

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
SBC IC-01	Joint 1.2 - 1.3	a) Should this appendix address only section 251/252 obligations?	1.3 The provisions of this Appendix do not apply to traffic originated over services provided under local Resale service pursuant to 251(c)(4) of the Act.	IC-1 S1.3 Clarifies the scope of the appendix.	<u>1.3 The provisions of this Appendix do not apply to traffic originated over services provided under local Resale service. SBC-13STATE will compensate the terminating carrier in accordance with this Appendix for Section 251(b)(5) Traffic, ISP-Bound Traffic, Optional EAS Traffic (also known as "Optional Calling Area Traffic") and IntraLATA Toll Traffic that originates from an end user that is served by a carrier providing telecommunications services utilizing SBC-13STATE's Resale Service.</u>	a) This appendix should address only traffic exchanged between the parties under Section 251(b)(5) and Section 251(c). Level 3's language is vague and overly broad. It is unclear what "responsibilities" Level 3 is referencing under sections 202 and 271 and they should not be included in a Section 251/252 agreement. Meanwhile, Section 201 is addressed in the intraLATA/interLATA toll sections of this appendix. See sections 13 and 14.	
L3 IC-1 S1.3	SBC 1.4	b) Should this appendix address compensation only for Section 251(b)(5) Traffic, ISP-Bound Traffic, Optional EAS Traffic (also known as "Optional Calling Area Traffic") and IntraLATA Toll Traffic?	1.4 <i>The Parties agree that in light of their responsibilities as common carriers under, inter alia, 47 U.S.C. §§ 201, 202, 251, 252, and 271 and specifically in reference to 47 U.S.C. § 252(a) that the purpose of this Appendix as well as the purpose of this Agreement generally is to ensure that each Party exchanges all forms of traffic including all traffic described in Sections 3 below as well as any information services, CMRS, voice, video, text, or data traffic or any other electronic communications traffic over and between their respective facilities and networks.</i>	GT-3 S1.4 Clarifies the scope of the agreement.			
L3 IC-1 S1.4	Level 3 1.4-1.5						
L3 GT-3 S1.5					1.4 Reserved for future use.	b) This appendix should address the standard categories of traffic subject to intercarrier compensation under Sections 251/252, FCC	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						rules and regulations and the FCC’s <i>ISP Compensation Order</i> , 16 F.C.C. Rcd. 9151 (2001).	
SBC IC-02	IC Scope of Appendix Level 3 1.6	Where should “Applicable Law” be defined in the agreement?	<i>“Applicable Law” means all laws, statutes, common law, regulations, ordinances, codes, rules, guidelines, orders, permits, tariffs and approvals, including those relating to the environment or health and safety, of any Governmental Authority that apply to the Parties or the subject matter of this Agreement.</i>			The definition of “Applicable Law” is provided in the General Terms and Conditions and as such is not needed in the Appendix Intercarrier Compensation.	
SBC IC-03 L3 GT-3 S1.6	IC Scope of Appendix Level 3 1.6	Is it appropriate for the agreement to define and use the term “ULEC”?	<i>ULEC means A Competitive Local Exchange Carrier that purchases and combines unbundled network elements from the incumbent local exchange carrier in order to provide telecommunications service to customers. Network element includes the facility or equipment and its features, functions and capabilities used to provide telecommunications service.</i>	GT-3 Clarifies the scope of the appendix.		The contract should not define a term that it does not use. If the Commission resolves Issue SBC IC-07 below as SBC contends it should, this contract will have no occasion to include the term “ULEC.” “ULEC” is a term that Level 3 proposes solely for the purpose of using it in the provision that SBC opposes in connection with Issue SBC IC-07.	NOTE: THIS IS A CONN. ONLY ISSUE.

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
SBC IC-04 L3 GT-3 S2.1- 2.24	SBC ILEC Designations 2 – 2.23 L3 Party Designations 2.1-2.24	Should the SBC ILEC designations be included in the Intercarrier Compensation Appendix?		GT-3 Consistency and ease of interpretation require that all definitions be consolidated into the General Terms & Conditions to avoid potential conflict.	2. <u>RESERVED FOR FUTURE USE</u>	SBC is willing to remove ILEC Designations from the Intercarrier Compensation Agreement since they are present in the GT&C Appendix. Accordingly, Section 2 should be “reserved for future use” to preserve the internal numbering within the agreement.	
SBC IC-05 L3 1, 2, 6, 7	IC Classification of Traffic L3 S3.1-3.1.4 SBC 3.0 - 3.3	a) What are the appropriate classifications of traffic that should be addressed in the Intercarrier Compensation Appendix? b) What is the proper definition and scope of §251(b)(5) Traffic and ISP-Bound Traffic in accordance with the FCC’s ISP Terminating Compensation Plan? c) Is	<i>3.1</i> Telecommunications <i>Services</i> traffic exchanged between CLEC and <u>SBC-13STATE</u> will be classified as either <i>3.1.1 Telephone Toll Service defined according to 47 U.S.C. §153(48);</i> <i>3.1.2 Telephone Exchange Service defined according to 47 U.S.C. §153(47);</i> <i>3.1.3 Exchange Access Service defined according to 47 U.S.C. §153(16); or</i> <i>3.1.4 Telecommunications Services defined according to 47 U.S.C. §153(46).</i> <i>3.1.5 Information Services defined according to 47 U.S.C. §153(20)</i>		<u>3 CLASSIFICATION OF TRAFFIC</u> 3.1 <u>For purposes of compensation under this Agreement the telecommunications traffic exchanged between CLEC and SBC-13STATE will be classified as either Section 251(b)(5) Traffic, FX Traffic, ISP-Bound Traffic, Optional EAS Traffic (also known as “Optional Calling Area Traffic”), IntraLATA Toll Traffic, or InterLATA Toll Traffic, Meet Point Billing or FGA Traffic.</u> 3.2 <u>Section 251(b)(5) Traffic shall mean telecommunications traffic in which the originating End User of one Party and the</u>	a) SBC’s categories of traffic accurately capture the appropriate classifications of traffic for purposes of intercarrier compensation. See Issue SBC-IC-01(b). b) As further explained immediately below in part c), calls to which section 251(b)(5) reciprocal compensation applies	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
		<p>Section 251(b)(5) reciprocal compensation limited to traffic that originates and terminates within the same ILEC local calling area?</p> <p>d) Is it appropriate to define local traffic and ISP-bound traffic in accordance with the <i>ISP Compensation Order</i>?</p>			<p><u>terminating End User of the other Party are:</u></p> <p>a. <u>both physically located in the same ILEC Local Exchange Area as defined by the ILEC Local (or "General") Exchange Tariff on file with the applicable state commission or regulatory agency; or</u></p> <p>b. <u>both physically located within neighboring ILEC Local Exchange Areas that are within the same common mandatory local calling area. This includes but is not limited to, mandatory Extended Area Service (EAS), mandatory Extended Local Calling Service (ELCS), or other types of mandatory expanded local calling scopes.</u></p> <p><u>3.3 In accordance with the FCC's Order on Remand and Report and Order, In the Matter of Implementation of the Local Compensation Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic, FCC 01-131, CC Docket Nos. 96-98, 99-68 (rel. April, 27, 2001) ("FCC ISP Compensation Order"), "ISP-Bound Traffic" shall mean telecommunications traffic exchanged between CLEC and SBC-13STATE in which the originating End User of one Party and the ISP served by the other Party are:</u></p> <p>a. <u>both physically located in the same ILEC Local Exchange Area as defined by the ILEC's Local (or "General") Exchange</u></p>	<p>are calls between parties that are physically within the same local calling area. The FCC's <i>ISP Compensation Order</i> classified and developed an inter-carrier compensation mechanism for ISP-Bound traffic. In so doing, the FCC made clear that the ISP-bound traffic it was addressing, like traffic that is subject to section 251(b)(5) reciprocal compensation, is traffic between two parties in the same local calling area. This is illustrated in paragraph 90 of the <i>ISP Compensation Order</i>, which states that the FCC intended the same intercarrier compensation rates, terms and conditions to apply to ISP-bound traffic as</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>Tariff on file with the applicable state commission or regulatory agency; or</u></p> <p>b. <u>both physically located within neighboring ILEC Local Exchange Areas that are within the same common mandatory local calling area. This includes, but it is not limited to, mandatory Extended Area Service (EAS), mandatory Extended Local Calling Service (ELCS) or other types of mandatory expanded local calling scopes.</u></p> <p><u>In states in which SBC-13STATE has offered to exchange Section 251(b)(5) Traffic and ISP-Bound traffic pursuant to the FCC's interim ISP terminating compensation plan set forth in the FCC ISP Compensation Order, traffic is presumed to be ISP-Bound Traffic in accordance with the rebuttable presumption set forth in Section 6.6 of this Appendix.</u></p>	<p>applies to section 251(b)(5) voice traffic.</p> <p>c) Yes. Reciprocal compensation under section 251(b)(5) applies only to calls that originate and terminate within the same ILEC local calling area – without regard to the NPA/NXXX's of the calling party and the called party. Accordingly, SBC's proposed language properly excludes from Section 251(b)(5) reciprocal compensation calls terminated to customers not physically located in the same SBC local calling area as the calling party – <i>i.e.</i>, Foreign Exchange (FX) calls. In addition, bill and keep is the proper compensation</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						<p>mechanism not only for FX voice traffic, but also for FX ISP traffic.</p> <p>d.) Yes. Level 3’s language provides no differentiation in treatment between “local” and ISP-Bound Traffic. The <i>ISP Compensation Order</i> made clear that it was imposing compensation for ISP-Bound traffic without changing the existing state-approved local calling scopes, saying in pertinent part: <i>Because we interpret subsection (g) as a carve-out provision, the focus of our inquiry is on the universe of traffic that falls within subsection (g) and not the universe of traffic that falls within subsection</i></p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						<p><i>(b)(5). This analysis differs from our analysis in the Local Competition Order, in which we attempted to describe the universe of traffic that falls within subsection (b)(5) as all “local” traffic. We also refrain from generically describing traffic as “local” traffic because the term “local,” not being a statutorily defined category, is particularly susceptible to varying meanings and significantly is not a term used in Section 251(b)(5) or Section 251(g).</i></p>	
SBC IC-06 L3	IC Classification of Traffic	Is it appropriate to institute geographic limitations on a Party relevant to defining	3.5 The Parties agree that, notwithstanding the classification of traffic under this Appendix, either Party is free to define its own "local" calling area(s) for	IC 1,4 S3.5 Clarifies the scope of the	3.4 <u>Reserved for future use.</u> 3.5 The Parties agree that,	Level 3’s proposed language reflects a misunderstanding of the portion of this	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						offerings.	
SBC IC-07 Level 3 7, IC-1, S3.6	IC Classification of Traffic Level 3 7, IC-1, S3.6 SBC 3.5	Is a CLEC that utilizes <u>SBC CONNECTICUT's</u> Lawful Unbundled Local Switching to provide service to its end users, the only type of carrier that can not seek Intercarrier compensation by <u>SBC CONNECTICUT?</u>	3.6 For ISP-Bound Traffic, and Circuit Switched Traffic including Optional EAS Traffic, and IntraLATA toll, the Party whose End User originates such traffic shall compensate the Party who terminates such traffic to its End User for the transport and termination of such traffic at the applicable rate(s) provided in this Appendix and Appendix Pricing and/or the applicable switched access tariffs. <i>As of the date of this Agreement, ULECs in <u>SBC CONNECTICUT</u>, cannot seek intercarrier compensation for Circuit Switched Traffic that they originate from or terminate to their end users over a loop provided by SBC-Connecticut to the ULEC pursuant to unbundling obligations or other wholesale arrangements since the rates for unbundled local switching reflect and include the costs of call termination.</i>	7, IC-1 S3.6 VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges.	3.5 For <u>Section 251(b)(5) Traffic</u> , ISP-Bound Traffic, Optional EAS Traffic, and IntraLATA toll, the Party whose End User originates such traffic shall compensate the Party who terminates such traffic to its End User for the transport and termination of such traffic at the applicable rate(s) provided in this Appendix and Appendix Pricing and/or the applicable switched access tariffs. <u>In SBC CONNECTICUT, when CLEC utilizes SBC CONNECTICUT's Lawful Unbundled Local Switching to provide service to its end users, all Section 251(b)(5) Traffic, ISP-Bound Traffic, Optional EAS Traffic, and IntraLATA Toll Traffic originated by CLEC's end users are not subject to intercarrier compensation as addressed in Section 5.6.4 below.</u>	Yes. Section 251(b)(5) Traffic, ISP-Bound Traffic, Optional EAS Traffic, and IntraLATA Toll Traffic originated by CLEC's end users are not subject to intercarrier compensation when CLEC utilizes <u>SBC CONNECTICUT's</u> Lawful Unbundled Local Switching to provide service to its end users. The UNE-RS tariff (Section 18.6.2.10, page 18-50.16) provides the MOU rate terms and conditions. It includes both On-Net and Off-Net rates. Off-Net rates are for all calls that are PIC'd to an IXC. On-Net is everything else. When a Lawful ULS end user makes an On-	NOTE: THIS IS A CONN. ONLY ISSUE

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						<p>Net call, the Lawful ULS CLEC does <i>NOT</i> have to pay Intercarrier compensation or terminating access on that call. <u>SBC CONNECTICUT</u> pays terminating access on the CLEC's behalf. Likewise, when a Lawful ULS end user receives an On-Net call, it does not collect intercarrier compensation or terminating access.</p>	
<p>SBC IC-08</p> <p>Level 3 7, IC-1, S3.7</p>	<p>Level 3 7, IC-1, S3.7</p> <p>SBC 3.6</p>	<p>a) When should the Parties' obligation to pay Intercarrier Compensation to each other commence?</p> <p>b) When should the Parties' obligation to pay access charges commence?</p>	<p>3.7 The Parties' obligation to pay intercarrier compensation <i>arises from traffic that originates from and terminates to customers subscribing to services provided by either party. Accordingly, no reciprocal compensation, access charges or any other form of compensation arises when the Parties exchange traffic that is used to test connections or equipment connected to either Party's network.</i></p>	<p>7, IC-1 S3.7</p> <p>VoIP traffic has never been assessed access charges. SBC's proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges.</p>	<p><u>3.6</u> The Parties' obligation to pay intercarrier compensation <u>to each other shall commence on the date the Parties agree that the interconnection is complete (i.e., each Party has established its originating trunks as well as all ancillary traffic trunking such as Operator Services, 911 or Mass Calling trunks).</u></p>	<p>a) The Parties' obligation to pay Intercarrier Compensation to each other should commence after the CLEC furnishes confirmation that it has 9-1-1 agreements in place with Public Safety Answering Points (or after Level 3 secures a 9-1-1 waiver from SBC). Absent a waiver, SBC does not</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						<p>turn the Interconnection trunks up for service until 9-1-1 confirmation is provided. Once confirmation is received, SBC considers that the network is complete and a CLEC is capable of originating and terminating traffic for end users, not simply test traffic. Once the trunks are turned up for service billing of Intercarrier Compensation should begin.</p> <p>b) The parties' obligations to pay access charges are governed by the terms of the applicable access tariffs. Level 3's attempt to limit such charges here is improper.</p>	
SBC IC-09	IC Level 3	a) What is the proper	3.2 <i>IP ENABLED SERVICES TRAFFIC</i>	6,7 S16.1-16.1.4 and 17.1 VoIP traffic has never	<u>16. Switched Access Traffic</u> <u>16.1 For purposes of this</u>	a. SBC's position is that all Switched Access Traffic, as	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
L3 6,7 S16.1- 16.1.4 and 17.1	IP Enabled Service 3.2 -3.2.3.1 Circuit Switched Traffic 3.4-3.4.5 and 16 – 16.3 17-17.1.1.2 SBC Switched Access Traffic 16 -16.2 17-17.1	routing, treatment and compensation for Switched Access Traffic including, without limitation, any PSTN-IP- PSTN Traffic and IP- PSTN Traffic? b) Is it appropriate for the Parties to agree on procedures to handle Switched Access Traffic that is delivered over Local Interconnection Trunk Groups so that the terminating party may receive proper compensation?	<p><i>3.2.1 Definition of IP-enabled Services</i></p> <p><i>3.2.1.1 IP-enabled Services are defined as, and include, services and applications relying on the Internet Protocol family (“IP”), which could include digital communications of increasingly higher speeds that rely upon IP, as well as higher level software services that could be invoked by the end user or on the end user’s behalf to make use of communications services. Thus, the term IP-enabled Services includes “applications” and “services” because communications over the Internet are possible with both forms.</i></p> <p><i>3.2.1.1.1 Because IP-enabled Services are enabled by use of IP and the Internet, IP-enabled Services share the non-geographic nature of electronic communications conducted over the Internet:</i></p> <p><i>3.2.1.1.1.1 IP-enabled Services Traffic includes communications traffic containing voice communications (i.e. Voice embedded IP Communications).</i></p> <p><i>3.2.1.2 The Parties recognize that although state public utility commissions may have</i></p>	been assessed access charges. SBC’s proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges	<p><u>Agreement only. Switched Access Traffic shall mean all traffic that originates from an end user physically located in one local exchange and delivered for termination to an end user physically located in a different local exchange (excluding traffic from exchanges sharing a common mandatory local calling area as defined in SBC-13STATE’s local exchange tariffs on file with the applicable state commission) including, without limitation, any traffic that (i) terminates over a Party’s circuit switch, including traffic from a service that originates over a circuit switch and uses Internet Protocol (IP) transport technology (regardless of whether only one provider uses IP transport or multiple providers are involved in providing IP transport) and/or (ii) originates from the end user’s premises in IP format and is transmitted to the switch of a provider of voice communication applications or services when such switch utilizes IP technology and terminates over a Party’s circuit switch. Notwithstanding anything to the contrary in this Agreement, all Switched Access Traffic shall be</u></p>	defined below, must be terminated over feature group access trunks (B or D) (except certain types of IntraLATA toll and Optional EAS traffic) and all such traffic is subject to applicable interstate and intrastate switched access charges. Switched Access Traffic means all traffic that originates from an end user physically located in one local exchange and delivered for termination to an end user physically located in a different local exchange (excluding traffic from exchanges sharing a common mandatory local calling area as defined in SBC’s local exchange tariffs on file with the applicable state commission) including, without limitation, any traffic that (i) terminates	

Level 3 language Times New Roman bold italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>jurisdiction over underlying telecommunications facilities, the FCC has determined that IP-enabled Services are interstate in nature and has preempted state jurisdiction over such services.</i></p> <p><i>3.2.1.3 In order for Parties communicating via IP-enabled Services to interact with end users connected to the Internet by means of circuit switched telecommunications services addressed by NPA-NXX codes, the underlying telecommunications provider must effect a net protocol conversion from IP to TDM in order to permit the Internet to connect an end users served by a device addressed via the NPA-NXX codes and connected over a legacy circuit switched telephone network.</i></p> <p><i>3.2.2 Identification of IP-enabled Services Exchanged Between the Parties</i></p> <p><i>3.2.2.1 The parties recognize that neither party has a billing system capable of determining the physical location of their customers; rather consistent with industry practice nationwide both Parties’ billing systems capture the originating and terminating NPA-NXX,</i></p>		<p><u>delivered to the terminating Party over feature group access trunks per the terminating Party’s access tariff(s) and shall be subject to applicable intrastate and interstate switched access charges; provided, however, the following categories of Switched Access Traffic are not subject to the above stated requirement relating to routing over feature group access trunks:</u></p> <p><u>(i) IntraLATA toll Traffic or Optional EAS Traffic from a CLEC end user that obtains local dial tone from CLEC where CLEC is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider,</u></p> <p><u>(ii) IntraLATA toll Traffic or Optional EAS Traffic from an SBC end user that obtains local dial tone from SBC where SBC is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider;</u></p> <p><u>(iii) Switched Access Traffic delivered to SBC from an Interexchange Carrier (IXC) where the terminating number is ported to another CLEC and the IXC fails to perform the Local Number Portability (LNP) query;</u></p>	<p>over a Party’s circuit switch, including traffic from a service that originates over a circuit switch and uses Internet Protocol (IP) transport technology (regardless of whether only one provider uses IP transport or multiple providers are involved in providing IP transport) (also referred to as “PSTN-IP-PSTN”) and/or (ii) originates from the end user’s premises in IP format and is transmitted to the switch of a provider of voice communication applications or services when such switch utilizes IP technology (also referred to as “IP-PSTN).</p> <p>SBC’s position that all Switched Access Traffic is subject to intrastate and interstate switched access</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>which they subsequently compare to tariff databases and the Local Exchange Routing Guide (“LERG”) to identify the location of the switch serving the called or calling NPA-NXX codes and then they rate those calls according to the terms and conditions of this Agreement and their respective tariffs.</i></p> <p><i>3.2.2.2 Because customers of IP-enabled Services Traffic desire to make calls to the PSTN as well as to other IP-enabled Services Traffic customers, Level 3 provides a service that permits them to make calls to and from devices that are addressed using NPA-NXX codes.</i></p> <p><i>3.2.2.3 In order to ensure that IP-enable Services Traffic is correctly billed and to ensure that no Circuit Switched Traffic is misbilled and that no other carrier can utilize Level 3’s network for toll-bypass, Level 3 will insert into the SS7 call setup message an indicator identifying traffic that originates as IP on Level 3’s network.</i></p> <p><i>3.2.2.4 Level 3 recognizes that ILEC billing systems generally, and in this case, SBC13-State’s switches may not capture information out of the SS7 stream at the moment the traffic is exchanged.</i></p>		<p><u>and/or</u> <u>(iv) Switched Access Traffic delivered to either Party from a third party competitive local exchange carrier over interconnection trunk groups carrying Section 251(b)(5) Traffic and ISP-Bound Traffic (hereinafter referred to as “Local Interconnection Trunk Groups”) destined to the other Party.</u></p> <p><u>Notwithstanding anything to the contrary in this Agreement, each Party reserves its rights, remedies, and arguments relating to the application of switched access charges for traffic exchanged by the Parties prior to the Effective Date of this Agreement and described in the FCC’s Order issued in the Petition for Declaratory Ruling that AT&T’s Phone-to-Phone IP Telephony Services Exempt from Access Charges, WC Docket No. 01-361(Released April 21, 2004).</u></p> <p><u>16.2 In the limited circumstances in which a third party competitive local exchange carrier delivers Switched Access Traffic as described in Section 16.1 (iv)</u></p>	<p>charges is supported by section 69.5(b) of the FCC’s rules, which states that access charges “shall be computed and assessed upon all interexchange carriers that use local exchange switching facilities for the provision of interstate or foreign telecommunications services.” In particular, with respect to PSTN-IP-PSTN traffic (also referred to as “IP-in the Middle Traffic”), the FCC recently held that a voice service that originates and terminates on the PSTN and relies on IP technology only for transport without offering customers any enhanced functionality associated with the IP format is a telecommunications service subject to section 69.5(b) of the</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>Accordingly, the Parties agree to develop a Percentage of IP Use (“PIPU”) factor that will be applied to all minutes of usage exchanged between them over the Local Interconnection Trunk Groups. This factor will be based upon Level 3’s actual and verifiable records of IP-originated traffic. It will be calculated as follows:</i></p> <p>3.2.2.4.1 <i>In the case of calls originating from SBC13-State over the Interconnection Trunks under this Agreement (“Level 3 Terminating Traffic”), Level 3 shall provide a PIPU factor to identify the percentage of that traffic that is in fact terminating to an IP Customer and therefore falls within the definition of IP-enabled Services Traffic under this Agreement.</i></p> <p>3.2.2.4.2 <i>In the case of calls originating from Level 3 over the Interconnection Trunks under this Agreement (“SBC13-State Originating Traffic”), Level 3 shall provide a PIPU factor to identify the percentage of that traffic that is in fact originating from an IP Customer and therefore falls within the definition of IP-enabled Services Traffic under this Agreement.</i></p>		<p><u>above to either Party over Local Interconnection Trunk Groups, such Party may deliver such Switched Access Traffic to the terminating Party over Local Interconnection Trunk Groups. If it is determined that such traffic has been delivered over Local Interconnection Trunk Groups, the terminating Party may object to the delivery of such traffic by providing written notice to the delivering Party pursuant to the notice provisions set forth in the General Terms and Conditions and request removal of such traffic. The Parties will work cooperatively to identify the traffic with the goal of removing such traffic from the Local Interconnection Trunk Groups. If the delivering Party has not removed or is unable to remove such Switched Access Traffic as described in Section 16.1(iv) above from the Local Interconnection Trunk Groups within sixty (60) days of receipt of notice from the other party, the Parties agree to jointly file a complaint or any other appropriate action with the</u></p>	<p>FCC’s rules. See <i>Petition for Declaratory Ruling that AT&T’s Phone-to-Phone IP Telephone Services are Exempt from Access Charges</i>, WC Docket No. 02-361, released April 21, 2004 (FCC 04-97) (<i>Access Charge Order</i>). This Commission should follow the FCC’s <i>Access Charge Order</i> and find that this type of Switched Access Traffic is subject to intrastate access charges. Furthermore, to ensure the proper compensation is paid on this traffic, this Commission should find that Switched Access Traffic must be routed over feature group access trunks.</p> <p>With respect to IP-PSTN traffic, it is SBC’s position that under current FCC</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>3.2.2.4.3 Level 3 will provide separate PIPU factors for Level 3 Terminating Traffic and Level 3 Originating Traffic. These PIPU factors shall be applied to all originating or terminating minutes of use (as applicable) exchanged over the Interconnection Trunks between the Parties under this Agreement.</i></p> <p><i>3.2.2.5 To the extent SBC13-State offers services in and outside of its operating territories that support either origination from or termination to an SBC13-State IP-enabled Services Traffic Customer and the exchange of traffic with the PSTN. To ensure that this traffic is correctly billed and to ensure that no Circuit Switched Traffic is misbilled and that no other carrier can utilize SBC13-State’s network for toll-bypass, SBC13-State agrees to develop methods for accurately identifying traffic that originates as IP on SBC13State’s network and shall likewise provide its own originating and terminating PIPU factors in the same manner as Level 3 under this Section.</i></p> <p><i>3.2.3 <u>Compensation for IP-enabled Services Traffic</u></i></p>		<p><u>applicable Commission to seek any necessary permission to remove the traffic from such interconnection trunks up to and including the right to block such traffic and to obtain compensation, if appropriate, from the third party competitive local exchange carrier delivering such traffic to the extent it is not blocked.</u></p>	<p>rules and regulations, providers of IP-PSTN services are not exempt from the obligation to pay intrastate or interstate access charges when they make use of the PSTN for purposes other than connecting with their <i>own</i> subscribers for the use of their own services. The Enhanced Service Provider (ESP) exemption does not, as some claim, apply to such IP-PSTN services. The ESP exemption applies only when information service providers use the PSTN to connect with their own subscribers, but it has never been extended to a situation in which information service providers use the PSTN to connect with third parties to whom they are not providing an information service.</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>3.2.3.1 The Parties shall compensate each other for termination of all minutes of traffic identified as IP-enabled Services Traffic pursuant to application of a PIPU factor at \$0.0007 per minute of use or at the state approved local compensation rates to terminate IP-enabled Services Traffic to either Party’s end user customer.</i></p> <p><i>3.3 ISP-Bound Traffic shall mean Telecommunications Services Traffic exchanged between the Parties where the originating Customer of one Party places a Circuit Switched Traffic call over the circuit-switched network to an Internet Service Provider (“ISP”) customer of the other Party.</i></p> <p><i>3.4 Circuit-Switched Traffic is defined as any Telecommunication Services traffic that:</i></p> <p><i>3.4.1 uses ordinary customer premises equipment (CPE) with no enhanced functionality; and</i></p> <p><i>3.4.2 Customers using a Circuit-Switched service place and receive calls with the same telephones they use for all other circuit-switched calls. So, for example, where the customer dials an NPA-NXX that appears in ILEC tariffs as Telephone Toll</i></p>			<p>Since no exemption applies to IP-PSTN Traffic, SBC should continue to charge “jurisdictionalized” compensation rates for such traffic (notwithstanding SBC’s position that it is interstate in nature) in accordance with its existing switched access tariffs until the FCC rules in its intercarrier compensation proceeding on this type of traffic. SBC’s existing tariffs contain various methods to deal with the lack of geographically accurate endpoint information, such as the use of calling party number information together with other data. This Commission should find IP-PSTN is subject to intrastate and interstate switched access charges to</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>Service, the customer would initiate the call by dialing 1 plus the called party’s number (NPA-NXX-XXXX), just as in any other circuit-switched long distance calls, which calls are traditionally routed over Feature Group D trunks; and</i></p> <p><i>3.4.3 End-user customers do not order a different service, pay different rates, or place and receive calls any differently than they do through IXC traditional circuit-switched long distance service; and</i></p> <p><i>3.4.4 The call originates and terminates on the public switched telephone network (PSTN); and</i></p> <p><i>3.4.4.1 The call undergoes no net protocol conversion and provides no enhanced functionality to end users due to the provider’s use of IP technology; and ‘</i></p> <p><i>3.4.5 Obtains the same circuit-switched access as obtained by other interexchange carriers, and therefore impose the same burdens on the local exchange as do other interexchange carriers by virtue of the switched access network. Customers of Circuit Switched Traffic receive no enhanced functionality by using the service.</i></p>			<p>ensure SBC is protected from unlawful access charge avoidance schemes that could jeopardize the affordability of local rates until the FCC rules on IP-PSTN traffic.</p> <p>b. SBC also recognizes that some Switched Access Traffic may be improperly delivered to SBC or Level 3 by third parties over local trunk interconnection groups. Consequently, SBC acknowledges that if Switched Access Traffic is improperly delivered to either Party from a third Party CLEC over local interconnection trunk groups, SBC or Level 3 may in turn deliver such traffic to the terminating Party over local interconnection trunk groups. However, when the delivering</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>Circuit Switched Traffic obtains the same circuit-switched interstate access for its specific service as obtained by other interexchange carriers, and, therefore, phone to phone circuit switched service imposes the same burdens on the local exchange as do circuit-switched interexchange calls because it makes use of the access network.</i></p>			<p>Party is notified that such interexchange traffic is being improperly routed over its local interconnection trunk groups, both Parties will cooperatively work together to have such traffic removed off those trunk groups including seeking Commission permission to block such traffic. This procedure will assist both Parties in obtaining the proper terminating access charges associated with Switched Access Traffic.</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
<p>SBC IC-10</p> <p>L3 6, IC-2 S4.2</p> <p>L3 6, IC-2 S4.5</p> <p>L3 IC-2 S4.6</p>	<p>IC Level 3 Responsibilities of the Parties 4.1, 4.4 - 4.6</p> <p>SBC Responsibilities of the Parties 4 – 4.4</p>	<p>a) Should the originating Party be responsible for providing OCN to the terminating party for billing purposes?</p> <p>b) Should the Parties’ responsibility for stripped, altered, modified, added, deleted, changed, or incorrectly assigned CPN or other signaling information be limited to intentional stripping, alterations, modifications, additions, deletions, changes, or incorrect assignments?</p> <p>c) Should the requirements related to stripping or otherwise changing or incorrectly assigning CPN, and to investigate and correct improperly used local exchange services, apply to all traffic exchanged between the parties or just “Telecommunications</p>	<p>4. RESPONSIBILITIES OF THE PARTIES</p> <p>4.1 Each Party to this Agreement will be responsible for sending the Calling Party Number (CPN) <i>and Originating Carrier Number (OCN)</i> for <i>Circuit Switched Traffic</i> originating on its network and passed to the network of the other Party. <i>This includes all Circuit Switched Traffic including, without limitation, Interexchange, and wireless traffic.</i></p> <p>4.2 To the extent technically feasible, each Party shall provide CPN as defined in 47 C.F.R. § 64.1600(c) (“CPN”) and Originating Carrier Number (“OCN”) for Telecommunications Traffic originating on its network and passed to the network of the other party. Neither Party shall <i>intentionally</i> strip, alter, modify, add, delete, change, or incorrectly assign any such CPN for any <i>Telecommunications Traffic</i>. Each party shall pass the CPN (<i>and OCN</i>) for the traffic it receives from any third party. The parties recognize that neither party has a billing system capable of determining the physical location of their customers; rather consistent with industry practice nationwide both Parties’ billing systems utilize tariff databases and the Local Exchange Routing Guide (“LERG”) to identify the location of the switch serving the called or calling NPA-NXX codes and then rate those calls</p>	<p>IC-2 S4.2 Clarifies scope of the appendix.</p> <p>IC-2 S4.5 Clarifies the duties of the parties.</p> <p>IC-2 S4.6 Clarifies the duties of the parties consistent with the Act.</p>	<p>4 RESPONSIBILITIES OF THE PARTIES</p> <p>4.1 Each Party to this Agreement will be responsible for sending the Calling Party Number (CPN) for <u>calls</u> originating on its network and passed to the network of the other Party. <u>Each Party to this Agreement will be responsible for passing on any CPN it receives from a third party for traffic delivered to the other Party.</u></p> <p>4.2 To the extent technically feasible, each Party shall provide CPN as defined in 47 C.F.R. § 64.1600(c) (“CPN”) for <u>all</u> traffic originating on its network and passed to the other party, <u>including, without limitation, Switched Access Traffic, and wireless traffic, in accordance with Section 4.4.</u> Neither Party shall strip, alter, modify, add, delete, change, or incorrectly assign any such CPN. <u>CPN shall, at a minimum, include information that accurately reflects the physical location of the end user that originated and/or dialed the call, when including such information is technically feasible.</u> <u>If</u> To the extent that either party is able to identify improper, incorrect, or fraudulent use of Circuit Switched local exchange services (including, but not limited to PRI, ISDN and/or Smart Trunks), or identifies stripped, altered, modified, added, deleted, changed, and/or incorrectly assigned CPN, the Parties</p>	<p>a) No. CPN is the proper call information that should be used to jurisdictionalize traffic. OCN is not appropriate for that purpose, because it is not part of the actual call transmission. For the purposes of billing compensation to the appropriate party, Facility Based CLECs receive the appropriate category of records for calls that terminate to end users served by a CLEC utilizing SBC’s Lawful ULS which will contain the OCN to aid them in billing the proper party. In addition, the CLEC may utilize the LERG and the LNP Database to help identify the appropriate party to bill.</p> <p>b) No. The Parties</p>	

Level 3 language Times New Roman bold italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
		<p>Traffic” as defined by Level 3?</p> <p>d) Should non-section 251/252 services such as Transit Services be arbitrated in this section 251/252 proceeding?</p>	<p>according to the terms and conditions of this Agreement. To the extent that either party is able to identify improper, incorrect, or fraudulent use of Circuit Switched local exchange services (including but not limited to PRI, ISDN and/or smart trunks or to the extent either party is able to identify stripped, altered, modified, added, deleted, changed, and/or incorrectly assigned CPN, the Parties agree to cooperate with one another to investigate and take corrective action</p> <p>4.4 If one Party is passing CPN <i>and/or OCN</i> but the other Party is not properly receiving such information, the Parties will work cooperatively to correct the problem.</p> <p>4.5 Where either Level 3 or <u>SBC-13STATE</u> delivers <i>Circuit Switched</i> Traffic to the other Party for termination to the other Party’s customer, each party will provide OCN and CPN with such traffic or use commercially reasonable efforts to deliver the equivalent information to the other party on at least Ninety Percent (90%), of all calls exchanged between the Parties in direct proportion to the MOUs of calls exchanged with CPN. If the percentage of calls passed with CPN is less than Ninety Percent (90%), then all Circuit Switched Traffic calls passed without CPN will be billed according to the receiving Party’s applicable, valid and effective FCC Interstate Access Tariff or Rate</p>		<p>agree to cooperate with one another to investigate and take corrective action.</p> <p>4.4 If one Party is passing CPN but the other Party is not properly receiving such information, the Parties will work cooperatively to correct the problem.</p> <p>4.5 Where either Level 3 or <u>SBC-13STATE</u> delivers Traffic to the other Party for termination to the other Party’s customer, each party will provide CPN with such traffic or use commercially reasonable efforts to deliver the equivalent information to the other party on at least Ninety Percent (90%), of all calls exchanged between the Parties in direct proportion to the MOUs of calls exchanged with CPN. If the percentage of calls passed with CPN is less than Ninety Percent (90%), then all calls passed without CPN will be billed according to the receiving Party’s applicable, valid and effective FCC Interstate Access Tariff or Rate Sheet as permitted and filed according to, <i>inter alia</i>, Part 64 of the FCC’s Rules.</p>	<p>should not intentionally or unintentionally strip, alter, modify, add, delete, change, or incorrectly assign any CPN or other signaling information, because that information is necessary to insure that the terminating party is properly compensated. A party should not have to prove that the other Party’s actions were intentional, and in any event Level 3 has not identified any situation in which stripping or altering CPN would be unintentional.</p> <p>c) See SBC’s position on classifications of traffic in Issue SBC-IC-05.</p> <p>d) Transit Service is a non 251/252</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p>Sheet as permitted and filed according to, <i>inter alia</i>, Part 64 of the FCC’s Rules.</p> <p><i>4.6 Where one party is performing a transiting function, the transiting party will pass the Signaling Data, including specifically OCN for traffic received from the originating third party, including any SBC UNE-P carrier customers whether such customers purchase local switching from SBC pursuant to Section 251, 271, 201 or any other regulated or non-regulated arrangement and whether or not such arrangement is publicly or privately filed. Except for SBC originated UNE-P traffic, if the Signaling Data – including OCN - is not received from the originating third party, the transiting Party agrees to be billed as the default originator.</i></p>			<p>service and as such is not an arbitrable issue. Unlike Intercarrier Compensation, there are no provisions of the Act that impose a duty upon ILECs to provide or facilitate indirect interconnection and transit services between two other carriers. As a non-Section 251/252 service, Transit Service should be negotiated separately and as such SBC is prepared to offer Level 3 a separate agreement to address Transit Service.</p> <p>In the event that the Commission decides, over SBC’s objection, to address Transit Service in this proceeding, it should adopt SBC’s proposed language in the Transit Traffic</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						<p>Service Appendix submitted herewith. The Commission should also reject Level 3’s language, which seeks to require SBC (as the Transit Provider) to pass signaling data. Sections 3.10-3.12 of SBC’s Transit Traffic Service Appendix better address the obligations of the parties. The Commission should also reject Level 3’s proposal to require SBC to be billed as the default originator for traffic where CPN is not received from the originating third party. Level 3 should seek compensation directly from the originating carrier, not the transit provider, as specified in Section 3.15 of the Transit Traffic Service Appendix.</p>	

Level 3 language Times New Roman bold italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
SBC IC-11 L3 6,7 S4.7- 4.7.2.1	Level 3 4.7-4.7.2.1 SBC 16.-16.2	a) What is the proper routing, treatment and compensation for Switched Access Traffic including, without limitation, any PSTN-IP-PSTN Traffic and IP-PSTN Traffic? b) Should the ICA specify that disputes related to jurisdictional nature of traffic are subject to the dispute resolution process contained in this agreement?	<u>4.7 PARTIES AGREE TO ERECT NO BARRIERS TO IP ENABLED SERVICES TRAFFIC</u> <i>4.7.1 In order for Parties communicating via IP-enabled Services to interact with end users connected to the Internet by means of circuit switched telecommunications services addressed by NPA-NXX codes, the underlying telecommunications provider must effect a net protocol conversion from IP to TDM or TDM to IP format in order to permit the Internet to connect an end users served by a device addressed via the NPA-NXX codes and connected over circuit switched telephone networks.</i> <i>4.7.2 The Parties agree, therefore, that consistent with Section 3.2 above, that they</i>	6,7 S4.7-4.7.2.1 VoIP traffic has never been assessed access charges. SBC’s proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges.	<u>16. Switched Access Traffic</u> <u>16.1 For purposes of this Agreement only, Switched Access Traffic shall mean all traffic that originates from an end user physically located in one local exchange and delivered for termination to an end user physically located in a different local exchange (excluding traffic from exchanges sharing a common mandatory local calling area as defined in SBC-13STATE’s local exchange tariffs on file with the applicable state commission) including, without limitation, any traffic that (i) terminates over a</u>	a) See SBC Position /Support for SBC-IC-09(a). b) No. The dispute may involve traffic outside the scope of this agreement, and should be resolved in accordance with applicable tariffs for such traffic. If a dispute arises concerning the jurisdictional nature of traffic and Level 3 wants to contend at that time that the	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>will exchange any and all IP Enabled Services traffic over Local Interconnection Trunk Groups.</i></p> <p><i>4.7.2.1 Should any dispute arise over the jurisdictional nature or classification of traffic, the Parties agree to resolve such disputes through the dispute resolution process contained within this Agreement and in no event will either party block the other's traffic without following the dispute resolution procedures contained in this Agreement and according to Applicable Law.</i></p>		<p><u>Party's circuit switch, including traffic from a service that originates over a circuit switch and uses Internet Protocol (IP) transport technology (regardless of whether only one provider uses IP transport or multiple providers are involved in providing IP transport) and/or (ii) originates from the end user's premises in IP format and is transmitted to the switch of a provider of voice communication applications or services when such switch utilizes IP technology and terminates over a Party's circuit switch. Notwithstanding anything to the contrary in this Agreement, all Switched Access Traffic shall be delivered to the terminating Party over feature group access trunks per the terminating Party's access tariff(s) and shall be subject to applicable intrastate and interstate switched access charges; provided, however, the following categories of Switched Access Traffic are not subject to the above stated requirement relating to routing over feature group access trunks:</u></p> <p><u>(i) IntraLATA toll Traffic or Optional EAS Traffic from a CLEC end user that obtains local</u></p>	<p>dispute falls within the dispute resolution provision of the ICA, Level 3 may do so. The determination whether the dispute does or does not fall within that provision can be decided then (and may never have to be decided, because the issue may never arise). It makes no sense for the Commission to undertake to determine now whether such a hypothetical dispute does or does not fit within the dispute resolution provisions of this agreement. Accordingly, Level 3's proposed language should be rejected, so that the interconnection agreement remains silent on this subject.</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>dial tone from CLEC where CLEC is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider,</u> (v) <u>IntraLATA toll Traffic or Optional EAS Traffic from an SBC end user that obtains local dial tone from SBC where SBC is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider;</u> (vi) <u>Switched Access Traffic delivered to SBC from an Interexchange Carrier (IXC) where the terminating number is ported to another CLEC and the IXC fails to perform the Local Number Portability (LNP) query;</u> <u>and/or</u> (vii) <u>Switched Access Traffic delivered to either Party from a third party competitive local exchange carrier over interconnection trunk groups carrying Section 251(b)(5) Traffic and ISP-Bound Traffic (hereinafter referred to as “Local Interconnection Trunk Groups”) destined to the other Party.</u></p> <p><u>Notwithstanding anything to the contrary in this Agreement, each Party reserves it rights, remedies,</u></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>and arguments relating to the application of switched access charges for traffic exchanged by the Parties prior to the Effective Date of this Agreement and described in the FCC's Order issued in the Petition for Declaratory Ruling that AT&T's Phone-to-Phone IP Telephony Services Exempt from Access Charges, WC Docket No. 01-361(Released April 21, 2004).</u></p> <p><u>16.2 In the limited circumstances in which a third party competitive local exchange carrier delivers Switched Access Traffic as described in Section 16.1 (iv) above to either Party over Local Interconnection Trunk Groups, such Party may deliver such Switched Access Traffic to the terminating Party over Local Interconnection Trunk Groups. If it is determined that such traffic has been delivered over Local Interconnection Trunk Groups, the terminating Party may object to the delivery of such traffic by providing written notice to the delivering Party pursuant to the notice provisions set forth in the General Terms and Conditions and request removal of such traffic. The Parties will work cooperatively to identify the</u></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>traffic with the goal of removing such traffic from the Local Interconnection Trunk Groups. If the delivering Party has not removed or is unable to remove such Switched Access Traffic as described in Section 16.1(iv) above from the Local Interconnection Trunk Groups within sixty (60) days of receipt of notice from the other party, the Parties agree to jointly file a complaint or any other appropriate action with the applicable Commission to seek any necessary permission to remove the traffic from such interconnection trunks up to and including the right to block such traffic and to obtain compensation, if appropriate, from the third party competitive local exchange carrier delivering such traffic to the extent it is not blocked</u></p>		
<p>SBC IC-12 L3 4,7 S5.1-5.1.2.2.1</p>	<p>IC Level 3 Traffic Termination 5– 5.1.2.2.1 SBC Reciprocal Compensation for Termination of Section 251(b)(5) Traffic 5 – 5.6.5</p>	<p>a) Should this agreement contain rates, terms and conditions for implementation of the FCC’s interim compensation plan for ISP-Bound traffic? b) Does a bifurcated rate structure more accurately reflect the cost of terminating a local call?</p>	<p>5.0 <i>TRAFFIC TERMINATION</i> 5.1 Until and unless SBC-13STATE chooses to offer to exchange and ISP-Bound Traffic in a particular state on and after a designated date pursuant to the terms and conditions of the FCC’s interim ISP terminating compensation plan, the parties shall exchange <i>ISP-Bound traffic according to the intercarrier compensation rates set by the state public utility commission for local traffic as of the Effective Date of this Agreement.</i> At such time as the ILEC</p>	<p>4,7 S5.1.1-5.1.2.2.1 VoIP traffic has never been assessed access charges. SBC’s proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges.</p>	<p>5.0 <u>Reciprocal Compensation for Termination of Section 251(b)(5) Traffic</u> Until and unless <u>SBC-13STATE</u> chooses to offer to exchange <u>Section 251(b)(5) Traffic</u> and ISP-Bound Traffic in a particular state on and after a designated date pursuant to the terms and conditions of the FCC’s interim ISP terminating compensation plan, the <u>compensation set forth below in Sections 5.2 through 5.6 will also apply to all Section 251(b)(5) Traffic in Section 3.2 of this Appendix and ISP-Bound</u></p>	<p>a) Since SBC has invoked the FCC’s ISP compensation plan, ISP-Bound traffic is subject to the terms and conditions of that plan and therefore, rates, terms and conditions relative to the FCC’s plan should be included in this agreement so as to</p>	<p>NOTE: SBC-IC-12(b), (c), AND (j) ARE CONN. ONLY ISSUES.</p>

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
		<p>c) Is Level 3 entitled to charge the tandem reciprocal compensation rate?</p> <p>d) What is the appropriate form of intercarrier compensation for FX and FX-like traffic including ISP FX Traffic?</p> <p>e) What is the appropriate form of Intercarrier compensation for Optional EAS Traffic?</p> <p>f) Is it appropriate to include all IntraLATA toll traffic under a MPB arrangement?</p> <p>g) What is the appropriate treatment and form of intercarrier compensation for intraLATA 8YY traffic?</p> <p>h) Should non-section</p>	<p>SBC13-State chooses offers to exchange ISP-Bound Traffic in a particular state pursuant to the terms and conditions of the FCC’s interim terminating compensation plan. <i>At such time as the FCC issues a successor order to the current interim termination compensation plan, the parties agree to compensate each other according to such Order immediately upon the effective date the FCC order.</i></p> <p><i>5.1.1 Local, Virtual Foreign Exchange, Mandatory Local and Optional EAS traffic eligible for reciprocal compensation will be combined with traffic terminated to Internet Service Providers (“ISPs”) to determine the Total Compensable Local Traffic.</i></p> <p><i>5.1.1.1 In determining the Total Compensable Local Traffic, Circuit Switched IntraLATA toll and IXC-carried intraLATA toll Traffic are excluded, and will be subject to Meet Point Billing as outlined in the Interconnection Agreement and each Party’s applicable state-approved or FCC-approved tariffs or FCC approved or sanctioned terms, rates and conditions.</i></p> <p><i>5.1.1.2 The rates for the termination of Circuit Switched intraLATA toll and Originating 8YY traffic are governed by each Party’s applicable state-approved or FCC-approved tariffs or FCC approved or sanctioned terms, rates and conditions,</i></p>		<p><u>Traffic as defined in Section 3.3 of this Appendix in that particular state.</u> At such time as <u>the ILEC chooses to offer to exchange Section 251(b)(5) Traffic and ISP-Bound Traffic in a particular state on and after a designated date</u> pursuant to the terms and conditions of the FCC’s interim terminating compensation plan, <u>the compensation set forth below in Sections 5.2 through 5.6 will apply only to Section 251(b)(5) Traffic in that state on the later of (i) the Effective Date of this Agreement and (ii) the effective date of the offer in a particular state.</u> The Parties acknowledge that <u>SBC-13STATE has made such offers in its respective states of (i) Indiana, Ohio, Texas and Wisconsin effective on and after June 1, 2003, (ii) Arkansas and Michigan effective on and after July 6, 2003, (iii) California effective on and after August 1, 2003, (iv) Illinois effective on and after September 1, 2003, and (v) Kansas, Missouri, Oklahoma and Nevada on and after June 1, 2004; therefore, the FCC Plan rates, terms and conditions set forth in Section 6.0 shall apply to Section 251(b)(5) and ISP-Bound Traffic in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Texas and Wisconsin and such other state in which SBC-13STATE makes an offer on the later of (i) the Effective Date of this Agreement and (ii) the effective date of the</u></p>	<p>minimize the potential for disputes in implementation of the plan. To date, SBC’s has invoked the FCC compensation plan in AR, CA, IN, IL, KS, MI, MO, NV, OH, OK, TX and WI. Level 3 appears to agree that the FCC ISP plan’s rates and terms apply to ISP-Bound traffic but has deleted SBC’s proposed language. In fact, Level 3 provides no rate for “Total Compensable Local Traffic”.</p> <p>b) Yes. A bifurcated rate structure more accurately reflects the actual costs incurred to terminate local traffic. The call set up is a per message charge for each call, which contemplates the costs associated with</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
		<p>251/252 services such as Transit Services be arbitrated in this section 251/252 proceeding?</p> <p>i) Should SBC be required to use Level 3 as a transit provider to reach third parties that are already interconnected with SBC?</p> <p>j) What is the appropriate form of intercarrier compensation for Lawful Unbundled Local Switching?</p>	<p><i>provided however, that 8YY Traffic bearing translated NPA-NXX codes that are local to NPA-NXX codes at the point where the traffic is handed off will be rated as Local Traffic.</i></p> <p><i>5.1.2 In determining the Total Compensable Local Traffic, SBC13-State-transited minutes of use (MOUs) will be excluded from these calculations.</i></p> <p><i>5.1.2.1 The rates for SBC ILECs-transited MOUs will be governed by this Interconnection Agreement.</i></p> <p><i>5.1.2.2 Subject to applicable confidentiality guidelines, SBC 13State and Level 3 will cooperate to identify Circuit Switched toll and transiting traffic; originators of such Circuit Switched toll and transiting traffic; and information useful for settlement purposes with such Circuit Switched toll and transiting traffic originators including but not limited to OCNs associated with traffic originated by carrier customers purchasing SBC UNE-P products or their equivalent.</i></p> <p><i>5.1.2.2.1 To the extent necessary to ensure proper billing of Circuit Switched toll and transit traffic exchanged over SBC 13State and Level 3 intercarrier local interconnection facilities, SBC 13State and Level 3 agree to explore additional options for management and accounting of Circuit</i></p>		<p><u>offer in a particular state.</u></p> <p><u>5.1 Bifurcated Rates (Call Set Up and Call Duration). Level 3 and SBC-CONNECTICUT agree to compensate each other for the termination of Section 251(b)(5) Traffic and ISP-Bound Traffic (if applicable in accordance with Section 5.0), on a "bifurcated" basis, meaning assessing an initial Call Set Up charge on a per Message basis, and then assessing a separate Call Duration charge on a per Minute of Use (MOU) basis, where ever per Message charges are applicable. The following rate elements apply, but the corresponding rates are shown in Appendix Pricing:</u></p> <p><u>5.2 Tandem Serving Rate Elements:</u></p> <p><u>5.2.1 Tandem Switching - compensation for the use of tandem switching only.</u></p> <p><u>5.2.2 Tandem Transport - compensation for the transmission facilities between the local tandem and the end offices subtending that tandem.</u></p> <p><u>5.2.3 End Office Switching in a Tandem Serving Arrangement - compensation for the local end office switching and line termination necessary to complete the transmission in a tandem-served arrangement. It consists of a call set-up rate (per message) and a call duration (per minute) rate.</u></p>	<p>establishing a circuit and creating a billing record. Call Duration which is tracked on a MOU basis is the rate associated with the cost of keeping the circuit open. This Commission should adopt bifurcated rates and reject Level 3’s proposal to have one rate for all Local, Virtual Foreign Exchange, Mandatory Local and Optional EAS traffic, and ISP-Bound traffic.</p> <p>c) No. For the state of Connecticut, Level 3 has not demonstrated that its switch qualifies for the tandem rate under FCC Rule 711(a)(3). For other states, SBC has invoked the FCC ISP plan, and Level 3 chose to negotiate from the “All</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>Switched toll and transit traffic, including, but not limited to the exchange of signaling/call-related information in addition to the CPN and OCN.</i></p>		<p>5.3 <u>End Office Serving Rate Elements</u></p> <p>5.3.1 <u>End Office Switching - compensation for the local end office switching and line termination necessary to complete the transmission in an end office serving arrangement. It consists of a call set-up rate (per message) and a call duration (per minute) rate.</u></p> <p>5.4 <u>CLEC shall only be paid End Office Serving Rate Elements.</u></p> <p>5.5 <u>All ISP-Bound Traffic for a given usage month shall be due and owing at the same time as payments for Section 251(b)(5) under this Appendix. The parties agree that all terms and conditions regarding disputed minutes of use, nonpayment, partial payment, late payment, interest on outstanding balances, or other billing and payment terms shall apply to ISP-Bound Traffic the same as for Section 251(b)(5) Traffic under this Appendix.</u></p> <p>5.6 <u>Intercarrier Compensation for Lawful ULS Traffic</u></p> <p>5.6.1 <u>For interswitch Section 251(b)(5) Traffic and ISP-Bound Traffic exchanged between SBC MIDWEST REGION 5-STATE end users and CLEC’s end users where CLEC utilizes SBC MIDWEST REGION 5-STATE’s Lawful ULS (including UST) of,</u></p>	<p>Traffic” appendix, under which compensation does not vary based on tandem or end office switching.</p> <p>d) Level 3 is proposing that Foreign Exchange Traffic should be compensated as “local” traffic, which is inappropriate. See SBC’s position on the appropriate form of intercarrier compensation for FX and FX-like traffic including ISP FX Traffic in SBC Issue IC-14.</p> <p>e) Level 3 is proposing that Optional EAS traffic should be compensated as “local” traffic, which is inappropriate. See SBC’s position on the appropriate form of</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>such traffic shall be paid for reciprocally at the Lawful ULS Reciprocal Compensation rate contained in Appendix Pricing. For the states of Wisconsin, Michigan and Illinois, CLEC shall pay SBC WISCONSIN, SBC MICHIGAN and SBC ILLINOIS the FCC Plan rate specified in Section 6.2.2 for the transport and termination of Section 251(b)(5) Traffic and ISP-Bound Traffic.</u></p> <p><u>5.6.2 For interswitch Section 251(b)(5) Traffic and ISP-Bound Traffic exchanged between SBC CALIFORNIA, SBC NEVADA and SBC SOUTHWEST REGION 5-STATE end users and CLEC's end users where CLEC utilizes Lawful ULS (including UST) of SBC CALIFORNIA, SBC NEVADA or SBC SOUTHWEST REGION 5-STATE, such traffic shall be paid for reciprocally at the FCC Plan rate specified in Section 6.2.2 for the transport and termination of Section 251(b)(5) Traffic and ISP-Bound Traffic.</u></p> <p><u>5.6.3 For the purposes of compensation where CLEC utilizes SBC-12STATE's Lawful ULS (including UST), CLEC has the sole obligation to enter into a compensation agreement with third party carriers that CLEC originates traffic to and terminates traffic from, including traffic carried by Shared Transport Facilities and</u></p>	<p>Intercarrier compensation for Optional EAS traffic in SBC Issue IC-15.</p> <p>f) No. Level 3 is proposing that IntraLaTA Toll Traffic will be subject to Meet Point Billing which is inappropriate. See SBC's position on the appropriate form of Intercarrier Compensation for IntraLATA Toll in SBC Issue IC-21, and for MPB in SBC Issue IC-19.</p> <p>g) See SBC Issue IC-18 for the appropriate treatment and form of intercarrier compensation for intraLATA 8YY traffic.</p> <p>h) No. See SBC's position on non-Section 251/252 services such as</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>traffic carried on the IntraLATA Transmission Capabilities. In no event will SBC-12STATE have any liability to CLEC or any third party if CLEC fails to enter into such compensation arrangements. In the event that traffic is exchanged with a third party carrier with whom CLEC does not have a traffic compensation agreement, CLEC will indemnify, defend and hold harmless SBC-12STATE against any and all losses including without limitation, charges levied by such third party carrier. The third party carrier and CLEC will bill their respective charges directly to each other. SBC-12STATE will not be required to function as a billing intermediary, e.g., clearinghouse. SBC-12STATE may provide information regarding such traffic to other telecommunications carriers or entities as appropriate to resolve traffic compensation issues.</u></p> <p><u>5.6.4 In SBC CONNECTICUT, when CLEC utilizes SBC CONNECTICUT's Lawful Unbundled Local Switching to provide service to its end users, SBC CONNECTICUT will be solely responsible for compensating the terminating third party carrier for Section 251(b)(5) Traffic, ISP-Bound Traffic, Optional EAS Traffic and IntraLATA Toll Traffic that originates from CLEC's end users. CLEC utilizing Lawful Unbundled Local Switching can not seek intercarrier compensation from SBC</u></p>	<p>Transit Services in SBC Issue IC-10(d). To the extent the Commission decides, over SBC's objection, to consider transit traffic issues, SBC urges the Commission to reject Level 3's proposal, which would have the Agreement govern Transit Traffic Service, and adopt SBC's attached Transit Traffic Service Appendix. Section 5 of that appendix addresses the proper rate treatment.</p> <p>i) As stated under h) above, the Commission should not arbitrate issues related to Transit Service in this proceeding. Should the Commission nonetheless decide to reach those issues, it should decide that SBC is not required to accept transit traffic</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>CONNECTICUT for Section 251(b)(5) Traffic, ISP-Bound Traffic, Optional EAS Traffic and IntraLATA Toll Traffic that originates from either an SBC CONNECTICUT end user or a third party carrier's end user.</u></p>	<p>from a third party via Level 3 when SBC is already directly connected to that third party (see Sections 3.10 and 6.0 of the attached Transit Traffic Service appendix). Level 3's proposal would result in inefficient use of all parties' networks.</p> <p>j) In SBC CONNECTICUT, when Level 3 utilizes SBC CONNECTICUT's Lawful Unbundled Local Switching to provide service to its end users, SBC CONNECTICUT will be solely responsible for compensating the terminating third party carrier for Section 251(b)(5) Traffic, ISP-Bound Traffic, Optional EAS Traffic and IntraLATA Toll Traffic that originates from CLEC's end</p>	

Level 3 language Times New Roman bold italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						users as explained further in SBC IC-07. In other states, the FCC plan applies.	
SBC IC-13 L3 4,7	IC SBC Rates Terms and Conditions of FCC’s Interim ISP Terminating Compensation Plan 6.1-6.7	<p>a) Is it appropriate to include the rates, terms and conditions in accordance with the FCC’s interim ISP terminating Compensation plan in the Intercarrier Compensation Appendix?</p> <p>b1) Should this agreement include terms and conditions for a Growth Cap on ISP-Bound Traffic in accordance with the FCC’s <i>ISP Compensation Order</i>?</p> <p>b2) Should ISP-Bound Traffic that exceeds the growth caps be subject to a bill and keep arrangement?</p> <p>c) Should this agreement include terms and conditions for new</p>		4,7 VoIP traffic has never been assessed access charges. SBC’s proposed language is geared towards lumping VoIP services into a switched-based service, and, as such, imposing access charges	<p><u>6. RATES, TERMS AND CONDITIONS OF FCC’S INTERIM ISP TERMINATING COMPENSATION PLAN</u></p> <p><u>6.1 The Parties hereby agree that the following rates, terms and conditions set forth in Sections 6.2 through 6.6 shall apply to the termination of all Section 251(b)(5) Traffic and all ISP-Bound Traffic exchanged between the Parties in each of the applicable state(s) SBC-13STATE has made an offer as described in Section 5 above effective on the later of (i) the Effective Date of this Agreement and (ii) the effective date of the offer in the particular state and that all ISP-Bound Traffic is subject to the growth caps and new market restrictions stated in Sections 6.3 and 6.4, below.</u></p> <p><u>6.2 Intercarrier Compensation for all ISP-Bound Traffic and Section 251(b)(5) traffic</u></p> <p><u>6.2.1 The rates, terms, conditions in Sections 6.2 through 6.6 apply only to the termination of all Section 251(b)(5) Traffic</u></p>	<p>a) Yes. See Issue No. SBC IC-12(a).</p> <p>b1) Yes. Pursuant to Paras.8 and 78 of the <i>ISP Compensation Order</i> the FCC imposed a growth cap on the total ISP-Bound minutes in which the carrier could receive compensation. SBC’s proposed language memorializes the growth caps established by the FCC.</p> <p>b2) Yes. Pursuant to Paras. 8 and 78 of the <i>ISP Compensation Order</i> any ISP-Bound Traffic that exceeds</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
		<p>market restrictions as set forth in the FCC’s <i>ISP Compensation Order</i>?</p> <p>d) What are the appropriate terms and conditions for rebutting the presumption in accordance with the FCC’s interim ISP terminating compensation plan?</p> <p>e) Should provisions setting forth the methodology for calculating the 3:1 ratio under the FCC’s <i>ISP Compensation Order</i> be included in the Agreement?</p> <p>f) Should terms and conditions be included in the Agreement that provide that the Party that terminates more billable traffic must calculate the amount of traffic to be compensated under the FCC plan and</p>			<p><u>and all ISP-Bound Traffic as defined in Section 3.2 and Section 3.3 above and is subject to the growth caps and new market restrictions stated in Sections 6.3 and 6.4 below.</u></p> <p><u>6.2.2 The Parties agree to compensate each other for the transport and termination of all Section 251(b)(5) and ISP-Bound Traffic and traffic on a minute of use basis, at \$.0007 per minute of use.</u></p> <p><u>6.2.3 Payment of Intercarrier Compensation on ISP-Bound Traffic and Section 251(b)(5) Traffic will not vary according to whether the traffic is routed through a tandem switch or directly to an end office switch.</u></p> <p><u>6.3 ISP- Bound Traffic Growth Cap</u></p> <p><u>6.3.1 On a calendar year basis, as set forth below, the Parties agree to cap overall ISP-Bound Traffic minutes of use based upon the 1st Quarter 2001 ISP minutes for which the CLEC was entitled to compensation under its Interconnection Agreement(s) in existence for the 1st Quarter of 2001, on the following schedule:</u></p> <p><u>Calendar Year 2001 1st Quarter 2001 compensable ISP-Bound Traffic minutes, times 4, times 1.10</u></p> <p><u>Calendar Year 2002 Year 2001 compensable</u></p>	<p>the growth cap will be subject to bill and keep.</p> <p>c) Yes. Pursuant to Para. 81 of the <i>ISP Compensation Order</i> the FCC established new market restrictions on ISP-Bound minutes in which the carrier could receive compensation. SBC’s proposed language memorializes the new market restrictions established by the FCC.</p> <p>d) Pursuant to Paragraph 79 of the <i>ISP Compensation Order</i>, the FCC adopted a rebuttable presumption that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is ISP-bound traffic that</p>	

Level 3 language Times New Roman bold italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
		the amount of traffic that is subject to bill and keep?			<p><u>ISP-Bound Traffic minutes, times 1.10 Calendar Year 2003 Year 2002 compensable</u></p> <p><u>ISP-Bound Traffic minutes Calendar Year 2004 and thereafter Year 2002 compensable ISP-Bound Traffic minutes</u></p> <p><u>6.3.2 Notwithstanding anything contrary herein, in Calendar Year 2004, the Parties agree that ISP-Bound Traffic exchanged between the Parties during the entire period from January 1, 2004 until December 31, 2004 shall be counted towards determining whether CLEC has exceeded the growth caps for Calendar Year 2004.</u></p> <p><u>6.3.3 ISP-Bound Traffic minutes that exceed the applied growth cap will be Bill and Keep. "Bill and Keep" refers to an arrangement in which neither of two interconnecting parties charges the other for terminating traffic that originates on the other party's network ; instead, each Party recovers from its end-users the cost of both originating traffic that it delivers to the other Party and terminating traffic that it receives from the other Party.</u></p> <p><u>6.4 Bill and Keep for ISP-Bound Traffic in</u></p>	<p>is "subject to the compensation mechanism of [the] Order" including the growth caps. A carrier may rebut the presumption by demonstrating to a commission that traffic above the 3:1 ratio is in fact local traffic (Section 251(b)(5) traffic) delivered to non-ISP customers.</p> <p>e) Yes. SBC's proposed language sets forth the methodology for calculating the 3:1 ratio under the <i>ISP Compensation Order</i> and provides certainty on how the Parties will bill under the FCC plan. The Party that transports and terminates more Section 251(b)(5) and ISP-Bound Traffic must calculate the 3:1 ratio in accordance with the provisions of</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>New Markets</u></p> <p><u>6.4.1 In the event the Parties have not previously exchanged ISP-Bound Traffic in any one or more LATAs in a particular state prior to April 18, 2001, Bill and Keep will be the reciprocal compensation arrangement for all ISP-Bound Traffic between the Parties for the remaining term of this Agreement in any such LATAs in that state.</u></p> <p><u>6.4.2 In the event the Parties have previously exchanged traffic in a LATA in a particular state prior to April 18, 2001, the Parties agree that they shall only compensate each other for completing ISP-Bound Traffic exchanged in that LATA, and that any ISP-Bound Traffic in other LATAs shall be Bill and Keep for the remaining term of this Agreement.</u></p> <p><u>6.5 Growth Cap and New Market Bill and Keep Arrangements</u></p> <p><u>6.5.1 Wherever Bill and Keep for ISP-Bound shall segregate the Bill and Keep traffic from other compensable traffic either (a) by excluding the Bill and Keep minutes of use from other compensable minutes of use in the monthly billing invoices, or (b) by any other means mutually agreed upon by the Parties.</u></p>	<p>the Agreement.</p> <p>f) Yes. Each party should be responsible for tracking, billing, recording, and invoicing of traffic the party terminates. As such, both parties incur costs associated with the exchange of traffic.</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>6.5.2 The Growth Cap and New Market Bill and Keep arrangement applies only to ISP-Bound Traffic, and does not include Optional EAS traffic, IntraLATA Interexchange traffic, or InterLATA Interexchange traffic.</u></p> <p><u>6.6 ISP-Bound Traffic Rebuttable Presumption</u></p> <p><u>6.6.1 In accordance with Paragraph 79 of the FCC’s ISP Compensation Order, the Parties agree that there is a rebuttable presumption that any of the combined Section 251(b)(5) Traffic and ISP-Bound Traffic exchanged between the Parties exceeding a 3:1 terminating to originating ratio is presumed to be ISP-Bound Traffic subject to the compensation and growth cap terms in this Section 6.3. Either Party has the right to rebut the 3:1 ISP-Bound Traffic presumption by identifying the actual ISP-Bound Traffic by any means mutually agreed by the Parties, or by any method approved by the Commission. If a Party seeking to rebut the presumption takes appropriate action at the Commission pursuant to Section 252 of the Act and the Commission agrees that such Party has rebutted the presumption, the methodology and/or means approved by the Commission for use in determining the ratio shall be utilized by the Parties as of the date of the Commission approval and, in addition, shall be utilized to determine the appropriate true-up as described below.</u></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>During the pendency of any such proceedings to rebut the presumption, the Parties will remain obligated to pay the presumptive rates (the rates set forth in Section 5 for traffic below a 3:1 ratio, the rates set forth in Section 6.2.2 for traffic above the ratio) subject to a true-up upon the conclusion of such proceedings. Such true-up shall be retroactive back to the date a Party first sought appropriate relief from the Commission.</u></p> <p><u>6.7 For purposes of this Section 6, all Section 251(b)(5) Traffic and all ISP-Bound Traffic shall be referred to as "Billable Traffic" and will be billed in accordance with Section 15.0 below. The Party that transport and terminates more "Billable Traffic" ("Out-of-Balance Carrier") will, on a monthly basis, calculate (i) the amount of such traffic to be compensated at the FCC's interim ISP terminating compensation rate set forth in Section 6.2.2 above and (ii) the amount of such traffic subject to bill and keep in accordance with Sections 6.3, 6.4 and 6.5 above. The Out-of-Balance Carrier will invoice on a monthly basis the other Party in accordance with the provisions in this Agreement and the FCC's interim ISP terminating compensation plan.</u></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
SBC IC-14 L3 6,7 S7.1,7.2	IC Level 3 Telecommunications Traffic 7.1 & 7.3 SBC Other Telecommunications Traffic 7 – 7.5 14-14.1	<p>a) What is the appropriate treatment and compensation of ISP traffic exchanged between the Parties outside of the local calling scope?</p> <p>b) What types of traffic should be excluded from the definition and scope of 251(b)(5) traffic?</p> <p>c) What is the proper treatment and compensation for IntraLATA Interexchange traffic?</p> <p>d) What is the proper treatment and compensation for InterLATA Interexchange traffic?</p> <p>e) What is the appropriate form of intercarrier compensation for FX and FX-like traffic including ISP FX Traffic?</p>	<p><u>7.0 TELECOMMUNICATIONS TRAFFIC</u></p> <p><i>7.1 Telecommunications Traffic which is governed by the terms, rates and conditions contained in either party’s filed and effective federal or state tariffs, or which is determined to be interstate interexchange services and permissively detariffed (See, e.g., 47 C.F.R. § 61 (2003)) will be governed by the rates, terms and conditions of either Party’s tariff or of Level 3’s terms, rates and conditions subject to Applicable Law including but not limited to state law or federal law.</i></p> <p>7.2 Private Line Services include private line-like and special access services and are not subject to intercarrier compensation. Private Line Services are defined as dedicated Telecommunications Services channels provided between two points or switched among multiple points and are used for voice, data, audio or video transmission. Private Line services include, but are not limited to, WATS access lines.</p>	<p>6,7 S7.1,7.2</p> <p>VoIP traffic has never been assessed access charges. SBC’s proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3’s language clarifies the types of traffic that are subject to local rates.</p>	<p><u>7. OTHER TELECOMMUNICATIONS TRAFFIC</u></p> <p><u>7.1 The compensation arrangements set forth in Sections 5 and 6 of this Appendix are not applicable to (i) interstate or intrastate Exchange Access traffic, (ii) Information Access traffic, (iii) Exchange Services for access or (iv) any other type of traffic found to be exempt from reciprocal compensation by the FCC or the Commission, with the exception of ISP-Bound Traffic which is addressed in this Appendix. All Exchange Access traffic and IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of applicable federal and state tariffs.</u></p> <p><u>7.2 Foreign Exchange (FX) services are retail service offerings purchased by FX customers which allow such FX customers to obtain exchange service from a mandatory local calling area other than the mandatory local calling area where the FX customer is physically located, but within the same LATA as the number that is assigned. FX service enables particular end-user customers to avoid what might otherwise be toll calls between the FX customer’s physical location and customers in the foreign exchange. FX Telephone Numbers” (also known as “NPA-NXX” codes) shall be those telephone numbers with different rating and routing points relative to a given mandatory local</u></p>	<p>a) A description of ISP-Bound traffic outside the Local calling area should be included in this contract. The primary focus of the <i>ISP Compensation Order</i> was to classify and develop a compensation mechanism for ISP-Bound traffic. The FCC affirmed that the ISP-Bound traffic at issue are communications through Internet Service Providers located in the same local calling area as the originating end user. This is further illustrated in paragraph 90 of the <i>ISP Compensation Order</i> which specifically states that the FCC intended the same intercarrier compensation rates, terms and conditions</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
		f) Should Level 3 be permitted to charge an Access rate higher than the incumbent?			<p><u>calling area. FX Telephone Numbers that deliver second dial tone and the ability for the calling party to enter access codes and an additional recipient telephone number remain classified as Feature Group A (FGA) calls, and are subject to the originating and terminating carrier’s tariffed Switched Exchange Access rates (also known as “Meet Point Billed” compensation), or if jointly provisioned FGA service, subject to the terms and conditions of Appendix FGA. FX Traffic is not Section 251(b)(5) Traffic and instead the transport and termination compensation for FX Traffic is subject to a bill and keep arrangement in SBC INDIANA, SBC ARKANSAS, SBC TEXAS, SBC MISSOURI, SBC ILLINOIS, SBC OKLAHOMA, SBC MISSOURI, SBC NEVADA, SBC KANSAS, and SBC WISCONSIN. In SBC CONNECTICUT FX Traffic shall be subject to the applicable switched access rates as provided in the applicable switched access tariffs, excluding IntraLATA ISP FX Traffic which is subject to a bill and keep arrangement, in accordance with D.01-01-29. In SBC OHIO, FX Traffic shall be subject to applicable switched access rates as provided in the applicable switched access tariffs. In SBC CALIFORNIA, neither Party shall be prohibited from designating different rating and routing points for the delivery of telephone calls for purposes of providing customers a local presence within a foreign</u></p>	<p>to apply to voice and ISP-Bound Traffic. ISP traffic (like voice calls) that originates and terminates outside the local mandatory calling areas is intraLATA and/or interLATA toll traffic and remains subject to access tariffs.</p> <p>b) IntraLATA interexchange traffic is not Section 251(b)(5) traffic and is not subject to reciprocal compensation. IntraLATA interexchange traffic is offered pursuant to Commission approved access tariffs. ISP calls (like voice calls) that originate and terminate outside the local mandatory calling areas remain intraLATA and/or interLATA toll</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>exchange. Calls shall be rated in reference to the rate center of the assigned NXX prefix of the calling and called parties' numbers SBC CALIFORNIA is entitled to receive tandem switching and transport compensation for its facilities used in the carriage of traffic from the originating rate center (local NXX) to the rate area associated with where Level 3 delivers traffic to its customer, less 16 miles. To avoid paying the costs associated with transport from origination to their point of interconnection, Level 3 shall disclose to SBC CALIFORNIA the percentage of disparately rated and routed traffic that was returned and terminated within the rate area where the local call originated. In addition, Level 3 may avoid paying the costs associated with transport from origination to their point of interconnection if Level 3 establishes a point of interconnection at the appropriate local or access tandem serving the rate center or at any mutually agreed end office within the rate center where Level 3 has established a dialable telephone number local to such rate center or ports any number established by other local exchange carriers (including ILEC companies) within such rate center. Neither Party will assign a telephone number to an End User where such telephone number is assigned to an exchange in a different LATA than the End User is physically located. To the extent</u></p>	<p>traffic subject to access tariffs. Level 3's potentially misleading language suggests imposing interstate switched access to all forms of Switched Access Traffic, regardless of where the originating and terminating party of the call (or the ISP) are physically located.</p> <p>c) See SBC's position in SBC Issue Nos. IC-20 and IC-21.</p> <p>d) See SBC's position in SBC Issue Nos. IC-20 and IC-21.</p> <p>e) FX traffic is akin to intraLATA toll traffic that terminates outside the applicable local calling area. Such traffic is non-Section 251(b)(5) Traffic and as such would typically be subject only to</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>that ISP-Bound Traffic is provisioned via an FX-type arrangement, such traffic is subject to a Bill and Keep arrangement .</u></p> <p><u>7.4 The Parties recognize and agree that ISP and Internet traffic (excluding ISP-Bound Traffic as defined in Section 3.3) could also be traded outside of the applicable local calling scope, or routed in ways that could make the rates and rate structure in Sections 5 and 6 above not apply, including but not limited to ISP calls that fit the underlying Agreement's definitions of:</u></p> <ul style="list-style-type: none"> • <u>FX Traffic</u> • <u>Optional EAS Traffic</u> • <u>IntraLATA Interexchange Traffic</u> • <u>InterLATA Interexchange Traffic</u> • <u>800, 888, 877, ("8YY") Traffic</u> • <u>Feature Group A Traffic</u> • <u>Feature Group D Traffic</u> <p><u>7.5 The Parties agree that, for the purposes of this Appendix, either Parties' End Users remain free to place ISP calls under any of the above classifications. Notwithstanding anything to the contrary herein, to the extent such ISP calls are placed, the Parties agree that Sections 5 and 6 above do not apply. The Agreement's rates, terms and conditions for , FX Traffic, Optional EAS Traffic, 8YY Traffic, Feature Group A Traffic, Feature Group D Traffic,</u></p>	<p>interstate and intrastate access charges. However, bill and keep is the proper compensation mechanism for voice and ISP FX traffic in Arkansas, Illinois, Indiana, Kansas, Missouri, Nevada, Oklahoma, Texas, and Wisconsin. The FCC's <i>First Report and Order</i> states that "traffic originating or terminating outside of applicable local area would be subject to interstate and intrastate access charges," and not reciprocal compensation. <i>See In re Implementation of the Local Competition Provisions in the Telecommunications Act of 1996; Interconnection between Local Exchange Carriers and Commercial Mobile Radio Service Providers</i>, 11 FCC</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>IntraLATA Traffic and/or InterLATA Traffic, whichever is applicable, shall apply.</u></p> <p><u>13.0 COMPENSATION FOR ORIGINATION AND TERMINATION OF INTERLATA TRAFFIC NOT SUBJECT TO MEET POINT BILLING</u></p> <p><u>13.1 Where a CLEC originates or terminates its own end user InterLATA Traffic not subject to Meet Point Billing, the CLEC must purchase FG D access service from SBC-13STATE's state or federal access tariffs, whichever is applicable, to carry such InterLATA Traffic.</u></p> <p>14. INTRALATA TOLL TRAFFIC COMPENSATION</p> <p>14.1 For intrastate intraLATA toll <u>traffic</u>, compensation for termination of intercompany traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including the Carrier Common Line (CCL) charge where applicable, as set forth in each Party's Intrastate Access Service Tariff, <u>but such compensation shall not exceed the compensation contained in an SBC-</u></p>	<p>Rcd. 15499, 16013, ¶ 1035 (1996).</p> <p>In Connecticut, FX Traffic should be compensated at the applicable switched access rates as provided in the applicable tariffs, excluding IntraLATA ISP FX Traffic which is subject to a bill and keep arrangement in accordance with the Commission's order in Docket No. 01-01-29.</p> <p>In Ohio, FX Traffic should be subject to applicable switched access rates.</p> <p>In California, calls should be rated in reference to the rate center of the assigned NXX prefix of the calling and called parties' numbers and SBC should receive tandem switching and transport</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>13STATE's tariff in whose exchange area the End User is located.</u> For interstate intraLATA intercompany service traffic, compensation for termination of intercompany traffic will be at terminating access rates for MTS and originating access rates for 800 Service including the CCL charge, as set forth in each Party's interstate Access Service Tariff, <u>but such compensation shall not exceed the compensation contained in the SBC-13STATE's tariff in whose exchange area the End User is located.</u> Common transport, (both fixed and variable), as well as tandem switching and end office rates apply only in those cases where a Party's tandem is used to terminate traffic.</p>	<p>compensation for its facilities used in the carriage of traffic from the originating rate center (local NXX) to the rate area where Level 3 delivers traffic to its customer, less 16 miles. Level 3 may avoid paying the costs associated with transport from origination to their point of interconnection if Level 3 establishes a point of interconnection at the appropriate local or access tandem serving the rate center or at any mutually agreed end office within the rate center where Level 3 has established a dialable telephone number local to such rate center or ports any number established by other local exchange carriers (including ILEC companies) within such rate center.</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						f) No. See SBC’s position in Issue SBC-IC-21(a2).	
SBC IC-15 L3 4, IC-3 S8.1-8.2, 8.4	IC Optional Calling Area Traffic – SBC ARKANSAS, SBC KANSAS and SBC TEXAS Level 3 8.1-8.2, 8.4 SBC 8 – 8.4	What is the appropriate form of intercarrier compensation for Optional Calling Area traffic in Arkansas, Kansas, and Texas?	<p><u>8. OPTIONAL CALLING AREA TRAFFIC – SBC ARKANSAS, SBC KANSAS AND SBC TEXAS</u></p> <p>8.1 Compensation for Optional Calling Area (OCA) <i>Circuit Switched</i> Traffic is for the termination of intercompany <i>Circuit Switched</i> traffic to and from the one-way or two-way optional exchanges(s) and the associated metropolitan area.</p> <p>8.2 <i>The Parties agree to comply with Applicable Law with regard to Optional Calling Areas (OCAs)</i></p> <p>8.4 <i>To the extent that they are relevant and comply with Applicable Law</i>, state specific OCA Transport and Termination rates are outlined in Appendix Pricing.</p>	4, IC-3 S8.1-8.2, 8.4 Level 3’s language clarifies the scope of a local call and when the local rates apply.	<p><u>8. OPTIONAL CALLING AREA TRAFFIC – SBC ARKANSAS, SBC KANSAS AND SBC TEXAS</u></p> <p>8.1 Compensation for Optional Calling Area (OCA) Traffic is for the termination of intercompany traffic to and from the one-way or two-way optional exchanges(s) and the associated metropolitan area.</p> <p>8.2 <u>In the context of this Appendix, Optional Calling Areas (OCAs) exist only in the states of Arkansas, Kansas and Texas, and are outlined in the applicable state Local Exchange tariffs. This rate is independent of any retail service arrangement established by either Party. CLEC and SBC ARKANSAS, SBC KANSAS and SBC TEXAS are not precluded from establishing its own local calling areas or prices for purposes of retail telephone service; however the terminating rates to be used for any such offering will still be administered as described in this Appendix.</u></p> <p><u>8.3. When CLEC uses unbundled local switching to provide services associated with a telephone number with a NXX which</u></p>	Optional Calling Area (Optional EAS) is not Section 251(b)(5)Traffic because the calls do not originate from an end user and terminate to an end user both physically located within the same Commission-defined local calling area. The state Commissions of Arkansas, Kansas, and Texas have determined specific optional calling areas and approved specific rates for transport and termination of traffic to these areas.	NOTE: THIS ISSUE APPLIES IN AR, KS, AND TX.

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>has an expanded 2-way area calling scope (EAS) in a SBC ARKANSAS, SBC KANSAS or SBC TEXAS end office, CLEC will pay the charge contained in Appendix Pricing UNE - Schedule of Prices labeled "EAS Additive per MOU". The additives to be paid by CLEC to SBC ARKANSAS, SBC KANSAS or SBC TEXAS are \$0.024 per MOU for toll-free calls made by a SBC ARKANSAS, SBC KANSAS or SBC TEXAS customer from a metro exchange to an exchange contiguous to a metro exchange and \$0.0355 per MOU for toll free calls made by a SBC ARKANSAS, SBC KANSAS or SBC TEXAS customer to CLEC's optional 2-way EAS customer for contiguous exchanges other than those contiguous to a metro exchange within the scope of the 2-way calling area. These additives will apply in addition to cost-based transport and termination rates for Optional EAS service set forth in the rates spreadsheet. These additives are reciprocal in nature, and CLEC is entitled to receive compensation from SBC ARKANSAS, SBC KANSAS or SBC TEXAS if CLEC agrees to waive charges for its customers who call SBC ARKANSAS, SBC KANSAS or SBC TEXAS optional two-way EAS customers.</u></p> <p>8.4 <u>The state specific OCA</u> Transport and Termination rates are outlined in Appendix Pricing.</p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
SBC IC-16 L3 IC-4 S9.1- 9.4	IC Inter-carrier Compensation MCA TRAFFIC -- SBC <u>MISSOURI</u> Joint 9-9.3	How should Metropolitan Calling Area Traffic be compensated in the state of Missouri?	<p><u>9. MCA TRAFFIC -- SBC MISSOURI</u></p> <p>9.1 For compensation purposes in the state of Missouri, <i>Circuit Switched</i> MCA Traffic is traffic originated by a party providing a local calling scope plan pursuant to the Missouri Public Service Commission Orders in Case No. TO-92-306 and Case No. TO-99-483 (MCA Orders)</p> <p>9.1.1 Either party providing Metropolitan Calling Area (MCA) service <i>for Circuit Switched Traffic</i> shall offer the full calling scope prescribed in Case No. TO-92-306 <i>according to the terms of the MCA Orders or as otherwise ordered by the Missouri Public Service Commission.</i> The parties may offer additional toll-free outbound calling or other services in conjunction with MCA service, but in any such offering the party shall not identify any calling scope other than that prescribed in Case No. TO-92-306 as “MCA” service <i>subject to Applicable Law.</i></p> <p>9.1.2 Pursuant to the Missouri Public Service Commission Order in Case No. TO-99-483, <i>Circuit Switched</i> MCA Traffic shall be exchanged on a bill-and-keep intercompany compensation basis meaning that the party originating a call defined as MCA Traffic shall not compensate the terminating party for terminating the call <i>subject to Applicable Law.</i></p>	L3 IC-4 S9.1-9.3 Level 3 will not agree to bind itself by operation of Section 252(a) to SBC’s interpretation of the law.	<p><u>9. MCA TRAFFIC -- SBC MISSOURI</u></p> <p>9.1 For compensation purposes in the state of Missouri, <u>Section 251(b)(5) Traffic and ISP-Bound Traffic shall be further defined as “Metropolitan Calling Area (MCA) Traffic” and “Non-MCA Traffic.”</u> MCA Traffic is traffic originated by a party providing a local calling scope plan pursuant to the Missouri Public Service Commission Orders in Case No. TO-92-306 and Case No. TO-99-483 (MCA Orders) <u>and the call is a Section 251(b)(5) Traffic based on the calling scope of the originating party pursuant to the MCA Orders. Non-MCA Traffic is all Section 251(b)(5) Traffic and ISP-Bound Traffic that is not defined as MCA Traffic.</u></p> <p>9.1.1 Either party providing Metropolitan Calling Area (MCA) service shall offer the full calling scope prescribed in Case No. TO-92-306, <u>without regard to the identity of the called party’s local service provider.</u> The parties may offer additional toll-free outbound calling or other services in conjunction with MCA service, but in any such offering the party shall not identify any calling scope other than that prescribed in Case No. TO-92-306 as “MCA” service.</p> <p>9.1.2 Pursuant to the Missouri Public Service Commission Order in Case No. TO-99-483, MCA Traffic shall be</p>	The Missouri state commission adopted a Metropolitan Area Calling plan (MCA Plan) in Case No. TO-92-306 and T)-99-483 (MCA Orders) that includes both SBC Missouri customer’s and customers of other ILECs. Under this plan, customers surrounding the St. Louis, Kansas City and Springfield metropolitan areas may choose an expanded local calling plan which has both an outgoing and a return calling component (i.e. calls originated by an MCA subscriber to numbers within the MCA calling area are rated as local instead of toll; calls terminated to the MCA subscriber from another party from within the MCA calling area are rated as local). Inter-carrier Compensation for	NOTE: THIS IS A MO ISSUE

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p>9.2 <i>Only to the extent required by the Missouri Public Service Commission Order in Case No. TO-99-483</i>, the parties agree to use the Local Exchange Routing Guide (LERG) to provision the appropriate MCA NXXs in their networks. The LERG should be updated at least forty-five (45) days in advance of opening a new code to allow the other party the ability to make the necessary network modifications. If the Commission orders the parties to use an alternative other than the LERG, the parties will comply with the Commission’s final order.</p>		<p>exchanged on a bill-and-keep intercompany compensation basis meaning that the party originating a call defined as MCA Traffic shall not compensate the terminating party for terminating the call.</p> <p>9.2 <u>The</u> parties agree to use the Local Exchange Routing Guide (LERG) to provision the appropriate MCA NXXs in their networks. The LERG should be updated at least forty-five (45) days in advance of opening a new code to allow the other party the ability to make the necessary network modifications. If the Commission orders the parties to use an alternative other than the LERG, the parties will comply with the Commission’s final order.</p>	<p>MCA Traffic is required to be on a bill and keep basis. SBC can accept Level 3’ language that says <i>“according to the terms of the order”</i> and <i>“Only to the extent required by the Missouri Public Service Commission Order in Case No. TO-99-483.”</i> However the following language in this section will still remain disputed: <i>“Circuit Switched Traffic”</i> and <i>“subject to the requirements of Applicable Law.”</i></p>	
SBC IC-17 L3 2,4 S10.1	IC Primary Toll Carrier Arrangements Joint 10-10.1	What is the proper routing and treatment of IntraLATA Toll Traffic that is subject to a Primary Toll Carrier (PTC) arrangement?	<p>10. TOLL CARRIER ARRANGEMENTS</p> <p>10.1 In those SBC-13STATES where Primary Toll Carrier (PTC) arrangements are mandated, for intraLATA Toll Traffic which is subject to a PTC arrangement and where SBC-13STATE is the PTC, SBC-13STATE shall deliver such intraLATA Toll Traffic to the terminating carrier in accordance with the terms and conditions of such PTC</p>	2,4 S10.1 Clarifies the scope of a local call and when local rates apply	<p>10. PRIMARY TOLL CARRIER ARRANGEMENTS</p> <p>10.1 In those <u>SBC-13STATEs</u> where Primary Toll Carrier (PTC) arrangements are mandated, for intraLATA Toll Traffic which is subject to a PTC arrangement and where <u>SBC-13STATE</u> is the PTC, <u>SBC-13STATE</u> shall deliver such intraLATA Toll</p>	SBC requires that CLECs use Local Interconnection Trunk Groups for Intrastate, Intralata toll traffic that is not pre-subscribed to an intrastate/intraLATA toll carrier and that is subject to a Primary	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p>arrangement <i>and Applicable Law, but this in no way shall restrict either Party from exchanging such traffic over the Parties' existing Local Interconnection Trunk Groups.</i> Upon receipt of verifiable Primary Toll records, SBC-13STATE shall reimburse the terminating carrier <i>at the terminating carriers'</i> applicable tariffed terminating switched access rates <i>for Circuit Switched Traffic.</i> When transport mileage cannot be determined, an average transit transport mileage shall be applied as set forth in Appendix Pricing.</p>		<p>Traffic to the terminating carrier in accordance with the terms and conditions of such PTC arrangement. Upon receipt of verifiable Primary Toll records, SBC-13STATE shall reimburse the terminating carrier at SBC-13STATE's applicable tariffed terminating switched access rates. When transport mileage cannot be determined, an average transit transport mileage shall be applied as set forth in Appendix Pricing.</p>	<p>Toll Carrier arrangement. As such, Level 3's language is not required and incorrectly suggests that SBC provides an option relevant to the routing and treatment of such traffic.</p>	
<p>SBC IC-18 L3 IC-5 S11.1-11.2</p>	<p>IC INTRALATA 800 <i>TELECOMMUNICATIONS</i> TRAFFIC 11 – 11.2</p>	<p>a) What is the appropriate treatment and form of intercarrier compensation for intraLATA 8YY traffic? b) Should each Party provide the other with 800 copy detail usage for access billing in Exchange Message Interface (EMI) format?</p>	<p>11. <u>INTRALATA 800 TELECOMMUNICATIONS TRAFFIC</u> 11.1 The Parties shall provide to each other intraLATA 800 Access Detail Usage <i>or equivalent</i> Data for Customer billing and intraLATA 800 Copy Detail Usage <i>or equivalent</i> Data for access billing in Exchange Message Interface (EMI) format <i>or other mutually agreeable format.</i> The Parties agree to provide this data to each other <i>on a monthly basis</i> at no charge. In the event of errors, omissions, or inaccuracies in data received from either Party, the liability of the Party providing such data shall be limited to the provision of corrected data only. If the originating Party does not send an End User billable record to the terminating Party, the originating Party</p>	<p>IC-5 S11.1 Level 3 perspective is that where SBC's end user calls an 800 number that Level 3 terminates to an end user within the same local calling area, then local rates apply. IC-5 S11.2 Clarifies the scope of a local call and when local rates apply.</p>	<p>11. <u>INTRALATA 800 TRAFFIC</u> 11.1 The Parties shall provide to each other intraLATA 800 Access Detail Usage Data for Customer billing and intraLATA 800 Copy Detail Usage Data for access billing in Exchange Message Interface (EMI) format. <u>On a monthly basis</u> the Parties agree to provide this data to each other at no charge. In the event of errors, omissions, or inaccuracies in data received from either Party, the liability of the Party providing such data shall be limited to the provision of corrected data only. If the originating Party does not send an End User billable record to the terminating Party, the originating Party will not bill the terminating Party any interconnection charges for this traffic.</p>	<p>a) 8YY traffic that does not terminate within a mandatory local calling area is not eligible for reciprocal compensation. 8YY service is an optional Feature Group D service available to carriers from SBC's access tariffs. SBC modifies existing network architecture in order to support this service; in turn, 8YY service providers recover charges associated with 8YY</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p>will not bill the terminating Party any interconnection charges for this traffic.</p> <p>11.2 <i>Non-local</i> IntraLATA 800 Traffic calls are billed to and paid for by the called or terminating Party, regardless of which Party performs the 800 query. Billing shall be based on originating and terminating NPA/NXX. <i>8YY Traffic bearing translated NPA-NXX codes that are local to NPA-NXX codes at the point where the traffic is handed off will be rated and compensated as Local Traffic.</i></p>		<p>11.2 IntraLATA 800 Traffic calls are billed to and paid for by the called or terminating Party, regardless of which Party performs the 800 query. Billing shall be based on originating and terminating NPA/NXX.</p>	<p>service by billing the terminating end users whom have purchased the 800 services.</p> <p>b) Yes. Any service provider that sends 800 copy detail usage records for access billing should adhere to the industry developed and nationally accepted EMI format. Any other format would require extensive modifications to its systems for billing access charges.</p>	
<p>SBC IC-19</p> <p>L3 7, REC-2 S12.1-12.2</p> <p>L3 7, S12.3-12.4</p>	<p>IC MEET POINT BILLING (MPB) AND SWITCHED ACCESS TRAFFIC COMPENSATION</p> <p>Joint 12-12.9</p>	<p>a) Is it reasonable to consider different options for recording, assembling and editing of message detail records for the purposes of billing IXC Switched Access Traffic other than those practices contained in the Ordering and Billing Forum’s MECOD and MECAB documents for</p>	<p><u>12. MEET POINT BILLING (MPB) AND SWITCHED ACCESS TRAFFIC COMPENSATION</u></p> <p>12.1 Intercarrier compensation for Switched Access Circuit Switched Traffic <i>may</i> be on a Meet Point Billing (“MPB”) basis as described below. <i>To the extent Level 3 is unable to provide records formatted according to Ordering and Billing Forum’s MECOD and MECAB guidelines, the Parties agree to explore additional options for recording, assembling and editing of message detail records necessary to</i></p>	<p>7, REC-2 S12.1-12.2</p> <p>Level 3 should not be forced to develop an entirely new recording methodology just for SBC. The parties should be able to negotiate other methodologies as need or technology dictate.</p> <p>7,</p>	<p><u>12. MEET POINT BILLING (MPB) AND SWITCHED ACCESS TRAFFIC COMPENSATION</u></p> <p>12.1 Intercarrier compensation for Switched Access Traffic <u>shall</u> be on a Meet Point Billing (“MPB”) basis as described below.</p> <p>12.2 The Parties <u>will</u> establish MPB arrangements in order to provide Switched Access Services via the respective carrier’s Tandem Office Switch in accordance with the MPB guidelines</p>	<p>a) No. Consistent with the FCC’s NPRM on IP services, any service provider that sends traffic over the Public Switch Telephone Network (PSTN) should adhere to industry developed and nationally accepted compensation</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
L3 7, REC-2 S12.5 L3 4,7 S12.6 L3 7, REC-2 S12.9		<p>Meet Point Billing?</p> <p>b) What is the appropriate form of Intercarrier compensation for MPB Traffic?</p> <p>c) Is it appropriate to limit Meet Point Billing Arrangements to IXC Switched Access Services traffic jointly handled by the Parties?</p> <p>d) In the event of a loss of data, what is a reasonable time frame for both Parties to reconstruct the lost data?</p>	<p><i>accurate billing of traffic</i></p> <p>12.2 The Parties will <i>may</i> establish MPB arrangements in order to provide Switched Access Services <i>for Circuit Switched Traffic</i> via the respective carrier’s Tandem Office Switch <i>or switch providing tandem switching capability</i> in accordance with the MPB guidelines contained in the Ordering and Billing Forum’s MECOD and MECAB <i>guidelines</i>, as amended from time to time.</p> <p>12.3 Billing for the Switched Exchange Access Services for <i>Circuit Switched Traffic</i> jointly provided by the Parties via MPB arrangements <i>may</i> be according to the multiple bill/single tariff method. As described in the MECAB <i>guideline</i>, each Party will render a bill in accordance with its own tariff for that portion of the service it provides. Each Party will bill its own network access service rates <i>to the extent permitted by Applicable Law</i>. The residual interconnection charge (RIC), if any, will be billed by the Party providing the end office function <i>to the extent permitted by Applicable Law</i>.</p> <p>12.4 The Parties <i>may</i> maintain provisions in their respective federal and state access tariffs, or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor tariff, sufficient to reflect this MPB arrangement,</p>	<p>S12.3-12.4 Clarify that billing for network access rates should be consistent with Court and agency orders</p> <p>7, REC-2 S12.5 SBC seeks to include VoIP traffic within the scope of Switched Access Services in order to impose access charges on that traffic. Level 3’s changes clarify that parties will bill third parties for access charges only for circuit switched traffic, not VoIP.</p> <p>L3 4,7 S12.6 Level 3’s changes make clear that non-geographic NPAs will be treated as local if the NPA-NXX codes are local to the NPA-NXX codes at the point where traffic is handed off.</p>	<p>contained in the Ordering and Billing Forum’s MECOD and MECAB documents, as amended from time to time.</p> <p>12.3 Billing for the Switched Exchange Access Services jointly provided by the Parties via MPB arrangements <u>shall</u> be according to the multiple bill/single tariff method. As described in the MECAB <u>document</u>, each Party will render a bill in accordance with its own tariff for that portion of the service it provides. Each Party will bill its own network access service rates. The residual interconnection charge (RIC), if any, will be billed by the Party providing the end office function.</p> <p>12.4 The Parties <u>will</u> maintain provisions in their respective federal and state access tariffs, or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor tariff, sufficient to reflect this MPB arrangement, including MPB percentages.</p> <p>12.5 As detailed in the MECAB document, the Parties will exchange all information necessary to accurately, reliably and promptly bill third parties for Switched Access Services traffic jointly handled by the Parties via the Meet Point Billing arrangement. Information shall be exchanged in a mutually acceptable electronic file transfer protocol. Where the EMI records cannot be transferred due to a</p>	<p>arrangements in place. Therefore, Level 3 must adhere to the OBF MECAB default billing arrangement (multiple bill/single tariff). Records must be exchanged in an EMI Category 11-0X detail format for MPB.</p> <p>b) For any traffic that is sent to or received from an IXC, SBC will apply Switched Access charges. This is consistent with the FCC’s NPRM for IP traffic that utilizes the PSTN. It is unclear as to why Level 3 is attempting to modify the terms of an industry established MPB arrangement.</p> <p>c) Yes. Level 3 is incorrect in proposing that IntraLaTA Toll Traffic be subject to</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p>including MPB percentages <i>to the extent permitted by Applicable Law.</i></p> <p>12.5 As detailed in the MECAB document, the Parties will exchange all information necessary to accurately, reliably and promptly bill third parties for Switched Access Services for <i>Circuit Switched Traffic</i> jointly handled by the Parties via the Meet Point Billing arrangement. Information shall be exchanged in a mutually acceptable electronic file transfer protocol. Where the EMI records cannot be transferred due to a transmission failure, records can be provided via a mutually acceptable medium. The exchange of Access Usage Records (“AURs”) to accommodate MPB will be on a reciprocal, no charge basis. Each Party agrees to provide the other Party with AURs based upon mutually agreed upon intervals.</p> <p>12.6 MPB shall also apply to all jointly provided Switched Access MOU for <i>Circuit Switched Traffic</i> bearing the 900, or toll free NPAs (e.g., 800, 877, 866, 888 NPAs, or any other non-geographic NPAs <i>to the extent that those calls bear translated NPA-NXX codes that are local to NPA-NXX codes at the point where the traffic is handed off will be rated as Local Traffic.</i>). The Party that performs the SSP function (launches the query to the 800 database) will bill the 800 Service Provider for this function.</p>	<p>SBC would treat this traffic as non-local.</p> <p>7, REC-2 S12.9 Permits an additional 30 days to scrub and consolidate data.</p>	<p>transmission failure, records can be provided via a mutually acceptable medium. The exchange of Access Usage Records (“AURs”) to accommodate MPB will be on a reciprocal, no charge basis. Each Party agrees to provide the other Party with AURs based upon mutually agreed upon intervals.</p> <p>12.6 MPB shall also apply to all jointly provided Switched Access MOU traffic bearing the 900, or toll free NPAs (e.g., 800, 877, 866, 888 NPAs, or any other non-geographic NPAs). The Party that performs the SSP function (launches the query to the 800 database) will bill the 800 Service Provider for this function.</p> <p>12.7 Each Party will act as the Official Recording Company for switched access usage when it is jointly provided between the Parties. As described in the MECAB document, the Official Recording Company for tandem routed traffic is: (1) the end office company for originating traffic, (2) the tandem company for terminating traffic and (3) the SSP company for originating 800 traffic.</p> <p>12.8 <u>SBC-13STATE</u> and CLEC agree to provide the other Party with notification of any discovered errors in the record exchange process within ten (10) business days of the discovery.</p>	<p>Meet Point Billing. Meet Point Billing Arrangements are in place to address only IXC Switched Access Services traffic jointly handled by the Parties.</p> <p>d) SBC maintains Access Usage Record (AUR) files for only 90 days. Level 3’s proposed 90-day will not provide adequate time for SBC to mechanically reconstruct the data.</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p>12.9 In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data within <i>ninety (90)</i> days of notification and if such reconstruction is not possible, shall accept a reasonable estimate of the lost data, based upon no more than three (3) to twelve (12) consecutive months of prior usage data.</p>		<p>12.9 In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data within <u>sixty (60)</u> days of notification and if such reconstruction is not possible, shall accept a reasonable estimate of the lost data, based upon no more than three (3) to twelve (12) consecutive months of prior usage data.</p>		
<p>SBC IC-20 L3 2,7 S13.1</p>	<p>IC Compensation for Origination and Termination of InterLATA Traffic not subject to Meet Point Billing SBC 13-13.1</p>	<p>What is the proper treatment and compensation for InterLATA Interexchange traffic?</p>			<p><u>13.0 COMPENSATION FOR ORIGINATION AND TERMINATION OF INTERLATA TRAFFIC NOT SUBJECT TO MEET POINT BILLING</u> <u>13.1 Where a CLEC originates or terminates its own end user InterLATA Traffic not subject to Meet Point Billing, the CLEC must purchase FG D access service from SBC-13STATE's state or federal access tariffs, whichever is applicable, to carry such InterLATA Traffic.</u></p>	<p>SBC requires that CLECs use toll connecting trunks to carry interLATA toll-switched traffic and Section 251(b)(5) interconnection trunks for Section 251(b)(5), ISP-Bound and Intrastate, Intralata toll traffic that is not pre-subscribed to intrastate/intraLATA toll carrier. If Level 3 is permitted to use Section 251(b)(5) interconnection trunks to route both Section 251(b)(5) and IXC traffic (i.e.,</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						<p>nonjurisdictional trunks), neither SBC nor Level 3 would be able to isolate or measure the volume of each type of traffic that terminates over a single trunk group, which in turn would necessitate the use of estimated, percentage factors in lieu of actual measurements to create a bill. Such billing arrangements would require extensive modifications to SBC's billing systems for reciprocal compensation and its systems for billing IXC access charges. SBC's trunking options, in contrast, permit each carrier to bill the originating carrier for actual minutes of use and actual rates at the time the call was made.</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						Further, an arrangement based on percentage estimates would enable CLECs to use multijurisdictional trunks to avoid paying appropriate access charges.	
SBC IC-21 L3 7, REC-2 S14.1	IC IntraLATA Toll Traffic Compensation Joint 14-14.1	a1) What is the proper treatment and compensation for IntraLATA toll traffic? a2) Should Level 3 be permitted to charge an Access rate higher than the incumbent? b) Is Level 3 eligible to charge a tandem interconnection rate for intraLATA toll traffic?	14. INTRALATA TOLL TRAFFIC COMPENSATION 14.1 For <i>Circuit-Switched Traffic</i> that is correctly rated as intrastate intraLATA toll traffic, compensation for termination of intercompany traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including the Carrier Common Line (CCL) charge where applicable, as set forth in each Party’s Intrastate Access Service Tariff. For interstate intraLATA intercompany service traffic, compensation for termination of intercompany traffic will be at terminating access rates for MTS and originating access rates for 800 Service including the CCL charge, as set forth in each Party’s interstate Access Service Tariff,. Common transport, (both fixed and variable), as well as tandem switching and end office rates apply only in those cases where a Party’s tandem <i>or switch</i>	7, REC-2 S14.1 VoIP traffic has never been assessed access charges. SBC’s proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges	14. INTRALATA TOLL TRAFFIC COMPENSATION 14.1 For intrastate intraLATA toll <u>traffic</u> , compensation for termination of intercompany traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including the Carrier Common Line (CCL) charge where applicable, as set forth in each Party’s Intrastate Access Service Tariff, <u>but such compensation shall not exceed the compensation contained in an SBC-13STATE’s tariff in whose exchange area the End User is located.</u> For interstate intraLATA intercompany service traffic, compensation for termination of intercompany traffic will be at terminating access rates for MTS and originating access rates for 800 Service including the CCL charge, as set forth in each Party’s	a1) For intrastate intraLATA toll traffic, compensation for termination of intercompany traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including the Carrier Common Line (CCL) charge where applicable, as set forth in each Party’s Intrastate Access Service Tariff. a2) No. SBC's proposed language that	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>providing equivalent geographic coverage</i> is used to terminate traffic.</p>		<p>interstate Access Service Tariff, <u>but such compensation shall not exceed the compensation contained in the SBC-13STATE's tariff in whose exchange area the End User is located.</u> Common transport, (both fixed and variable), as well as tandem switching and end office rates apply only in those cases where a Party's tandem is used to terminate traffic.</p>	<p>caps Level 3's intrastate switched access rates is consistent with the intent of the FCC's access charge reform and with the current rule at 47 C.F.R. § 61.26(b)(1) (providing that a "CLEC shall not file a tariff for its interstate switched exchange access services that prices those services above the higher of" the "rate charged for such services by the competing ILEC" or the lower of an FCC benchmark or the CLEC's rate charged prior to June 2001). While Level 3 may promulgate a rate that differs from SBC's, it must make a showing as to the legitimacy of that newly-promulgated rate.</p> <p>b) Level 3's language relating to</p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
						transport, tandem switching and end office rates is inappropriate for IntraLATA Toll traffic.	
SBC IC-22 L3 7, REC-2 S15.1 L3 7 S15.2 L3 7 REC-3 S15.4	Billing Arrangements for Termination of <i>Circuit Switched</i> Section <u>251(b)(5)</u> Optional EAS, ISP-Bound and <i>circuit switched</i> IntraLATA Toll Traffic Joint 15 – 15.4	a) For billing purposes, should ISP-Bound Traffic be calculated using the 3:1 Presumption? b) What is the appropriate form of Intercarrier compensation for ISP-Bound Traffic in accordance with the FCC’s ISP Terminating Compensation Plan? c) In the event of a loss of data, what is a reasonable time frame for both Parties to reconstruct the lost data?	<u>15. BILLING ARRANGEMENTS FOR TERMINATION OF <i>CIRCUIT SWITCHED</i> OPTIONAL EAS, ISP-BOUND AND <i>CIRCUIT SWITCHED</i> INTRALATA TOLL TRAFFIC</u> 15.1 In <u>SBC-13STATE</u> each Party, unless otherwise agreed, will calculate terminating interconnection minutes of use based on standard recordings made within the terminating carrier’s network for <i>Circuit Switched</i> Traffic, Optional EAS Traffic, ISP-Bound Traffic and IntraLATA Toll Traffic. These recordings are the basis for each Party to generate bills to the other Party. 15.2 <i>The Parties agree that they will exchange ISP-bound traffic at rates set by the FCC and will update these rates immediately upon the effective date of any subsequent FCC order.</i> 15.4 In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data within <i>ninety (90)</i> days of notification and if such reconstruction is not possible, shall	7, REC-2 S15.1 VoIP traffic has never been assessed access charges. SBC’s proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3’s language clarifies the types of traffic that are subject to local rates. 7 S15.2 Level 3’s language accounts for the upcoming order of the FCC on remand of its reciprocal compensation orders.	<u>15. BILLING ARRANGEMENTS FOR TERMINATION OF SECTION 251(B)(5), OPTIONAL EAS, ISP-BOUND AND INTRALATA TOLL TRAFFIC</u> 15.1 In <u>SBC-13STATE</u> each Party, unless otherwise agreed, will calculate terminating interconnection minutes of use based on standard recordings made within the terminating carrier’s network for <u>Section 251(b)(5)</u> Traffic, Optional EAS Traffic, ISP-Bound Traffic and IntraLATA Toll Traffic. These recordings are the basis for each Party to generate bills to the other Party. 15.2 <u>In states in which SBC-13STATE has offered to exchange Section 251(b)(5) Traffic and ISP-Bound traffic pursuant to the FCC’s interim ISP terminating compensation plan set forth in the FCC ISP Compensation Order, ISP-Bound Traffic will be calculated using the 3:1 Presumption as set forth in Section 6.6 of this Appendix.</u>	a) Yes. SBC has set forth the methodology for calculating the 3:1 ratio under the FCC’s <i>ISP Compensation Order</i> and this provides certainty on how the Parties will bill under the FCC plan. The Party that transports and terminates more Section 251(b)(5) and ISP-Bound Traffic must calculate the 3:1 ratio in accordance with the provisions of the Agreement. b) See SBC’s position in SBC Issue No. IC-12. c) SBC maintains	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			accept a reasonable estimate of the lost data, based upon no more than three (3) to twelve (12) consecutive months of prior usage data.	7 REC-3 S15.4 Permits an additional 30 days to allow for more time to scrub and consolidate the data.	15.4 In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data within <u>sixty (60)</u> days of notification and if such reconstruction is not possible, shall accept a reasonable estimate of the lost data, based upon no more than three (3) to twelve (12) consecutive months of prior usage data.	Access Usage Record (AUR) files for only 90 days. Level 3’s proposed 90-day will not provide adequate time for SBC to mechanically reconstruct the data.	
SBC IC-23 L3 IC-6 S18.1-18.1.2 L3 IC-6 S18.3, 18.7, 18.8	IC Reservation of Rights and Specific Intervening Law Terms Level 3 18.1 – 18.1.2 SBC 16– 18.7	a) What is the proper routing, treatment and compensation for Switched Access Traffic including, without limitation, any PSTN-IP-PSTN Traffic and IP-PSTN Traffic? b) Is it appropriate to include a specific change in law provision to address the FCC’s NPRM on Intercarrier Compensation?	<i>18.1 MUTUAL RESERVATION OF RIGHTS</i> <i>18.1.1 The Parties have been unable to agree as to whether Voice-embedded IP Communication which rides on facilities which cross LATA boundaries constitutes Switched Access Traffic as defined herein. Notwithstanding the foregoing, and without waiving any rights with respect to either Party's position as to the jurisdictional treatment of Voice-embedded IP Communications, the Parties agree to abide by any effective and applicable FCC rules and orders regarding the nature of such communications and the compensation payable by the Parties</i>	IC-6 S18.3, 18.7, 18.8 VoIP traffic has never been assessed access charges. SBC’s proposed language is geared towards lumping VoIP services into a switched-based access service, and, as such, imposing access charges. Level 3’s language clarifies the types of traffic that are subject to local rates.	<u>16. Switched Access Traffic</u> <u>16.1 For purposes of this Agreement only. Switched Access Traffic shall mean all traffic that originates from an end user physically located in one local exchange and delivered for termination to an end user physically located in a different local exchange (excluding traffic from exchanges sharing a common mandatory local calling area as defined in SBC-13STATE’s local exchange tariffs on file with the applicable state commission) including, without limitation, any traffic that (i) terminates over a Party’s circuit switch, including traffic from a service that originates</u>	a) See SBC’s position in SBC Issue IC-11 and IC-9(a). b) Given the pending FCC rulemaking and the unique administrative aspects of intercarrier compensation, a special change in law provision is appropriate to address the FCC’s Order on intercarrier compensation which will result from its Notice of Proposed	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>for such communications, if any. Voice-embedded IP Communications is defined as communications that either:</i></p> <p><i>18.1.1.1originates on the PSTN within the same LATA of the Interconnection Point, and is passed to an end-user from an internet protocol network provider in internet protocol format, or is terminated over the PSTN in circuit-switched format after having been transmitted from an end-user to an internet protocol provider in internet protocol format and exchanged between Level 3 and SBC-13STATE at the Interconnection Point within the same LATA as the called party, or</i></p> <p><i>18.1.1.2that originates and terminates to end users within the same exchange or a corresponding Extended Area Service exchange will be reciprocally compensated in the same manner as Local Traffic in this Agreement.</i></p> <p><i>18.1.2 The Parties recognize that the question of intercarrier compensation for the exchange of IP-enabled Services Traffic has been a contested matter and proceedings currently underway</i></p>		<p><u>over a circuit switch and uses Internet Protocol (IP) transport technology (regardless of whether only one provider uses IP transport or multiple providers are involved in providing IP transport) and/or (ii) originates from the end user’s premises in IP format and is transmitted to the switch of a provider of voice communication applications or services when such switch utilizes IP technology and terminates over a Party’s circuit switch. Notwithstanding anything to the contrary in this Agreement, all Switched Access Traffic shall be delivered to the terminating Party over feature group access trunks per the terminating Party’s access tariff(s) and shall be subject to applicable intrastate and interstate switched access charges; provided, however, the following categories of Switched Access Traffic are not subject to the above stated requirement relating to routing over feature group access trunks:</u></p> <p><u>(i) IntraLATA toll Traffic or Optional EAS Traffic from a CLEC end user that obtains local dial tone from CLEC where CLEC is both the Section</u></p>	<p>Rulemaking Order, <i>In the Matter of Developing a Unified Intercarrier Compensation Regime.</i></p>	

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p><i>at the FCC and at State Commissions could help to resolve the uncertainty relating to such traffic exchange. However, the Parties agree, as a compromise and without reference to any change in law that may occur (but subject to the Parties' Reservation of Rights above), that IP-enabled Services Traffic shall be exchanged subject to the following rates, terms, and conditions during the term of this Agreement. Notwithstanding any other provisions of this Agreement, if either Party provides the other Party a Percent IP Usage ("PIPU") factor, traffic shall be rated for intercarrier compensation purposes under the terms of this Section.</i></p> <p>17.1.1 The Parties acknowledge that on April 27, 2001, the FCC released its Order on Remand and Report and Order in CC Dockets No. 96-98 and 99-68, In the Matter of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic (the "ISP Compensation Order"), which was remanded in WorldCom, Inc. v. FCC, No. 01-1218 (D.C. Cir. 2002). The Parties agree that</p>		<p><u>251(b)(5) Traffic provider and the intraLATA toll provider,</u> <u>(viii) IntraLATA toll Traffic or Optional EAS Traffic from an SBC end user that obtains local dial tone from SBC where SBC is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider;</u> <u>(ix) Switched Access Traffic delivered to SBC from an Interexchange Carrier (IXC) where the terminating number is ported to another CLEC and the IXC fails to perform the Local Number Portability (LNP) query; and/or</u> <u>(x) Switched Access Traffic delivered to either Party from a third party competitive local exchange carrier over interconnection trunk groups carrying Section 251(b)(5) Traffic and ISP-Bound Traffic (hereinafter referred to as "Local Interconnection Trunk Groups") destined to the other Party.</u></p> <p><u>Notwithstanding anything to the contrary in this Agreement, each Party reserves its rights, remedies, and arguments relating to the application of switched access</u></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
			<p>by executing this Appendix and carrying out the intercarrier compensation terms and conditions herein, neither Party waives any of its rights, and expressly reserves all of its rights, under the ISP Compensation Order or any other regulatory, legislative or judicial action.</p> <p>18.7 The Parties further acknowledge that the FCC has issued a Notice of Proposed Rulemaking on the topic of Intercarrier Compensation generally. See, In the Matter of Developing a Unified Intercarrier Compensation Regime, CC Docket 01-92; established in Notice of Proposed Rulemaking Order No. 01-132, April 27, 2001. In the event that a final, legally binding FCC Order is issued upon the conclusion of that NPRM proceeding and during the term of this Appendix, the Parties agree to conform <i>the relevant affected provisions</i> of this Agreement to the compensation procedures set forth in that Order <i>immediately upon issuance of any such Order.</i></p>		<p><u>charges for traffic exchanged by the Parties prior to the Effective Date of this Agreement and described in the FCC’s Order issued in the Petition for Declaratory Ruling that AT&T’s Phone-to-Phone IP Telephony Services Exempt from Access Charges, WC Docket No. 01-361(Released April 21, 2004).</u></p> <p><u>16.2 In the limited circumstances in which a third party competitive local exchange carrier delivers Switched Access Traffic as described in Section 16.1 (iv) above to either Party over Local Interconnection Trunk Groups, such Party may deliver such Switched Access Traffic to the terminating Party over Local Interconnection Trunk Groups. If it is determined that such traffic has been delivered over Local Interconnection Trunk Groups, the terminating Party may object to the delivery of such traffic by providing written notice to the delivering Party pursuant to the notice provisions set forth in the General Terms and Conditions and request removal of such traffic. The Parties will work cooperatively to identify the traffic with the goal of removing such</u></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>traffic from the Local Interconnection Trunk Groups. If the delivering Party has not removed or is unable to remove such Switched Access Traffic as described in Section 16.1(iv) above from the Local Interconnection Trunk Groups within sixty (60) days of receipt of notice from the other party, the Parties agree to jointly file a complaint or any other appropriate action with the applicable Commission to seek any necessary permission to remove the traffic from such interconnection trunks up to and including the right to block such traffic and to obtain compensation, if appropriate, from the third party competitive local exchange carrier delivering such traffic to the extent it is not blocked</u></p> <p>18. <u>Reservation of Rights and Specific Intervening Law Terms</u></p> <p>18.1 The Parties acknowledge that on April 27, 2001, the FCC released its Order on Remand and Report and Order in CC Dockets No. 96-98 and 99-68, <i>In the Matter of the Local Competition Provisions in the Telecommunications Act of 1996; Intercarrier Compensation for ISP-</i></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><i>Bound Traffic</i> (the “ISP Compensation Order”), which was remanded in <i>WorldCom, Inc. v. FCC</i>, No. 01-1218 (D.C. Cir. 2002). The Parties agree that by executing this Appendix and carrying out the intercarrier compensation terms and conditions herein, neither Party waives any of its rights, and expressly reserves all of its rights, under the ISP Compensation Order or any other regulatory, legislative or judicial action, <u>including, but not limited to, the right to elect to invoke (to the extent the ILEC has not already elected to offer to exchange traffic pursuant to the terms and conditions of the FCC’s interim ISP terminating compensation plan as of the Effective Date of this Agreement) on a date specified by SBC-13STATE the FCC’s interim ISP terminating compensation plan, after which date ISP-Bound traffic exchanged between the Parties will be subject to Sections 6.0 through 6.6 above.</u></p> <p>18.2 To the extent SBC-13STATE has not already provided notice of its offer to exchange Section 251(b)(5) Traffic and ISP-Bound Traffic pursuant to the terms and conditions of the FCC’s interim terminating compensation plan in a particular state as of the Effective Date of this Agreement, SBC-13STATE</p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>agrees to provide 20 days advance written notice to the person designated to receive official contract notices in the Interconnection Agreement of the date upon which the SBC-13STATE designates that the FCC's ISP terminating compensation plan shall begin in such state. Notwithstanding anything contrary in this Agreement, CLEC agrees that on the date designated by SBC-13STATE in a particular state, the Parties will begin paying and billing Intercarrier Compensation for ISP-Bound Traffic to each other at the rates, terms and conditions specified in Sections 6.0 through 6.6 above.</u></p> <p><u>18.3 SBC-13STATE and CLEC agree to carry out the FCC's interim ISP terminating compensation plan on the date designated by SBC-13STATE in a particular state without waiving, and expressly reserving, all appellate rights to contest FCC, judicial, legislative, or other regulatory rulings regarding ISP-Bound traffic, including but not limited to, appeals of the FCC's ISP Compensation Order. By agreeing to this Appendix, both Parties reserve the right to advocate their respective positions before courts, state or federal commissions, or legislative bodies.</u></p> <p><u>18.4 Should a regulatory agency,</u></p>		

Level 3 language Times New Roman bold italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>court or legislature change or nullify the SBC-13STATE's designated date to begin billing under the FCC's ISP terminating compensation plan, then the Parties also agree that any necessary billing true ups, reimbursements, or other accounting adjustments shall be made symmetrically and to the same date that the FCC terminating compensation plan was deemed applicable to all traffic in that state exchanged under Section 251(b)(5) of the Act. By way of interpretation, and without limiting the application of the foregoing, the Parties intend for retroactive compensation adjustments, to the extent they are ordered by Intervening Law, to apply uniformly to all traffic among SBC-13STATE, CLEC and Commercial Mobile Radio Service (CMRS) carriers in the state where traffic is exchanged as Local Calls within the meaning of this Appendix.</u></p> <p>18.5 <u>The Parties further acknowledge that federal or state court challenges could be sustained against the FCC's ISP Compensation Order in particular, or against ISP intercarrier compensation generally. In particular, a court could order an injunction, stay or other retroactive ruling on ISP compensation back to the effective date of the FCC's ISP Compensation Order.</u></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>Alternatively, a court could vacate the underlying Order upon which the compensation was based, and the FCC (either on remand or on its own motion) could rule that past traffic should be paid at different rates, terms or conditions.</u></p> <p>18.6 <u>Because of the possibilities in Section 17.5, the Parties agree that should the ISP Compensation Order be modified or reversed in such a manner that prior intercarrier compensation was paid under rates, terms or conditions later found to be null and void, then the Parties agree that, in addition to negotiating appropriate amendments to conform to such modification or reversal, the Parties will also agree that any billing true ups, reimbursements, or other accounting adjustments on past traffic shall be made uniformly and on the same date as for all traffic exchanged under Section 251(b)(5) of the Act. By way of interpretation, and without limiting the application of the foregoing, the Parties intend for retroactive compensation adjustments, to apply to all traffic among SBC-13STATE, CLEC, and CMRS carriers in the state where traffic is exchanged as Local Calls within the meaning of this Appendix.</u></p> <p>18.7 The Parties further</p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p>acknowledge that the FCC has issued a Notice of Proposed Rulemaking on the topic of Intercarrier Compensation generally. <i>See, In the Matter of Developing a Unified Intercarrier Compensation Regime</i>, CC Docket 01-92; established in Notice of Proposed Rulemaking Order No. 01-132, April 27, 2001. In the event that a final, legally binding FCC Order is issued upon the conclusion of that NPRM proceeding and during the term of this Appendix, the Parties agree to conform this Agreement to the compensation procedures set forth in that Order.</p>		
<p>SBC IC-24 L3 GT-4 S19.1- 19.2</p>	<p>IC Additional Terms and Conditions SBC 19-19.2</p>		<p>19.1 <i>Other rates, terms and conditions are addressed in General Terms and conditions Section 49.0.</i></p>	<p>GT-4 S19.1 This language offers consistency between the various pieces of this Agreement, and lowers the chance of confusion in the future.</p>	<p><u>19.1 Legitimately Related Terms. Every interconnection, service and network element provided here shall be subject to all rates, terms and conditions contained in the underlying Interconnection Agreement which are legitimately related to such interconnection, service or network element. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder: definitions, interpretation,</u></p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<p><u>construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnification; remedies; intellectual property; publicity and use of trademarks or service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; no third party beneficiaries; disclaimer of agency; relationship of the Parties/independent contractor; subcontracting; assignment; responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; signaling; transmission of traffic to third parties; customer inquiries; expenses; conflicts of interest; survival; scope of agreement; amendments and modifications; and entire agreement.</u></p> <p>19.2 Entire Agreement. This Reciprocal Compensation Appendix is intended to be read in conjunction with the underlying Interconnection Agreement between SBC-13STATE and CLEC, but that as to the Reciprocal Compensation terms and</p>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined

LEVEL 3 - SBC 13State – DPL – INTERCARRIER COMPENSATION

Iss. No.	Appendix/ Section	Issue Description	Level 3 Language	Level 3 Communications Position/Support	SBC Language	SBC Position/Support	Status
					<u>conditions, this Appendix constitutes the entire agreement between the Parties on these issues, and there are no other oral agreements or understandings between them on Reciprocal Compensation that are not incorporated into this Appendix.</u>		

Level 3 language Times New Roman bold Italic
SBC language Arial Narrow bold underlined