

**FISCHER & DORITY**  
PROFESSIONAL CORPORATION

James M. Fischer  
Larry W. DORITY

Attorneys at Law  
Regulatory & Governmental Consultants

101 West McCarty, Suite 215  
Jefferson City, MO 65101  
Telephone: (573) 636-6758  
Fax: (573) 636-0383

March 2, 2000

Honorable Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102-0360

Re: SBC Advanced Solutions, Inc.  
Amendment to Interconnection Agreement  
Case No. TO-2000-261  
File No. IA 20000032

**FILED<sup>2</sup>**  
MAR 02 2000  
Missouri Public  
Service Commission

Dear Judge Roberts:

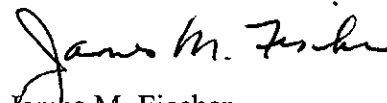
Enclosed for filing in the above-referenced matter are the original and three copies of Amendment No. 1 To Interconnection Agreement by and between Southwestern Bell Telephone Company and SBC Advanced Solutions, Inc. This Amendment consists of the following pages:

Original Sheets 000142.1 through 000142.6

A copy of the foregoing Amendment has been hand-delivered or mailed this date to the Office of the Public Counsel.

Thank you for your attention to this matter.

Sincerely,

  
James M. Fischer

Enclosure

cc: Office of the Public Counsel

IA 20000032

**AMENDMENT NO. 1  
TO INTERCONNECTION AGREEMENT  
by and between  
SOUTHWESTERN BELL TELEPHONE COMPANY  
AND  
SBC ADVANCED SOLUTIONS, INC.**

The Interconnection Agreement ("the Agreement") by and between Southwestern Bell Telephone Company ("SWBT") and SBC Advanced Solutions, Inc. ("ASI") is hereby amended as follows:

(1) The FCC Merger Conditions Appendix has been amended to add the following language in Sections 8.0-8.2:

**8.0 DISCOUNTED SURROGATE LINE SHARING CHARGES**

8.1 Pursuant to the terms and conditions, at the times specified, and in the geographic areas identified all as set out in section 14 of the FCC Merger Conditions, and subject to CLEC's qualification and compliance with the provisions of the FCC Merger Conditions, SWBT will provide unbundled local loops to CLEC for the purpose of providing Advanced Services (such as ADSL) where such loops are not used to also provide voice grade services and all other provisions in the FCC Merger Conditions are met at 50% of the lowest monthly recurring charge, 50% of the lowest non-recurring line or service connection charge, and 100% of the lowest non-recurring service order charges (i.e. there is no discount for service order charges) for the unbundled local loop then effective that has been established by the state commission pursuant to 252(d)(1) of the Act.

8.2 If CLEC does not qualify to order the unbundled local loops for the purpose of providing Advanced Services (such as ADSL) as set forth in the FCC Merger Conditions, SWBT's provision, if any, and CLEC's payment for unbundled Local Loops for the purpose of providing Advanced Services (such as ADSL) shall continue to be governed by the terms currently contained in this Agreement without reference to this Appendix. Unless SWBT receives thirty (30) days advance written notice with instructions to terminate the discounted surrogate line sharing charges or to convert such line to an available alternative arrangement provided by SWBT, then upon expiration of any discounted surrogate line sharing charges, the line shall automatically convert to an appropriate SWBT product/service offering pursuant to the terms and conditions of the Agreement or, in the absence of terms and conditions in the Agreement, the applicable tariff. Where there are no terms for such offering in the Agreement without reference to this Appendix and there is no applicable tariff, the Parties shall meet within 30 days of a written request to negotiate mutually acceptable rates, terms and conditions that shall apply retroactively. If the Parties are unable to reach agreement within 60 days

of the written request to negotiate, any outstanding disputes shall be handled in accordance with the Dispute Resolution procedures in the Agreement.

(2) The FCC Merger Conditions Appendix has been amended to add the following language in Sections 9.0-9.5:

#### **9.0 INTERIM LINE SHARING**

9.1 SWBT shall provide interim line sharing capability ("Line Sharing") to ASI on an exclusive basis in accordance with the Federal Communications Commission's ("FCC") Merger Conditions in CC Docket No. 98-141 ("Merger Conditions"), pursuant to the rates, terms and conditions set forth in the affiliate services agreement between SWBT and ASI, which are set forth herein for informational purposes only.

9.2 The Parties understand that SWBT may provide Line Sharing to ASI within a certain geographic area for the provision of Advanced Services activated prior to the time that line sharing is provided to unaffiliated providers of Advanced Services with the same geographic area. Advanced Services as used herein is as defined in the Merger Conditions.

9.3 SWBT shall provide ASI with such Line Sharing in those instances where: 1) SWBT is able to provision the Advanced Service over the same loop that SWBT is using to provide voice grade services, as that term is defined in the Merger Conditions, on either a retail or wholesale basis, and (2) the Advanced Service fits within the spectral map as described in the non-overlapping option contained in ANSI standard T1.413-1998, as that standard evolves from time to time and is used by SWBT.

9.4 In each instance SWBT provides such Line Sharing to ASI, SWBT shall charge ASI a line sharing charge which shall be fifty (50) percent of the lowest monthly recurring charge, fifty (50) percent of the lowest non-recurring line or service connection charge, and 100 percent of the lowest service order charges (i.e. there is no discount for non-recurring charges), for the unbundled local loop then effective that have been established by the relevant state commission pursuant to 47 U.S.C. §252(d)(1). Line sharing charges shall not apply retroactively to charges for Line Sharing incurred prior to the effective date of the Surrogate Line Sharing Charges, but will apply to charges incurred after the effective date of the Surrogate Line Sharing Charge for both i) recurring charges for qualifying loops in-service, and ii) recurring and non-recurring charges for new installations of qualifying loops. In order to be entitled to the line sharing charges, however, ASI must first certify to SWBT that it is not providing voice

grade service in conjunction with Advanced Services over the broadband channel. For information purposes only, the Pricing Schedule setting forth SWBT's interim line sharing charges to ASI is attached hereto. The Parties acknowledge and agree that the prices on such Schedule may change from time to time and that any subsequent changes will be reflected in the affiliate services agreement between SWBT and ASI.

9.5 ASI's use of the data portion of SWBT's DSL-Capable Loops under the rates, terms and conditions set forth above are included in this Interconnection Agreement for informational purposes only and will be provisioned by SWBT to ASI pursuant to the rates, terms and conditions set forth in agreements between ASI and SWBT entered into in accordance with the FCC's affiliate transaction rules. ASI's exclusive use of the data portion of DSL-Capable Loops shall be in accordance with the Merger Conditions and not pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 ("the Act") and shall not be subject to the requirements of Section 252(i) of the Act.

(3) Either Party may terminate this Amendment at any time upon advance written notice to the other Party.

(4) This Amendment shall be filed with and is subject to approval by the Missouri Public Service Commission ("PSC") and shall become effective ten (10) days following approval by the PSC and shall expire upon notice of termination by either Party or when the exclusive interim line sharing arrangement between SWBT and ASI expires in accordance with the terms of the Merger Conditions, whichever is earlier.

(5) The term of this Amendment shall not modify or extend the Effective Date or Term of the underlying Agreement.

(6) EXCEPT AS MODIFIED HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE UNDERLYING AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT, and such terms are hereby incorporated by reference and the Parties hereby reaffirm the terms and provisions thereof.

IN WITNESS WHEREOF, this Amendment to the Agreement was exchanged in triplicate on this 17th day of FEBRUARY, 2000, by SWBT, signing by and through its duly authorized representative, and CLEC, signing by and through its duly authorized representative.

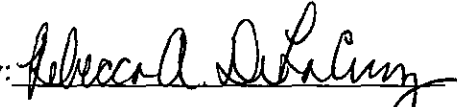
\*Southwestern Bell Telephone Company      SBC Advanced Solutions, Inc.

By: 

f Title: President – Industry Markets

Name: Larry B. Cooper  
(Print or Type)

Date: FEB 17 2000

By: 

Title: Director-Interconnection

Name: Rebecca A. De La Cruz  
(Print or Type)

Date: February 17, 2000

\*On January 25, 1999, the United States Supreme Court issued its opinion in *AT&T Corp. v. Iowa Utilities Board*, 119 S. Ct. 721 (1999) and on June 1, 1999, the United States Supreme Court issued its opinion in *Ameritech v. FCC*, No. 98-1381, 1999 WL 116994, 1999 Lexis 3671 (June 1, 1999). In addition, on November 5, 1999, the FCC issued its Third Report and Order and Fourth Further Notice of Proposed Rulemaking in CC Docket No. 96-96 (FCC 99-238), including the FCC's Supplemental Order issued *In the Matter of the Local Competition Provisions of the Telecommunications Act of 1996*, in CC Docket No. 96-98 (FCC 99-370) (rel. November 24, 1999), portions of which become effective thirty (30) days following publication of such Order in the Federal Register (February 17, 2000) and other portions of which become effective 120 days following publication of such Order in the Federal Register (May 17, 2000). By executing this amendment, SWBT does not waive any of its rights, remedies or arguments with respect to such decisions and any remands thereof, including its right to seek legal review or a stay of such decisions, or its rights under Section 21.1 of the Interconnection Agreement between SBC Advanced Solutions, Inc. and Southwestern Bell Telephone Company.

**INTERIM LINE SHARING**  
**PRICING ADDENDUM**  
**2000**

**\*Pricing is based upon the Federal Communications Commission's Merger Conditions in CC Docket No. 98-141.**

A. The fees to be paid by SBC Advanced Solutions, Inc. (Buyer) for Services provided by Southwestern Bell Telephone Company (Seller) pursuant to this Schedule AO1 will be as follows:

<u>Bill Reference No.</u>	<u>Item No.</u>	<u>Service</u>	<u>Price/Cost Method</u>	
157-A01-003	MO	ZONE 1 Recurring	\$6.36	*
		ZONE 1 Nonrecurring initial	\$13.04	*
		ZONE 1 Nonrecurring additional	\$5.55	*
		ZONE 1 Manual service order	\$0.00	*
		ZONE 1 Electronic service order	\$5.00	*
		ZONE 2 Recurring	\$10.36	*
		ZONE 2 Nonrecurring initial	\$13.04	*
		ZONE 2 Nonrecurring additional	\$5.55	*
		ZONE 2 Manual service order	\$0.00	*
		ZONE 2 Electronic service order	\$5.00	*
		ZONE 3 Recurring	\$16.65	*
		ZONE 3 Nonrecurring initial	\$13.04	*
		ZONE 3 Nonrecurring additional	\$5.55	*
		ZONE 3 Manual service order	\$0.00	*
		ZONE 3 Electronic service order	\$5.00	*
		ZONE 4 Recurring	\$9.12	*
		ZONE 4 Nonrecurring initial	\$13.04	*
		ZONE 4 Nonrecurring additional	\$5.55	*
		ZONE 4 Manual service order	\$0.00	*
		ZONE 4 Electronic service order	\$5.00	*

\*The Parties acknowledge and agree that, subject to the terms and conditions stated herein, SWBT is providing ASI with the rates above which are based upon certain arbitrated rates, terms and conditions based on statutes, orders, rules and/or regulations issued by federal and state legislatures, courts, and/or regulatory agencies, specifically including, but not limited to, the Missouri Public Service Commission's Order in the Consolidated Arbitration, Docket Nos. TO-97-40/TO-97-67, TO-98-115. These statutes, orders, rules and regulations are the subject of various current appeals, and subsequent appeals may also be taken from those statutes, orders, rules and regulations. The Parties recognize and agree that, in the event of any amendment of the Telecommunications Act

of 1996, or any administrative, regulatory, legislative or judicial order, rule, opinion or other legal action, (collectively "legal actions") which revises or modifies the Parties' rights and/or obligations pertaining to any of the rates contained in this Agreement, or any rates upon which the rates contained in this Agreement are based ("a subsequent development"), including any action invalidating or modifying the Interconnection Agreement approved in Docket TO-97-67 and TO-98-115, the relevant provisions of the Agreement cited above shall be deemed to be automatically modified, amended or conformed to be consistent with such subsequent development. In no event shall SWBT be obligated to provide the rates set forth above beyond the period of time SWBT is obligated to provide such rates, terms and conditions to the Party who originally arbitrated such rates or rates upon which the rates set forth above are based.

**ANY ADDITIONAL DIRECT EXPENSES WILL BE PASSED THROUGH TO BUYER AS INCURRED.**

B. Coordinators for the Services to be provided pursuant hereto will be as follows:

Buyer: Brad Lee  
SBC Advanced Solutions, Inc.  
300 Convent, Room 1928  
San Antonio, Texas 78215

Seller: Michael Galligan, Director - Industry Markets  
Four Bell Plaza, Rm. 1260  
Dallas, Texas 75202

Cost Method: F = Fully Distributed, M = Fair Market Value, C = Change, A = Add

Invoices will be due and payable net thirty (30) days from the invoice date. All late payments will be subject to a charge of 1.50% per month on the unpaid balance.