

EXHIBIT A



Lisa Creighton Hendricks
Senior Attorney

State External Affairs
6450 Sprint Parkway
Overland Park, KS 66251
KSOPHN0212-2A253
Voice 913 315 9363
Fax 913 523 9829
PCS 913 461 5765
lisa.c.creightonhendricks@mail.sprint.com

March 1, 2002

Vice President-General Manager
Special Markets -SWBT
Suite 3705, One Bell Plaza
Dallas, TX 75202
VIA FACSIMILE 214-464-0510

Paul Lane, Esq.
SWBT
One Bell Center, Room 3520
St. Louis, MO 63101-1976
VIA FACSIMILE 314-247-0014

Re: Sprint Communications Company, L.P. Interconnection Agreement with
Southwestern Bell Telephone Company ("Agreement")
Demand for Payment

Gentlemen:

This is to inform you of a claim Sprint Communications Company L.P. ("Sprint") is raising under the Agreement. Southwestern Bell Telephone Company ("SWBT") has failed to comply with its obligations under the Agreement. Pursuant to Section 3.4 of Appendix Collocation to the Agreement, SWBT agreed to use specific cost methodologies to price collocation so that SWBT recovered only reasonable cost, and a reasonable profit. The charges assessed by SWBT do not comport with the methodologies in Section 3.4.

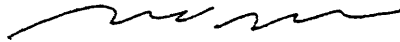
Sprint evaluated the collocation charges Sprint paid under the Agreement against what Sprint would have paid using SWBT's recently approved tariffed collocation rates using Commission-approved TELRIC methodology. The difference is substantial. The non-recurring charges paid by Sprint under the Agreement are over 100% more than what Sprint would have paid under the tariff. Specifically, Sprint paid in excess of \$2,500,000 more under Agreement than it would have paid under the tariff. Further, the difference between the recurring charges under the Agreement and the tariffed recurring charges is in excess of \$30,000 a month.

Because such a significant difference exists between the prices Sprint paid for collocation and what it would pay under the TELRIC rates from the tariff, SWBT has not complied with its Agreement with Sprint. Without question, SWBT is recovering its cost plus (at least) a reasonable profit under the approved tariff rates. It is impossible to construct any scenario in which the cost for collocation set up prior to SWBT's tariff would be 100% greater than the cost under the tariff. There clearly is no justification for such a significant amount of "cost" SWBT billed to Sprint under the Agreement and the "cost" it is recovering under its tariff. Further, profits of over 100% are not reasonable.

Vice President-General Manager
Special Markets -SWBT
Paul Lane, Esq.
March 1, 2002
Page 2

Sprint's damages as a result of this non-compliance are over \$3,000,000. Sprint will be pursuing its legal remedies to collect these damages. If you desire to discuss this claim in more detail prior to receiving the complaint, please contact me no later than March 13, 2002.

Sincerely yours,



Lisa Creighton Hendricks

/vw

EXHIBIT B



Lisa Creighton Hendricks

Senior Attorney
6450 Sprint Pkwy - Bldg. 14
Legal and External Affairs
MS: KSOPHN0212-2A253
Direct: 913-315-9363
Fax: 913-315-0760

lisa.c.creightonhendricks@mail.sprint.com

March 18, 2002

Paul Lane, Esq.
SWBT
One Bell Center, Room 3520
St. Louis, MO 63101-1976
VIA FACSIMILE 314-247-0014

Re: Sprint Communications Company, L.P. Interconnection Agreement with
Southwestern Bell Telephone Company ("Agreement")
Demand for Payment

Dear Mr. Lane:

This will acknowledge receipt of your letter dated March 13, 2002. It is my understanding that the only obligation that Sprint has under the dispute resolution provisions of the interconnection agreement is to pursue informal resolution of this dispute for a 60 day period if Southwestern Bell Telephone (SWBT) requests this. Otherwise, Sprint may proceed to continue to pursue a remedy through any legal, equitable or agency means. Please confirm if SWBT is requesting informal resolution. If so, we are today at *day 18* of the 60-day time period.

Attachment A to this letter contains a breakdown of Sprint's claim. The document quantifies the amount of the overcharge on each collocation set up under ICB pricing. As provided in the interconnection agreement, on each collocation site, SWBT was obligated to perform a true up. Up until the time Sprint received the results of such true-ups, Sprint was unable to identify the actual amount SWBT would charge and evaluate a claim. Further, the true-ups did not occur until a substantial lag time *after* the quote had been accepted. Finally, under the agreement, Sprint has two years (and State statutes provide for even a longer period of time) in which to pursue a claim after the true-ups are complete. Therefore, Sprint's claim is timely.

As explained in my earlier letter, the approved interconnection agreement only allows SWBT to charge ICB prices that "recover its *reasonable* cost and will be no greater than necessary for SWBT to earn a *reasonable profit*" (emphasis added). Without question, SWBT is recovering its cost and a reasonable profit under the tariff rates. Thus, there is no explanation for such a large discrepancy between what Sprint was charged under the ICB rates and the tariff rates.

To the extent you are seeking to pursue an informal resolution of this claim, I am the point of contact. Paul D. Reed of Sprint will join me in any negotiations. I request a meeting with the SWBT representatives during the week of March 24, 2002. To facilitate a resolution of this dispute, I further request that SWBT produce all invoices received from third-party contractors and paid by SWBT in connection with each Sprint collocation site prior to the meeting. To the extent the invoices do not include a description of the work performed and the material purchased, please provide the information as it becomes available. To assist you I have described the type of work detail needed to facilitate the resolution of this claim at Attachment B.

Please note that I can be reached next week on my PCS at (913) 461-5765. I look forward to your call.

Sincerely yours,

Lisa Creighton Hendricks
vw

Lisa Creighton Hendricks

/vw

Attachments

Attachment A has been removed as it is a Highly Confidential Document.

ATTACHMENT B

Work Detail and Material Cost Information

FOR EACH COLLOCATION SITE:

1. Documents describing work performed including:
 - The amount of space being created
 - The number of DS0s, DS1s, DS3s and fiber connections provisioned
 - The number of each amperage of power connections provisioned
 - Descriptions of items listed as "Miscellaneous Material/Other Costs" in Sprint bills or supporting cost estimating worksheet.
1. List all materials requisitioned for the job, their associated costs and the dates these charges were added to the work authorization.
2. Documents reflecting time reported for the job (Engineering, Installer, etc.), its associated cost, the dates labor hours were reported to the work authorization.
3. Documents demonstrating the applicable overheads and the dates they were charged to the work authorization.
4. Clear detailed information on work performed by contractors:
 - Installation hours and dollar amounts
 - Engineering hours and dollar amounts
 - Detail of material types, quantities and dollar amounts
 - Sales tax and freight
1. Documents that identify the amounts and dates of billing to Sprint related to costs detailed in each work authorization.
2. Documents identifying any SWBT labor, material or cost billed to Sprint

EXHIBIT C
Sprint Non-Recurring Charges

ISV	ISV Charge	ISV	ISV	Difference
KC122198394P	\$177,787.00	\$37,995.47		\$139,791.53
MO1002000379P	\$41,498.00	\$13,646.95		\$27,851.05
MO1002000386P	50,363.22	\$36,584.85		\$13,778.37
MO1002000388P	40,958.11	\$37,325.35		\$3,632.76
MO1002000390P	49,343.41	\$41,682.33		\$7,661.08
MO0718000170P	80,882.50	\$41,245.62		\$39,636.88
MO0126010670P	\$10,987.78	\$7,583.46		\$3,404.32
KC122198389P	275,203.00	\$39,180.27		\$236,022.73
MO1002000380P	\$39,599.00	\$13,646.95		\$25,952.05
KC122198398P	129,094.00	\$37,699.27		\$91,394.73
MO1002000387P	\$41,241.00	\$13,646.95		\$27,594.05
KC0913991362P	64,080.00	\$30,688.60		\$33,391.40
MO1002000370P	42,490.86	\$13,646.95		\$28,843.91
KC122198385P	126,675.00	\$38,439.77		\$88,235.23
MO1002000397P	54,152.19	\$13,646.95		\$40,505.24
KC0913991359P	79,249.00	\$31,429.10		\$47,819.90
MO1002000378P	23,138.72	\$7,583.46		\$15,555.26
KC122198390P	129,758.00	\$38,439.77		\$91,318.23
MO1002000378P	\$29,022.00	\$7,583.46		\$21,438.54
KC122198393P	60,397.00	\$38,439.77		\$21,957.23
KC060799754P	42,408.00	\$5,826.60		\$36,581.40
KC1202992033P	\$18,566.00	\$4,811.48		\$13,754.52
MO1002000374P	\$20,881.91	\$7,583.46		\$13,298.45
KC122198391P	173,498.00	\$38,439.77		\$135,058.23
MO1002000377P	\$43,692.00	\$13,646.95		\$30,045.05
MO0718000176P	\$119,903.00	\$39,722.94		\$80,180.06
KC122198392P	263,209.00	\$37,995.47		\$225,213.53
MO1002000398P	30,663.42	\$13,646.95		\$17,016.47
KC0913991363P	63,712.00	\$30,688.60		\$33,023.40
MO1002000373P	30,733.97	\$7,583.46		\$23,150.51
KC122198386P	170,119.00	\$38,439.77		\$131,679.23
MO1002000372P	31,872.34	\$7,583.46		\$24,288.88
KC122198395P	163,020.00	\$38,439.77		\$124,580.23
MO1002000371P	\$24,699.00	\$7,583.46		\$17,115.54
KC102198301P	133,931.00	\$38,439.77		\$95,491.23
KC060799761P	53,781.00			
KC1202992034P	19,661.00	\$4,611.48		\$15,049.52
MO1002000375P	\$62,834.40	\$13,646.95		\$49,187.45
MO0718000171P	53,431.82	\$41,615.87		\$11,815.95
MO0126010669P	20,264.52	\$13,646.95		\$6,617.57
MO1002000394P	52,181.38	\$35,474.10		\$16,707.28
MO1002000385P	61,334.00	\$37,325.35		\$24,008.65
SL122198400P	103,138.31	\$38,439.77		\$64,698.54
MO1009009403P	28,925.32	\$7,583.46		\$21,341.86
SL0412001582P	22,591.83	\$3,478.82		\$19,113.01
MO1002000391P	45,676.00	\$33,252.60		\$12,423.40
MO0718000172P	53,813.01	\$39,394.37		\$14,418.64
MO0126010671P	\$11,267.31	\$7,583.46		\$3,683.85
MO1002000384P	46,232.00	\$33,252.60		\$12,979.40
MO1002000369P	56,398.00	\$38,065.85		\$18,332.15
MO0718000173P	56,006.19	\$41,245.62		\$14,760.57
MO0108010643P	42,645.49	\$13,646.95		\$28,998.54
MO0628010906P	6,417.50	\$4,078.71		\$2,338.79
SL122198401P	98,015.76	\$38,439.77		\$59,575.99
MO1009000404P	29,622.49	\$20,176.93		\$9,445.56
MO0718000175P	\$40,409.00	\$41,245.62		-\$836.62
MO0126010676P	11,377.95	\$7,583.46		\$3,794.49
MO1002000389P	40,882.00	\$33,252.60		\$7,629.40
MO1002000393P	59,264.74	\$40,287.35		\$18,977.39
SL122198399P	218,822.73	\$40,201.33		\$178,621.40
MO1009000405P	12,374.94	\$7,853.46		\$4,521.48
MO0718000177P	52,070.39	\$39,024.12		\$13,046.27
MO0126010677P	9,179.00	\$7,583.46		\$1,595.54
MO0718000178P	76,803.45	\$40,875.37		\$35,928.08
MO0126010675P	11,511.89	\$7,583.46		\$3,928.43
MO1002000383P	\$55,183.00	\$35,103.85		\$20,079.15
MO1002000368P	42,921.00	\$34,363.35		\$8,557.65
MO0804000232P	67,166.15	\$42,726.62		\$24,439.53
MO0718000179P	70,962.54	\$39,628.01		\$31,334.53
MO0126010672P	5,212.03	\$7,583.46		-\$2,371.43
MO0718000180P	80,713.87	\$40,875.37		\$39,838.50
MO0126010673P	17,981.80	\$13,043.06		\$4,938.74
MO0718000181P	49,915.94	\$36,728.57		\$13,187.37
MO0126010674P	21,251.12	\$6,979.57		\$14,271.55
MO1002000392P	61,566.21	\$36,214.60		\$25,351.61
MO1002000395P	54,849.21	\$37,325.35		\$17,523.86
	4,861,484.72	\$1,931,388.86	\$	2,876,314.86

* Not yet determined.

Exhibit C (Continued)
Monthly Recurring Charges

ACCOUNT NUMBER	RENT	TAXES	FEES	TOTAL
KC122198394P	\$2,624.22	\$1,718.46		\$905.76
MO1002000379P	\$1,043.15	\$666.81		\$378.34
MO1002000386P	\$2,502.82	\$1,746.34		\$756.48
MO1002000388P	\$1,892.36	\$1,750.34		\$142.02
MO1002000390P	\$1,794.63	\$1,771.84		\$22.79
MO0718000170P	\$2,268.01	\$1,766.86		\$501.15
MO0126010670P	\$257.96	\$33.96		\$224.00
KC122198389P	\$2,158.57	\$1,724.86		\$433.71
MO1002000380P	\$1,132.31	\$666.81		\$465.50
KC122198398P	\$2,560.98	\$1,716.86		\$844.12
MO1002000387P	\$1,139.47	\$666.81		\$472.66
KC0913991362P	\$2,176.32	\$1,398.58		\$777.74
MO1002000370P	\$944.85	\$666.81		\$278.04
KC122198385P	\$2,457.70	\$1,720.86		\$736.84
MO1002000397P	\$944.85	\$666.81		\$278.04
KC0913991359P	\$2,003.15	\$1,402.58		\$600.57
MO1002000378P	\$177.59	\$33.96		\$143.63
KC122198390P	\$2,505.36	\$1,720.86		\$784.50
MO1002000376P	\$178.39	\$33.96		\$144.34
KC122198393P	\$0.00	\$1,720.86		-\$1,720.86
KC060799754P	\$0.00	\$13.10		-\$13.10
KC1202992033P	\$0.00	\$30.14		-\$30.14
MO1002000374P	\$8,442.02	\$33.96		\$6,408.06
KC122198391P	\$0.00	\$1,705.86		-\$1,705.86
MO1002000377P	\$3,992.97	\$666.81		\$3,326.16
MO0718000176P	\$2,398.24	\$1,758.44		\$639.80
KC122198392P	\$2,569.47	\$1,718.46		\$851.01
MO1002000398P	\$1,153.28	\$666.81		\$486.47
KC0913991363P	\$2,171.95	\$1,398.58		\$773.37
MO1002000373P	\$180.53	\$33.96		\$146.57
KC122198386P	\$2,656.91	\$1,720.86		\$936.05
MO1002000372P	\$13.68	\$33.96		-\$20.28
KC122198395P	\$2,432.87	\$1,720.86		\$712.01
MO1002000371P	\$179.47	\$33.96		\$136.51
KC102198301P	\$0.00	\$1,720.86		-\$1,720.86
KC061099761P	\$0.00	#N/A		\$0.00
KC1202992034P	\$0.00	\$1,218.59		-\$1,218.59
MO1002000375P	\$3,572.17	\$666.81		\$2,905.36
MO0718000171P	\$2,149.57	\$1,768.86		\$380.71
MO0126010669P	\$241.30	\$666.81		-\$425.51
MO1002000394P	\$2,141.68	\$1,740.34		\$401.34
MO1002000385P	\$2,314.85	\$1,750.34		\$564.51
SL122198400P	\$0.00	\$1,720.86		-\$1,720.86
MO1009009403P	\$0.00	\$33.96		-\$33.96
SL0412001582P	\$3,740.42	\$14.28		\$3,726.14
MO1002000391P	\$2,244.72	\$1,728.34		\$516.38
MO0718000172P	\$0.00	\$1,756.86		-\$1,756.86
MO0126010671P	\$2,113.96	\$33.96		\$2,080.00
MO1002000384P	\$1,890.01	\$1,728.34		\$151.67
MO1002000369P	\$1,906.18	\$1,754.34		\$151.84
MO0718000173P	\$0.00	\$1,766.86		-\$1,766.86
MO0108010643P	\$0.00	\$666.81		-\$666.81
MO0628010906P	\$2,627.65	\$21.42		\$2,606.23
SL122198401P	\$2,293.13	\$1,720.86		\$572.27
MO1009000404P	\$1,470.05	\$704.60		\$765.45
MO0718000175P	\$2,199.18	\$1,766.86		\$432.32
MO0126010676P	\$66.80	\$33.96		\$32.84
MO1002000368P	\$2,258.58	\$1,728.34		\$530.25
MO1002000393P	\$2,292.28	\$1,766.34		\$525.94
SL122198400P	\$2,223.96	\$1,763.84		\$460.12
MO1009000405P	\$179.01	\$33.96		\$136.05
MO0718000177P	\$2,952.18	\$1,754.86		\$1,197.32
MO0126010677P	\$62.77	\$33.96		\$28.81
MO0718000178P	\$0.00	\$1,764.86		-\$1,764.86
MO0126010675P	\$0.00	\$33.96		-\$33.96
MO1002000383P	\$2,339.88	\$1,738.34		\$601.54
MO1002000368P	\$2,062.80	\$1,734.34		\$328.46
MO0804000232P	\$2,768.23	\$1,774.86		\$993.37
MO0718000179P	\$0.00	\$1,762.00		-\$1,762.00
MO0126010672P	\$2,174.43	\$33.96		\$2,140.47
MO0718000180P	\$2,335.55	\$1,764.86		\$570.69
MO0126010673P	\$246.12	\$659.67		\$413.55
MO0718000181P	\$2,323.23	\$1,742.46		\$580.77
MO0126010674P	\$179.16	\$26.82		\$152.34
MO1002000392P	\$2,316.92	\$1,744.34		\$572.58
MO1002000395P	\$2,246.43	\$1,750.34		\$496.09
				\$31,131.18