

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT C:**

May 17, 2007 Letter

# JENNER & BLOCK

May 17, 2007

Jenner & Block LLP  
One IBM Plaza  
Chicago, IL 60611-7603  
Tel 312 222-9350  
www.jenner.com

Chicago  
Dallas  
New York  
Washington, DC

## VIA ELECTRONIC TRANSMISSION

William Hunt  
Level 3 Communications, Inc.  
1025 Eldorado Boulevard  
Broomfield, Colorado 80021

John R. Harrington  
Tel 312 923-2791  
Fax 312 840-7791  
jharrington@jenner.com

**Re: Response To May 8, 2007 Letter From Sara Baack to Rian Wren and Surendra Saboo and Notice of Potential Tariff Violations by Broadwing**

Dear Bill:

I write to provide Neutral Tandem's response to Sara Baack's letter dated May 8, 2007 to Rian Wren and Surendra Saboo. Neutral Tandem also hereby notifies Level 3 that, to the extent Level 3's subsidiary Broadwing continues to originate traffic through Neutral Tandem after June 25, 2007, any refusal by Level 3 to accept traffic intended for end-users served by Broadwing, and/or any attempt by Level 3 to impose charges on Neutral Tandem for the delivery of such traffic, would violate Neutral Tandem's applicable tariffs.

### **I. Response to Ms. Baack's May 8, 2007 Letter**

Neutral Tandem categorically rejects any attempt by Level 3 to impose a rate of \$0.001 per minute for traffic originated by third party carriers and transited by Neutral Tandem to Level 3 beginning on June 25, 2007. Simply put, there is no legal basis for Ms. Baack's assertion that Level 3 may impose any such rate. As Ms. Baack's letter correctly notes, Level 3 has terminated the agreements under which Neutral Tandem delivered traffic to Level 3, as well as to Level 3's subsidiary Broadwing Communications. Thus, there is no contractual basis for Level 3 unilaterally to impose any such rate.

Ms. Baack's letter also does not refer to any tariff that would allow Level 3 unilaterally to impose a rate. However, even if there was such a tariff, by Level 3's own admission, it is not seeking to impose such a rate on ILECs when they deliver transit traffic to Level 3. Thus, Level 3's application of any tariff against Neutral Tandem, even if one existed, would be unlawful.

As Ms. Baack's letter acknowledges, Neutral Tandem has filed complaints before several state commissions seeking orders directing Level 3 to interconnect with Neutral Tandem on nondiscriminatory terms and conditions. Several of those state commissions plan to issue orders on Neutral Tandem's complaints prior to June 25, 2007. Neutral Tandem assumes that Ms. Baack did not intend to imply that Level 3 will attempt to impose its desired rate in those states irrespective of the commissions' orders. However, if that is Level 3's intent, any such attempt obviously would constitute a direct violation of those commissions' orders. Neutral Tandem reserves all of its rights if that occurs.

In addition, proceedings in certain states will remain ongoing after June 25, 2007. Neutral Tandem has made clear that it will apply the terms and conditions established by those commissions on a retroactive basis to June 25, 2007. Thus, Level 3's attempt unilaterally to impose its desired rate as of June 25, 2007 improperly interferes with the authority of those commissions to establish nondiscriminatory terms and conditions as of June 25, 2007 as well. Neutral Tandem again reserves all of its rights if that occurs.

Finally, Ms. Baack's characterizations of the rate Level 3 is attempting unilaterally to impose, as well as her references to Neutral Tandem's Master Services Agreement, warrant only passing mention. Level 3's so-called "market based charge" represents an attempt by Level 3 to recover a windfall from Neutral Tandem. Level 3 concededly would not receive any compensation if the ILECs deliver to Level 3 the very same traffic currently being delivered through Neutral Tandem. Moreover, Level 3 both can, and in some cases does, already receive compensation from the carriers that originate the traffic currently being delivered through Neutral Tandem. Thus, Level 3 is seeking double recovery for some traffic, and it certainly is (as acknowledged in testimony from Level 3's own witnesses) seeking to force Neutral Tandem to act as a clearinghouse in other cases.

Neutral Tandem therefore rejects Ms. Baack's assertion that "by continuing to send traffic to Level 3 for termination from and after June 25, 2007, Neutral Tandem will be evidencing its acceptance of these financial terms."

## **II. Notice of Potential Tariff Violations by Broadwing**

As I pointed out during the recent pre-hearing conference in Illinois, given Level 3's decision to terminate the contract between Neutral Tandem and Broadwing, there no longer is any contract in effect for the continued purchase by Broadwing of services from Neutral Tandem. The January 31, 2007 amendment to the August 18, 2005 contract between Neutral Tandem and Level 3, by its express terms, applies only to "Level 3 Communications, LLC." Moreover, the January 31, 2007 amendment applies only to specific types of traffic originated by Level 3. Broadwing is not a party to the January 31, 2007 originating contract amendment, does not originate the type of traffic covered by the January 31, 2007 amendment, and it has no right to originate traffic to other carriers through Neutral Tandem pursuant to that amendment.

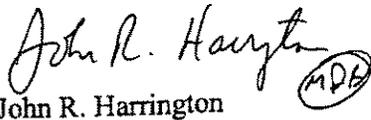
Thus, to the extent Broadwing has purchased services from Neutral Tandem since March 24, 2007, and continues to do so after June 25, 2007, Broadwing is obtaining those services under the rates, terms and conditions set forth in Neutral Tandem's applicable tariffs. Please be advised that, under the express terms of Neutral Tandem's applicable tariffs, Broadwing must "accept both originating and terminating traffic" from Neutral Tandem in order to continue originating traffic through Neutral Tandem. Neutral Tandem's tariffs also provide that Broadwing "shall not bill" Neutral Tandem "for terminating any Tandem Service traffic."

William Hunt  
May 17, 2007  
Page 3

To the extent Broadwing continues to purchase transit services under Neutral Tandem's applicable tariffs after June 25, 2007, any refusal by Broadwing to accept traffic intended for end-users served by Broadwing, and/or any attempt by Broadwing to impose charges on Neutral Tandem for delivering traffic to it will be in direct violation of Neutral Tandem's tariffs. Neutral Tandem reserves all of its rights in the event Level 3 and/or Broadwing attempts to violate Neutral Tandem's tariffs.

Given that Ms. Baack's letter reiterates Level 3's threat to stop accepting traffic after June 25, 2007, Neutral Tandem must request that, in the event Broadwing intends to stop originating traffic through Neutral Tandem in any state, Broadwing provide Neutral Tandem with notice no later than 45 days in advance of the date on which Broadwing will stop originating such traffic. Given that Broadwing must accept traffic bound for its end-users so long as it continues to originate traffic through Neutral Tandem, such advance notice is necessary to ensure that, in the event Broadwing opts to stop originating traffic through Neutral Tandem, there is no service disruption to the carriers that currently use Neutral Tandem's services to deliver traffic to Broadwing. Given Ms. Baack's repeated assurances to state commissions that Level 3 and/or Broadwing do not wish to block traffic destined for their end-users, Neutral Tandem assumes Level 3 and Broadwing will agree to this request.

Very truly yours,

  
John R. Harrington

cc: Rian J. Wren  
Surendra Saboo  
Henry T. Kelly, Esq.

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT D:**

Affidavit of Julie Mathis

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT E:**

Affidavit of Neutral Tandem Chief Operating Officer  
Surrendra Saboo – Indiana

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

COMPLAINT OF NEUTRAL TANDEM, )  
 INC. AND NEUTRAL TANDEM- )  
 INDIANA, LLC AGAINST LEVEL 3 ) Cause No. 43299  
 COMMUNICATIONS, LLC )  
 CONCERNING INTERCONNECTION )  
 WITH LEVEL 3 COMMUNICATIONS, )  
 LLC )

AMENDED AFFIDAVIT OF DR. SURENDRA SABOO

I, Dr. Surendra Saboo, being duly sworn under oath, state the following:

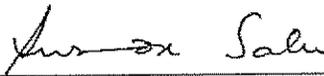
1. I am Surendra Saboo, the Chief Operating Officer and Executive Vice President of Neutral Tandem, Inc. and Neutral Tandem-Indiana, LLC ("Neutral Tandem"). I have personal knowledge of the facts set forth herein, and I am authorized to make the statements contained herein.

2. Neutral Tandem previously delivered tandem transit traffic to Level 3 Communications, LLC and its subsidiary, Broadwing, (collectively "Level 3") in the State of Indiana via a direct interconnection between Neutral Tandem and Level 3.

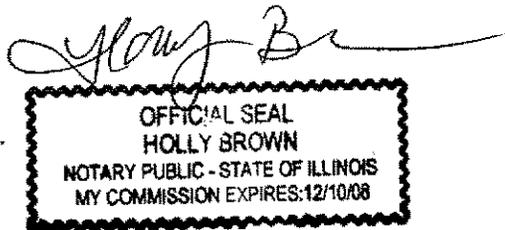
3. As of August 3, 2007, Neutral Tandem no longer delivers tandem transit traffic to Level 3 in the State of Indiana through the parties' direct interconnection.

4. As of August 3, 2007, Level 3 no longer orders services from Neutral Tandem's tariffs in Indiana.

AFFIANT FURTHER SAYETH NOT.

  
 \_\_\_\_\_  
 Dr. Surendra Saboo

Sworn to and subscribed before me  
 this 3 day of Aug, 2007



**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT F:**

Affidavit of Neutral Tandem Chief Operating Officer  
Surrendra Saboo – Massachusetts

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE**

In the Matter of the Petition of )  
Level 3 Communications, LLC To Direct ) DTC No. 07-3  
Neutral Tandem-Massachusetts, LLC To )  
Provide Notice To Its Customers Of The )  
Termination Of Certain Contract Arrangements )  
)

**AFFIDAVIT OF DR. SURENDRA SABOO**

I, Dr. Surendra Saboo, being duly sworn under oath, state the following:

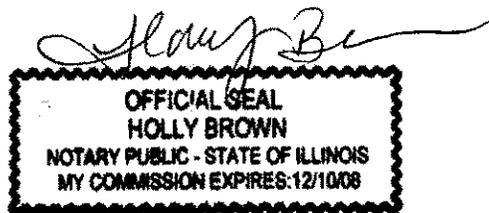
1. I am Surendra Saboo, the Chief Operating Office and Executive Vice President of Neutral Tandem, Inc. and Neutral Tandem-Massachusetts, LLC ("Neutral Tandem"). I have personal knowledge of the facts set forth herein, and I am authorized to make the statements contained herein.

2. Neutral Tandem previously delivered tandem transit traffic to Level 3 Communications, LLC and its subsidiary Broadwing Communications, LLC (collectively "Level 3"), in the Commonwealth of Massachusetts via existing direct interconnections between Neutral Tandem and Level 3.

3. As of August 3, 2007, Neutral Tandem no longer delivers tandem transit traffic to Level 3 in the Commonwealth of Massachusetts through the parties' existing direct interconnections.

  
\_\_\_\_\_  
Dr. Surendra Saboo

Sworn to and subscribed before me  
this 2 day of August, 2007



**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT G:**

Affidavit of Neutral Tandem Chief Operating Officer  
Surrendra Saboo – Maryland

BEFORE THE MARYLAND PUBLIC SERVICE COMMISSION

In the Matter of the Petition of )  
Level 3 Communications, LLC To Direct ) Docket No. \_\_\_\_\_  
Neutral Tandem-Maryland, LLC To Provide )  
Notice To Its Customers Of The Termination )  
Of Certain Contract Arrangements )  
)

AFFIDAVIT OF DR. SURENDRA SABOO

I, Dr. Surendra Saboo, being duly sworn under oath, state the following:

1. I am Surendra Saboo, the Chief Operating Office and Executive Vice President of Neutral Tandem, Inc. and Neutral Tandem-Maryland, LLC ("Neutral Tandem"). I have personal knowledge of the facts set forth herein, and I am authorized to make the statements contained herein.

2. Neutral Tandem previously delivered tandem transit traffic to Level 3 Communications, LLC and its subsidiaries (collectively "Level 3"), in Maryland via existing direct interconnections between Neutral Tandem and Level 3.

3. As of August 3, 2007, Neutral Tandem no longer delivers tandem transit traffic to Level 3 in Maryland through the parties' existing direct interconnections.

AFFIANT FURTHER SAYETH NOT.

Dr. Surendra Saboo  
Dr. Surendra Saboo

Sworn to and subscribed before me  
this 2 day of August, 2007



**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT H:**

Affidavit of Neutral Tandem Chief Operating Officer  
Surrendra Saboo – Pennsylvania

**ATTACHMENT A**  
**BEFORE THE**  
**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Level 3 Communications, LLC To :  
Direct Neutral Tandem-Pennsylvania, LLC To : Docket No. P-00072308  
Provide Notice To Its Customers Of The :  
Termination Of Certain Contract Agreements :

**AFFIDAVIT OF DR. SURENDRA SABOO**

Dr. Surendra Saboo, being duly sworn, states as follows:

1. I am Surendra Saboo, the Chief Operating Office and Executive Vice President of Neutral Tandem, Inc. and Neutral Tandem-Pennsylvania, LLC ("Neutral Tandem"), and am authorized to make the statements contained herein.

2. Neutral Tandem-Pennsylvania, LLC is a Delaware limited liability company and a wholly-owned subsidiary of Neutral Tandem, Inc.

3. Neutral Tandem provides transit services to wireless, wireline, and broadband companies. Neutral Tandem provides third-party interconnection services to competitive carriers via tandem switches which all wireline, wireless and broadband providers to exchange traffic between carrier networks without direct connections and provides an alternative to using tandem switches provided by the local incumbent exchange carrier.

4. On January 25, 2007, the Commission granted Neutral Tandem provisional authority to provide intrastate services in the territory of Verizon Pennsylvania and Verizon North.

5. Neutral Tandem is currently in the process of establishing services and operations in Pennsylvania. At this time, however, Neutral Tandem does not operate any switches in Pennsylvania.

6. Neutral Tandem does not deliver any traffic to Level 3 in Pennsylvania, does not operate any switches in Pennsylvania, and does not deliver any traffic to Level 3 destined for end users in Pennsylvania.

Surendra Saboo

Surendra Saboo

Sworn to and subscribed before me  
this 13 day of August, 2007

Holly Brown



**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT I:**

Affidavit of Neutral Tandem Chief Operating Officer  
Surrendra Saboo – New Jersey

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

In the Matter of the Petition of )  
)  
Level 3 Communications, LLC To Direct )  
Neutral Tandem-New Jersey, LLC To ) BPU Docket No. TD07050334  
Provide Notice To Its Customers Of The )  
Termination Of Certain Contract )  
Arrangements )

AFFIDAVIT OF DR. SURENDRA SABOO

I, Dr. Surendra Saboo, being duly sworn under oath, state the following:

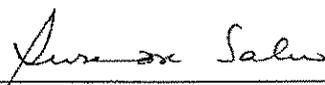
1. I am Surendra Saboo, the Chief Operating Office and Executive Vice President of Neutral Tandem, Inc. and Neutral Tandem-New Jersey, LLC ("Neutral Tandem"). I have personal knowledge of the facts set forth herein, and I am authorized to make the statements contained herein.

2. Neutral Tandem previously delivered tandem transit traffic to Level 3 Communications, LLC and its subsidiary, Broadwing Communications, LLC, (collectively "Level 3"), in the State of New Jersey via existing direct interconnections between Neutral Tandem and Level 3.

3. As of August 3, 2007, Neutral Tandem no longer delivers tandem transit traffic to Level 3 in the State of New Jersey through the parties' existing direct interconnections.

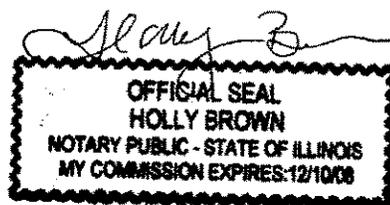
4. As of August 3, 2007, Level 3 no longer orders services from Neutral Tandem's tariffs in New Jersey.

AFFIANT FURTHER SAYETH NOT.

  
\_\_\_\_\_  
Dr. Surendra Saboo

Sworn to and subscribed before me

this 9 day of August, 2007



**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

**Neutral Tandem, Inc. and** )  
**Neutral Tandem-Illinois, LLC** )  
 ) **07-0277**  
**vs.** )  
 )  
**Level 3 Communications, LLC** )

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT J:**

Affidavit of Neutral Tandem Chief Operating Officer  
Surrendra Saboo – Ohio

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

Level 3 Communications, LLC	)	
	)	
and	)	
	)	
Broadwing Communications, LLC	)	Case No. 07-668-TP-CSS
	)	
Complainants,	)	
	)	
v.	)	
	)	
Neutral Tandem-Michigan, LLC,	)	
	)	
Respondent.	)	

AFFIDAVIT OF DR. SURENDRA SABOO

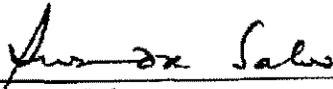
I, Dr. Surendra Saboo, being duly sworn under oath, state the following:

1. I am Surendra Saboo, the Chief Operating Office and Executive Vice President of Neutral Tandem, Inc. and Neutral Tandem Inc. and Neutral Tandem-Michigan, LLC ("Neutral Tandem"), and am authorized to make the statements contained herein.

2. Neutral Tandem previously delivered tandem transit traffic to Level 3 Communications, LLC and its subsidiary Broadwing Communications, LLC (collectively "Level 3"), in Ohio via existing direct interconnections between Neutral Tandem and Level 3.

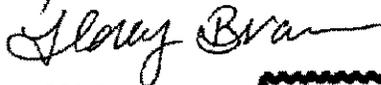
3. As of August 3, 2007, Neutral Tandem no longer delivers tandem transit traffic to Level 3 in Ohio through the parties' existing direct interconnections.

AFFIANT FURTHER SAYETH NOT.

  
 \_\_\_\_\_  
 Dr. Surendra Saboo

Sworn to and subscribed before me

this 2 day of August, 2007





**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT K:**

Affidavit of Neutral Tandem Chief Operating Officer  
Surrendra Saboo – Wisconsin

BEFORE THE  
PUBLIC SERVICE COMMISSION OF WISCONSIN

LEVEL 3 COMMUNICATIONS, LLC	)	
	)	
Petitioner,	)	
	)	Case No. _____
v.	)	
	)	
NEUTRAL TANDEM, INC. AND NEUTRAL	)	
TANDEM-ILLINOIS, LLC,	)	
	)	
Respondents.	)	
	)	

AFFIDAVIT OF DR. SURENDRA SABOO

1. I am Surendra Saboo, the Chief Operating Office and Executive Vice President of Neutral Tandem, Inc. and Neutral Tandem-Illinois, LLC ("Neutral Tandem"). I have personal knowledge of the facts set forth herein, and I am authorized to make the statements contained herein.

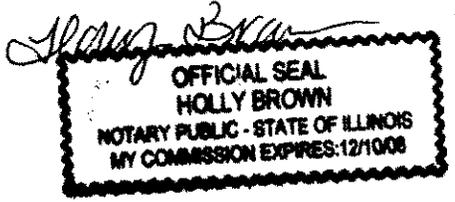
2. Neutral Tandem previously delivered tandem transit traffic to Level 3 Communications, LLC and its subsidiaries (collectively "Level 3"), in Wisconsin via existing direct interconnections between Neutral Tandem and Level 3.

3. As of August 3, 2007, Neutral Tandem no longer delivers tandem transit traffic to Level 3 in Wisconsin through the parties' existing direct interconnections.

AFFIANT FURTHER SAYETH NOT.

*Surendra Saboo*  
 \_\_\_\_\_  
 Dr. Surendra Saboo

Sworn to and subscribed before me  
 this 2 day of August, 2007



**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

<b>Neutral Tandem, Inc. and</b>	)	
<b>Neutral Tandem-Illinois, LLC</b>	)	
	)	<b>07-0277</b>
<b>vs.</b>	)	
	)	
<b>Level 3 Communications, LLC</b>	)	

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT L:**

Excerpt from the Michigan Transcript at 352-354

1 Q Did Neutral Tandem provide notice to its customers in  
2 Wisconsin that it would no longer be delivering traffic  
3 to Level 3 in Wisconsin?

4 A Well, we worked with our customers, if that's considered  
5 notice. We worked with our customers up to --

6 Q When did you provide notice to the customers? I'm sorry.

7 JUDGE FELDMAN: Mr. Kelly, please don't  
8 cut the witness off while he's speaking.

9 Had you finished?

10 A Yes.

11 JUDGE FELDMAN: O.K.

12 Q (By Mr. Kelly): O.K. I'm sorry. When did you provide  
13 notice to your customers?

14 A Again, I don't know about notice, but it was several  
15 weeks ago.

16 Q So in July?

17 A I don't know the exact date when we got started with  
18 letting customers know that they need to start to reroute  
19 traffic.

20 Q Did you advise customers that in Wisconsin, Level 3  
21 telephone numbers would, that calls could no longer be  
22 delivered to Level 3's telephone numbers?

23 A Yes. We had to give them Level 3's codes.

24 Q The NPA-NXX's?

25 A That's correct.

1 Q NPA-NXX's. You sent them an e-mail telling them that  
2 Level 3's NPA-NXX's would no longer be routed or  
3 transitted by Neutral Tandem in Wisconsin?

4 A I don't exactly know the logistics, but it's probably an  
5 e-mail with a phone call as well with the specifics of  
6 the NPA-NXX's.

7 Q And the customers rerouted their traffic?

8 A Actually, yes, some of them have completed, some of them  
9 haven't completed rerouting the traffic.

10 Q So the calls that, for those companies that have not  
11 rerouted traffic -- strike that.

12 When you say rerouted traffic, you mean  
13 that they are no longer delivering calls destined to  
14 Level 3, they are no longer delivering those calls to  
15 Neutral Tandem for transit, correct?

16 A Yes. Some portions of -- they haven't completed entirely  
17 moving the traffic.

18 Q O.K. When they are moving the traffic, though, you're  
19 talking about how they are finding another route to  
20 deliver traffic destined to Level 3, perhaps the ILEC?

21 A Yes.

22 Q For those calls that have not been rerouted, how are  
23 those calls being delivered to Level 3, if at all?

24 A We are using our connections with the LEC to transport  
25 that call through the ILEC tandem to give time for our  
Metro Court Reporters, Inc. 248.426.9530

1 customers to complete the rerouting.

2 Q Did you solicit from your originating carriers their  
3 consent to no longer deliver traffic directly through  
4 Level 3?

5 MR. HARRINGTON: Objection. Vague, your  
6 Honor.

7 JUDGE FELDMAN: If the witness  
8 understands the question, I'll allow him to answer it.

9 A I'm not sure what you mean by solicit, but, you know, we  
10 worked with them and gave them Level 3's codes and asked  
11 them to not route those calls to us and to start finding  
12 other ways; and as I said, some of them have done some  
13 amount of the work and some of them have not, and for  
14 those that have not, we are tandeming through the ILEC  
15 tandem.

16 Q (By Mr. Kelly): Did you ask them permission to do that?

17 A Well, they have to do a lot of the work, so I'm not sure  
18 the permission aspect of it, but we work with them  
19 because they have to do the work in terms of rerouting.

20 Q Did Neutral Tandem inform Level 3 that it would be  
21 advising, that Neutral Tandem would be advising its  
22 customers that calls would no longer be delivered to  
23 Level 3 through the direct interconnection arrangement in  
24 Wisconsin?

25 A No, we did not. But we had testimony from Level 3 that  
Metro Court Reporters, Inc. 248.426.9530

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

**Neutral Tandem, Inc. and** )  
**Neutral Tandem-Illinois, LLC** )  
 ) **07-0277**  
**vs.** )  
 )  
**Level 3 Communications, LLC** )

**LEVEL 3 COMMUNICATIONS LLC PETITION  
TO DISCONTINUE INTERCONNECTION WITH NEUTRAL TANDEM**

**EXHIBIT M:**

October 12, 2007 Letter



One South Wacker, Suite 200  
 Chicago, IL 60606  
 phone 312.384.8000  
 fax 312.346.3276

**FILE**

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October 12, 2007

Alan R. Schreiber, Chairman  
 Rhonda Hartman Fergus, Commissioner  
 Donald L. Mason, Commissioner  
 Valerie A. Lemmie, Commissioner  
 Paul A. Centolella, Commissioner  
 The Public Utilities Commission of Ohio  
 180 East Broad Street  
 Columbus, Ohio 43215-3793

Re: Carrier-to-Carrier Rules  
 Case No. 06-1344-TP-ORD

Dear Commissioners:

Neutral Tandem, Inc. (Neutral Tandem) is the telecommunications industry's leading independent provider of tandem transit service – the service that permits a third-party carrier to route calls to the network of another carrier when their networks are not directly connected. Neutral Tandem handles nearly 4 billion minutes of transit traffic per month across the 50 markets it serves in the U.S.

Although Neutral Tandem has not previously participated in the above-referenced rulemaking, Neutral Tandem has a vital interest in the carrier-to-carrier rules that govern transit traffic. Specifically, Neutral Tandem has significant concerns regarding Rule 4901:1-7-13 as adopted by the Commission in its order of August 22, 2007. As it now stands, this rule ignores the realities of the tandem transit market, and purports to impose a TELRIC pricing standard in a setting where it has no legal or logical application. Thus, I am writing on behalf of Neutral Tandem to support the September 21, 2007 application for rehearing filed in this docket by AT&T Ohio to the extent it requests that you revisit this rule.

In Ohio, Neutral Tandem provides transit service to wireless and wireline carriers throughout the state, serving the entire metropolitan areas of Akron, Cincinnati, Cleveland, Columbus, Dayton, Toledo, and Youngtown through its subsidiary, Neutral Tandem-Michigan, LLC, which is duly authorized by this Commission to provide competitive local exchange and interexchange telecommunication services in this state under Certificate of Public Convenience

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and Necessity No. 90-9283. Neutral Tandem currently terminates traffic to 52 competitive wireless, wireline and broadband switches in Ohio, and is also connected to 11 ILEC tandems in order to provide backup redundancy for call terminations. Neutral Tandem can terminate transit traffic to over 14 million telephone numbers in Ohio, which represents almost 70% of the Ohio telephone numbers served by competitive carriers. The company now terminates over 1.5 billion transit minutes annually in Ohio. Not only does the switching and transport infrastructure Neutral Tandem provides to wireless, wireline, and broadband carriers for exchanging voice traffic eliminate the need for these carriers to rely on ILECs to complete transit calls, but Neutral Tandem provides this service at a substantial discount from the rates charged by the ILECs. Neutral Tandem's facilities also provide significant diversity, thereby improving the homeland security of the PSTN in Ohio. Thus, Neutral Tandem's service clearly represents an important, effective, facilities-based competitive alternative to ILEC tandem transport, and, like all providers of competitive services, Neutral Tandem should be free to negotiate the price of its service with nearly 80 carriers that have elected to utilize Neutral Tandem.

Whether one agrees that ILECs do not have a duty to transport calls between two other carriers as AT&T Ohio asserts, there is no legal basis for the requirement that transit service be priced at TELRIC rates – a pricing methodology, which, even for ILECs, is reserved only for a limited number of ILEC monopoly services – i.e., the provision of unbundled network elements. Transit service, on the other hand, is not one of those identified services. Indeed, transit service is available from multiple suppliers in Ohio. Thus, the need for rate regulation of even ILEC transit service is minimal, at best. Moreover, in the case of a competitive provider such as Neutral Tandem, there is simply no way to apply TELRIC pricing rules. As with other competitive services, the rates for transit service should be market-based (*i.e.*, determined through arm's length negotiations between the carriers involved), not set by a pricing methodology designed to protect customers in instances where no competitive alternative exist.

On behalf of Neutral Tandem, I urge you to grant AT&T's application for rehearing to the extent that it requests that you revisit this issue, and to modify the rule so as to provide and preserve the benefits of competitive pricing to Ohio consumers. At minimum, there should be a provision in the rule explicitly waiving its application in situations where there are facilities-based competitive providers of tandem transit service.

Thank you for your consideration.

Sincerely,



Ronald Gavillet  
Executive Vice President

cc: All Parties of Record