Verizon disagree about what remedies should be available in the event that either party fails to make a payment required by the agreement, or materially breaches a material provision of the agreement. Verizon has proposed language that establishes that, in such circumstances, either party may, upon written notice, suspend the provision of service, or cancel and terminate the agreement in its entirety. WorldCom opposes this proposal. We adopt the language that Verizon has agreed to with AT&T.

### b. Positions of the Parties

730. Verizon states that the purpose of its proposed default provision is to ensure that it is not required to continue providing service indefinitely to a competitive LEC that refuses to pay for service it takes under the interconnection agreement.<sup>2397</sup> Verizon argues that if a competitive

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<sup>2395</sup> See, e.g., Verizon GTC Brief at 31-32 (offering to permit WorldCom to self-insure if its net worth surpasses \$100 million).

<sup>2396</sup> We thus instruct the parties to modify Verizon's proposed language to make it consistent with the "\$100 million net worth" language addressed below under Issue IV-1-Q, which includes language addressing WorldCom's affiliates and subsidiaries.

<sup>2397</sup> Verizon General Terms and Conditions (GTC) Brief at 34, citing Verizon's November Proposed Agreement to WorldCom, Part A, § 12; Verizon GTC Reply at 19-20.

LEC refuses to pay undisputed amounts due under the agreement for a particular service, Verizon must be permitted to suspend such service after it has presented adequate notice to both the competitive LEC and the state commission.<sup>2398</sup> As an alternative to its proposed language, Verizon has offered to WorldCom the language it agreed to with AT&T.<sup>2399</sup> Under this alternative provision, Verizon could suspend or terminate service, after giving notice and allowing WorldCom to cure the default, if WorldCom is overdue in making payments that are not subject to a *bona fide* billing dispute, or if WorldCom is in default of a material provision of the contract.<sup>2400</sup> Under this alternate proposal, any dispute over whether a default is material would be resolved by the agreement's dispute resolution procedures, and, in the meantime, Verizon could not suspend or terminate service.<sup>2401</sup>

731. WorldCom argues that the "unilateral right to suspend or terminate service" contemplated in the proposed provisions would be contrary to the Act and, if utilized, would adversely affect WorldCom and its customers.<sup>2402</sup> Specifically, WorldCom contends that no section of the Act suspends Verizon's obligations to provide certain services in the event that Verizon believes WorldCom has breached the agreement.<sup>2403</sup> WorldCom argues that instead of incorporating Verizon's proposed provision into the agreement, the parties should resolve all contractual disputes and situations of alleged uncured default on a case-by-case basis pursuant to the dispute resolution processes proposed by WorldCom elsewhere in this proceeding.<sup>2404</sup> WorldCom argues that its proposed procedures are more reasonable than permitting Verizon to use a default concerning one service as justification to terminate the entire agreement.<sup>2405</sup> WorldCom maintains that third-party resolution of disputes regarding default are particularly appropriate here, given that Verizon has incentive to disrupt WorldCom's relationships with its customers.<sup>2406</sup> As an alternative, WorldCom proposes using the contract's general dispute resolution process, as opposed to allowing Verizon to terminate or suspend service unilaterally.<sup>2407</sup>

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<sup>2398</sup> Verizon GTC Brief at 34.

<sup>2399</sup> *Id.* at 35.

<sup>2400</sup> Verizon GTC Reply at 20.

<sup>2401</sup> *Id.* Additionally, Verizon disputes WorldCom's assertion that Verizon is willing to use alternative dispute resolution in place of its right to terminate or suspend service with carriers of a certain size. Verizon responds that it merely proposes that alternative dispute resolution be used to determine whether a default is material. Verizon GTC Reply at 20, citing WorldCom Brief at 220.

<sup>2402</sup> WorldCom Reply at 188.

<sup>2403</sup> WorldCom Brief at 221.

<sup>2404</sup> *Id.*; WorldCom Reply at 189.

<sup>2405</sup> WorldCom Brief at 221.

<sup>2406</sup> *Id.* at 221-22; WorldCom Reply at 189.

<sup>2407</sup> WorldCom Brief at 222, citing WorldCom Ex. 21 (Direct Testimony of J. Trofimuk, *et al.*), at 65.

**c. Discussion**

732. We adopt the language that Verizon agreed to with AT&T pertaining to this issue.<sup>2408</sup> As an initial matter, we find that Verizon has a legitimate business interest in incorporating a default provision into the agreement. We agree with Verizon that it is unreasonable for it to be required to provide service indefinitely to a carrier that is withholding payment of amounts due for no *bona fide* reason.<sup>2409</sup> In any commercial arrangement, a party has the right to cease provision of service for nonpayment. Contrary to this basic business principle, WorldCom's position could require Verizon to provide services to carriers that have no intention of paying for them.<sup>2410</sup> We are not persuaded by WorldCom that a default provision is unlawful because the Act does not explicitly establish a carrier's right to withhold service due to the failure by a competitive LEC to pay past due bills. We find that the language that AT&T reached with Verizon adequately balances the interests of both parties. Accordingly, we grant Verizon's request for a provision giving it the right to terminate or suspend service when a competitive LEC withholds payments for service of facilities without a *bona fide* reason, or otherwise materially breaches the agreement.<sup>2411</sup>

**13. Issue VI-1-P (Discontinuance of Service)**

**a. Introduction**

733. Verizon proposes language that would require a competitive LEC to notify Verizon, the appropriate state commission, and customers, in advance of discontinuing service.<sup>2412</sup> Verizon is concerned that absent such notification, as the carrier of last resort, Verizon would bear unforeseen costs associated with discontinuance of service by competitors. WorldCom argues that this notice requirement would give Verizon an unfair competitive advantage over other LECs. We reject Verizon's proposal.

**b. Positions of the Parties**

734. Verizon argues that it needs advance notice of a discontinuance in order to minimize disruption to customers and give itself sufficient warning to respond to sudden increased demands on its facilities and employees if it must acquire customers due to a

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<sup>2408</sup> See Verizon's November Proposed Agreement to WorldCom, Part A, §§ 12.1, 12.2 (we note that this proposal was offered as an alternative to Verizon's proposed section 12, also found in Verizon's full contract proposal).

<sup>2409</sup> See Verizon GTC Reply at 19.

<sup>2410</sup> *Id.* at 19-20.

<sup>2411</sup> Verizon's proposed section 22.5 to AT&T, which we adopt as section 12.2 in Verizon's contract to WorldCom, addresses the procedure for resolving disputes as to whether the breaching party has materially violated a material provision of the interconnection agreement.

<sup>2412</sup> See Verizon November Proposed Agreement to WorldCom, Part A, § 13.

competitive LEC's bankruptcy or other service discontinuance.<sup>2413</sup> Verizon contends that, absent this advance warning, it would bear unrecoverable costs when it acquires customers in these circumstances.<sup>2414</sup>

735. WorldCom opposes inclusion of Verizon's proposed language, which would require specific notice to Verizon of WorldCom's intention to discontinue service, as well as disclosure of customer billing, service, and other information.<sup>2415</sup> WorldCom maintains that this language would give Verizon an unfair competitive advantage over other prospective carriers.<sup>2416</sup> WorldCom also identifies language in Verizon's proposal preserving its right to suspend service, and argues that this language inappropriately permits Verizon to nullify unilaterally the interconnection agreement.<sup>2417</sup>

### c. Discussion

736. We reject Verizon's proposed language.<sup>2418</sup> The Virginia Commission has recently amended its rules governing LEC petitions for approval to discontinue service in order to address disruptions that can result from carrier bankruptcy.<sup>2419</sup> The Virginia Commission noted that increasing financial problems have caused some competitive LECs to withdraw service in some markets, and recognized the impact this trend was having on consumers.<sup>2420</sup> The new rules require competitive LECs to notify customers 30 days in advance of a proposed discontinuance and to outline any plan to transfer customers to another carrier.<sup>2421</sup> The Virginia Commission declined to require incumbent LECs to take back the customers of competitive

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<sup>2413</sup> Verizon General Terms and Conditions (GTC) Brief at 36.

<sup>2414</sup> *Id.*

<sup>2415</sup> WorldCom Reply at 190.

<sup>2416</sup> *Id.*

<sup>2417</sup> *Id.*

<sup>2418</sup> Verizon's November Proposed Agreement to WorldCom, Part A, § 13.

<sup>2419</sup> *In the Matter of Establishing Rules Governing Discontinuance of Local Exchange Telecommunications Services Provided by Competitive Local Exchange Carriers*, Order Promulgating Rules Governing the Discontinuance of Local Exchange Telecommunications Services by Competitive Local Exchange Carriers and Requesting Further Comments, Case No. PUC010128 (issued March 5, 2002) (*Virginia Commission Rules Governing Discontinuance of Service*).

<sup>2420</sup> *Virginia Rules Governing Discontinuance of Service*, 1-2.

<sup>2421</sup> 20 Va. Admin. Code §§ 5-423-20, 5-423-30. The new rules also provide procedures for notifying customers and the Virginia Commission if a competitive LEC plans to withdraw particular tariffed service offerings. *Id.* § 5-423-40.

LECs, preferring to permit these customers to move their service to the LEC of their choice.<sup>2422</sup> The Virginia Commission also sought additional comment on related matters that it had not addressed in its proposed discontinuance rules. For example, the Virginia Commission recognized that many customers would have a short period of time to choose a new carrier, and sought comment on ways to effect a seamless transfer of customers from one LEC to another.<sup>2423</sup> The Virginia Commission also sought further comment on how to handle the circumstance where a LEC's discontinuance of service to customer/LECs causes these customer/LECs in turn to discontinue their own service to customers.<sup>2424</sup> In this circumstance, the customer/LEC may have little time to notify its own customers of the impending discontinuance.<sup>2425</sup>

737. We find that the Virginia Commission has taken appropriate steps to safeguard consumers, and that the Virginia Commission considered, and continues to consider, relevant factors similar to those raised by the parties here. We find that the Virginia Commission has sufficiently addressed Verizon's concerns. Therefore, we decline to adopt Verizon's proposed language. Alternately, the parties may submit agreed-upon language to include in the interconnection agreement that reflects or incorporates the Virginia Commission's new requirements.

#### 14. Issue VI-1-Q (Insurance)

##### a. Introduction

738. WorldCom and Verizon disagree about whether to incorporate language into the agreement that requires WorldCom to maintain a particular level of insurance coverage. Verizon explains that an insurance provision is necessary to protect it against the risk that WorldCom may not have adequate insurance to cover damage that it causes to Verizon.<sup>2426</sup> Verizon's provision specifies the minimum permitted levels of several separate types of liability coverage.<sup>2427</sup> In addition, it would require, *inter alia*, that WorldCom's contractors maintain the same levels of insurance, and that WorldCom notify Verizon of any cancellation or material change in the insurance. WorldCom opposes this proposal and argues that the provision is unnecessary, and therefore should be excluded from the agreement. We adopt Verizon's proposal.

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<sup>2422</sup> *Virginia Rules Governing Discontinuance of Service*, 4-5. The Virginia Commission also declined to apply its new rules to discontinuance of service by incumbent LECs. *Id.*, 3-4.

<sup>2423</sup> *Id.*, 5.

<sup>2424</sup> *Id.*

<sup>2425</sup> *Id.*

<sup>2426</sup> Verizon General Terms and Conditions (GTC) Reply at 15.

<sup>2427</sup> See Verizon's November Proposed Agreement to WorldCom, Part A, § 21.

**b. Positions of the Parties**

739. To support its claim that it has a legitimate interest in requiring particular levels of insurance coverage, Verizon cites a prior Commission order that indicates that “LECs are justified in requiring . . . interconnectors to carry a reasonable amount of liability insurance coverage.”<sup>2428</sup> Again, as with other issues in this section, Verizon admits that its primary concern relates to other competitive LECs that may opt into the agreement, and then cause damage to Verizon’s network and facilities. To exempt WorldCom from this requirement, Verizon has proposed to exempt any competitive LEC from the insurance requirements so long as it maintains a net worth in excess of \$100 million.<sup>2429</sup> Pursuant to this carve-out language, a competitive LEC such as WorldCom would be permitted to self-insure so long as it had a net worth that surpasses the \$100 million threshold.<sup>2430</sup> In response to WorldCom’s argument that some of its subsidiaries and affiliates may fall below this threshold, Verizon states that if WorldCom would be willing to guarantee the obligations of such affiliates, Verizon would permit the insurance requirements of the contract to be fulfilled via self-insurance by the guarantor.<sup>2431</sup>

740. WorldCom urges us to reject Verizon’s proposal.<sup>2432</sup> First, WorldCom argues that the insurance proposal should be excluded from the interconnection agreement because the agreement between WorldCom and Verizon should not contain terms that are aimed at other carriers and are unnecessary for WorldCom.<sup>2433</sup> Second, WorldCom argues that Verizon’s proposal creates one-sided insurance obligations, and asserts that we should adopt an insurance provision only if it applies to both WorldCom and Verizon.<sup>2434</sup> Furthermore, WorldCom complains that several of the insurance coverage limits are excessive; the requirement for disclosure of deductibles, self-insured retentions or loss limits is not justified and, regardless, the two-week period for disclosure is too short; and if WorldCom’s contractors fail to maintain insurance and Verizon purchases it, Verizon should seek reimbursement from the contractors, not from WorldCom.<sup>2435</sup> WorldCom objects to language requiring it to provide Verizon with notice of any material change in its insurance coverage, and argues that Verizon should receive written notice only if WorldCom’s coverage is reduced.<sup>2436</sup> Furthermore, WorldCom is concerned that

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<sup>2428</sup> Verizon GTC Brief at 32, citing *Local Exchange Carriers’ Rates, Terms, and Conditions for Expanded Interconnection Through Physical Collocation for Special Access and Switched Transport*, CC Docket No. 93-162, Second Report and Order, 12 FCC Rcd 18730, 18871, para. 345 (1997) (“*Special Access Expanded Interconnection Order*”).

<sup>2429</sup> Verizon GTC Brief at 31-32; Verizon GTC Reply at 16-17.

<sup>2430</sup> Verizon GTC Brief at 31-32.

<sup>2431</sup> Verizon GTC Reply at 17-18.

<sup>2432</sup> WorldCom Brief at 227.

<sup>2433</sup> *Id.*; WorldCom Reply at 193.

<sup>2434</sup> WorldCom Brief at 227; WorldCom Reply at 193.

<sup>2435</sup> WorldCom Brief at 228; WorldCom Reply at 193-94.

<sup>2436</sup> WorldCom Brief at 228-29.

Verizon's proposed carve-out exemption permitting carriers with net worth surpassing \$100 million to self-insure will not apply to WorldCom's subsidiaries and affiliates.<sup>2437</sup> Finally, WorldCom objects to the exemption because it desires the flexibility to choose not to self-insure.<sup>2438</sup>

**c. Discussion**

741. We agree with Verizon and adopt its proposal to incorporate the insurance provision, with the changes indicated below.<sup>2439</sup> As an initial matter, we find that Verizon has a legitimate and material business interest in requiring competitive LECs to maintain adequate levels of insurance. Although Verizon's provision may be primarily aimed at other competitive LECs, Verizon has the same interest with respect to WorldCom and its contractors. We do not credit WorldCom's general argument that the insurance coverage levels proposed by Verizon are excessive. Verizon asserts that the insurance limits it proposes do not exceed levels that the Commission has found that incumbent LECs may require,<sup>2440</sup> and WorldCom has presented no evidence that shows that any lesser amount of insurance is more appropriate to protect Verizon against the types of harms that might occur as a result of interconnection.<sup>2441</sup> Accordingly, because we have seen no evidence to the contrary, we accept Verizon's proposed coverage levels as reasonable.

742. We also find reasonable the proposed language requiring WorldCom to reimburse Verizon for insurance it buys for WorldCom's contractors. WorldCom has an ongoing relationship with its contractors; it is therefore reasonable that WorldCom reimburse Verizon for any insurance that it purchases for such contractors; WorldCom may seek reimbursement itself from its contractors at its discretion. Moreover, we adopt Verizon's proposal that WorldCom provide it with notice of any material change in insurance coverage. We reject WorldCom's argument that this language should be revised to reflect that WorldCom is required to notify Verizon only when insurance coverage has been cancelled or its coverage has been decreased. However, because Verizon has not sought to define the phrase "material change" as it appears in its proposed language, we expect the parties to reach an understanding about the meaning of this phrase in this context.

743. We also adopt Verizon's proposal to allow carriers with net worth greater than \$100 million to self-insure. We find that this proposal fairly balances the interests of Verizon to protect its network with WorldCom's concerns. To ensure that this "carve-out" is available to

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<sup>2437</sup> WorldCom Brief at 226-28; WorldCom Reply at 193.

<sup>2438</sup> WorldCom Brief at 227.

<sup>2439</sup> See Verizon's November Proposed Agreement to WorldCom, Part A, § 21.

<sup>2440</sup> Verizon GTC Brief at 17. See *Special Access Expanded Interconnection Order*, 12 FCC Rcd at 18871-72, paras. 346-348 (establishing a range of reasonableness for insurance levels of LECs that provide physical collocation).

<sup>2441</sup> WorldCom argues that a lower coverage limit is appropriate because Verizon can recover additional amounts through its own umbrella policy. See WorldCom Brief at 228.

WorldCom's affiliates and subsidiaries, we adopt Verizon's proposal to make self-insurance available to any entity with a parent or otherwise affiliated corporation that has a net worth exceeding \$100 million and that is willing to serve as guarantor for the potential liability of the competitive LEC. Accordingly, we direct the parties to file language that conforms to this holding.

744. Finally, we reject WorldCom's argument that the parties' insurance obligations should be reciprocal. We recognize that, as the incumbent LEC, Verizon has interconnection, collocation and unbundling obligations that open its network to competing carriers, including WorldCom. These obligations, which are not reciprocal, carry with them a degree of risk that competing carriers or their contractors could damage Verizon's network. While there may be some risk that Verizon's actions could cause harm to WorldCom's network, WorldCom simply has not established that this risk warrants extending the same insurance provision to Verizon.

## 15. Issue VI-1-R (References)

### a. Introduction

745. WorldCom and Verizon disagree about what language should be included in the contract to define references to other documents. There are approximately two dozen references to other documents in Verizon's proposed interconnection agreement.<sup>2442</sup> These include technical reference manuals, Verizon's competitive LEC handbook, Verizon's customer guide, and Verizon's general procedures, among others.<sup>2443</sup> WorldCom proposes that the agreement refer to the specific documents that are in effect at the time the interconnection agreement becomes effective (*i.e.*, to "freeze" the documents). Verizon opposes this proposal, and would have the agreements refer to other documents as those documents change over time.<sup>2444</sup> We adopt Verizon's proposal.

### b. Positions of the Parties

746. Verizon argues that the other documents to which the agreement refers should be treated as "dynamic documents that evolve in conjunction with changes in the marketplace and applicable law."<sup>2445</sup> Verizon states that WorldCom's proposal to freeze these documents could quickly lead to parts of the agreement becoming outdated.<sup>2446</sup> Moreover, according to Verizon,

<sup>2442</sup> Verizon General Terms and Conditions (GTC) Brief at Attach. A-1.

<sup>2443</sup> *See id.*

<sup>2444</sup> WorldCom's counter-proposal consists of the deletion of one phrase in Verizon's proposed language, which indicates that the references to other documents are not to static manuals, but to those documents as they may change over the term of the agreement. *See* WorldCom's November Proposed Agreement to Verizon, Part A, § 38. The disputed phrase is: "as amended and supplemented from time to time (and, in the case of a Tariff or provision of Applicable Law, to any successor Tariff or provision)." *See* Verizon's November Proposed Agreement to WorldCom, Part A, § 35.2.

<sup>2445</sup> Verizon GTC Brief at 38; Verizon GTC Reply at 23.

<sup>2446</sup> Verizon GTC Brief at 38-39.

neither Verizon nor WorldCom has authority to ignore changes to documents promulgated by state commissions or third-party vendors.<sup>2447</sup> Verizon notes that WorldCom and other competitive LECs are active participants in the change management process that affects changes to many internal Verizon policies and practices contained in referenced documents at issue here. Thus, WorldCom has a chance to voice its objection before these documents are changed in a manner that may affect its rights under this agreement. Similarly, WorldCom may voice its opposition to a state commission when faced with a proposed tariff change.<sup>2448</sup>

747. WorldCom argues that allowing these other documents to change over time would “allow the specific terms over which the parties have negotiated (or have been ordered by a commission) to be materially altered by future changes” to other documents, and “would improperly allow Verizon to change unilaterally the terms of the agreement without reconciling those changes with the terms and provisions over which the parties have deliberated, negotiated and compromised.”<sup>2449</sup> By allowing this type of change, WorldCom alleges that Verizon’s proposal would introduce “an unworkable degree of uncertainty into the Interconnection Agreement” and improperly supplants the agreement’s change of law provisions.<sup>2450</sup> WorldCom asserts that the change of law process is efficient and allows the parties to incorporate changes in law into the agreement “mutually and promptly.”<sup>2451</sup>

### c. Discussion

748. We adopt Verizon’s proposed version of section 35.2.<sup>2452</sup> We agree with Verizon that references in the interconnection agreement to outside documents should be to the versions of such documents that are effective, as amended and supplanted from time to time in the future, and not to the versions that are operative at the time the interconnection agreement initially goes into effect. We recognize that, as Verizon explains, some of the referenced documents can be changed only with the approval of the Virginia Commission, while others reflect procedures that may be changed only through Verizon’s change management process. WorldCom may choose to oppose changes to these documents through these contexts. Even for those documents that do not have an explicit change process, however, we are not convinced that the best result is to “freeze” the versions in place when this agreement becomes effective. If WorldCom is concerned that Verizon may unilaterally change these documents in a manner that will materially affect WorldCom’s rights, WorldCom can negotiate for the insertion of language or requirements contained in documents into the interconnection agreement, instead of using references to these documents. In this way, WorldCom has the ability effectively to “freeze” these documents as they currently exist. We also believe that WorldCom overstates the problem. While Verizon

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<sup>2447</sup> *Id.* at 39.

<sup>2448</sup> *Id.*

<sup>2449</sup> WorldCom Brief at 231.

<sup>2450</sup> *Id.*, citing WorldCom Ex. 21 (Direct Testimony of M. Harthun, *et al.*), at 67.

<sup>2451</sup> WorldCom Reply at 196.

<sup>2452</sup> See Verizon’s November Proposed Agreement to WorldCom, Part A, §35.2.

may have the ability to change unilaterally a referenced document, it could not undermine or cancel out a specific contract term in this manner.

## **I. Miscellaneous and Rights of Way**

### **1. Issue VI-1-AA (Information Services Traffic)**

#### **a. Introduction**

749. Information services traffic consists of recorded time, weather information and other non-data, voice traffic. WorldCom and Verizon agree that this category of traffic currently does not exist within Virginia, and neither party intends to carry it absent a change in Virginia law.<sup>2453</sup> However, Verizon proposes contract language that would require further negotiations if information services were made available in Virginia, or if, pursuant to the *Bell Atlantic-GTE Merger Order*,<sup>2454</sup> a competitive LEC adopted this interconnection agreement for use in another state.<sup>2455</sup> WorldCom opposes the inclusion of this language in its agreement with Verizon.

#### **b. Positions of the Parties**

750. Verizon recognizes that neither party offers in Virginia the type of information services at issue here, but argues that its language is necessary because the contract resulting from this arbitration could be adopted for use in a state where such services are offered.<sup>2456</sup> According to Verizon, its proposed contract language is concerned neither with the appropriate compensation mechanism for information services traffic, nor with who should bear the risk that a customer may refuse to pay for information services.<sup>2457</sup> Rather, Verizon argues, its proposal merely flags the issue of information services for fuller and prompt consideration when circumstances in Virginia change.<sup>2458</sup>

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<sup>2453</sup> Tr. at 1985, 1996; Verizon Miscellaneous (Misc.) Brief at 4; WorldCom Brief at 257.

<sup>2454</sup> See *Application of GTE Corporation and Bell Atlantic Corporation for Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Applications to Transfer Control of a Submarine Cable Landing License*, 15 FCC Rcd 14032, 14172-73, para. 301 (2000) (*Bell Atlantic-GTE Merger Order*) (interconnection agreement or UNE available to carrier in any of the former Bell Atlantic and GTE states if negotiated voluntarily); see also *id.* at paras. 302-03 (discussion on arbitrated agreements).

<sup>2455</sup> Tr. at 1984-85, 1995-96; Verizon Misc. Brief at 4-6; Verizon's November Proposed Agreement to WorldCom, Part C, Additional Services Attach., § 5.

<sup>2456</sup> Verizon Misc. Brief at 4-5.

<sup>2457</sup> Verizon Misc. Reply at 2.

<sup>2458</sup> *Id.* at 1.

751. WorldCom argues that its interconnection agreement with Verizon does not need to address information services because they are not allowed in Virginia.<sup>2459</sup> According to WorldCom, Verizon acknowledges that such information services are not permitted in Virginia, and that, if information services became legal in Virginia, the contract's general change of law provision could be used to address information services.<sup>2460</sup> WorldCom rejects Verizon's concern about other LECs opting into this agreement in other states, noting that this "opt in" merger condition applies only to sections of an agreement that are voluntarily negotiated by the parties (and not to those that are the subject of an arbitration ruling).<sup>2461</sup>

**c. Discussion**

752. We reject Verizon's proposal because we find it unnecessary.<sup>2462</sup> Verizon's proposed language acknowledges that neither party supports this type of information services traffic in Virginia.<sup>2463</sup> In addition, as WorldCom notes, Verizon's concern about the impact in other states is misplaced, because the *Bell Atlantic-GTE Merger Order* would enable competitive LECs to adopt this interconnection agreement for use in another state only to the extent that its provisions are voluntarily negotiated.<sup>2464</sup> Moreover, as WorldCom notes, Verizon has agreed that its general change of law provision could incorporate information services into the interconnection agreement if information services became available in Virginia.<sup>2465</sup>

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<sup>2459</sup> WorldCom Brief at 257. WorldCom also argued in its brief that Verizon's proposal is unnecessary because there is no reason to create a separate information services traffic category, since information services are simply subject to either reciprocal compensation or access charges. *Id.* at 258. Additionally, WorldCom argued that Verizon's difficulties in collecting information services charges from end users does not justify including information services in the agreement, asserting that Verizon is solely responsible for collecting information services charges from WorldCom's end users, and that WorldCom should not be held responsible for guaranteeing its customers' payments to Verizon or the information services providers on Verizon's network. *Id.* at 258-59. However, Verizon addressed WorldCom's concerns by redrafting its proposal to eliminate these issues of intercarrier compensation, and billing and collection. See Verizon's November Proposed Agreement to WorldCom, Part C, Additional Services Attach., § 5.

<sup>2460</sup> WorldCom Brief at 257, citing Tr. at 1983-85.

<sup>2461</sup> *Id.* at 257-58, citing Tr. at 1986.

<sup>2462</sup> Accordingly, we reject Verizon's November Proposed Agreement to WorldCom, Part C, Additional Services Attach., § 5.

<sup>2463</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Additional Services Attach., § 5.2.

<sup>2464</sup> See *Bell Atlantic-GTE Merger Order*, 15 FCC Rcd. at 14172-73, para. 301.

<sup>2465</sup> WorldCom Brief at 257, citing Tr. at 1985.

## 2. Issues III-13 and III-13-H (Rights-of-Way)

### a. Introduction

753. Section 224(f)(1) of the Act requires public utilities, such as Verizon, to provide telecommunications carriers and cable television providers with nondiscriminatory access to their poles, ducts, conduits, and rights-of-way.<sup>2466</sup> Section 224(b)(1) directs that the Commission shall regulate the rates, terms, and conditions for pole attachments, except where a state regulates those matters.<sup>2467</sup> The Virginia Commission does not regulate pole attachment rates, terms, and conditions.<sup>2468</sup> As a consequence, the Commission, rather than the Virginia Commission, would have jurisdiction over any section 224 complaint WorldCom might bring regarding those rates, terms, and conditions.<sup>2469</sup>

754. WorldCom and Verizon have agreed on contract language for virtually all of the terms and conditions under which WorldCom will access Verizon's poles, ducts, conduits, and rights-of-way. The parties disagree, however, as to whether those terms and conditions should be part of their interconnection agreement, as WorldCom contends,<sup>2470</sup> or in a separate licensing agreement, as Verizon urges.<sup>2471</sup> They also disagree regarding the terms and conditions under which Verizon would perform "make-ready work," *e.g.*, modifications to poles, lines, or conduits, to accommodate additional facilities.<sup>2472</sup> WorldCom believes that our resolution of these issues will affect its ability to obtain nondiscriminatory access to Verizon's poles, ducts, conduits, and rights-of-way. We rule for WorldCom on the first issue and, subject to implementation of compromises reached at the hearing, for Verizon on the second.

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<sup>2466</sup> 47 U.S.C. § 224(f)(1). For convenience, we use the term "pole attachments" to refer collectively to attachments to, within, or on poles, ducts, conduits, and rights-of-way.

<sup>2467</sup> 47 U.S.C. § 224(b).

<sup>2468</sup> Virginia has not certified that it regulates pole attachment rates, terms, and conditions. *See States That Have Certified That They Regulate Pole Attachments*, Public Notice, 7 FCC Rcd 1498 (Com. Car. Bur. 1992).

<sup>2469</sup> *See* 47 U.S.C. § 224(c).

<sup>2470</sup> WorldCom Brief at 259; WorldCom Reply at 215.

<sup>2471</sup> Verizon Rights of Way (ROW) Brief at 2; Verizon ROW Reply at 1.

<sup>2472</sup> Verizon ROW Brief at 6-8; WorldCom Brief at 263-65; *See Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, Order on Reconsideration, CC Docket No. 96-98, 14 FCC Rcd 18049, 18056 n.50 (1999) (subsequent history omitted) (defining make-ready work).

**b. Inclusion in Interconnection Agreement****(i) Positions of the Parties**

755. WorldCom argues that it is entitled under the Act to an interconnection agreement that includes the terms and conditions under which Verizon provides WorldCom with access to poles, ducts, conduits, and rights-of-way, and that simply noting that a separate licensing agreement sets forth those terms and conditions is not enough.<sup>2473</sup> WorldCom contends that a separate agreement would create logistical difficulties and contradict industry practice.<sup>2474</sup> It further contends that including pole attachment terms and conditions in the interconnection agreement would not burden Verizon.<sup>2475</sup>

756. Verizon maintains that neither the Act nor any Commission order mandates that an interconnection agreement include pole attachment terms and conditions.<sup>2476</sup> Verizon asserts that it is common practice to relegate pole attachment terms and conditions to separate licensing agreements, that such treatment is consistent with the prevailing practice in Virginia, and that the Virginia Commission has consistently approved Verizon interconnection agreements that refer to a separate pole attachment licensing agreement.<sup>2477</sup> Verizon argues that separate licensing agreements are particularly appropriate because there are generally significant differences between pole attachment terms and conditions among states.<sup>2478</sup> Verizon contends that it provides pole attachments to numerous cable television companies and competitive LECs in Virginia, that cable television companies obtain pole attachments through separate licensing agreements, and that it would be less burdensome to follow this same model for competitive LECs.<sup>2479</sup>

**(ii) Discussion**

757. We conclude that the interconnection agreement should include the terms and conditions under which WorldCom receives access to Verizon's poles, ducts, conduits, and rights-of-way. We therefore accept WorldCom's proposal that the interconnection agreement include the parties' pole attachment licensing agreement as an attachment, subject to the modifications specified below regarding make-ready work.<sup>2480</sup> As an initial matter, we conclude

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<sup>2473</sup> WorldCom Brief at 259; WorldCom Reply at 215.

<sup>2474</sup> WorldCom Brief at 260; WorldCom Reply at 215-16.

<sup>2475</sup> WorldCom Brief at 260-62; WorldCom Reply at 216-17.

<sup>2476</sup> Verizon ROW Brief at 2-3; Verizon ROW Reply at 1.

<sup>2477</sup> Verizon ROW Brief at 3; Verizon ROW Reply at 1-2.

<sup>2478</sup> Verizon ROW Brief at 3-4.

<sup>2479</sup> *Id.* at 4-5.

<sup>2480</sup> See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. VI.

that a LEC's request for nondiscriminatory access to an incumbent LEC's poles, ducts, conduits, and rights-of-way is an appropriate subject matter for an interconnection agreement pursuant to sections 251 and 252. Specifically, section 251(c)(1) imposes upon Verizon "[t]he duty to negotiate in good faith in accordance with section 252 the particular terms and conditions of agreements to fulfill," among other statutory duties, Verizon's duties under section 251(b)(4).<sup>2481</sup> Because section 251(b)(4) requires Verizon to provide requesting carriers, such as WorldCom, with access to its poles, ducts, conduits, and rights-of-way in accordance with section 224,<sup>2482</sup> the statute contemplates that WorldCom can invoke the section 252 arbitration process to establish contract language governing pole attachments.<sup>2483</sup>

758. We find WorldCom's proposal to include the parties' pole attachment licensing agreement in the interconnection agreement consistent with section 251 and the Commission's rules.<sup>2484</sup> We note that, except with regard to make-ready work, the parties have reached substantive agreement regarding pole attachment terms and conditions. Instead of having the interconnection agreement reflect this general agreement, Verizon proposes in effect that the interconnection agreement simply require that Verizon provide WorldCom with access to its poles, ducts, conduits, and rights-of-way "in accordance with [a]pplicable [l]aw" and pursuant to the pole attachment license agreement Verizon generally offers third parties.<sup>2485</sup> Because this proposal would let Verizon unilaterally change the terms and conditions under which WorldCom accesses Verizon's poles, ducts, conduits, and rights-of-way, it does not meet Verizon's

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<sup>2481</sup> 47 U.S.C. § 251(c)(1). We note that section 251(c)(1) also provides that the "requesting carrier has the duty to negotiate in good faith the terms and conditions of such agreements." 47 U.S.C. § 251(c)(1).

<sup>2482</sup> See 47 U.S.C. § 251(b)(4).

<sup>2483</sup> *Local Competition First Report and Order*, 11 FCC Rcd at 16102, para. 1227 (determining that a telecommunications carrier seeking access to an incumbent LEC's poles, ducts, conduits, and rights-of-way shall have the option of invoking the section 252 arbitration process in lieu of filing a section 224 complaint).

<sup>2484</sup> See 47 U.S.C. § 252(c)(1).

<sup>2485</sup> See Verizon's November Proposed Agreement to WorldCom, Part C, Additional Services Attach., § 9. Specifically, Verizon proposes that the interconnection agreement state:

To the extent required by Applicable Law (including, but not limited to, Sections 224, 251(b)(4) and 271(c)(2)(B)(iii) of the Act), each Party ("Providing Party") shall afford the other Party non-discriminatory access to poles, ducts, conduits and rights-of-way owned or controlled by the Providing Party. Such access shall be provided in accordance with Applicable Law pursuant to the Providing Party's applicable Tariffs, or, in the absence of an applicable Providing Party Tariff, the Providing Party's generally offered form of license agreement, or, in the absence of such a Tariff and license agreement, a mutually acceptable agreement to be negotiated by the Parties.

*Id.* We note that Verizon has no pole attachment tariff in Virginia, but does generally offer a standard pole attachment licensing agreement throughout that state. Verizon Ex. 14 (Direct Testimony of A. Young), at 3.

obligation to negotiate the actual terms and conditions of that access in good faith.<sup>2486</sup> We therefore reject Verizon's proposed contract language on this issue.

759. We also reject Verizon's suggestion that administrative convenience should dictate whether the terms and conditions of pole attachment access are included in an interconnection agreement. While we are not convinced on this record that the resolution of this issue will have any significant impact on the parties' respective administrative burdens,<sup>2487</sup> administrative convenience cannot override relevant provisions of the Act, which entitle WorldCom to have the interconnection agreement include those terms and conditions.

**c. Issue III-13-H (Make-Ready Work)**

**(i) Description of Make-Ready Work**

**(a) Positions of the Parties**

760. Verizon and WorldCom agree that, in the event Verizon determines that a pole or conduit that WorldCom wishes to use is inadequate or otherwise needs rearrangement, modification, or expansion to accommodate WorldCom's facilities, Verizon will advise WorldCom via e-mail of the estimated charges for the necessary make-ready work.<sup>2488</sup> WorldCom requests that the interconnection agreement require Verizon to provide WorldCom with sufficient detail for it to evaluate the accuracy of any invoices it receives from Verizon for this make-ready work.<sup>2489</sup> Under WorldCom's proposed contract language, WorldCom would not have to pay Verizon for make-ready work until 30 days after receiving a "detailed, itemized invoice" from Verizon.<sup>2490</sup> While Verizon has proposed to include the necessary information in the cost-estimate e-mail it sends WorldCom,<sup>2491</sup> its proposed pole attachment licensing agreement does not reflect this proposal.<sup>2492</sup>

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<sup>2486</sup> See 47 U.S.C. §§ 251(b)(4), 251(c)(1). For instance, under its proposal, Verizon could change the terms and conditions under which Verizon accesses poles simply by offering different terms and conditions to all attachees in Virginia. See Verizon's November Proposed Agreement to WorldCom, Part C, Additional Services Attach., § 9.

<sup>2487</sup> Compare, e.g., WorldCom Ex. 11 (Direct Testimony of L. Carson), at 3-4 (asserting that separate agreements would be "utterly unmanageable") with Verizon Ex. 14, at 5-7 (claiming that separate agreements would reduce administrative burdens).

<sup>2488</sup> E.g., WorldCom's November Proposed Agreement to Verizon, Part C, Attach. VI, § 8.3; Tr. at 2149-51.

<sup>2489</sup> Tr. at 2149-51 (testimony of Verizon witness Young); WorldCom Brief at 263; WorldCom Reply at 218.

<sup>2490</sup> WorldCom's November Proposed Agreement to Verizon, Part C, Attach. VI, § 8.5.

<sup>2491</sup> Verizon ROW Brief at 6; Verizon ROW Reply at 5.

<sup>2492</sup> Verizon's Proposed Pole Attachment Licensing Agreement with WorldCom, §§ 8.3 & 8.5.

**(b) Discussion**

761. We direct Verizon to provide WorldCom with its requested level of detail, consistent with the mutually acceptable compromise on this issue the parties reached at the hearing. Specifically, WorldCom's witness testified that it would suffice if, in the cost-estimate e-mail sent to WorldCom, Verizon were to describe the make-ready work Verizon would perform for WorldCom, where it would be performed, and what other companies, if any, would be involved with the work.<sup>2493</sup> Verizon's witness agreed to this process.<sup>2494</sup> We find this approach reasonable, and therefore direct the parties to submit a compliance filing memorializing their agreement on this issue. While we expect Verizon to provide this information in its cost-estimate e-mail, we do not preclude other mutually agreed upon forms of notification.<sup>2495</sup> In addition, consistent with WorldCom's proposal, we hold that WorldCom shall have 30 days after receiving the required information from Verizon to pay any invoice for make-ready work.<sup>2496</sup>

**(ii) Use of Contractors Proposed by WorldCom****(a) Positions of the Parties**

762. Verizon and WorldCom agree that Verizon generally will schedule make-ready work for WorldCom in the same manner as Verizon schedules make-ready work for its own operations.<sup>2497</sup> WorldCom proposes, however, that Verizon be required to use any contractor selected by WorldCom who agrees to complete make-ready work at a cost or within a period of time that is "materially less than" that estimated by Verizon.<sup>2498</sup> Under WorldCom's proposal, this contractor would have to meet Verizon's training and safety requirements and otherwise be in good standing with Verizon.<sup>2499</sup> WorldCom states that its proposal would ensure that the contractor would be approved by Verizon, working for Verizon, and subject to Verizon's supervision.<sup>2500</sup> WorldCom points out that Verizon's rights-of-way witness indicated that WorldCom's cost-reduction proposal would be acceptable to Verizon if "materiality" were defined as a cost reduction of 25 percent or more.<sup>2501</sup> WorldCom also argues that it is critical that

<sup>2493</sup> Tr. at 2150-51 (testimony of WorldCom witness Carson).

<sup>2494</sup> Tr. at 2149-51 (testimony of Verizon witness Young).

<sup>2495</sup> See Verizon's Proposed Pole Attachment Licensing Agreement with WorldCom, § 8.3 (proposing written notice to WorldCom of charges for proposed make-ready work).

<sup>2496</sup> See WorldCom's November Proposed Agreement to Verizon, Part C, Attach. VI, § 8.5.

<sup>2497</sup> See, e.g. *id.*

<sup>2498</sup> *Id.*

<sup>2499</sup> *Id.*

<sup>2500</sup> Tr. at 2153-54 (testimony of WorldCom witness Carson); WorldCom Brief at 264; WorldCom Reply at 219.

<sup>2501</sup> WorldCom Brief at 264, citing Tr. at 2152-53 (testimony of Verizon witness Young).

make-ready work be completed in a timely fashion and that delays in completing make-ready work have caused WorldCom to miss in-service dates with customers.<sup>2502</sup>

763. Verizon states that it schedules make-ready work for itself and all users of its poles, ducts, conduits, and rights-of-way on a first-come, first-served basis.<sup>2503</sup> Verizon maintains that there are only a limited number of contractors in Virginia that are qualified to do make-ready work.<sup>2504</sup> Verizon asserts that WorldCom's approach likely would cause contractors to postpone other work in order to complete WorldCom's make-ready requests.<sup>2505</sup> Acceptance of WorldCom's proposal, in Verizon's view, therefore would result in delays for other competitive LECs, cable providers, and Verizon.<sup>2506</sup> Verizon also states that although WorldCom has agreed in principle to Verizon's right to supervise any make-ready work contractor, WorldCom's proposed contract language is unclear on this point.<sup>2507</sup> Verizon proposes that its contract with WorldCom specify that "[i]f WorldCom presents [Verizon] with a contractor who meets [Verizon's] requirements the contractor will be directed to [Verizon] contract services for consideration."<sup>2508</sup>

### (b) Discussion

764. We accept Verizon's contract language on this issue, subject to a modification memorializing a partial compromise the parties reached at the hearing.<sup>2509</sup> The parties agreed that as long as Verizon retained control over the hiring and supervision of contractors, it should hire any otherwise qualified contractor whose hiring would reduce make-ready costs by 25 percent or more.<sup>2510</sup> We find this compromise reasonable, and therefore direct the parties to submit corresponding contract language. We decline, however, to adopt WorldCom's language regarding a "material" reduction in time because WorldCom's witness was unable to articulate a clear standard of materiality in this context.<sup>2511</sup> Finally, we note that the absence of this particular provision does not leave WorldCom without protection. Consistent with its obligation to provide

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<sup>2502</sup> *Id.* at 263-64.

<sup>2503</sup> Verizon ROW Brief at 6, citing Tr. at 2155.

<sup>2504</sup> *Id.*, citing Tr. at 2156-57.

<sup>2505</sup> *Id.* at 6-7, citing Tr. at 2158; Verizon ROW Reply at 5-6.

<sup>2506</sup> Verizon ROW Brief at 6-7, citing Tr. at 2158.

<sup>2507</sup> *Id.* at 7.

<sup>2508</sup> *Id.* at 8 (proposing an amendment to Verizon's Pole Attachment Licensing Agreement with WorldCom).

<sup>2509</sup> Verizon's Proposed Pole Attachment Licensing Agreement with WorldCom, § 8.5.

<sup>2510</sup> Tr. at 2152-54.

<sup>2511</sup> *See, e.g. id.* at 2154-55 (testimony of WorldCom witness Carson).

access to its poles, ducts, conduits, and rights-of-way under reasonable terms and conditions,<sup>2512</sup> Verizon must act reasonably in deciding whether or not to hire any contractor proposed by WorldCom that meets Verizon's qualifications for performing make-ready work.

## V. ORDERING CLAUSES

765. Accordingly, IT IS ORDERED that, pursuant to Section 252 of the Communications Act of 1934, as amended, and Sections 0.91, 0.291 and 51.807 of the Commission's rules, 47 U.S.C. § 252 and 47 C.F.R. §§ 0.91, 0.291, 51.807, the issues presented for arbitration are determined as set forth in this Order.

766. IT IS FURTHER ORDERED that Verizon's Renewed Motion to Dismiss Consideration of Performance Measures and Assurance Plan is hereby GRANTED; Verizon's Objection to AT&T's Response to Record Requests is hereby DENIED; WorldCom's Objection and Response to Verizon's Corrections to WorldCom Responses to Record Requests is hereby DENIED; Cox's Objection and Request for Sanctions is hereby DENIED; and WorldCom's Motion to Strike is hereby DENIED.

767. IT IS FURTHER ORDERED that AT&T Communications of Virginia Inc. and Verizon Virginia Inc. SHALL INCORPORATE the above determinations into a final interconnection agreement, setting forth both the negotiated and arbitrated terms and conditions, to be filed with the Commission, pursuant to Section 252(e)(1) of the Communications Act of 1934, 47 U.S.C. § 252(e)(1), within 45 days from the date of this Order.

768. IT IS FURTHER ORDERED that Cox Virginia Telcom, Inc. and Verizon Virginia Inc. SHALL INCORPORATE the above determinations into a final interconnection agreement, setting forth both the negotiated and arbitrated terms and conditions, to be filed with the Commission, pursuant to Section 252(e)(1) of the Communications Act of 1934, 47 U.S.C. § 252(e)(1), within 45 days from the date of this Order; and it is

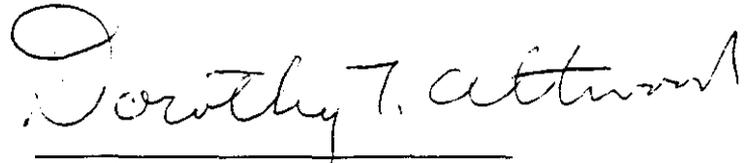
769. IT IS FURTHER ORDERED that WorldCom, Inc. and Verizon Virginia Inc. SHALL INCORPORATE the above determinations into a final interconnection agreement, setting forth both the negotiated and arbitrated terms and conditions, to be filed with the

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<sup>2512</sup> 47 U.S.C. §§ 224(b)(1), 251(b)(4).

Commission, pursuant to Section 252(e)(1) of the Communications Act of 1934, 47 U.S.C. § 252(e)(1), within 45 days from the date of this Order.

By Order of the Bureau,

A handwritten signature in cursive script that reads "Dorothy T. Attwood". The signature is written in black ink and is positioned above a horizontal line.

Dorothy T. Attwood,  
Chief, Wireline Competition Bureau