



Date: March 3, 2004 Number: CLECALL04-037

Effective Date: March 3, 2004 Category: UNE-P

Subject: (OTHER) Commercial Negotiation Offer

Related Letters: N/A Attachment: N/A

States Impacted: 13-States

Issuing SBC ILECS: SBC Illinois, SBC Indiana, SBC Ohio, SBC Michigan, SBC Wisconsin, SBC

California, SBC Nevada, SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma, SBC Texas and The Southern New England Telephone Company

Response Deadline: N/A Contact: Account Manager

Conference Call/Meeting: N/A

As you know, on March 2, 2004, the D.C. Circuit, U.S. Court of Appeals released its opinion on the appeal from the Triennial Review Order. Significantly, the court vacated the FCC's nationwide impairment determination with respect to mass market switching. Absent a rehearing or a grant of certiorari by the U.S. Supreme Court resulting in a different decision, the effect of the court's decision is the ultimate elimination of a legal requirement that we provide the UNE-P at TELRIC prices.

Notwithstanding this decision and whatever rights that we both may have under existing interconnection agreements, SBC stands ready to work with you to develop a viable solution to ensure that none of your customers' service is disrupted on account of this decision. Specifically, while we may disagree on our respective legal rights in the interim, SBC is prepared, without prejudice to any party's legal positions, to continue to offer you your mass market UNE-P serving arrangements at PUC-approved rates for the next 90 days. During that 90 day period, SBC will negotiate with you an orderly transition from your existing interconnection agreement to a private commercial arrangement that would enable you to continue to receive the UNE-P based upon a mutually acceptable market-based rate. Under this proposal, SBC is prepared to negotiate a multi-state agreement.

This proposal will provide you with the certainty of a multi-state, multi-year commercial agreement that includes the continued availability of the UNE-P at mutually agreeable market-based rates. Please contact your SBC account manager if you desire to negotiate such an agreement.