

**IX. POLES, CONDUITS AND RIGHTS-OF-WAY  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T - SWBT INTERCONNECTION AGREEMENT - MISSOURI**

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	<p>and toxic substances at the site where AT&amp;T has applied for access. This is a reasonable request that will save both parties time and planning expense if AT&amp;T decides to withdraw its application due to the contamination.</p>	<p>(b) SWBT makes no representations to AT&amp;T or personnel performing work on AT&amp;T's behalf that SWBT's poles, ducts, conduits, or rights-of-way will be free from <b><u>environmental contaminants</u></b> at any particular time. Before entering a manhole or performing any work within or in the vicinity of SWBT's conduit system or any other site subject to access under this Appendix, AT&amp;T or personnel acting on AT&amp;T's behalf shall independently determine, to their satisfaction, whether such <b><u>contaminants</u></b> are present and conduct their work operations accordingly.</p> <p>(c) Each party shall promptly notify the other of <b><u>environmental contaminants</u></b> known by such party to be present within or in the vicinity of poles, ducts, conduits, or rights-of-way occupied by or assigned to AT&amp;T pursuant to this Appendix if, in the sole judgment of such party, such <b><u>environmental contaminants</u></b> create a serious danger to (1) the health or safety of personnel working at the site or (2) the physical integrity of the other party's facilities placed or to be placed on, within, or in the vicinity of such poles, conduits, or rights-of-way.</p> <p><b><u>(d) The acknowledgments and representations set forth in the two preceding sections are not intended to relieve SWBT of any liability which it would otherwise have under applicable law for the presence of environmental contaminants in its conduit facilities.</u></b></p> <p><b><u>10.X Response Within 45 Days.</u></b> Within 45 days of AT&amp;T's submission of a license application pursuant to Section 9.X of this Appendix, or within such other period of time as may be mutually agreed upon in writing by the parties, SWBT shall respond to the application. The response shall state whether the application is being granted or denied. If denial is anticipated, or if SWBT personnel involved in the processing of AT&amp;T's request for access become aware of hazardous <b><u>materials or toxic substances</u></b> at the site, SWBT shall promptly <b><u>notify</u></b> AT&amp;T of the anticipated denial and shall, at AT&amp;T's request, <b><u>discuss alternatives to denial and issues associated with the presence of such hazardous materials or toxic substances.</u></b></p>

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<p>13.a. Should SWBT be able to limit the Arbitrator's ruling that AT&amp;T may have immediate occupancy of certain duct, conduit, or pole space?</p> <p>13.b. May AT&amp;T make its own determinations of whether space is available and ready for immediate occupancy, and whether make-ready work is required?</p>	<p>The Arbitrator ruled as follows: "SWBT shall make available to the LSP for immediate occupancy any duct, conduit, or pole space that is not currently assigned to an LSP or other entity. Availability shall be based on space assignment/occupancy records to be maintained by SWBT but which will be made available for viewing by the LSP upon request within two business days notification." (Emphasis added). SWBT now insists on delaying occupancy until a license has been issued, contrary to the Arbitrator's ruling and to SWBT's own stipulation in other states, and delaying occupancy for at least a 45-day period. SWBT proposed its own procedure for "immediate occupancy" for Missouri in Section 8.X. While AT&amp;T objects to restrictions not imposed by the Arbitrator on immediate occupancy, it has proposed its own Section 8.X that is an attempt to resolve the dispute. However, AT&amp;T's preference is to be able to immediately occupy any pole, duct, or conduit space not already assigned, as explicitly ordered by the Arbitrator, without further restrictions, by review of records on two business days' notice as the Arbitrator ruled but to which SWBT objects in Sec. 10.X. In subsection 9.X, AT&amp;T has no objection to including on its application the information that it has occupied the space; it does, however, object to the implication in SWBT's proposal that SWBT's procedure in Section 8.X is the only manner in which AT&amp;T may have occupied space.</p> <p>Finally, AT&amp;T should be able to make its own determinations of whether space is available and whether make-ready work is required through a review of SWBT's records and AT&amp;T's own site survey and engineering work. Just as SWBT makes its own such determinations, AT&amp;T should be able to do so for itself under the principle of nondiscriminatory access.</p>	<p>[8.X] Notwithstanding such provisional assignment, AT&amp;T shall not occupy such space without first obtaining a license except as <b>otherwise provided in this Appendix or as may otherwise be permitted by law.</b> [remainder of language in subsection not disputed]</p> <p><b>8.X Immediate Occupancy. AT&amp;T may immediately occupy space on SWBT's poles or in SWBT's conduit system that is not currently assigned as follows:</b></p> <p><b><u>(a) AT&amp;T will verify space availability per SWBT's records and may mark the appropriate SWBT record to show the available space it contemplates occupying.</u></b></p> <p><b><u>(b) AT&amp;T will then visit the site to determine whether the space is in fact unoccupied and suitable. If AT&amp;T determines that the space is unsuitable or is already occupied, AT&amp;T will delete its space occupancy notation from SWBT's records made under subparagraph (a).</u></b></p> <p><b><u>(c) If AT&amp;T determines that the space is unoccupied and suitable, it may install its facilities. AT&amp;T will notify SWBT in writing or revise its notation on SWBT's record within one business day if AT&amp;T's facility installation differs from the original notation.</u></b></p> <p><b><u>(d) Within one business day of the installation, AT&amp;T will notify SWBT by either filing a notice of intent to occupy as described in subparagraph 8.X(b) above, or, at AT&amp;T's election, filing an application as provided in Article 9 of this Appendix.</u></b></p> <p><b><u>(e) AT&amp;T's notice of intent to occupy or its application filed under subparagraph (d) above is its representation that no make-ready work is necessary before occupancy.</u></b></p> <p><b><u>(f) If AT&amp;T files a notice of intent to occupy, it will file an application for a license for the space within 30 days of the filing of the notice. If AT&amp;T's occupancy of the space is as described in the notice of intent to occupy, then the application may be limited to a confirmation that AT&amp;T has occupied the space as described in its notice of intent.</u></b></p>

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		<p><b><u>(g) AT&amp;T will bear all risks resulting from the possibility that space which appears from the records to be available is not in suitable condition to be used by AT&amp;T.</u></b></p> <p>[9.X] If AT&amp;T has occupied or intends to occupy the space before the issuance of a license, the application shall include a statement that AT&amp;T has already occupied the space or intends to occupy the space immediately.</p> <p><b><u>[10.X] SWBT shall make available to AT&amp;T for immediate occupancy any duct, conduit, or pole space that is not currently assigned.</u></b> Availability determinations will be based on the appropriate SWBT records to be maintained by SWBT and made available for viewing by AT&amp;T <b><u>on two business days notice</u></b> as provided in Section 7.X of this Appendix.</p> <p><b><u>10.X Issuance of Licenses and Immediate Access When No Make-ready Work is Required.</u></b> If AT&amp;T demonstrates that no make-ready work is necessary to accommodate AT&amp;T's facilities, SWBT will issue a license without performing make-ready work and pole attachment or conduit occupancy space will be made available to AT&amp;T for immediate occupancy; further, SWBT agrees to make available to AT&amp;T in advance of the issuance of a license any duct, conduit, or pole space that is not currently assigned, in accordance with the provisions of Section 10.X.</p>
14. Should SWBT be permitted to add new terms and conditions on access to its poles, ducts, conduits, and rights-of-way through the use of application and license forms that it prepares and controls?	If SWBT requires use of forms it drafts, it should not be permitted to amend those forms to impose additional terms and conditions on AT&T that are not included in the Appendix or the Interconnection Agreement as a whole. The forms should merely convey information about AT&T's planned use of the space, as well as record the date and time that AT&T requested the space.	<b><u>9.X The purpose of the forms is to provide a worksheet to convey information and to record the date and time of a request for access, not to create contractual terms and conditions in addition to those included in this Appendix and in the Interconnection Agreement.</u></b> [remainder of language in section not disputed]
15.a. May SWBT be reimbursed for make-ready work as ordered by the Arbitrator, with half of its make-ready charges at 50 percent job completion, and the remainder at 100 percent completion, or may SWBT recover other costs on a schedule not consistent with the Arbitrator's order?	The Arbitrator ruled that AT&T should be allowed to pay SWBT half of its make-ready charges for make-ready work at 50 percent job completion, and the remainder at 100 percent completion. SWBT, however, attempts to impose additional conditions regarding payment of invoices by requiring, at SWBT's option, payment of out-of-pocket costs and outside contractor costs on a schedule not consistent with the Arbitrator's ruling of 50 percent payment at 50 percent job completion and the remainder at	<b><u>[10.X] SWBT agrees to modify its outside plant facilities to the extent that AT&amp;T agrees to pay for the modification at cost, such as but not limited to cable consolidations,</u></b> as long as such modifications are consistent with capacity, safety, reliability, and engineering considerations which SWBT would apply to itself if the work were performed for SWBT's own benefit. SWBT may recover from AT&T the costs of modifying its outside plant facilities for

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15.b. May AT&T be reimbursed on a pro rata basis by parties benefiting from a modification for which AT&T has paid, and must SWBT establish a methodology for reimbursement?	100 percent job completion. Further, SWBT leaves to AT&T the determination regarding reimbursement for modifications made by AT&T that later benefit others, including SWBT. If AT&T has borne the entire cost of a modification that benefits others, pro rata reimbursement is fair and appropriate. See FCC First Report and Order, ¶1214. The requirement that SWBT establish a methodology for the reimbursement is also appropriate, because SWBT will be the only party in possession of applications and records relating to the use of the space affected by the modification. SWBT is the only entity that knows the identities of other attachees to capacity provided by AT&T, and thus it should provide the methodology.	<p>AT&amp;T's space. <b><u>SWBT may not require payment of the full amount in advance. AT&amp;T will pay half of the contractors' costs after 50% completion of work, and the remainder at completion. To facilitate the sharing of costs by all parties benefiting from the modification, SWBT will establish a methodology whereby AT&amp;T will be reimbursed on a pro rata basis for any portion of the facility later used by SWBT and other telecommunications providers, including, but not limited to, telecommunications carriers and cable television systems.</u></b></p> <p>10.X Reimbursement for the Creation or Use of Additional Capacity. AT&amp;T acknowledges that as a result of make-ready work performed to accommodate AT&amp;T's facilities, additional capacity may become available on SWBT's poles or in its conduit system. In such event, AT&amp;T shall not have any preferential right to utilize such additional capacity in the future and shall not be entitled to any monies which may subsequently be paid to SWBT for the use of such additional capacity by any joint user; <b><u>provided, however, SWBT must establish a methodology whereby AT&amp;T is reimbursed on a pro-rata basis for any portion of the capacity later used by SWBT or another telecommunications provider, including, but not limited to, telecommunications carriers and cable television systems.</u></b></p> <p>19.X Make-Ready Charges. <b><u>SWBT may not require payment of the full amount of make-ready charges in advance. AT&amp;T will pay half of SWBT's make-ready charges after 50% completion of work, and the remainder at completion. Bills and invoices submitted by SWBT to AT&amp;T for make ready charges shall be due and payable 30 days after the date of the bill or invoice.</u></b></p>
16. Should the Poles, Conduits, and Rights-of-Way Appendix, which is part of the Interconnection Agreement between SWBT and AT&T, contain provisions regarding indemnification, limitation of liability, consequential damages, notice, dispute resolution, assignment, and general legal provisions that are different from the Terms and Conditions of the Interconnection Agreement addressing the same subjects?	SWBT proposes that the Poles, Conduits, and Rights-of-Way Appendix contain its own provisions regarding indemnity, limitations of liability, consequential damages, notice, dispute resolution, assignment, and general legal provisions. Especially where potential legal liability is involved, it is important that the Interconnection Agreement as a whole clearly set out the rights and obligations of the parties. SWBT's proposal on the topics listed above is different from the language used in the Terms and Conditions section of the Interconnection Agreement. If AT&T and SWBT are attempting in good faith to resolve a dispute or answer a question that has arisen under the Interconnection Agreement, two sets of provisions on the same subject are, at best, confusing. At worst, differing or conflicting provisions create complicated, lengthy, and expensive legal	<p>10.X AT&amp;T shall indemnify SWBT <b><u>under Section 7.X of the Terms and Conditions of the Agreement</u></b> for injuries or damages that are the result of the performance of excavation work under this subsection by AT&amp;T or any authorized contractor selected by AT&amp;T. [remainder of language in subsection not disputed]</p> <p>[AT&amp;T objects to Articles 24 and 29 in their entirety.]</p>

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	or administrative disputes. While AT&T has negotiated in good faith as an accommodation to SWBT to include separate provisions on subjects such as performance and payment bonds, and confidentiality, AT&T's strong preference is to have only one set of provisions covering each subject. AT&T originally agreed to portions of SWBT's proposed articles on dispute resolution and assignment as an accommodation to SWBT; however, there are now so many disputes in relation to these articles that AT&T recommends that the parties agree to abide by the assignment and dispute resolution procedures in the Terms and Conditions Section of the Interconnection Agreement.	
17. May the parties review each other's work in the conduit system to protect the integrity of their own facilities after work has been done by the other party that presented a significant risk to the reviewing party's facilities?	Throughout the Appendix, there are numerous safeguards to protect the integrity of SWBT's structures and facilities. As AT&T begins to install facilities in SWBT's conduit system, a risk is created that others working in that segment of the conduit system may damage AT&T's facilities placed there. AT&T therefore requests the right to review SWBT's facilities work where AT&T has facilities in the same segment of the conduit system and where the size or scope of work would lead to the expectation that damage has occurred or may be imminent. AT&T's proposed language requires the reviewing party to bear its own expense in conducting such review.	<b><u>12.X Review of Work of Other Party to Ensure Facility Integrity. Where AT&amp;T and SWBT both have facilities present in a particular segment of SWBT's conduit system, either party may review the facilities work of the other party after its completion to ensure the integrity of its own facilities. The reviewing party shall conduct its review at its own option and expense. Each party shall limit its exercise of such review to those work operations whose size or scope of work would lead to reasonable expectation that damage to its facilities has occurred or may be imminent.</u></b>
18. May the determination whether a new or amended license is required be made from AT&T's present documentation?	AT&T is willing to resolve this issue by adoption of the language agreed to by the parties in Texas.	The language agreed to in Texas by the parties is as follows:  13.X (c) results in the facilities attached being different from those described as authorized attachments in AT&T's present application, current license, notice of intent to occupy, or license application and supplemental documentation (e.g., different duct or size increase causing a need to re-calculate storm loadings, guying, or pole class);
19. Should the Appendix contain provisions regarding fees for attachments made in the past by AT&T or its predecessors, as part of a complicated and expensive procedure to identify possible "unauthorized attachments"?	No. AT&T presents this issue because SWBT proposed for inclusion in the April Missouri contract, and in the contract in numerous other states, language requiring that AT&T undertake a complex investigation to identify possible "unauthorized attachments." AT&T expects that SWBT will also request that this language be included in the Missouri contract. Section 17.X is part of a series of SWBT provisions long rejected by AT&T regarding attachments made prior to the date of the Appendix (i.e., prior to the date of the Telecommunications Act of 1996 and thus under a different statutory framework). These provisions, not presented by SWBT for the Commission's consideration here, are premised upon AT&T identifying all attachments made by it or any of its predecessors on any	[AT&T objects to the inclusion of SWBT's proposal on this issue.]

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	SWBT structure at any time in the past and verifying that the attachment is subject to a license issued by SWBT. This procedure alone places significant burdens on AT&T, and it is accompanied by notice, dispute resolution, and other complex procedures that consume a great deal of time and expense. Section 17.X, which imposes fees at the end of this complicated process, is not properly included in the Poles, Conduits, and Rights-of-Way Appendix.	
20. Should the same rule apply to both AT&T and SWBT for removal of facilities no longer in use?	The rationale for a provision on removal of facilities no longer in service is to make as much space available as possible for all users. This rationale applies equally to all: regardless of ownership, facilities that are no longer used should be moved out of the way to make space available for new facilities that will be used. If SWBT requires that AT&T remove facilities no longer in service within a specific period of time, SWBT should be willing to remove its own unused facilities within that same period of time, in accordance with the principle of non-discriminatory access.	18.X Removal Following Replacement of Facilities. Except as provided in Section 18.X, <b>SWBT and AT&amp;T shall each</b> remove facilities no longer in service from SWBT's poles or conduit system within 60 days, or within such other period of time as shall be mutually agreeable to the parties, after the date AT&T or <b>SWBT</b> replaces existing facilities on a pole or in a conduit with substitute facilities on the same pole or in the same conduit; provided, however, that removal of facilities from the maintenance duct shall be governed by Sections 12.X, 13.X, and 15.X of this Appendix and not by this subsection.
21. May SWBT adjust the rates and fees established by the Arbitrator's Order? May SWBT charge AT&T a fee for inner duct that is not assigned to or occupied by AT&T by charging a half-duct rate regardless of the portion actually assigned to or occupied by AT&T?	The Arbitrator clearly ruled that rates of \$2.35/pole/year and \$0.40/conduit foot/year were adopted, and that SWBT could recover administrative fees identical to those applied to CATV providers. Arbitrator's Order, pages 28-29. The Arbitrator also appeared to rule that when the FCC completes its determination of charges for pole attachments, those rates and charges should apply for both rates and administrative fees. The Arbitrator said nothing about allowing SWBT to adjust either the rates or the fees in the interim; she referred to SWBT's "current rates in effect for cable television systems" in her discussion of the parties' positions. Further, the ruling is silent as to fees for inner ducts. SWBT proposes to charge a half-duct rate regardless of whether AT&T is actually using or has even been assigned one-third of a duct or some other fractional portion. AT&T's proposal of charging a rate proportional to the number of inner ducts contained in the conduit is more reasonable and fair. In fact, Section 6.X of the Appendix (originally proposed by SWBT in the Master Agreement attached to the testimony of Mr. Hearst) provides: "To ensure efficient use of conduits SWBT will, when cable diameters permit, install inner ducts in multiples that fully utilize duct space (typically 3 or 4 inner ducts in a full four-inch duct)." This statement recognizes that it will be more common for duct to be divided into 3 or 4 inner ducts so that the half-duct rate proposed by SWBT will result in overcollection by SWBT.	19.X Rates and Administrative Fees.  (a) <u>Rates for Pole Attachment and Conduit Occupancy. In accordance with the Missouri Public Service Commission's arbitration order in Case No. TO-97-40, AT&amp;T shall pay to SWBT rates of \$2.35 per pole per year and \$0.40 per conduit foot per year for conduit, until such time as the Federal Communications Commission promulgates rules governing pole attachment and conduit occupancy rates. Pole attachment and conduit occupancy rates charged by SWBT to AT&amp;T under this Appendix will then be determined in accordance with the FCC's rules on a going-forward basis.</u>  (b) <u>Administrative Fees. As provided by the Missouri Public Service Commission's arbitration order in Case No. TO-97-40, SWBT shall be allowed to charge administrative fees to AT&amp;T. The amount charged by SWBT to AT&amp;T for administrative fees shall be identical to the amount charged by SWBT to CATV providers for administrative fees as of the date of the arbitration order, December 11, 1996. Further in accordance with the Missouri Public Service Commission's order in Case No. TO-97-40, if the FCC promulgates rules governing the assessment of administrative fees, those rules shall apply to administrative fees charged by SWBT to AT&amp;T on a going-</u>

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		<p><u>forward basis.</u></p> <p><b>(c) Rates for Occupancy of Inner Duct and Partitioned Conduit.</b> <u>As provided by 47 U.S.C. § 224(g), SWBT shall impute to itself conduit and inner-duct rates equal to that which it would charge a non-affiliated entity. To avoid the collection of compensation in excess of the just and reasonable rates prescribed under the Telecommunications Act of 1996, occupancy of inner ducts or partitioned conduit will be no greater than a fractional rate proportional to the number of inner ducts or subducts contained in the full-sized conduit of an AT&amp;T-occupied conduit. Conduit occupancy rates apply to manhole and CEV occupancy, calculated to the center point of the manhole or CEV being occupied.</u></p>
22. Should the Appendix include additional terms regarding payment of invoices?	The parties have agreed to payment terms like those in Sec. 19.X in other states. SWBT now objects to the section because it does not include provisions regarding interest on past due amounts, dispute resolution, termination and other remedies benefiting SWBT. SWBT has not presented this language for the Commission's consideration; moreover, dispute resolution and termination are already covered in the Appendix.	<b>19.X Due Date for Payment.</b> <u>For all fees and charges other than make-ready charges, each bill or invoice submitted by SWBT to AT&amp;T for any fees or charges under this Appendix shall state the date that payment is due, which date shall be not less than 60 days after the date of the bill or invoice. AT&amp;T agrees to pay each such bill or invoice on or before the stated due date.</u>
23. Should SWBT be permitted to modify the rates, fees, and charges agreed to by the parties or ordered by the Commission?	See the discussion of Section 19.X above. Because the Arbitrator ruled that the rates and fees to be charged by SWBT would be effective only until a ruling by the FCC on the subject, it is unreasonable to assume that she intended that SWBT would be able to increase the temporary rates and fees at will.	[AT&T objects to language proposed by SWBT in negotiations in Article 19 allowing SWBT to modify rates and fees at its discretion.]
24. [The issue is stated in Issue No. 16 in reference to Section 10.X above.]	[The reasons for AT&T's position are set forth in reference to Section 10.X above, Issue No. 16]	<p style="text-align: center;"><b>ARTICLE 21: INDEMNIFICATION</b></p> <p><b>21.X Indemnification.</b> <u>Except as otherwise specifically provided in Sections 10.X(b) and 10.X(c) of this Appendix, the parties agree that their respective rights and obligations as to indemnification are set forth in Sections 7.X (Obligation to Indemnify), 38.X (Governmental Compliance), 39.X (Responsibility for Environmental Contamination), 7.X (Obligations to Defend; Notice; Cooperation), and 7.X (OSHA Statement) of the Terms and Conditions of the Agreement.</u></p> <p><b>21.X No Indemnification for Negligence or Intentional Acts.</b> <u>Notwithstanding any other provisions of this Appendix, the parties agree that in no event is either party obligated to</u></p>

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<p><b>1. Wholesale Discount:</b></p> <p>Should the wholesale discount established in the Arbitration Award change according to AT&amp;T's use of SWBT's OS and DA platforms?</p>	<p>No. Essentially, SWBT is not satisfied with the wholesale discount and is attempting to rearbitrate this decision. SWBT's language proposed in negotiations should be rejected.</p> <p>When calculating the wholesale discount, initially SWBT used a formula estimating the percentage of LSPs which would utilize SWBT's OS/DA platforms, and the percentage that will not. Although AT&amp;T is utilizing SWBT on an interim basis -- until customized routing issues are resolved -- AT&amp;T has not changed its plans to provide its own OS/DA platforms to its customers. There is no reason that this discount should be altered because it was a proportionate calculation that took in all appropriate factors. SWBT knew that certain switches would not be capable of customized routing and included these estimates in its calculations. Therefore, SWBT's position should be rejected.</p>	<p><b><u>Appendix Services Pricing</u></b></p> <p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.*</p>
<p><b>2. SWBT's Right to Judge the Lawfulness of Interconnections with AT&amp;T Under the Agreement</b></p> <p>Should the Agreement contain additional SWBT language which qualifies AT&amp;T's interconnection rights according to SWBT's assessment of their "lawfulness?"</p>	<p>No. In negotiations SWBT proposed to add the phrase "in any lawful manner" into agreed-to Section 1.X of the Terms and Conditions. Section 1.X assures AT&amp;T's rights to connect the services provided under the Agreement with other services provided by SWBT, or to network components provided by AT&amp;T or another vendor.</p> <p>AT&amp;T is concerned that this very broad and general language could be employed by SWBT in a variety of ways to unfairly limit AT&amp;T's rights under the Agreement. SWBT could, for example, attempt to use this language to assert tariff limitations which have otherwise been rejected by this Commission. Purported changes in the law and interpretations thereof by SWBT could also be employed as a way to refuse to provide services or to allow connections.</p>	<p><b><u>Terms and Conditions</u></b></p> <p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>

\* In negotiations SWBT has proposed numerous terms and conditions which AT&T opposes in their entirety. While these terms are not offered by AT&T as a proponent, AT&T nonetheless identifies them in this matrix, in anticipation of SWBT's response raising these issues and in order to facilitate AT&T's request that this arbitration be resolved in an expeditious and efficient manner.

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<p>3. <u>Limitation of Liabilities</u></p> <p>a. Whether SWBT's liability to AT&amp;T under its indemnification obligations associated with intellectual property claims should be limited.</p>	<p>(a) AT&amp;T's <b><u>bolded and underlined</u></b> language reference to another contract section (<b><u>7.X</u></b>), which appears in the first portion of the first sentence of this Terms and Conditions Section, should be included in this section if Section 7.X itself is included in the Agreement. Limitation of liability provisions typically exclude from the limitation the parties' indemnification obligations to each other. In the section at issue, the parties have agreed to so expressly exclude (by specific contract section references) indemnification Sections 7.X and 7.X of the Agreement, but SWBT has objected to excluding Section 7.X. Section 7.X provides that SWBT will indemnify AT&amp;T against intellectual property claims resulting from AT&amp;T's purchase of UNEs. SWBT objects to Section 7.X, and that dispute is discussed in Issue No. 15. If the Commission agrees that the language contained in Section 7.X should be included in the Interconnection Agreement, the reference to that Section in the Limitation of Liability Section also should be included. There is no legitimate justification for placing a limitation on either parties' liability to the other as to matters for which they are required to indemnify the other party, and this is <i>certainly true in the case of</i> Section 7.X. Accordingly, AT&amp;T's <b><u>bolded and underlined</u></b> reference to Section 7.X should be retained if Section 7.X is included in the Agreement.</p>	<p><b><u>Terms and Conditions</u></b></p> <p>7.X The Parties' liability to each other during any Contract Year resulting from any and all causes, other than as specified below in Sections 7.X, <b><u>7.X</u></b> and 7.X, following, and other than for willful or intentional misconduct will not exceed the total of any amounts due and owing to AT&amp;T pursuant to Section 45 (Performance Criteria) and the Attachment referenced in that Section, plus the amounts charged to AT&amp;T by SWBT <b><u>under this Agreement during the Contract Year in which such cause accrues or arises</u></b>. For purposes of this Section, the first Contract Year commences on the first day this Agreement becomes effective and each subsequent Contract Year commences on the day following that anniversary date.</p>
<p>3. <u>Limitation of Liabilities</u></p> <p>b. Should the parties' liability to each other be limited to an amount representing what AT&amp;T is charged by SWBT under the contract for a year, or only the amount AT&amp;T is charged by SWBT in a contract year for a particular service or business practice?</p>	<p>The limit should be the amount AT&amp;T is charged by SWBT under the contract for a year. AT&amp;T's <b><u>bolded and underlined</u></b> language in the second portion of the first sentence of this section should be included, and SWBT's proposed additional language should be excluded.</p> <p>SWBT's language, as proposed in negotiations, should be excluded because it would impose an unreasonably low overall limit of liability for SWBT. With SWBT's proposal included, the liability limit would only be what AT&amp;T was charged by SWBT during a contract year for an affected service or business practice, rather than the entire amount that AT&amp;T would be charged by SWBT under the Agreement during a contract year. <i>Including AT&amp;T's bolded and</i></p>	<p><b><u>Terms and Conditions</u></b></p> <p>7.X The Parties' liability to each other during any Contract Year resulting from any and all causes, other than as specified below in Sections 7.X, <b><u>7.X</u></b> and 7.X, following, and other than for willful or intentional misconduct will not exceed the total of any amounts due and owing to AT&amp;T pursuant to Section 45 (Performance Criteria) and the Attachment referenced in that Section, plus the amounts charged to AT&amp;T by SWBT <b><u>under this Agreement during the Contract Year in which such cause accrues or arises</u></b>. For purposes of this Section, the first Contract Year commences on the first day this Agreement becomes effective and each subsequent Contract Year commences on the day following that anniversary</p>

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**X. CONTRACT TERMS AND CONDITIONS AND OTHER ISSUES**  
**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	underlined language, but without SWBT's additional language, makes the provision commercially reasonable. The limitation cap – which would apply to both parties – will represent only a fraction of SWBT's revenues. Further, under SWBT's proposal it would be difficult, if not impossible, to connect claims to an affected service or business practice. AT&T's proposal should be adopted.	date.
<p>3. <u>Limitation of Liabilities</u></p> <p>c. Should the liability of either party for third party end user claims be limited according to the degree of negligence of that party?</p>	Other agreed-on Terms and Conditions provisions regarding third party end user claim liability should not be modified by including SWBT's proposal. The effect of SWBT's proposal would require AT&T to indemnify SWBT against SWBT's own negligence if a suit is brought by an AT&T end user customer. Specifically, this SWBT proposal would not allow AT&T to offset such claims by the amount of SWBT's negligence. Requiring AT&T to bear all risks of loss which are associated with SWBT's negligence is unreasonable and discriminatory. SWBT's proposal should not be adopted.	<p><b><u>Terms and Conditions</u></b></p> <p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>
<p>4. <u>Indemnification</u></p> <p>Should AT&amp;T be required to indemnify SWBT for end user claims that are based on SWBT's negligence?</p>	No. This issue is similar to the issue discussed above. Again, SWBT in negotiations sought to require AT&T to indemnify SWBT, without any limit of AT&T's liability, against SWBT's own negligence for end user claims. This is an unreasonable and discriminatory requirement. The effect is to leave AT&T entirely responsible for any claims that might be made against AT&T, SWBT or both, by AT&T's end users, that are caused by SWBT's negligence in providing the services under this Agreement. SWBT, not AT&T, controls the acts and omissions of its employees, agents, and contractors. Yet, under SWBT's proposal, AT&T would bear the entire responsibility for SWBT's negligence in this respect. The agreed-on Terms and Conditions contract Section 7.X previously referenced by AT&T represents the normal, commercially reasonable type of indemnification provision which should apply here.	<p><b><u>Terms and Conditions</u></b></p> <p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>

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**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
<p>5. <u>Interference with Other Contracts</u></p> <p>Should AT&amp;T be required to attest that this Agreement does not interfere with any other contractual relationships it has with any other party, and that it will indemnify SWBT against any such claims?</p>	<p>No. There is no justification for additional language. SWBT proposed language in negotiations which would require AT&amp;T to attest that the Agreement does not interfere with any contractual arrangement with any other party, and that it will indemnify SWBT if such a claim is brought. SWBT's proposal should be rejected. Under SWBT's proposal, AT&amp;T would be required to indemnify SWBT if the Interconnection Agreement is claimed by a third party to be an interference with some other contract SWBT might have had with that third party. Under the Agreement, if a third party claims that this Agreement interfered with its contractual relationship against one of the parties, then that party can and should resist that claim by virtue of the Act's provisions, as the Act should override such claims. SWBT, however, would have AT&amp;T act as an insurer against such claims, a proposition which is both unreasonable and contrary to the Act.</p>	<p><u>Terms and Conditions</u></p> <p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>
<p>6. <u>Local Exchange Carrier Selection/"Slamming"</u></p> <p>Should the Agreement be amended to include provisions dealing with local exchange switching/slamming issues, prior to the FCC's or this Commission's adoption of rules governing those subjects?</p>	<p>No. Section 17.X employs the current federal rules applicable to IXCs for local exchange purposes, until otherwise applicable local exchange rules are implemented. SWBT's language, as proposed in negotiations, following the end of Section 17.X would allow end users' notification to either AT&amp;T or SWBT to allow the party receiving the request to immediately begin providing service. It also would permit SWBT to connect an end user to another LSP based on the LSP's request and assurance that end user authorization has been obtained. SWBT's proposed Section 17.X would oblige neither party to investigate allegations of slamming by the other or a third party, but would allow the parties to agree to make such investigations for a fee.</p> <p>There is no justification for inclusion of these provisions at this time. As this Commission is aware, the FCC is in the process of formulating rules which will apply to the local exchange carrier selection process. SWBT's proposal is premature because it is not consistent with current rules and could well be inconsistent with the rules that are ultimately established.</p>	<p><u>Terms and Conditions</u></p> <p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>

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**AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
<p><b>7a. <u>OS/DA Facilities; SWBT's Provision of Directory Assistance and Operator Services</u></b></p> <p><i>Is a one year minimum term reasonable when AT&amp;T uses SWBT's OS and DA platform?</i></p>	<p>No. SWBT's language as proposed in negotiations is anti-competitive to the extent that it requires AT&amp;T to commit to using SWBT as the "sole provider" of OS and DA for any set term and under any other circumstances. SWBT has already failed to implement customized routing as contractually required, and yet SWBT seeks to have AT&amp;T commit to SWBT's OS/DA for AT&amp;T uses. SWBT's proposal simply provides a further advantage from its own delay in implementation of customized routing. The essential issue is whether SWBT may disregard its obligations under the Act and refuse to provide DA and OS services to AT&amp;T, in a facilities based environment, when customized routing is available. First, SWBT's proposal implies that SWBT would only provide DA and OS services to AT&amp;T where customized routing is not technically feasible. Under SWBT's proposal, if it becomes feasible, AT&amp;T would be forced to convert to customized routing.</p> <p>SWBT's proposal would have anti-competitive effects on AT&amp;T and is inconsistent with the Act. SWBT is attempting to price customized routing so high that to utilize it as proposed would be extremely detrimental to AT&amp;T. SWBT's proposal appears to be another way to leverage AT&amp;T into a position that may be very harmful to AT&amp;T. From a broader perspective, this language appears to reflect SWBT's position that the Act's provisions in this respect do not apply to SWBT if it is dealing with AT&amp;T in a facilities-based environment. The Act requires SWBT to carry out defined duties including the duty to provide nondiscriminatory access to operator services and directory assistance services. See §251(b)(3). SWBT's proposals should be rejected.</p>	<p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>
<p><b>7b. <u>Terms of the Attachment</u></b></p> <p><i>Is a one year minimum term reasonable when AT&amp;T uses SWBT's OS and DA platform?</i></p>	<p>No. Under SWBT's language as proposed in negotiations, SWBT would first establish a term which differs from that which is otherwise provided for in the Interconnection Agreement. SWBT would then be able to terminate its obligations to provide DA and OS services on 120 days notice following the end of that term. AT&amp;T also would be required to pay early termination penalties to SWBT.</p>	<p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>

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Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	While AT&T may wish to request SWBT to provide DA and OS services at different places and for different periods of time, SWBT's overall obligations to provide DA and OS services should be governed by the general term of the agreement. Otherwise, SWBT may insist upon a shorter period of time than AT&T desires, and if no agreement is reached on the term, may refuse to provide the service at all, which is inconsistent with its responsibilities under the Act. See §251(b)(3).	
<p>8. <u>Responsibility for Environmental Contamination</u></p> <p>Should language in the Agreement imply that AT&amp;T may be responsible to SWBT for the presence or Release of Environmental Hazards, at an affected Work Location that was introduced by a third party?</p>	<p>No. Terms and Conditions Sections 39.X and 39.X contain mirror-image first sentence statements to the effect that a party is not liable to the other party for costs associated with the presence or release of environmental hazards that the party did not introduce to, or knowingly use, at the Work Location.</p> <p>SWBT in negotiations proposed to substitute first sentence language which essentially omits the "knowingly use" aspect. Its absence, in the context of other provisions in these sections, implies that AT&amp;T might be liable to SWBT for the presence or Release of an environmental hazard that AT&amp;T did not introduce, if AT&amp;T or its agents cause or contribute to a release. SWBT's proposal should be rejected and the "knowingly use" language should be retained. The party who controls access to its premises is in the best position to know what hazards may exist. If an environmental hazard was introduced to a Work Location by some third party and the Work Location then was purchased by SWBT, under SWBT's proposal SWBT might argue that AT&amp;T is responsible to SWBT if AT&amp;T or its agents unknowingly released the hazard. In contrast, the language in the Agreement should be focused upon a party's actual introduction or knowing use of a hazard.</p> <p>In the bottom portions of these sections, SWBT would also add language allowing it to avoid entirely any indemnification responsibilities if AT&amp;T caused, or contributed to, any loss or claim in the slightest degree, which would ignore SWBT's own conduct. SWBT's proposal should be excluded.</p>	<p><u>Terms and Conditions</u></p> <p>39.X AT&amp;T will in no event be liable to SWBT for any costs whatsoever resulting from the presence or Release of any Environmental Hazard that AT&amp;T did not introduce to, <u>or knowingly use, at</u> the affected Work Location. SWBT will indemnify, defend (at AT&amp;T's request) and hold harmless AT&amp;T, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arise out of or result from (i) any Environmental Hazard that SWBT, its contractors or agents introduce to the Work locations or (ii) the presence or Release of any Environmental Hazard for which SWBT is responsible under applicable law.</p> <p>39.X SWBT will in no event be liable to AT&amp;T for any costs whatsoever resulting from the presence or Release of any Environmental Hazard that SWBT did not introduce to, <u>or knowingly use, at</u> the affected Work Location. AT&amp;T will indemnify, defend (at SWBT's request) and hold harmless SWBT, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arise out of or result from i) any Environmental Hazard that AT&amp;T, its contractors or agents introduce to the Work Locations or ii) the presence or Release of any Environmental Hazard for which AT&amp;T is responsible under applicable law.</p>

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<p>9. <u>Other Limitation of Liability and Indemnification Provisions</u></p> <p>Should SWBT be allowed to avoid any responsibility for AT&amp;T end user claims caused by SWBT's negligence, as well as other third party claims, and related issues?</p>	<p>No. SWBT should not be allowed to amend the Agreement to avoid liability as already provided in the Agreement. In response to SWBT's proposal in negotiations to amend numerous sections of the Agreement regarding this issue, AT&amp;T proposes language to explicitly state that the terms of indemnification/liability are reflected in the General Terms and Conditions. AT&amp;T's bolded and underlined language should be included only in the event the Commission determines that further clarification is needed.</p> <p><u>Prefatory Note:</u>  In addition to SWBT's attempts to include language in the Terms and Conditions which would impose on AT&amp;T all responsibility for SWBT's own negligence in performing under this Agreement, especially as to claims by AT&amp;T's end users, SWBT has proposed in negotiations additional language, which would have similar effects, in nine other separate appendices or attachments to the Agreement. In each case, AT&amp;T's proposed language, consisting of a single sentence which states that such matters are governed by the Terms and Conditions, is identical or nearly so. However, SWBT employs several variations of its proposed language among these nine attachments/ appendices. To facilitate the Commission's review, AT&amp;T has analyzed each and finds that the language employed for four attachments/ appendices is virtually identical, and that the language for three others is also virtually identical. In discussing the issue, AT&amp;T will display the language of only one attachment or appendix involving the variations. The explanation provided below is applicable to all SWBT proposals, in all of the referenced attachments or appendices.</p> <p><u>Discussion:</u>  The contract contains limitation of liability and indemnification provisions in the General Terms and Conditions. AT&amp;T believes that these provisions apply to all portions of the Interconnection Agreement. Accordingly, none of the changes SWBT proposes should be made to the contract.</p> <p><i>This dispute arises because SWBT seeks to eliminate any</i></p>	<p>AT&amp;T requests that SWBT's proposal be stricken in its entirety in each section listed herein. However, in the event that the Commission desires to clarify that the current indemnification provisions apply to all of the listed Attachments/Sections, AT&amp;T proposes the following language:</p> <p><b><u>Indemnification and limitation of liability provisions covering the matters addressed in this Appendix are contained in the General Terms and Conditions portion of the Agreement.</u></b></p> <p><b><u>Appendix DA-Resale</u></b></p> <p><b><u>6.X Indemnification and limitation of liability provisions covering the matters addressed in this Appendix are contained in the General Terms and Conditions portion of the Agreement.</u></b></p> <p><b><u>Appendix OS-Resale</u></b></p> <p><b><u>14.X Indemnification and limitation of liability provisions covering the matters addressed in this Appendix are contained in the General Terms and Conditions portion of the Agreement.</u></b>  (language proposed only if Commission desires to amend Agreement)</p> <p><b><u>Attachment 15: 911</u></b></p> <p><b><u>7.X Indemnification provisions covering the matters addressed in this Attachment are contained in the General Terms and Conditions portion of the Agreement</u></b>  (language proposed only if Commission desires to amend Agreement)</p> <p><b><u>Attachment 18: Mutual Exchange Directory of Listing Information</u></b></p>

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Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	<p>responsibility on SWBT's part for its own negligence in providing the services under this Agreement. SWBT would place all of those risks on AT&amp;T. This is not only commercially unreasonable, but unfair and contrary to the Act's requirements that the services be provided to AT&amp;T in a nondiscriminatory fashion. It is unreasonable and, in AT&amp;T's view, unlawful to require AT&amp;T to be responsible for SWBT's negligence. All of the SWBT provisions in question should be excluded from the Agreement, and AT&amp;T's language should be included.</p>	<p><b><u>7.X Indemnification and limitation of liability provisions covering the matters addressed in this Attachment are contained in the General Terms and Conditions portion of the Agreement.</u></b>  (language proposed only if Commission desires to amend Agreement)</p> <p><b><u>Attachment 19: WP-Other</u></b></p> <p><b><u>7.X Indemnification and limitation of liability provisions covering the matters addressed in this Attachment are contained in the General Terms and Conditions portion of the Agreement.</u></b>  (language proposed only if Commission desires to amend Agreement)</p> <p><b><u>Attachment 22: DA-Facilities</u></b></p> <p><b><u>9.X Indemnification and limitation of liability provisions covering the matters addressed in this Appendix are contained in the General Terms and Conditions portion of the Agreement.</u></b>  (language proposed only if Commission desires to amend Agreement)</p> <p><b><u>Attachment 23: OS-Facilities</u></b></p> <p><b><u>9.X Indemnification and limitation of liability provisions covering the matters addressed in this Appendix are contained in the General Terms and Conditions portion of the Agreement.</u></b>  (language proposed only if Commission desires to amend Agreement)</p> <p><b><u>Attachment 6: UNE</u></b></p> <p><b><u>7.X Indemnification and limitation of liability provisions</u></b></p>

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Issue:	AT&T Reason why language should be included or excluded	AT&T Language
		<p><u>covering the matters addressed in this Attachment are contained in the General Terms and Conditions portion of this Agreement.</u>  (language proposed only if Commission desires to amend Agreement)</p> <p><u>7.X Indemnification and limitation of liability provisions covering the matters addressed in this Attachment are contained in the General Terms and Conditions portion of this Agreement.</u>  (language proposed only if Commission desires to amend Agreement)</p> <p><u>9.X Indemnification and limitation of liability provisions covering the matters addressed in this Attachment are contained in the General Terms and Conditions portion of this Agreement.</u>  (language proposed only if Commission desires to amend Agreement)</p> <p><u>Attachment 24: Recording-Facilities Based</u></p> <p><u>6.X Indemnification provisions covering the matters addressed in this Attachment are contained in the General Terms and Conditions portion of the Agreement.</u>  (language proposed only if Commission desires to amend Agreement)</p>
<p>10. <u>Per Transaction Charge:</u></p> <p>Is \$.003 the appropriate fee assessment for transmitting carrier data per order between AT&amp;T and SWBT?</p>	<p>Yes. Three tenths of one cent accurately reflects the cost per transaction for transmitting a carrier change notification.</p> <p>The Parties previously agreed on the \$.003 cents charge for the change notification transmission in another state in Attachment 5: Provision of Customer Usage Data-Resale. In negotiations, SWBT proposed to dramatically increase the charge. SWBT has provided no cost justification for the proposed increase in price for this service.</p>	<p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p> <p><u>AT&amp;T Language:</u></p> <p><u>Attachment 5: Provision of Customer Usage Data-Resale</u></p> <p>7.X When any AT&amp;T local service customer changes their local</p>

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	<p>AT&amp;T's alternative counter language proposed in Attachment 10 is identical to that which was agreed upon in another state in Resale. AT&amp;T finds no justification for why the transmission would be any different in Resale than for UNE because it is system generated to provide a change notification for carrier changes by WTN and is not dependent on whether it is a UNE or Resale customer.</p>	<p>service provider to another LSP or SWBT, AT&amp;T will be notified as described in the LSP notification change process, contained in Local Account Maintenance Methods and Procedures, dated July 29, 1996, or as otherwise agreed to by the parties. AT&amp;T will pay to SWBT a per transaction charge of <b><u>three tenths of one cent (\$0.003)</u></b> for SWBT's transmission of the change notification.</p> <p>(However, in the event that the Commission determines that the \$.003 charge language should be clarified, AT&amp;T proposes the following amendment to Section 7.X):</p> <p><b><u>Attachment 10: Provision of Customer Usage Data-UNE</u></b></p> <p>7.X When AT&amp;T purchases certain Network Elements from SWBT, SWBT will provide AT&amp;T with Local Account Maintenance. When SWBT is acting as the switch provider for AT&amp;T, where AT&amp;T is employing UNEs to provide local service, SWBT will notify AT&amp;T whenever the local service customer disconnects switch port (e.g., WTN) service from local service customer discounts switch port (e.g., WTN) service from AT&amp;T to another local service provider. SWBT will provide this notification via a mutually agreeable 4 digit Local Use Transaction Code Status Indicator (TCSI) that will indicate the retail customer is terminating local service with AT&amp;T. SWBT will transmit the notification, via the Network Data Mover Network using the CONNECT: Direct protocol, within five (5) days of SWBT reprovisioning the switch. The TCSI, sent by SWBT, will be in the 960 byte industry standard CARE record format. <b><u>AT&amp;T will pay to SWBT a per transaction charge of three tenths of one cent (\$0.003) for SWBT's transmission of the change notification.</u></b></p>
11. Should SWBT be allowed to amend the Agreement to make liquidated damages the sole remedy available for breach of the agreement or breach of Performance Criteria?	No. The Terms and Conditions portion of the Agreement contains liability, indemnification, and legal remedies available to both parties for matters arising under the Agreement. SWBT proposed in negotiations to amend the Agreement (by adding Section 7.X to Attachment 17) to severely limit AT&T's ability to avail itself of all	AT&T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.

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Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	regulatory and/or judicial remedies available under the Agreement and as a matter of law by attempting to limit its liability to liquidated damages. Moreover, SWBT's proposal also would limit any regulatory or judicial forum from enforcing its jurisdictional authority over breaches in performance criteria. There is no justification for limiting AT&T's remedies to liquidated damages.	
12. Should the contract allow AT&T only three days following receipt of a SWBT audit file to complete an audit of its LIDB accounts against AT&T's own billing system?	<p>No. The Agreement provides that AT&amp;T will audit its LIDB accounts against AT&amp;T's billing system and correct any discrepancies. AT&amp;T will correct all discrepancies using the LVAS interface(s) AT&amp;T has requested under this Agreement. See Attachment 6, Section 9.X. AT&amp;T proposes no change to that section, and presents no issue for arbitration concerning this section.</p> <p>In negotiations, SWBT has proposed to insert a requirement that AT&amp;T complete this audit within three (3) days following AT&amp;T's receipt of the audit file. If SWBT presents this issue for arbitration, its position should be rejected. AT&amp;T has no experience with this audit and cannot be expected to commit itself contractually to such a short proposed time frame. SWBT's position lacks sense. The approved contract, in language drafted by SWBT, provides that SWBT will provide this billing system audit file to AT&amp;T only twice a year (unless AT&amp;T requests files more frequently). Attachment 6, Section 9.X. If SWBT is satisfied to have this audit performed only twice a year, it cannot reasonably insist on completion of the audit within a 3-day time frame. For the great majority of the year, many more than three days will have passed since the preceding audit; there can be no compelling reason for SWBT's proposed 3-day audit requirement.</p> <p>AT&amp;T previously proposed to commit itself to a 30-day time frame in the contract. AT&amp;T has offered to specify that these audits will be completed "in a reasonable time." If SWBT presents the issue for arbitration, AT&amp;T submits that no change should be made in the contract in this regard, until AT&amp;T has some experience performing</p>	AT&T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.

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**X. CONTRACT TERMS AND CONDITIONS AND OTHER ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	such audits. In any event, SWBT's proposed 3-day turnaround requirement should be rejected.	
<p><b>13. <u>Special Request Process</u></b></p> <p>Whether, if an unbundled Network Element or combination is not available in every area of Missouri, the same would be supplied to AT&amp;T via the "Special Request" process described in Attachment 6: UNE</p>	<p>In negotiations SWBT has proposed language in Section 1.X of the <i>Terms and Conditions</i> portion of the Agreement to the effect that the services and UNEs involved in this Agreement may not be available in all parts of the state, due to technical reasons. AT&amp;T's additional language would ensure that, in such circumstances, AT&amp;T would be able to utilize the "Special Request" process, set out in Attachment 6: UNE, which allows AT&amp;T to ask SWBT to provide such UNEs or Combinations. AT&amp;T's additional language is reasonable and necessary; its absence, in the context of SWBT's proposal, suggests that the unavailability of UNEs and combinations in a particular area may relieve SWBT of any obligation to consider supplying the same in that area, which is not the case. AT&amp;T's language is necessary to enable AT&amp;T to provide service to customers in all areas of Missouri.</p> <p>Any SWBT amendment to this effect should be excluded unless AT&amp;T's bolded and underlined language also is included.</p>	<p><b><u>Terms and Conditions</u></b></p> <p>1.X Unless otherwise provided in the Agreement, SWBT will perform all of its obligations concerning its offering of Resale services and unbundled Network Elements under this Agreement throughout the entire service area where SWBT is the incumbent local exchange carrier; provided, that SWBT's obligations to provide Ancillary Functions or to meet other requirements of the Act covered by this Agreement are not necessarily limited to such service areas. <b><u>provided, that if an unbundled Network Element or Combination is not available in an area, AT&amp;T's request for same will be subject to the provisions of Sections 2.X through 2.X of Attachment 6: Unbundled Network Elements.</u></b></p>
<p><b>14. <u>Intervening Law</u></b></p> <p>The language addresses circumstances under which the Agreement may be modified as a result of agency, court or legislative actions.</p>	<p>SWBT's proposal as discussed in negotiations would allow the entire Agreement to be terminated if the Parties could not successfully negotiate modifications following agency, court or legislative actions, which is both unreasonable and inconsistent with the Act. Such an event, moreover, would severely harm AT&amp;T's customers, not to mention taxing the Commission's resources in terms of responding to the outcry from consumers. SWBT's proposal also likely leads to additional arbitrations and additional Commission time re-deciding issues that are not explicitly ruled on by the courts. SWBT's proposal also would inappropriately forbid either party from exercising constitutional or statutory rights it might otherwise have, in addition to those set out in the Agreement, to seek changes in the Agreement. In contrast, AT&amp;T's proposal would not terminate the Agreement but would invoke dispute resolution processes to be used if an impasse is reached. AT&amp;T's</p>	<p><b><u>Terms and Conditions</u></b></p> <p><b><u>3.X This Agreement is entered into as a result of both private negotiation between the Parties and arbitration by the State Commission, acting pursuant to FTA96. If the actions of Missouri or federal legislative bodies, courts, or regulatory agencies of competent jurisdiction invalidate, modify, or stay the enforcement of laws or regulations that were the basis for a provision of the contract required by the Arbitration Award approved by the State Commission, the affected provision will be invalidated, modified, or stayed as required by action of the legislative body, court, or regulatory agency. In such event, the Parties will expend diligent efforts to arrive at an agreement respecting the modifications to the Agreement required. If negotiations fail, disputes between the Parties</u></b></p>

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**X. CONTRACT TERMS AND CONDITIONS AND OTHER ISSUES**  
**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	<p>proposed language also deals expressly with the effect of the Eighth Circuit Stay, and correctly states that this Commission's decision is not based upon the FCC's pricing provisions stayed by the Eighth Circuit. AT&amp;T notes that Section 3.X of Terms and Conditions, an agreed-to paragraph, also generally covers issues raised by SWBT's proposal.</p> <p>AT&amp;T's language should be included and SWBT's proposal to this effect should be excluded.</p>	<p><u>concerning the interpretation of the actions required or provisions affected by such governmental actions will be resolved pursuant to the dispute resolution process provided for in this Agreement. The invalidation, stay, or modification of the pricing provisions of the FCC's First Report and Order in CC Docket No. 96-98 (August 8, 1996) and the FCC's Order on Reconsideration (September 27, 1996) will not be considered an invalidation, stay, or modification requiring changes to provisions of the Agreement required by the Arbitration Award, in that the FCC's pricing provisions are not the basis for the costing and pricing provisions of the Arbitration Award.</u></p>
<p>15. <u>Intellectual Property Rights Associated with UNE</u></p> <p><i>Whether SWBT should indemnify AT&amp;T against intellectual property claims resulting from AT&amp;T's purchase of UNEs, or whether instead AT&amp;T must certify to SWBT that it has obtained intellectual property rights associated with UNEs from SWBT's suppliers of UNE facilities and software before AT&amp;T can purchase UNEs.</i></p>	<p>Under AT&amp;T's proposed language SWBT would allow AT&amp;T to purchase unbundled Network Elements, and would indemnify AT&amp;T from third party intellectual property claims from vendors which supply those elements to SWBT. AT&amp;T has the right to expect SWBT to deal with such intellectual property issues. End users of telephone service are not expected to seek intellectual property rights from SWBT's vendors before they can use SWBT's services. They rightly expect that SWBT will indemnify them if an intellectual property claim is made against them simply because they purchase SWBT's service. AT&amp;T is entitled to expect SWBT to meet the same type of obligations when AT&amp;T purchases UNE. So also should SWBT meet its obligations for the provision of services and UNEs by indemnifying AT&amp;T from such claims. Thus, AT&amp;T's language should be included.</p> <p>In contrast, under SWBT's proposal, in order for AT&amp;T to purchase UNE, SWBT asserts that AT&amp;T must obtain intellectual property rights from SWBT's vendors. The FCC's First Report and Order thoroughly examined proprietary information issues associated with UNEs (See First Report &amp; Order, Paragraphs. 388, 393, 419, 425, 446, 481, 490, 497, 498, 521, 539), and required LECs such as SWBT to furnish UNEs to LSPs such as AT&amp;T under the Act, not subject to the condition SWBT would impose. SWBT's proposal, which gives vendors effective veto powers over the federal law's</p>	<p><u>Terms and Conditions</u></p> <p><b>7.X SWBT will, at AT&amp;T's request, indemnify AT&amp;T, its officers, directors, employees, agents, affiliates and subsidiaries, against any damages arising out of, resulting from, relating to, or based on any claim for actual or alleged infringement or other violation or breach of any Intellectual Property Rights, to the extent that such claim arises out of, results from, relates to, or is based upon, AT&amp;T's use, or the use by an AT&amp;T customer, of the Network Elements, Combinations, Ancillary Functions and Resale Services, or other services, elements, functions, or combinations provided under this Agreement. For purposes of this Section the term "AT&amp;T customer" means any entity or person who receives, uses, sells, resells or distributes any product or service furnished by AT&amp;T, whether directly or indirectly (through a reseller, distributor, authorized agent or dealer). The term "Intellectual Property Rights" means rights in any patent, copyright, trademark, service mark, trade name, trade dress, trade secret or any other intellectual property right, now existing or later created.</b></p>

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**X. CONTRACT TERMS AND CONDITIONS AND OTHER ISSUES**  
**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	<p>grant of access to UNE, is directly contrary to the Act.</p> <p>AT&amp;T's bolded and underlined language should be included; SWBT's proposal to this effect should be excluded.</p>	
<p>16. <u>Dispute Resolution Procedures</u></p> <p>Whether mandatory arbitration provisions should apply to issues involving matters not specifically addressed elsewhere in the Agreement which require renegotiation, modifications of or additions to the Agreement.</p>	<p>Section 9.X would require binding arbitration for disputes involving additions to this Agreement, and matters requiring renegotiation and modifications to the Agreement. The last sentence in Section 9.X would ensure that these types of disputes may be placed before an arbitrator within 60 days. This language should be included. At the time the FTA was adopted, few if any expected that multiple arbitrations might be necessary in order to achieve workable <i>Interconnection Agreements</i>. The reality is that such a need exists. AT&amp;T is mindful of the Commission's limited resources and its receptiveness to requests for additional arbitration. At the same time, AT&amp;T needs to be able to have prompt rulings made on significant issues, particularly those involving needed additions to the Interconnection Agreement. For this reason, AT&amp;T has proposed the language contained in Section 9.X, and to make those provisions effective has proposed removing the bolded language in Section 9.X (otherwise, such matters would be dealt with under DPR 2 procedures). Thus, the deletion of language in Section 9.X is necessary to ensure that the matters involved in Section 9.X are required to go to binding arbitration.</p> <p>SWBT's proposal to this effect should be excluded from Section 9.X, and the bolded and underlined language contained in Section 9.X should be included.</p>	<p><b>Terms and Conditions</b></p> <p>9.X <b>Dispute Resolution Procedure (DPR) 1</b> - Resolution Procedure (DPR) 2 - Except as otherwise specifically set forth in the Agreement, for all other disputes involving matters which represent more than one (1) percent of the amounts charged to AT&amp;T by SWBT under this Agreement during the Contract Year in which the dispute arises, whether measured by the disputing Party in terms of actual amounts owed or owing, or as amounts representing its business or other risks or obligations relating to the matter in dispute, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided that upon mutual agreement of the Parties, the dispute may be submitted to binding arbitration under Section 9.6. During the first Contract Year the Parties will annualize the initial months up to one year.</p> <p>9.X <b>Dispute Resolution Procedure (DPR) 3</b> - Except as <u>otherwise specifically set forth in this Agreement, for all disputes involving matters not specifically addressed elsewhere in this Agreement which require renegotiation or modifications of or additions to this Agreement, the Parties agree that the dispute will be submitted to binding arbitration under Section 9.X of this Agreement. The Parties agree that the sixty (60) day informal resolution period provided in Section 9.X will be deemed to have commenced at the time the demand for arbitration is made.</u></p>

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**X. CONTRACT TERMS AND CONDITIONS AND OTHER ISSUES**  
**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
<p><b>17. Term of Agreement</b></p> <p>Whether the Agreement for Missouri should expire after only two years, with no renewal options, rather than three years, with two one year renewal options, as SWBT agreed to for Texas, Kansas, Arkansas and Oklahoma.</p>	<p>In the states of Texas, Oklahoma, Kansas, and Arkansas, SWBT agreed that the initial term of the Interconnection Agreement would be three years, and thereafter, would continue for two one-year renewal periods unless one of the parties opted not to renew. In Missouri alone, however, SWBT would have the Agreement completely expire in only two years, with no renewal options. SWBT's position rests only upon its claim that its Missouri cost studies were constructed for a two year agreement, and did not contain inflation factors for a longer period.</p> <p>SWBT's position is entirely unreasonable and untenable. During negotiations with SWBT which preceded the filing of the Arbitration, SWBT was well aware that AT&amp;T wanted the Interconnection Agreement to last much longer than two years. In the Interconnection Agreements submitted for all other SWBT states except Missouri, SWBT has agreed to a three year initial term with two one year option periods and AT&amp;T understood that this term was to apply in all SWBT states. This commission has now adopted permanent prices in this proceeding. In so doing, the commission certainly did not decide that the length of the Interconnection Agreement was to be only two years. Rather, the commission adopted prices, which it held to be fair and reasonable. It is patently unreasonable for SWBT to take the position that AT&amp;T and its customers should be penalized by having the entire agreement expire after only two years merely because SWBT claims it did not inflate its cost studies enough.</p> <p>AT&amp;T's bolded and underlined language should be included, and SWBT's proposal to this effect should be excluded.</p>	<p><b>Terms and Conditions</b></p> <p>4.X This Agreement will become effective as of the Effective Date stated above, and will expire after a <b><u>three (3) year initial term plus two one year extensions, unless written Notice of Non Renewal and Request for Negotiation (Non Renewal Notice) is provided by either Party in accordance with the provisions of this Section. Any such Non Renewal Notice must be provided not later than 180 days before the day this Agreement would otherwise renew for an additional year. The noticing Party will delineate the items desired to be negotiated. Not later than 30 days from receipt of said notice, the receiving Party will notify the sending Party of additional items desired to be negotiated, if any. Not later than 135 days from the receipt of the Non Renewal Notice, both parties will commence negotiations.</u></b></p> <p>4.X The same terms, conditions, and prices will continue in effect, on a month-to-month basis as were in effect at the end of the <b><u>latest term, or renewal</u></b>, so long as negotiations are continuing without impasse and then until resolution pursuant to this Section. The Parties agree to resolve any impasse by submission of the disputed matters to the State Commission for arbitration. Should the State Commission decline jurisdiction, the Parties will resort to a commercial provider of arbitration services.</p>
<p><b>18. Is SWBT required to customize route all AT&amp;T local calls to multiple SWBT end offices?</b></p>	<p>AT&amp;T agrees with routing all operator services calls to a single destination for operator services. AT&amp;T believes that the Missouri Interconnection Agreement language in this section provides for such capability.</p> <p>AT&amp;T does not agree with SWBT's proposed amendment to the contract language discussed in negotiations because it would place</p>	<p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>

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**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	<p>a limitation on AT&amp;T's use of direct dialed local calls. In SWBT's proposal, SWBT seeks to limit AT&amp;T's use of dedicated transport due to an alleged "technical feasibility" issue, but AT&amp;T does not agree that such an issue exists. As AT&amp;T local service volumes increase and traffic patterns are established between end offices, AT&amp;T may choose to establish dedicated transport between end offices to more efficiently route calls.</p> <p>Furthermore, AT&amp;T does not agree with SWBT's proposal because it would require that all local calls must be routed in the same way, in such a way that an LSP could not have some calls go to the tandem switch for processing and others directly to the end office. Under SWBT's proposal, all local calls would be forced to default to the tandem switch (an inefficient manner of handling calls), which is an inefficiency that SWBT does not have in its own network. SWBT's proposal should be rejected in favor of efficient networks.</p>	
<p>19. Once either party reaches an interconnection agreement with a CMRS provider, will SWBT continue to revenue share?</p>	<p>SWBT's proposal in negotiations to amend already-agreed to language should be rejected. As can be seen in the column marked "AT&amp;T's language" on this issue, AT&amp;T and SWBT reached an agreement on this issue after the existing Interconnection Agreement was approved. For reasons known only to SWBT, it now wants to renege on the agreement in an effort to place more time requirements on AT&amp;T. Under the mutually-agreed to language, the parties are obligated to enter into interconnection agreements with third party wireless carriers in lieu of a revenue sharing mechanism when either party enters an agreement with a wireless provider. AT&amp;T has no problem with this agreement.</p> <p>SWBT's revisions, however, take out language from various sections which would allow either party to have a reasonable time to negotiate with the wireless provider for termination of traffic after the other party has reached such an agreement. Omission of this language places both parties in an awkward situation in which there are no standards for negotiation with a wireless carrier. AT&amp;T believes that the current mutually-agreed to language should be approved.</p>	<p><b>Attachment 12: Compensation</b></p> <p><b>8.0 Compensation for Terminating Cellular Traffic</b></p> <p><b>8.1 Appendix Cellular sets forth the terms and conditions under which the Parties will distribute revenue from their joint provision of Wireless Interconnection Service for mobile to landline traffic terminating through the Parties' respective wireline switching networks within a LATA. If one Party enters into an interconnection agreement with a Commercial Mobile Radio Service (CMRS) provider, Appendix Cellular shall no longer be applicable between the Parties with respect to such CMRS providers, and the other Party shall be obligated within a reasonable length of time to enter into an agreement with such CMRS provider for the termination of wireless to landline traffic.</b></p> <p><b>8.2 AT&amp;T will pay the Local Transit Traffic rate to SWBT for calls that originate on AT&amp;T's network and are sent to SWBT for termination to a CMRS provider as long as such Traffic can be identified as wireless traffic. SWBT will pay the Local Transit</b></p>

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CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
		<p><i>Traffic rate to AT&amp;T for such calls that originate on SWBT's network and are sent through AT&amp;T for termination on a CMRS Provider's network. Each Party shall be responsible for interconnection agreements with CMRS provider's network. The Parties agree to cooperate with each other regarding third party compensation issues. In the event that the originating party does send traffic through the transiting party's network to a third party provider with whom the originating party does not have a traffic interchange agreement, then the originating party agrees to indemnify the transiting party for such traffic pursuant to Section 7.0 of the General Terms and Conditions portion of the Agreement.</i></p> <p><b>8.3</b> <i>When traffic is originated by either Party to a CMRS Provider, and the traffic cannot be specifically identified as wireless traffic for purposes of compensation between SWBT and AT&amp;T, the traffic will be rated either as Local or Access and the appropriate compensation rates shall be paid by the originating Party to the transiting Party.</i></p>
<p>20. Should AT&amp;T obtain a separate NXX code for each SWBT exchange?</p>	<p>No. The Arbitrators should reject SWBT's attempt to amend the Missouri Interconnection Agreement as proposed in negotiations in this respect for two reasons: (1) SWBT's proposal would require AT&amp;T to obtain NXX codes for each SWBT rate center at a time when NXX codes are at a premium; and (2) SWBT's proposal would require AT&amp;T to obtain a separate NXX code for each SWBT rate center. AT&amp;T believes that SWBT's requirement is unnecessary. SWBT's claims that the separate NXX code for each SWBT rate center is needed is related to a perceived problem with its current billing record. SWBT is wrong.</p> <p>With respect to the first rationale, SWBT should not be allowed to impose a requirement that will require AT&amp;T to try to obtain additional NXX codes. To date, AT&amp;T has been able to obtain only 15 NPA-NXX codes in Texas, where it is already providing service. To invoke SWBT's proposal, AT&amp;T would require over 60 NXX codes in that state. SWBT's proposal would accelerate NXX-code exhaust unnecessarily.</p>	<p>AT&amp;T proposes that any amendments to the proposed interconnection agreement that SWBT may offer to this effect in this proceeding be rejected.</p>

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AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
	<p>As to AT&amp;T's second reason, the billing record that SWBT uses is known as a "92-99" record. Rather than insert a brand new NPA-NXX (which is the billing result of requiring the LSP to obtain a new NXX code for each SWBT rate center), SWBT can use existing fields in SWBT's billing records. Use of the "Originating LEC NECA Code Field" and "Traffic Type Field," SWBT can identify the LSP to bill and whether to bill the call as local or access. The added benefit of AT&amp;T's suggestion is that it also prepares SWBT's billing platform for long-term local number portability and forms of interim number portability (e.g., Flex DID).</p>	
<p>21. How should the results of this further Arbitration proceeding be incorporated into an existing, approved Missouri Interconnection Agreement?</p>	<p>AT&amp;T proposes that the results of this arbitration proceeding be incorporated into an existing, approved Missouri Interconnection Agreement in a manner that does not affect the current force and effect of the existing contract. AT&amp;T proposes that language be added to the General Terms and Conditions of any existing Interconnection Agreement that: (1) indicates that the results of this further arbitration will be an amendment to the Agreement; (2) the current Interconnection Agreement will remain in full force and effect, except as specifically amended; and (3) the Agreement and the amendments to the agreement will be incorporated into a single document for convenience of the parties.</p> <p>AT&amp;T opposes SWBT's language as proposed in negotiations because it is unnecessarily ambiguous and could be misconstrued. AT&amp;T's proposed language accomplishes the apparent intent of SWBT's, but is more specific.</p>	<p><b><u>Terms and Conditions</u></b></p> <p><b><u>SWBT and AT&amp;T have already entered into an interconnection agreement in Missouri which has been approved by the Missouri Public Utility Commission and on file with the Missouri Commission since [date] ("Agreement"). This document is an amendment to the Agreement, and except as otherwise provided herein, the Agreement remains in full force and effect. For the convenience of the parties, the parties have separately prepared a document that includes the operative terms of the Agreement and this amendment ("Conforming Agreement"), and the parties agree that the Conforming Agreement accurately reflects all the terms of the Agreement, as amended.</u></b></p>

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**APPENDIX C**

**CONTRACTUAL DISPUTED ISSUES MATRIX**

**TEXAS**

**SEPTEMBER 10, 1997**

**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
1. May SWBT discriminate in its own favor when allocating Collocated Space?	AT&T's proposed language would prohibit SWBT from discriminating in its own favor when allocating Collocated Space between itself and AT&T. The FCC Order makes clear that SWBT must "make space available to requesting carriers on a first come-first served basis." FCC Order, ¶ 585. And while SWBT may retain a limited amount of floor space for a defined future use, it may not do so in a discriminatory manner. FCC Order, ¶ 604. AT&T's proposed language should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  2.X SWBT will allocate Collocated Space on a nondiscriminatory, "first-come, first-served" basis among <u>itself, AT&amp;T, and other collocators</u> , provided that there is space and power available for collocation and for reasonable security arrangements and subject to any other limitations provided by law.
2. Should SWBT possess unfettered discretion to determine that space is not available at its Eligible Structures?	SWBT's proposal allows SWBT to determine whether space is available for physical collocation at a particular Eligible Structure and does not allow AT&T or a third party to review SWBT's determination. In contrast, AT&T's proposed language provides for SWBT and AT&T to make a joint determination whether space is available at a particular Eligible Structure; if AT&T and SWBT cannot reach agreement, a third party would resolve the dispute. Absent AT&T's proposed language, SWBT could refuse any or all of AT&T's applications for Collocated Space using the pretext of space unavailability, and SWBT's decision would be unreviewable. AT&T's proposed language protects AT&T's right to collocate in SWBT's Eligible Structures and is not unreasonable. Accordingly, AT&T's proposed language should be included.	<b>Attachment 13: Appendix Collocation</b>  2.X <u>The determination whether there is insufficient space to accommodate physical collocation at a particular Eligible Structure will be made jointly by one engineer from SWBT and one engineer from AT&amp;T. Where SWBT and AT&amp;T cannot reach agreement whether sufficient space is available for physical collocation at a particular Eligible Structure, the determination will be made by a third-party engineer, unless both SWBT and AT&amp;T elect to use the dispute resolution provisions of this Appendix. AT&amp;T and SWBT will equally share the costs of the third-party engineer's services.</u>
3. What is an appropriate definition of "facilities"?	AT&T's proposed definition of facilities is identical to the definition that SWBT has already agreed to use for Attachment 13: Appendix Poles, Conduits, and Rights-of-Way. AT&T's proposed definition is offered because the term "facilities" is used in many sections of this Appendix, among which are AT&T's proposed language for Section 12.X.	<b>Attachment 13: Appendix Collocation</b>  2.X "Facility" or "facilities" refer to <u>any property, equipment, or items owned or controlled by any person or entity.</u>

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CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
<p>4. How much time should SWBT be permitted to prepare a price quotation?</p> <p>Should SWBT be required to refund the engineering design charge upon a determination that space and power are not available?</p>	<p>AT&amp;T's proposed language would require SWBT to provide a price quotation to AT&amp;T within thirty-five (35) <i>calendar</i> days of receipt of AT&amp;T's physical collocation application form and engineering design charge. SWBT's proposal would require SWBT to provide a price quotation to AT&amp;T within thirty-five (35) <i>business</i> days. SWBT's proposal is inconsistent with the Commission's order, which provides that "SWBT shall provide the LSP with an estimate of the cost of construction and date of completion . . . within thirty-five days from receipt of the LSP's request." SWBT's proposal, by using business days instead of calendar days, effectively adds fourteen (14) days to the time period and therefore circumvents the Commission's order.</p> <p>Although SWBT has conceded that it must refund the engineering design charge upon a determination that space and power are not available to satisfy an application for Collocated Space, SWBT has opposed AT&amp;T's language that imposes an <i>effective</i> obligation on SWBT. Unless AT&amp;T's proposed language is included, SWBT could (1) keep the engineering design charge for an indefinite length of time, or (2) retain some undefined portion of the engineering design charge, either of which would render the refund requirement ineffective. AT&amp;T's language should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>3.X Upon receipt of AT&amp;T's application for Collocated Space, SWBT will begin to prepare a price quotation for the Collocated Space. SWBT will provide AT&amp;T with the price quotation within thirty-five (35) days of receipt of AT&amp;T's Physical Collocation Application Form and Engineering Design Charge. When sufficient space is not available for physical collocation at a particular Eligible Structure as determined under Section 2.X, SWBT will refund the <u>entire Engineering Design Charge to AT&amp;T within forty-five (45) days of that determination.</u></p>
<p>5. Which specific elements may be billed as part of the Monthly Charge?</p>	<p>AT&amp;T's proposed language specifies that the "Monthly Charge" for Collocated Space may consist only of a defined list of charges. AT&amp;T's proposed language is necessary to define clearly those elements that SWBT may charge to AT&amp;T as part of the "Monthly Charge." Otherwise, there would be no limit on what SWBT could charge AT&amp;T on a case-by-case basis. SWBT has opposed AT&amp;T's language on the ground that the list in this section should not be an exclusive list; but SWBT has not identified the other charges that should be included. SWBT instead believes that, should it desire later to add further monthly charges to the list, it should be permitted to do so. SWBT's proposal accordingly attempts to avoid the development of "pricing guidelines and standard terms and conditions" that is required by the Commission, Order at 36. AT&amp;T's proposed language should therefore be adopted.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>3.X The Monthly Charge will consist of the monthly charges for floor space, power usage, maintenance, administration, and taxes for equipment charged by SWBT to AT&amp;T for use of the Collocated Space.</p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
<p>6. What methodology should SWBT use when calculating the price quotation?</p> <p>What is the legal effect of a price quotation during Commission review?</p>	<p>AT&amp;T's proposed language would require SWBT to develop a TELRIC-based methodology and use that methodology when calculating a price quotation. Such a methodology would ensure that SWBT's pricing is cost-based and is non-discriminatory to all collocators. Without a defined cost-based methodology for the calculation of price quotations, it is likely that SWBT price quotations would overcharge or undercharge for collocation at SWBT's Eligible Structures. AT&amp;T's language attempts to implement the Commission's requirement that SWBT develop "pricing guidelines and standard terms and conditions" for physical collocation. Order at 36.</p> <p>The remainder of AT&amp;T's proposed language provides that during the time that a price quotation for a particular Collocated Space is under Commission review, SWBT would be precluded from issuing any further price quotations with respect to the same Collocated Space. Without such a requirement, Commission review of price quotations could be derailed by a different collocator's acceptance of a price quotation for the same Collocated Space. This result would be contrary to the "first come-first served" basis requirement established by the FCC's Order. AT&amp;T's proposed language solves that problem, and is not unreasonable. AT&amp;T's proposed language should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>3.X SWBT's price quotation will be calculated using a <b>TELRIC-based</b> methodology which is nondiscriminatory to all collocators. SWBT's price quotation will be sufficient to cover SWBT's reasonable costs and will be no greater than necessary for SWBT to earn a reasonable profit. <b><u>AT&amp;T may ask the State Commission to review any of SWBT's charges for conformity with the above standards. During the time that a price quotation for a particular Collocated Space is under State Commission review, SWBT will not issue any price quotation for that particular Collocated Space or permit another collocator to use that Collocated Space.</u></b></p>
<p>7. May AT&amp;T inspect the Collocated Space before AT&amp;T is required to accept or reject SWBT's price quotation?</p>	<p>AT&amp;T's proposed language would allow AT&amp;T to inspect the Collocated Space to determine its suitability for AT&amp;T's intended uses before AT&amp;T is required to accept or reject SWBT's price quotation. Without this language, AT&amp;T would be required, site unseen, to accept or reject SWBT's price quotation for a Collocated Space. The right of inspection prior to purchase or lease is almost universally recognized for the sale or lease of commercial or residential property; SWBT's position contravenes these standard practices. Moreover, should the Collocated Space be unfit for AT&amp;T's intended uses, that determination should be made before any construction expenses are incurred. AT&amp;T's proposed language would not impose a significant burden on SWBT, and any such burden could be compensated through the engineering design charge required by Section 3.X of this Appendix. AT&amp;T's proposed language should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>3.X <b><u>Prior to any obligation for AT&amp;T to accept or reject SWBT's price quotation, SWBT will permit AT&amp;T to inspect the Collocated Space to determine its suitability for AT&amp;T's intended uses.</u></b> Subject to an appropriate non-disclosure agreement, SWBT will permit AT&amp;T to inspect supporting documents for the Preparation Charge, including the Common Charge (if AT&amp;T is the first entity to which SWBT provides physical collocation in an Eligible Structure), the Collocated Space Charge, and any Custom Work charge.</p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
8. What is the legal effect of SWBT's price quotation?	<p>SWBT's proposal would require AT&amp;T to tender money to SWBT in order to accept a price quotation for a particular Collocated Space; in the absence of SWBT's proposal, AT&amp;T could accept the price quotation in writing and would be contractually bound by its acceptance at that time. Conditioning AT&amp;T's acceptance on SWBT's actual receipt of money is contrary to standard telecommunications industry practices, where agreements are made prior to and on the expectation of payment. SWBT does not require the protection of early payment for its Collocated Space (AT&amp;T is not a fly-by-night telecommunications provider, and AT&amp;T honors its contractual obligations). And even were AT&amp;T or some other collocator to breach the contract prior to payment of the quoted price, SWBT's damages would be small, because this Appendix makes payment a precondition to the construction of the Collocated Space.</p> <p>The remainder of SWBT's proposal would not require SWBT to reserve the Collocated Space for AT&amp;T during the thirty-five day period for which the price quotation is valid. Under SWBT's proposal, the price quotation would constitute an offer with no legal effect whatsoever, that SWBT could rescind at will, notwithstanding AT&amp;T's prior payment of consideration for that offer (a rather substantial "engineering design charge"). This is unreasonable, considering that SWBT is not prepared to refund AT&amp;T's engineering design charge after it has issued the price quotation. Moreover, in other cases involving SWBT, the Commission has previously imposed the requirement that a SWBT "ICB price quote . . . be considered a firm offer for a reasonable period of time." <i>In re: SWBT's tariff designed to introduce broadband educational videoconferencing service</i>, No. TT-95-275. AT&amp;T's language should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>3.X SWBT's price quotation will constitute a firm offer that AT&amp;T may accept in writing within thirty-five (35) days of AT&amp;T's receipt of the price quotation, subject only to the true-up procedure specified in Section 5.X below. SWBT will reserve the Collocated Space for AT&amp;T during this forty-five day period. If AT&amp;T does not accept the price quotation in writing within thirty-five (35) days of AT&amp;T's receipt of the price quotation, the price quotation will be automatically rescinded.</p>
9. May AT&T subcontract the preparation of Collocated Space?	<p>AT&amp;T's proposed language would allow AT&amp;T to subcontract the preparation of the Collocation Space as allowed by Section 51.323(j) of the FCC's regulations, which provides that "[a]n incumbent LEC shall permit a collocating telecommunications carrier to subcontract the construction of physical collocation arrangements with contractors approved by the incumbent LEC." AT&amp;T's proposed language goes no further than is allowed by the regulations, and SWBT's opposition to this language is therefore unreasonable.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p><b><u>3.X AT&amp;T may better SWBT's quoted Common Charge, quoted Collocated Space Charge, or quoted Completion Interval by subcontracting the preparation of the Collocated Space or the modification of the Eligible Structure with contractors approved by SWBT. SWBT's approval of contractors will be based on the same criteria that it uses in approving contractors for its own purposes, which approval will not be unreasonably withheld. AT&amp;T will be responsible for the cost of its own contractors; SWBT will adjust the Preparation Charge to account for AT&amp;T's provision of its own contractors.</u></b></p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
10. Should SWBT be required to refund a pro-rata share of the common charge over twelve month's after the initial collocator has collocated in an Eligible Structure?	SWBT's proposal would require SWBT to pay a prorated refund to previous collocators only for the first twelve months after the first collocator's payment of an initial Monthly Charge. This arrangement is unreasonable for a number of reasons. First, SWBT's proposal does not eliminate the obligation of the second, third, or fourth collocators to pay a "Common Charge" to SWBT; accordingly, under SWBT's proposal, SWBT could be reimbursed twice or three times for the "common charges" that it has incurred. Second, SWBT's proposal discriminates against initial collocators and in favor of subsequent collocators, because while a subsequent collocator will pay to SWBT a common charge that reflects its pro-rata share of SWBT's costs, the initial collocator will, in many circumstances, pay more than that amount. By discriminating against initial collocators this language also encourages telecommunications providers to put off collocation efforts until another provider has already collocated in an Eligible Structure, and therefore encourages a wait-and-see attitude that is anti-competitive. SWBT's proposal should therefore be excluded.	<b><u>Attachment 13: Appendix Collocation</u></b>  4.X Each time additional collocator(s) use(s) physical collocation in the same Eligible Structure, each previous collocator will receive a prorated refund of its previously paid Initial Common Charge or Common Charge.

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
11. How should the parties be compensated should regulatory approval of a Collocated Space be refused after preparation of the space has begun?	<p>In the event that the preparation of the Collocated Space has commenced and that the Commission fails to approve the Parties' collocation arrangement, this section provides for payments between AT&amp;T and SWBT in an attempt to return the parties, as closely as possible, to their pre-contract positions. To accomplish that objective, the section in part requires AT&amp;T to reimburse SWBT for SWBT's non-recoverable costs. Also, like any other ratepayer, AT&amp;T should not have to pay for unreasonable costs incurred by a public utility. AT&amp;T's proposed language would limit AT&amp;T's reimbursement obligation to those non-recoverable costs which are reasonable. Such a limitation is appropriate. AT&amp;T, like any other purchaser of construction services, should not be required to pay unreasonable construction costs; otherwise, SWBT would have no incentive to complete the preparation of the Collocated Space efficiently and economically. AT&amp;T's proposed language would also require SWBT to provide AT&amp;T with a detailed invoice itemizing the non-recoverable costs that SWBT has incurred. The invoice is necessary so that AT&amp;T may determine the nature and amount of SWBT's non-recoverable costs and so that AT&amp;T may determine whether those costs are reasonable. AT&amp;T's language should therefore be included.</p> <p>SWBT's proposal provides that "estimated" net salvage be deducted from the non-recoverable costs that AT&amp;T must pay to SWBT. AT&amp;T opposes this language, because there is no reason for an estimated rather than an actual value to be used; the actual value would better accomplish the objective of placing the parties in their pre-contract positions. The remainder of SWBT's proposal notes that the permissible non-recoverable charges listed in this section are not exclusive. This language is unreasonable, because it renders the list ineffective as a limitation on SWBT's ability to bill non-recoverable charges to AT&amp;T. This Appendix is intended to define the Parties' relationship with respect to collocation at SWBT's Eligible Structures. By qualifying provisions in the Appendix with terms such as "including but not limited to," SWBT attempts to remove all clarity from the Parties' arrangement to its future benefit. SWBT's proposal is therefore unreasonable.</p>	<p><b><u>Attachment 13: Appendix Collocation</u></b></p> <p>4.X At the written election of AT&amp;T, and upon payment of the sums described above in Sections 4.X and 4.X, SWBT will begin preparing the Collocated Space for AT&amp;T prior to receiving the regulatory approval required by Section 3.X above. Payment to SWBT of the remaining charges under these sections shall be due upon completion. If the Commission fails to give unqualified approval to the Parties' collocation arrangement as required by Section 3.X, and the Parties do not otherwise agree to continue the collocation arrangement for the Collocated Space, AT&amp;T will pay SWBT, within a reasonable time after the Commission's decision, an amount equal to SWBT's <b><u>reasonable</u></b> non-recoverable costs less net salvage and less the amount already paid to SWBT. Non-recoverable charges include, , the non-recoverable cost of equipment and material ordered, provided, or used; trued-up Subcontractor Charges, the non-recoverable cost of installation and removal, including the costs of equipment and material ordered, provided, or used; labor, transportation and any associated costs. If the amounts already paid to SWBT plus the net salvage exceed SWBT's <b><u>reasonable</u></b> non-recoverable costs, SWBT will refund to AT&amp;T the excess amount within a reasonable time after the Commission's decision. <b><u>SWBT will provide AT&amp;T with a detailed invoice itemizing its non-recoverable costs.</u></b></p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
12. May AT&T review and approve the working drawings and specifications for the preparation of the Collocated Space and the modification of the Eligible Structure?	AT&T's proposed language would require SWBT to provide AT&T with copies of the working drawings and specifications for the preparation of the Collocated Space and the modification of the Eligible Structure. AT&T's proposed language would also allow AT&T to propose alterations to those working drawings and specifications. AT&T's proposed language is reasonable. AT&T's review and approval of the working drawings and specifications would insure, prior to the commencement of construction activities, that the Collocated Space will be prepared in compliance with AT&T's collocation request. Without such review, the Collocated Space could be improperly constructed, unreasonably increasing AT&T's costs. Moreover, the review and approval of working drawings and specifications is a standard practice in the construction industry. Accordingly, AT&T's proposed language should therefore be included.	<u>Attachment 13: Appendix Collocation</u>  4.X SWBT will contract for or perform the preparation of the working drawings and specifications for the modification of the Eligible Structure and the preparation of the Collocated Space. <u>Prior to SWBT commencing any construction or preparation activities, SWBT will provide copies of the working drawings and specifications to AT&amp;T, and AT&amp;T must approve these working drawings and specifications within seven days of receipt. Upon AT&amp;T's request, SWBT will modify the working drawings and specifications in accord with AT&amp;T's request alterations. SWBT will provide copies of the modified working drawings and specifications to AT&amp;T and AT&amp;T must approve these modified working drawings and specifications within seven days of receipt. The Completion Interval will be abated between SWBT's provision of the working drawings and specifications to AT&amp;T and AT&amp;T's approval of those working drawings and specifications.</u>
13. May AT&T review SWBT's bids and participate in the bid acceptance process?	AT&T's proposed language would require SWBT to notify AT&T of the receipt of bids for the preparation of the Collocated Space and would require SWBT to provide copies of those bids for AT&T's review. AT&T's proposed language would then require SWBT and AT&T jointly to evaluate those bids. AT&T's proposed language is reasonable and should be included. Considering that AT&T (and not SWBT) will pay the eventual cost of the services bid, AT&T should be permitted to participate in the bid selection process. Moreover, since AT&T may subcontract the preparation of the Collocated Space using its own subcontractors, AT&T's review of those bids is essential to render effective AT&T's right to use its own subcontractors.	<u>Attachment 13: Appendix Collocation</u>  4.X After AT&T approves the working drawings and specifications, SWBT will solicit bids for the modification of the Eligible Structure and the preparation of the Collocated Space. SWBT will notify AT&T of its receipt of such bids and will provide copies of those bids to AT&T. SWBT and AT&T will jointly evaluate those bids, and SWBT will not accept any bids without AT&T's assent.
14. May AT&T subcontract the preparation of the Collocated Space	AT&T's proposed language would allow AT&T to subcontract the preparation of the Collocated Space as allowed by Section 51.323(j) of the FCC's regulations, which provides that "[a]n incumbent LEC shall permit a collocating telecommunications carrier to subcontract the construction of physical collocation arrangements with contractors approved by the incumbent LEC." AT&T's proposed language goes no further than is allowed by the regulations, and SWBT's opposition to this language is therefore unreasonable.	<u>Attachment 13: Appendix Collocation</u>  4.X <u>AT&amp;T may better SWBT's bids by subcontracting the preparation of the Collocated Space or the modification of the Eligible Structure with contractors approved by SWBT. SWBT's approval of contractors will be based on the same criteria that it uses in approving contractors for its own purposes, which approval will not be unreasonably withheld. AT&amp;T will be responsible for the cost of its own contractors; SWBT will adjust the Preparation Charge to account for AT&amp;T's provision of its own contractors.</u>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
15. May AT&T subcontract the preparation of Collocated Space?	AT&T's proposed language makes clear that AT&T may subcontract the construction and preparation of the Collocated Space as allowed by Sec. 57.323(j) of the FCC's regulations. If AT&T's proposed language for Section 3.X is included, this proposed language should also be included.	<b>Attachment 13: Appendix Collocation</b>  <b><u>4.X Except for construction and preparation activities performed by AT&amp;T's own contractors, SWBT or SWBT's subcontractors will perform the construction and preparation activities underlying the Preparation Charge, including the Common Charge, the Collocated Space Charge, and the Subcontractor Charges, and any Custom Work charges, using same or consistent practices that are used by SWBT for other construction and preparation work performed in the Eligible Structure.</u></b>
16. Should SWBT be required to provide as-built drawings to AT&T?	AT&T's proposed language would require SWBT to provide AT&T with construction documentation and as-built drawings for all work done related to the construction of the Collocated Space. This requirement imposes no real burden on SWBT, as SWBT will have created this documentation during its construction of the Collocated Space. It is a standard construction industry practice for a contractor to provide as built drawings and other construction documentation as part of the contractor's services. AT&T requires this documentation so that it may verify that the construction of the Collocated Space was properly accomplished, and so that it can reference those drawings should the information contained in them later be required. AT&T's proposed language is reasonable and should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  <b><u>4.X SWBT will provide to AT&amp;T ordinary construction documentation submitted to and received from contractors or its internal engineering or installation work force, including but not limited to as-built drawings, for any work related to construction of the Collocated Space.</u></b>
17. Must SWBT allow AT&T to perform periodic inspections of the construction of the Collocated Space?	AT&T's proposed language would allow AT&T to perform regular inspections of the preparation of the Collocated Space during the construction process to insure that the construction is properly performed. AT&T's proposed language would then require SWBT to correct any construction errors as soon as reasonably practicable. AT&T's proposed language is reasonable. The conduct of periodic inspections of a construction site to insure compliance with drawings and specifications is a standard construction industry practice. Such inspections are conducted to identify construction errors earlier rather than later to reduce the cost of correcting those errors. AT&T's proposed language would not impose a significant burden on SWBT; because the inspections would occur during the construction process, SWBT employees should be present to accompany AT&T on these inspections. AT&T's proposed language is not unreasonable and should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  <b><u>4.X SWBT will permit AT&amp;T to inspect the ongoing preparation of the Collocated Space or modification of the Eligible Structure at regular intervals. At a minimum, SWBT will permit AT&amp;T to inspect the Collocated Space and Eligible Structure when construction is approximately 25% completed, when construction is approximately 50% completed, and when construction is approximately 75% completed. Should AT&amp;T's inspections reveal that SWBT or SWBT's subcontractors have deviated from the approved working drawings and specifications in the construction of the Collocated Space or modification of the Eligible Structure, SWBT will correct those deviations as soon as reasonably practicable.</u></b>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue	AT&T Reason why language should be included or excluded	AT&T Language
18. Must SWBT notify AT&T that preparation of Collocated Space is 50% completed?	AT&T's proposed language requires SWBT to notify AT&T when the preparation of the Collocated Space is 50% completed. The provision of this information would not impose a substantial burden on SWBT. The information is necessary so that AT&T will be notified of the timeliness of SWBT's preparation activities and can make appropriate arrangements should SWBT be behind or ahead of schedule, including notifying end-user customers of any delay in provision of their service. AT&T's proposed language should therefore be included.	<u>Attachment 13: Appendix Collocation</u>  <b><u>4.X SWBT will notify AT&amp;T when construction of the Collocated Space is 50% completed. SWBT will confirm its Completion Interval, if possible; otherwise SWBT will notify AT&amp;T of all jeopardies that could delay the preparation of the Collocated Space.</u></b>
19. May AT&T subcontract the preparation of Collocated Space or pursue other remedies if SWBT performs inefficiently?	AT&T's proposed language allows AT&T to subcontract the preparation of the Collocated Space if SWBT is unable to complete the preparation of the Collocated Space within the specified Completion Interval. The proposed language provides an effective remedy for AT&T when SWBT performs the preparation of the Collocated Space inefficiently. This is a reasonable business practice which is often included in construction contracts to remedy a failure to complete construction on time. The proposed language is also consistent with Section 51.323(j) of the FCC's regulations and is therefore reasonable. AT&T's proposed language should therefore be included.	<u>Attachment 13: Appendix Collocation</u>  <b><u>4.X SWBT will exercise due diligence to prepare the Collocated Space in a reasonable time period, not to exceed three months from AT&amp;T's acceptance of SWBT's price quotation, unless otherwise mutually agreed to in writing by AT&amp;T and SWBT. In the event that SWBT is not able to prepare the Collocated Space within the quoted Completion Interval, SWBT will provide AT&amp;T with a revised Completion Interval within seven (7) working days after SWBT ascertains that the original Completion Interval cannot be met. If the revised Completion Interval is objectionable to AT&amp;T, and the parties cannot resolve AT&amp;T's objection, the issue may be presented to the State Commission for review. <u>Alternatively, if the revised Completion Interval is objectionable to AT&amp;T, AT&amp;T may individually subcontract the further preparation of the Collocated Space or further modification of the Eligible Structure with contractors approved by SWBT. SWBT's approval of contractors will be based on the same criteria that it uses in approving contractors for its own purposes, which approval will not be unreasonably withheld. AT&amp;T will be responsible for the cost of its own contractors; SWBT will, however, reduce the Preparation Charge by AT&amp;T's cost of providing its own contractors.</u></u></b>
20. Must SWBT pay liquidated damages for delayed completion of Collocated Space?	AT&T's proposed language provides for liquidated damages of \$1,000.00 per day should SWBT not complete the preparation of the Collocated Space within the quoted Completion Interval. Liquidated damages for such a delay is appropriate, considering the difficulties of proof of loss and the absence of a feasible remedy to compensate AT&T for such a delay including damages to goodwill. Liquidated damages clauses are common in construction contracts for those reasons, and this specific clause is not unreasonable. AT&T's proposed language should therefore be included.	<u>Attachment 13: Appendix Collocation</u>  <b><u>4.13 If SWBT is not able to prepare the Collocated Space within the quoted Completion Interval, SWBT will be liable to AT&amp;T for liquidated damages in the amount of \$1,000.00 for each day between the expiration of the quoted Completion Interval and the completion of the Collocated Space.</u></b>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue	AT&T Reason why language should be included or excluded	AT&T Language
21. When may SWBT fail to notify AT&T of the completion of the Collocated Space?	SWBT's proposal would excuse SWBT's failure to notify AT&T of the completion of a collocated space within five (5) days under "unusual circumstances." SWBT's proposal is unreasonable. The simple notification required by this section is neither complex, difficult, nor time consuming. Five (5) days' time is certainly sufficient to account for any "unusual circumstances" that could delay notification to AT&T. SWBT's proposal should therefore be excluded.	<b>Attachment 13: Appendix Collocation</b>  4.X SWBT will notify AT&T within five (5) days after preparation is complete that preparation of the Collocated Space has been completed.
22. Must SWBT correct errors in the preparation of the Collocated Space?	AT&T's proposed language would allow AT&T to inspect the Collocated Space and Eligible Structure and would require SWBT to correct SWBT's errors in both the preparation of the Collocated Space and modification of the Eligible Structure. Both the inspection and error-correction requirements are common in construction contracts and are reasonable in this section. AT&T's proposed language should therefore be included.  SWBT's proposal would prohibit AT&T from accessing the Collocated Space for any purpose other than inspection prior to AT&T's payment of the unpaid portions of the Preparation Charge. This proposal is unreasonable for the reasons stated in the section of this Matrix addressed to Section 5.X of this Appendix.	<b>Attachment 13: Appendix Collocation</b>  <b><u>5.X On or after the Commencement Date, AT&amp;T will be permitted to access the Collocated Space and Eligible Structure for the limited purpose of inspecting them. At AT&amp;T's request and at SWBT's expense, SWBT will correct all errors in SWBT's preparation of the Collocated Space or in its modification of the Eligible Structure as soon as reasonably practicable. After AT&amp;T has approved both SWBT's preparation of the Collocated Space and modification of the Eligible Structure, AT&amp;T may occupy the Collocated Space.</u></b>
23. When may AT&T occupy the Collocated Space?	SWBT's proposal would prohibit AT&T from occupying the Collocated Space until after AT&T has paid to SWBT the remaining portions of the Preparation Charge. In contrast, AT&T's proposed language, taken in concert with the language in Section 5.X, would permit AT&T to occupy the Collocated Space immediately after AT&T had approved SWBT's preparation of the Collocated Space. Under AT&T's proposed language, SWBT would bill the unpaid portions of the Preparation Charge at that time, and AT&T would pay that bill in accord with the payment provisions of this Appendix. Conditioning AT&T's occupancy of the Collocated Space on SWBT's receipt of payment for the remaining charges is contrary to standard telecommunications industry practices, where actions are taken prior to and on the expectation of payment. AT&T's occupancy of the Collocated Space should not be delayed, because AT&T has agreed to comply with the payment provisions of this Appendix with respect to SWBT's bills for these charges. If AT&T for some reason did not comply with those payment provisions, SWBT would be protected by Section 17.X of this Appendix, among others. AT&T's language should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  <b><u>5.X After AT&amp;T has approved both SWBT's preparation of the Collocated Space and modification of the Eligible Structure, SWBT will bill AT&amp;T the unpaid portions of the Common Charge, Collocated Space Charge, and Custom Work Charge, as specified in Sections 4.X and 4.X above.</u></b>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
<p>24. Must SWBT provide specifications for the following portions of the Collocated Space to AT&amp;T?</p> <p>a. Point of Termination Bays</p>	<p>AT&amp;T's proposed language would require SWBT to provide AT&amp;T with detailed drawings of the SWBT Point of Termination Bays in AT&amp;T's Collocated Space. This requirement imposes no real burden on SWBT, because SWBT will have created these drawings during its preparation of the Collocated Space. AT&amp;T requires these drawings so that it can navigate the Point of Termination frame that is installed in the Collocated Space, and so that AT&amp;T can efficiently accomplish the interconnection of AT&amp;T's facilities with SWBT's network. A requirement to provide final, as-built drawings is common in other construction contracts. AT&amp;T's proposed language is not unreasonable and should therefore be adopted.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p><b><u>5.X SWBT will provide telephone equipment detailed drawings depicting the exact location, type, and cable termination requirements (i.e., connector type, number and type of pairs, and naming convention) for SWBT Point of Termination Bay(s) to AT&amp;T within seven (7) days of AT&amp;T's approval of both SWBT's preparation of the Collocated Space and modification of the Eligible Structure.</u></b></p>
<p>24b. Outside plant cable ingress and egress</p>	<p>AT&amp;T's proposed language would require SWBT to provide AT&amp;T with detailed drawings of AT&amp;T's outside plant cable ingress and egress into the Collocated Space. This requirement imposes no real burden on SWBT, because SWBT will have created these drawings during its preparation of the Collocated Space. AT&amp;T requires these drawings so that it can have a record of the AT&amp;T cable ingress and egress and so that AT&amp;T can verify that AT&amp;T's cable uses diverse routes into the SWBT Eligible Structure. A requirement to provide final, as-built drawings is common in other construction contracts. AT&amp;T's proposed language is not unreasonable and should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p><b><u>5.X SWBT will provide detailed telephone equipment drawings depicting the exact path, with dimensions, for AT&amp;T outside plant cable ingress and egress into AT&amp;T Collocated Space within seven (7) days of AT&amp;T's approval of both SWBT's preparation of the Collocated Space and modification of the Eligible Structure. Such path and any areas around it in which AT&amp;T must work to perform installation will be free of friable asbestos, lead paint (unless encapsulated), radon, and other health or safety hazards.</u></b></p>
<p>24c. Power Cabling Connectivity</p>	<p>AT&amp;T's proposed language would require SWBT to provide AT&amp;T with detailed power connectivity information. This requirement imposes no real burden on SWBT, because SWBT will have created these drawings during its preparation of the Collocated Space. AT&amp;T requires these drawings so that it may verify the use of properly-sized power cable connectivity and so that AT&amp;T may verify that SWBT's power cabling complies with the requirements of this Appendix. A requirement to provide final, as-built drawings is common in other construction contracts. AT&amp;T's proposed language is not unreasonable and should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p><b><u>5.X SWBT will provide detailed power cabling connectivity information including the sizes and number of power feeders to AT&amp;T within fourteen (14) days of AT&amp;T's approval of both SWBT's preparation of the Collocated Space and modification of the Eligible Structure.</u></b></p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue	AT&T Reason why language should be included or excluded	AT&T Language
25. How much time may AT&T take before it occupies the Collocated Space?	<p>AT&amp;T's proposed language would allow SWBT to extend an additional ninety days to AT&amp;T to occupy the space should circumstances beyond the reasonable control of AT&amp;T have prevented AT&amp;T from complying with the equipment placement requirements of this section. AT&amp;T's proposed language imposes no obligation on SWBT to extend additional time to AT&amp;T, but unlike SWBT's proposal, AT&amp;T's proposed language leaves the option open. AT&amp;T's proposed language is reasonable, and it should therefore be adopted.</p> <p>AT&amp;T's proposed language would also allow AT&amp;T to comply with the equipment placement requirements of this section by permitting another local service provider to collocate equipment or facilities in AT&amp;T's Collocated Space. Without this language, the sublease and assignment provisions of Section 17.X of this Appendix would be nullified by this section. If AT&amp;T's proposed language for Section 17.1 is included, this AT&amp;T's proposed language for this section should also be included.</p>	<p><u>Attachment 13: Appendix Collocation</u></p> <p><b><u>5.X Unless there are unusual circumstances, AT&amp;T must place telecommunications equipment in the Collocated Space within sixty (60) days after AT&amp;T is permitted to occupy the Collocated Space under Sections 5.X and 5.X above, provided, however, that this sixty (60) day period will not begin until regulatory approval is obtained under Section 3.X above. AT&amp;T may comply with this requirement by permitting another local service provider to collocate equipment or facilities in the Collocated Space, pursuant to Section 15.X below. If AT&amp;T fails to comply with this requirement, SWBT may offer the Collocated Space to another collocator provided, however, that SWBT may extend an additional ninety (90) days to AT&amp;T upon a demonstration by AT&amp;T that it exercised its best effort to comply with this requirement and that circumstances beyond AT&amp;T's reasonable control that prevented AT&amp;T from complying with this requirement.</u></b></p>
26. Under what circumstances may SWBT raise the monthly charge for a Collocated Space?	<p>SWBT's proposal would allow it to increase the "Monthly Charge" to AT&amp;T upon thirty (30) days' notice at any time and for any reason. This language is unreasonable, because it permits SWBT to quote one Monthly Charge prior to the preparation of the Collocated Space and then levy a higher Monthly Charge after AT&amp;T has paid for the construction of the Collocated Space. This bait-and-switch approach is unfair and should not be permitted. Moreover, AT&amp;T's alternative language is not unreasonable. AT&amp;T's language would prohibit SWBT from raising the monthly charge for the first six months of AT&amp;T's use of the Collocated Space. For the remainder of AT&amp;T's occupancy of the Collocated Space, SWBT would be permitted to increase the Monthly Charge on thirty (30) days' notice in order to compensate SWBT for an increase in SWBT's actual costs associated with the Collocated Space. AT&amp;T's language would therefore protect SWBT should an increase in SWBT's actual costs render the provision of the Collocated Space uneconomical. SWBT's proposal should be excluded and AT&amp;T's language should be included. If AT&amp;T's definition of the "monthly charge" in Section 3.X is adopted, the charge would consist of only certain specific fees, none of which are subject to large or frequent fluctuations in cost.</p>	<p><u>Attachment 13: Appendix Collocation</u></p> <p><b><u>5.X Beginning on the first date of occupancy of the Collocated Space, AT&amp;T will pay the Monthly Charge to SWBT for each month that AT&amp;T occupies the Collocated Space. The Monthly Charge will not be increased during the first six months of AT&amp;T's use of the Collocated Space. Thereafter, SWBT may increase the Monthly Charge upon thirty (30) day's notice to AT&amp;T to compensate it for an increase in SWBT's actual costs associated with the Collocated Space; otherwise SWBT will not increase the Monthly Charge.</u></b></p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue	AT&T Reason why language should be included or excluded	AT&T Language
27. How should the parties be compensated should AT&T cancel a request for Collocated Space?	<p>In the event that AT&amp;T cancels a collocation request or fails timely to occupy the Collocated Space, this section provides for payments between AT&amp;T and SWBT in an attempt to return the parties, as closely as possible, to their pre-contract positions. To accomplish that objective, the section in part requires AT&amp;T to reimburse SWBT for SWBT's non-recoverable costs. AT&amp;T's proposed language would limit AT&amp;T's reimbursement obligation to those non-recoverable costs which are reasonable. Such a limitation is appropriate. Also, like any other ratepayer, AT&amp;T should not have to pay for unreasonable costs incurred by a public utility. AT&amp;T, like any other purchaser of construction services, should not be required to pay unreasonable construction costs; otherwise, SWBT would have no incentive to complete the preparation of the Collocated Space efficiently and economically. AT&amp;T's proposed language would also require SWBT to provide AT&amp;T with a detailed invoice itemizing the non-recoverable costs that SWBT has incurred. This detailed invoice is necessary so that AT&amp;T may determine the nature and amount of SWBT's non-recoverable costs and so that AT&amp;T may determine whether those costs are reasonable. AT&amp;T's proposed language should therefore be included.</p> <p>AT&amp;T's proposed language provides that AT&amp;T's liability to SWBT be reduced by the amounts already paid to SWBT. This language is necessary to return the parties, as closely as possible, to their pre-contract positions. Without AT&amp;T's language, this section would constitute an invalid penalty clause, among other reasons, because (1) the situation addressed by the clause is not one in which damages are impossible to pre-estimate with certainty; (2) the penalty paid under the clause is not proportionate to the damages sustained by SWBT but instead is proportionate to the amount already paid by AT&amp;T to SWBT; and (3) the clause is intended by SWBT to impose a penalty on AT&amp;T instead and is not intended as a means to calculate damages. AT&amp;T's proposed language should therefore be included.</p> <p>SWBT's proposal provides that "estimated "net salvage be deducted from the non-recoverable costs that AT&amp;T must pay to SWBT. AT&amp;T opposes this language, because there is no reason for an "estimated" rather than an actual value to be used; the actual value would better accomplish the objective of placing the parties in their pre-contract positions. SWBT's proposal is therefore unreasonable.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>5.X In the event that AT&amp;T cancels a request for Collocated Space or fails to occupy a Collocated Space in the time provided under Section 5.X above, then in addition to any other remedies that SWBT might have, AT&amp;T will owe to SWBT its <u>reasonable</u> non-recoverable costs less net salvage <b>and less the amounts already paid to SWBT</b>. Non-recoverable costs include the non-recoverable cost of equipment and material ordered, provided or used; trued-up Subcontractor Charges, the non-recoverable cost of installation and removal, including the costs of equipment and material ordered, provided or used; labor; transportation and any other associated costs. If the amounts already paid to SWBT plus the net salvage exceed SWBT's reasonable nonrecoverable costs, SWBT will refund to AT&amp;T the excess amount within thirty (30) days of the cancellation of the request. <b>SWBT will provide AT&amp;T with a detailed invoice itemizing its non-recoverable costs.</b></p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
28. What terms and conditions should govern billing and payment of Collocation Charges?	<p>AT&amp;T's proposed language would require AT&amp;T to pay SWBT's collocation charges within forty-five (45) days of the billing date. In contrast, SWBT's proposal would require AT&amp;T to pay those charges within thirty (30) days of the billing date. The terms and conditions portion of the Interconnection Agreement contains provisions, agreed to by both parties, that govern billing and payment, requiring AT&amp;T to pay SWBT's bills within thirty (30) days of AT&amp;T's receipt of those bills. Here, considering that SWBT's collocation charges are calculated on a case-by-case basis rather than established in the Interconnection Agreement, AT&amp;T needs fifteen (15) more days to review those charges carefully to determine whether those charges are reasonable. AT&amp;T's proposed departure from the payment terms in the terms and conditions portion of this Interconnection Agreement is justified; AT&amp;T's proposed language should therefore be included.</p> <p>AT&amp;T's other proposed language clarifies that this section applies only to the billing and payment of collocation charges and does not apply to charges specified in other portions of the Agreement. This language is not unreasonable and should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>6.X <b>Billing of collocation charges specified in this Appendix shall occur on or about the 25th day of each month, <u>with payment due forty-five (45) days from the bill date.</u></b> SWBT may change its billing date practices upon thirty (30) days notice to AT&amp;T.</p>
29. What amount of interest should AT&T pay SWBT on unpaid collocation charges?	<p>SWBT's proposal conflicts with the interest provisions in the terms and conditions portion of the Interconnection Agreement. Those interest provisions are agreed to by both parties and are reasonable. Moreover, SWBT has advanced no reason why a different interest rate should apply to collocation charges than which applies to other charges under the entire Interconnection Agreement.</p>	<p>[AT&amp;T opposes the inclusion of SWBT's proposal]</p>
30. What terms and conditions should govern the relocation of Collocated Space at SWBT's request?	<p>This section allows SWBT to relocate AT&amp;T's Collocated Space <i>at AT&amp;T's expense</i> if SWBT determines that AT&amp;T's continued occupancy of the Collocated Space is uneconomical for SWBT. Under SWBT's proposal, SWBT's determination that continued occupancy is uneconomical is "in SWBT's sole judgment" and is therefore <i>unreviewable</i>. In light of the potential for SWBT to impose astronomical costs upon AT&amp;T by continually relocating AT&amp;T's Collocated Spaces, it is unreasonable to vest the "uneconomical" determination solely in SWBT's hands. SWBT's proposal should therefore be excluded.</p> <p>AT&amp;T's proposed language would require SWBT to bear all relocation costs if SWBT's relocation decision is not justified by any of the factors listed in this section. By continually relocating AT&amp;T's collocated spaces, SWBT could interfere with AT&amp;T's service to end user customers and prevent AT&amp;T from providing quality service to customers. AT&amp;T's proposed language is reasonable, and it should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>7.X Notwithstanding Section 2.X above, in the event that SWBT determines it necessary for the Collocated Space to be moved within an Eligible Structure or to another Eligible Structure, AT&amp;T is required to do so. In such an event, AT&amp;T shall be responsible for the preparation of the new Collocated Space at the new location if such relocation arises from circumstances beyond the reasonable control of SWBT, including condemnation or government order or regulation that makes the continued occupancy of the Eligible Structure uneconomical. Otherwise SWBT shall be responsible for any such preparation <b><u>and will bear all SWBT and AT&amp;T costs associated with the preparation and relocation.</u></b> If Collocated Space is relocated under this Section 7.X, SWBT and AT&amp;T will cooperate to insure that AT&amp;T will not experience out of service conditions beyond reasonable cut-over intervals while collocated equipment is relocated, reconnected, and tested.</p>

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**XI. COLLOCATION**  
**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
31. What terms and conditions should govern the relocation of Collocated Space at AT&T's request?	Under AT&T's proposed language, SWBT must allow AT&T to move the Collocated Space to a new space on a non-discriminatory, first-come, first-served basis. This language is necessary to clarify that the FCC requirement that space be allocated in a non-discriminatory manner applies both to the initial acquisition of Collocated Space and to the relocation of Collocated Space. SWBT's proposal, on the other hand, is ambiguous and would therefore allow SWBT unfettered discretion to deny a relocation request based upon "associated requirements." SWBT's proposal should therefore be excluded, and AT&T's proposed language should be included.	<b>Attachment 13: Appendix Collocation</b>  7.X In the event that AT&T requests that the Collocated Space be moved within an Eligible Structure or to another Eligible Structure, SWBT shall permit AT&T to relocate the Collocated Space, subject to the availability of space <u>in a non-discriminatory, first-come, first-served basis.</u>
32. Which transmission medium should AT&T be permitted to use?  How many points of entry to an Eligible Structure must SWBT provide?	AT&T's proposed language would allow AT&T to use technically appropriate media as a transmission medium to the Collocated Space. In a competitive marketplace, AT&T should be able to use a variety of different transmission media both to address its needs and to meet the needs or desires of its end-user customers. Changes in technology or the needs of a group of customers may require the use of media other than fiber optic cable, copper cable, coaxial cable, or microwave transmission facilities. AT&T's proposed language that references other "technically-appropriate media" is necessary and reasonable; should a new high-technology transmission medium (such as superconducting wire, for example) become technically feasible for collocation, AT&T should be permitted to use it.  The need to ensure reliability through redundancy or the need to provide a different calling scope than SWBT may require the use of two or more points of entry in order to better serve end user customers. AT&T's proposed language therefore requires SWBT to size newly constructed points of entry to the Eligible Structure to accommodate AT&T's use of those entrance points. <i>This language is consistent with Section 51.323(f)(3) of the FCC Regulations and is not unreasonable.</i> Consequently, AT&T's proposed language should be adopted, and SWBT's proposal should be rejected.	<b>Attachment 13: Appendix Collocation</b>  8.X AT&T may use single mode dielectric fiber optic cable, <u>or other technically-appropriate media</u> as a transmission medium to the Collocated Space or Eligible Structure. AT&T may use copper cable or coaxial cable only where AT&T can demonstrate that interconnection of copper or coaxial cable will not impair SWBT's ability to serve its own customers or other collocators. AT&T may use microwave transmission facilities as a transmission medium to the Eligible Structure where Collocated Space is located, except where microwave transmission facilities are not practical for technical reasons or because of space limitations. SWBT will provide at least two separate points of entry to the Eligible Structure wherever there are at least two entry points for SWBT's cable facilities and at which space is available for new facilities in at least two of those entry points. <u>Where such space is not immediately available, if SWBT makes additional entry points available for SWBT's use, SWBT will size such separate points of entry to accommodate AT&amp;T's use of such entry points. In each instance, where SWBT performs such work in order to accommodate its own needs and those specified by AT&amp;T's written request, AT&amp;T and SWBT will share the costs of sizing the entry points incurred by SWBT by prorating those costs using the number of cables to be placed in the entry point by each of the two parties in the first twelve (12) months thereafter.</u>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
<p>33. Should this Appendix address technical requirements for provision of the following items related to the Collocated Space?</p> <p>a. intraoffice facilities.</p>	<p>AT&amp;T's proposed language in this section sets forth terms and conditions that govern various technical requirements regarding SWBT's provision and AT&amp;T's use of the Collocated Space. These provisions are needed to ensure that the networks are compatible so that interconnection works and customers can continue to receive reliable high-quality service. Specifically, AT&amp;T's proposed language is necessary so that AT&amp;T may use a variety of signal levels and therefore provide better service to its end user customers. Moreover, AT&amp;T's proposed language would require SWBT to provide synchronous timing to ensure that SWBT and AT&amp;T's networks will be compatible. Neither of these requirements would impose an unreasonable burden upon SWBT, and AT&amp;T's proposed language should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p><b><u>9.X SWBT will provide intraoffice facilities (e.g., DS0, DS1, DS3, OC3, OC12, OC48, and STS-1 terminations as well as optical, coaxial or twisted-pair interconnected cabling), as requested by AT&amp;T to meet AT&amp;T's need for placement of equipment, interconnection, or provision of service. SWBT will provide synchronous timing to AT&amp;T equipment to maintain compatibility with SWBT office equipment</u></b></p>
<p>33b. access to collocated space.</p>	<p>AT&amp;T's proposed language would require SWBT to allow AT&amp;T to access the Collocated Space twenty-four hours per day, seven days per week. SWBT's alternative proposal would allow AT&amp;T to access the collocated space only at "reasonable times." SWBT's position is unreasonable for a number of reasons. First, parity favors AT&amp;T's access to the Collocated Space twenty-four hours per day, seven days per week, because SWBT may access its own equipment during those times. Second, AT&amp;T may require access to its Collocated Space outside of reasonable business hours. AT&amp;T will require access to the Collocated Space to repair its equipment, should that equipment fail at night or on the weekends, to avoid unnecessary disruption of service to AT&amp;T's customers. AT&amp;T's proposed language is not unreasonable and should therefore be included.</p> <p>The remainder of AT&amp;T's proposed language would require that SWBT's security restrictions on AT&amp;T be no more restrictive than those that SWBT places on its own employees. While the FCC regulations allow SWBT to impose "reasonable security arrangements to separate a collocating telecommunications carrier's space from the incumbent LEC's facilities," FCC Regs § 51.323(i), they do not allow SWBT to impose security arrangements on AT&amp;T employees that it is not willing to impose on its own employees. The requirement that SWBT's security arrangements be applied to both SWBT and AT&amp;T employees would encourage SWBT to design security arrangements that are fair but not overly oppressive. AT&amp;T's proposed language should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p><b><u>9.X Other than reasonable security restrictions, SWBT will place no restriction on access to the AT&amp;T Collocated Space by AT&amp;T's employees and designated agents. Such space will be available to AT&amp;T employees and designated agents twenty-four (24) hours per day each day of the week. In no case will any security restrictions at the Eligible Structure be more restrictive than those SWBT places on its own personnel.</u></b></p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
33c. equipment standards	<p>AT&amp;T's proposed language requires that AT&amp;T's collocated equipment be "used and useful," as is required by Section 579 of the FCC Order. SWBT's opposition to this language, on the ground that AT&amp;T's collocated equipment be indispensable, has already been rejected by the FCC. The remainder of AT&amp;T's proposed language would allow AT&amp;T to collocate equipment that is similar to remote switching module equipment (RSM), such as the Lucent EXM or Nortel RSC-C. Such similar equipment performs the same function as an RSM, but may not share the name RSM. SWBT's opposition to AT&amp;T's proposed language emphasizes nomenclature instead of functionality. AT&amp;T's proposed language should therefore be included.</p> <p>In addition to "equipment for enhanced services," SWBT's proposal would prohibit AT&amp;T from placing "equipment for information services" in the Collocated Space. While Section 581 of the FCC Order clearly prohibits "collocation of equipment necessary to provide enhanced services," it makes no mention of information services, and it is therefore inappropriate to exclude such equipment. Moreover, SWBT's proposal does not clearly define which services are or are not "information services." Such ambiguity could allow SWBT to exclude services that otherwise would be permitted by the FCC. The remainder of SWBT's proposal would prohibit AT&amp;T from collocating RSMs on a virtual collocation basis. Such language exceeds the scope of the Commission Order and should therefore be excluded.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>9.X Subject to the other provisions hereof, AT&amp;T may collocate the amount and type of telecommunications equipment necessary in its Collocated Space for access to SWBT's unbundled network elements and for interconnection to SWBT and, subject to Section 10.X hereof, other collocators. All AT&amp;T equipment placed in the Collocated Space will conform to the equipment standards set forth in Section 11.X, <b>be used and useful</b> and be operated in a manner not inconsistent with SWBT's network. Where space permits and for the purposes set forth in this Section 9.3, SWBT shall allow AT&amp;T to locate remote switching module equipment (RSMs) or similar equipment (e.g., Lucent EXM, Nortel RSC-C) in the Collocated Space. Except as provided herein, SWBT will place no restriction or limitation on AT&amp;T as to the use or functionality of that equipment. No power-generating or external power-storage equipment, but in no event lead acid batteries, shall be placed in the Collocated Space. The point of termination (POT) bay will be located inside the caged area, equipped and cabled as requested by AT&amp;T to minimize cable additions on an ongoing basis.</p>
33d. access to water supply and toilet facilities.	<p>AT&amp;T's proposed language in this section would require SWBT to provide access to eyewash stations, shower stations, bathrooms, or drinking water on a twenty-four hour per day, seven day per week basis. Such requirements are necessary for the safety and comfort of AT&amp;T's employees and are not unreasonable. Indeed, for SWBT to refuse access would be unreasonable and would impermissibly discriminate against AT&amp;T, as SWBT provides such facilities for its own employees at its own Eligible Structures. AT&amp;T's proposed language should therefore be included.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>9.X <b><u>Where security will permit (mechanical or via escort), and where available, SWBT will provide access to eyewash stations, shower stations, bathrooms, and drinking water within the Eligible Structure on a twenty-four (24) hour per day, seven (7) day per week basis for employees and designated agents of AT&amp;T. Whenever technically feasible, SWBT will design Collocated Space to allow for such access on a twenty-four (24) hour per day, seven (7) day per week basis.</u></b></p>

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AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
33e. environmental, health and safety concerns	AT&T's proposed language in this section would require SWBT to complete an environmental, health, and safety questionnaire for each Eligible Structure in which AT&T applies for Collocated Space. AT&T requires this questionnaire, so that it may insure the safety of its workers in SWBT's structures, and so that AT&T may make an informed decision whether to collocate in those structures. AT&T also requires this information for insurance purposes. The completion of the requested questionnaire would impose no great burden upon SWBT, and SWBT would be compensated for any such burden through the engineering design charge paid by AT&T pursuant to Section 3.X of this Appendix.	<b>Attachment 13: Appendix Collocation</b>  <b><u>9.X SWBT will complete an Environmental, Health, &amp; Safety Questionnaire for each Eligible Structure in which AT&amp;T applies for Collocated Space. AT&amp;T may provide this questionnaire with its collocation application, in which case SWBT will complete that questionnaire and return it to AT&amp;T within fourteen (14) days.</u></b>
34. What terms and conditions govern AT&T's list of collocated equipment?	SWBT's proposal would render <i>any</i> mistake or inaccuracy in <i>any</i> list of collocated equipment a material breach of this Appendix, consequently triggering the series of harsh events that SWBT has proposed in case of material breach by AT&T (including repossession of <i>all</i> AT&T Collocated Spaces and the rejection of <i>all</i> AT&T applications for Collocated Spaces.) "Any" mistake would include instances in which AT&T <i>overstated</i> the power requirement, floor loading or heat release of equipment. Such an error should not be classified as a material breach when SWBT would not be harmed by such error. Given the substantial hardships imposed on AT&T and its end user customers upon the establishment of a material breach, the items considered to be a material breach of this Appendix should be very limited in number. AT&T submits that <i>any</i> mistake or inaccuracy in <i>any</i> list of collocated equipment would be minimal enough in comparison to the overall breadth of this Appendix that it should not be classified as a material breach. Accordingly, AT&T's proposed language should be included, and SWBT's proposal should be excluded.	<b>Attachment 13: Appendix Collocation</b>  10.X AT&T will list all of its equipment and facilities that will be placed within the Collocated Space, with the associated power requirements, floor loading, and heat release of each piece on the "Physical Collocation Application Form." AT&T warrants that this list is complete and accurate. AT&T shall not place or leave any equipment or facilities within the Collocated Space beyond those listed on the Physical Collocation Application Form without the express written consent of SWBT, as specified in Section 10.X below.
35. When must SWBT consent to AT&T's collocation of new equipment?	This section requires AT&T to seek SWBT's consent before AT&T may place new equipment in a Collocated Space, after AT&T's submission of the physical collocation design form to SWBT.  This section then allows SWBT to condition its consent on AT&T's payment of additional charges. AT&T's proposed language would require that such charges be "necessary," requiring that they compensate SWBT for additional costs that SWBT has incurred. SWBT's proposal would permit SWBT to impose any charge on AT&T whether or not such charges would be required. AT&T's language is more reasonable than SWBT's proposal, and it should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  10.X In the event that, subsequent to the submission of the Physical Collocation Application Form, AT&T desires to place in the Collocated Space any equipment or facilities not listed on the Physical Collocation Application Form, AT&T shall furnish to SWBT a written list and description of the equipment or facilities substantially in the same form. SWBT may provide such written consent or may condition any such consent on <b><u>necessary and</u></b> additional charges arising from the subsequent request, including any engineering design charges and any additional requirements such as power and environmental requirements for such listed and described equipment and/or facilities. SWBT will not unreasonably withhold consent under this Section 10.X.

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
36. What remedies does SWBT have should AT&T's collocated equipment impair service?	SWBT's proposal would render <i>any</i> impairment from <i>any</i> equipment or facilities a material breach of this Appendix, consequently triggering the series of harsh events that SWBT has proposed in case of material breach by AT&T (including repossession of <i>all</i> AT&T Collocated Spaces and the rejection of <i>all</i> AT&T applications for Collocated Spaces.) Given the substantial hardships imposed on AT&T and its end user customers upon the establishment of a material breach, the items considered to be a material breach of this Appendix should be very limited in number. AT&T submits that <i>any</i> impairment from <i>any</i> equipment or facilities is minimal enough in comparison to the overall breadth of this Appendix that it should not be classified as a material breach. Accordingly, SWBT's proposal should be excluded.	<b>Attachment 13: Appendix Collocation</b>  10.X Notwithstanding any other provision hereof, the characteristics and methods of operation of any equipment or facilities placed in Collocated Space shall not interfere with or impair service over any facilities of SWBT or the facilities of any other person or entity located in the Eligible Structure; create hazards for or cause damage to those facilities or to the Eligible Structure; impair the privacy of any communications carried in, from, or through the Eligible Structure; or create hazards or cause physical harm to any individual or the public.
37. When should AT&T be permitted to interconnect with other collocators?	SWBT's proposal would limit collocation between interconnectors to two <i>physical</i> collocators at the same Eligible Structure, notwithstanding that the FCC Order does not contain such a limitation. SWBT's proposal is therefore unreasonable.	<b>Attachment 13: Appendix Collocation</b>  10.X Upon AT&T's written request and as soon as practicable, SWBT will provide the connection between collocation arrangements on a time and materials basis whenever AT&T and another collocator cannot for technical reasons provide the connection for themselves by passing the facility through the cage wall(s). SWBT will provide nothing more than the labor and physical structure(s) necessary for the collocator(s) to pull facilities provided by one collocator from its cage to the cage of another collocator. If the collocators are not located on the same floor and cannot physically pull the cable themselves through the SWBT provided structure(s), SWBT will perform the cable pull on an time and materials basis. At no time will the collocators be allowed access to any portion of the central office other than the collocation area. SWBT will not make the physical connection within the collocator's cage, SWBT will not accept any liability for the cable or the connections, and SWBT will not maintain any records concerning these connections.
38. May AT&T subcontract its interconnection with other collocators?	AT&T's proposed language would permit AT&T to subcontract its interconnection with another collocator using contractors approved by SWBT. This language is consistent with the FCC regulation permitting AT&T to subcontract the construction of physical collocation arrangements. AT&T's proposed language is not unreasonable, and provides an effective remedy to AT&T should SWBT unreasonably delay compliance with an interconnection request by AT&T. AT&T's proposed language should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  <b><u>10.X Alternatively, AT&amp;T may subcontract the interconnection of AT&amp;T's network to that of another collocator with contractors approved by SWBT. SWBT's approval of contractors will be based on the same criteria that it uses in approving contractors for its own purposes, which approval will not be unreasonably withheld. AT&amp;T will be responsible for the cost of its own contractors.</u></b>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
39. May AT&T object to the current contents of SWBT's technical publications.	Section 11.X of this Appendix requires AT&T to comply with many "technical publications" that have been authored by SWBT without any input from AT&T. There are a number of provisions within this technical publication to which AT&T objects; for all of these objected-to provisions to be specifically addressed by language in this Collocation Appendix would require this <i>Collocation Appendix to be at least three times its current size.</i> To require AT&T to comply with those provisions without allowing AT&T an opportunity to object to them would allow SWBT unilaterally to define the legal contours of SWBT's collocation relationship with AT&T. AT&T's proposed language would allow AT&T to object to the provisions in SWBT's current technical publications within one hundred and eighty (180) days of the effective date of this Interconnection Agreement and provides for a method of resolving those objections expeditiously. AT&T's language is more than reasonable and should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  <b><u>11.X Within one-hundred and eighty (180) days of the effective date of the Interconnection Agreement, AT&amp;T may object in writing to any of the provisions in SWBT's "Interconnector's Technical Publication for Physical Collocation," "Technical Publication 76300, Installation Guide," or SWBT's Emergency Operating Procedures, providing therewith an explanation for each such objection. At AT&amp;T's discretion, AT&amp;T may pursue such objections informally with SWBT, may pursue them with the State Commission, or may invoke the applicable dispute resolution provisions of this Appendix.</u></b>
40. When may SWBT be permitted to revise its technical publications?	AT&T's proposed language would allow AT&T to object to future revisions to SWBT's technical publications and would allow AT&T to pursue such objections informally with SWBT, with the Commission, or under the dispute resolution provisions of the Interconnection Agreement. Because SWBT's technical publications will control all aspects of AT&T's relationship with SWBT with respect to collocation that are not addressed by this Appendix, AT&T has a considerable interest in the content of those technical publications. For SWBT alone to possess the right to amend those technical publications, without possibility of objection by AT&T is unreasonable, and would grant SWBT the unfettered discretion to alter the Parties' relationship at will. These changes could affect AT&T's provision of service to its end-user customers. AT&T's proposed language is reasonable, because it provides for oversight over these technical publications. AT&T's proposed language should therefore be adopted.	<b>Attachment 13: Appendix Collocation</b>  <b><u>11.X Any revision to SWBT's Technical Publication for Physical Collocation, its Technical Publication 76300, or its Emergency Operating Procedures shall become effective and thereafter applicable under this Appendix thirty (30) days after such revision is released by SWBT, except for those specific revisions to which AT&amp;T objects within thirty (30) days of receipt, providing therewith an explanation for each such objection. At AT&amp;T's discretion, AT&amp;T may pursue such objections informally with SWBT, may pursue them with the State Commission, or may invoke the applicable dispute resolution provisions of this Agreement. Notwithstanding the foregoing, any revision made to address situations potentially harmful to SWBT's network, the Eligible Structure, or the Collocated Space, or to comply with statutory and/or regulatory requirements shall become effective immediately. SWBT will immediately notify AT&amp;T of any such revisions, and AT&amp;T may object to those revisions in the manner and with the effect specified in this section 11.X.</u></b>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
41. "May AT&T extend its own cable through the cable vault to the Collocated Space?"	<p>AT&amp;T's proposed language would permit AT&amp;T or AT&amp;T's proposed contractors to install and remove AT&amp;T's facilities in SWBT's central office entrance conduits, ducts, or rights of way. SWBT's proposal would require that SWBT perform such work. SWBT's proposal is unreasonable, because the Pole Attachment Act and the FCC Order grant AT&amp;T access to any conduits under the ownership and control of SWBT, whether those conduits are within public or private property, see 47 U.S.C. § 224(f)(1); FCC Order ¶¶ 1178-1181, inclusive of SWBT's central office entrance conduits, ducts, and rights of way.</p> <p>The remainder of AT&amp;T's language would empower AT&amp;T or AT&amp;T's proposed contractors to extend AT&amp;T-provided cable beyond the central office entrance conduits, and through the cable vault to the Collocated Space. Again, SWBT's proposal would require such work to be accomplished by SWBT. AT&amp;T's proposed language is reasonable. The central office vault is the structure in which all central office conduits terminate. It makes no economic sense to AT&amp;T (or AT&amp;T's end-user customers) for AT&amp;T to extend the cable miles through outside conduits, through the central office manhole, and through the central office conduit, only to require SWBT employees to pull the cable (at AT&amp;T's cost) a relatively short distance through the cable vault to the Collocated Space. SWBT's security concerns regarding AT&amp;T's access to the cable vault could be narrowly addressed by a security requirement governing AT&amp;T's access to the cable vault instead of by denying AT&amp;T access to the cable vault under all circumstances. Moreover, AT&amp;T's proposed language would require SWBT's approval for all contractors that AT&amp;T would use in the central vault, allaying SWBT's security concerns. AT&amp;T's language should therefore be adopted.</p>	<p><b>Attachment 13: Appendix Collocation</b></p> <p>12.X AT&amp;T is responsible for bringing the transmission media permitted by Section 8.X to the points of entry to the Eligible Structure designated by SWBT, and for leaving sufficient cable length in order for SWBT to fully extend the AT&amp;T-provided cable through the cable vault to the Collocated Space. <u>Otherwise, AT&amp;T or AT&amp;T's own contractors may elect to extend the AT&amp;T-provided cable through the cable vault to its Collocated Space. SWBT will permit AT&amp;T or AT&amp;T's own contractors to install and remove AT&amp;T's facilities in SWBT owned or controlled central office entrance conduits, ducts, or rights of way. For purposes of this section, AT&amp;T's contractors must receive SWBT approval. SWBT's approval of contractors will be based on the same criteria that SWBT uses in approving contractors for its own purposes, which approval will not be unreasonably withheld.</u></p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue	AT&T Reason why language should be included or excluded	AT&T Language
42. What are SWBT's responsibilities when it is extending AT&T-provided cable through the cable vault to the Collocated Space?	This language clarifies that the language in this section does not override AT&T's proposed language for Section 12.X. If AT&T's proposed language for Section 12.X is adopted, AT&T's proposed language for this section should also be adopted.	<b>Attachment 13: Appendix Collocation</b>  12.X <b>At AT&amp;T's option and upon reasonable notice to SWBT, SWBT will fully extend the AT&amp;T-provided cable through the cable vault to the Collocated Space on the same day that AT&amp;T brings the AT&amp;T-provided cable to the points of entry to the Eligible Structure designated by SWBT. While performing this operation, SWBT will be liable for any damage to the AT&amp;T-provided cable that results from the placing operation. As used in this section, "same day" means same business day, provided that AT&amp;T makes cables available at the points of entry to the Eligible Structure designated by SWBT by noon; otherwise, "same day" means the same time that the cable is made available on the next business day.</b>
43. What are the parties' responsibilities regarding removal of equipment from the Collocated Space?	SWBT's proposal would require AT&T to indemnify SWBT and hold it harmless for all claims associated with SWBT's removal of AT&T's facilities from the Collocated Space. SWBT's proposal is unreasonable. AT&T's agreement to pay for SWBT's removal costs on a time and materials basis is sufficient to protect SWBT from AT&T's failure to remove AT&T's facilities from the Collocated Space. SWBT's indemnification proposal goes too far, requiring AT&T to pay the cost for any negligent acts or omissions or other misconduct of SWBT when SWBT is conducting the removal. Requiring SWBT to assume the risk of its own misconduct would encourage SWBT to act in a reasonable and prudent manner.	<b>Attachment 13: Appendix Collocation</b>  12.X AT&T is responsible for removing any equipment, property or other items that it brings into the Collocated Space or any other part of the Eligible Structure. If AT&T fails to remove any equipment, property, or other items from the Collocated Space within thirty (30) days after discontinuance of use, SWBT may perform the removal and shall charge AT&T on a time and materials basis applicable to custom work.
44. What terms and conditions should govern testing to clear equipment troubles?	SWBT's proposal is unreasonable, because it requires AT&T to test its own equipment and requires AT&T to pay SWBT's testing costs, but does not impose the same requirement upon SWBT. AT&T's proposed language would make these requirements mutual, and would require the party whose equipment caused a trouble to pay the costs of testing related to that trouble. AT&T's proposed language is fair and reasonable and should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  12.X AT&T is responsible for testing to identify and clear a trouble when the trouble has been isolated to an AT&T-provided facility or piece of equipment. SWBT is responsible for testing to identify and clear a trouble when the trouble has been isolated to a SWBT-facility or piece of equipment. <b><u>If testing by either SWBT or AT&amp;T identifies that a trouble in one's network, facilities, or equipment is caused by the other's network, facilities, or equipment, the other will bear the expense of the testing, on a time and materials basis.</u></b>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
45. Standards for power equipment	AT&T's proposed language in this section governs SWBT's provision of power to the Collocated Space, generally requiring SWBT to comply with industry standards and provide power at parity with that provided by SWBT to itself or to other third parties. First, AT&T's language would require SWBT to provide, upon AT&T's request, access to power and environmental alarm data, so that AT&T would immediately be informed should power problems affect AT&T's network. SWBT provides such data to itself, and parity therefore requires SWBT to share such data with AT&T. Second, AT&T's language would require SWBT to comply with Lock Out-Tag Out and other electrical safety procedures that are standard throughout the telecommunications industry. Such procedures are necessary to protect employees of both AT&T and SWBT from electrical injuries. <i>AT&amp;T's proposed language should therefore be included.</i>	<b>Attachment 13: Appendix Collocation</b>  13.X SWBT power equipment supporting AT&T's equipment will: (1) comply with applicable industry standards (e.g., Bellcore NEBS and IEEE) or manufacturer's equipment power requirement specifications for equipment installation, cabling practices, and physical equipment layout; <b><u>(2) provide, upon AT&amp;T's request, the capability for real time access to performance monitoring and alarm data that impacts (or potentially may impact) AT&amp;T traffic, including, without limitation, power alarms and alarms for fire, temperature, humidity and other relevant environmental parameters;</u></b> (3) provide feeder capacity and quantity to support the ultimate equipment layout for AT&T equipment in accordance with AT&T's collocation request; and <b><u>(4) provide Lock Out-Tag Out and other electrical safety procedures and devices in conformance with the most stringent of OSHA or industry guidelines.</u></b>
46. May AT&T and another LEC jointly occupy the Collocated Space?	AT&T's proposed language would permit AT&T to assign or sublease unused portions of the Collocated Space to another interconnector. AT&T's proposed language would also allow AT&T to occupy a Collocated Space in a joint venture with another telecommunications provider. If AT&T determines that it would be economical to offer local telephone services through a joint venture with another telecommunications provider and requires Collocated Space to provide those services, AT&T should be permitted to do so. AT&T should also be allowed to sublease or assign the Collocated Space to a competing provider of local telephone services. Such provisions allow for the efficient use of collocated space and avoid unnecessary duplication of facilities by carriers. AT&T is under an obligation to refrain from "warehousing" Collocated Space. If AT&T is allowed to sublease or assign its Collocated Space, AT&T will better be able to comply with that obligation. SWBT has no legitimate objection to either of the above arrangements, because AT&T's proposed language provides that AT&T "will retain its obligation to pay a monthly charge to SWBT for the Collocated Space." AT&T's proposed language is not unreasonable, and it should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  <b><u>15.X AT&amp;T may permit any third party jointly to occupy AT&amp;T's Collocated Space without the prior written consent of SWBT. AT&amp;T may allow another local service provider to use all or part of AT&amp;T's Collocated Space, gratuitously or for consideration; in such instance, AT&amp;T will retain its obligation to pay a monthly charge to SWBT for the Collocated Space. AT&amp;T may assign or otherwise transfer its rights under this Appendix. AT&amp;T may interconnect with other collocators at the same Eligible Structure, in accord with Section 10.X above.</u></b>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
47. What obligations does SWBT have to AT&T where a casualty loss renders the Collocated Space untenable?	In case of a casualty loss that renders the Collocated Space untenable, AT&T's proposed language would require SWBT to repair the space as soon as possible and at SWBT's expense. In contrast, SWBT's proposal would give SWBT the option to repair (or not repair) the Collocated Space. SWBT's proposal is unreasonable, because it would empower SWBT to use a casualty loss as an excuse for removing AT&T from a Collocated Space and requiring AT&T to collocate in another space at AT&T's expense. Such a move could cause a disruption of service to AT&T's end user customers and require AT&T to redesign or restructure its local network facilities. AT&T's proposed language is more reasonable, especially considering that SWBT's property insurance carrier would likely reimburse SWBT for its economic losses related to the damage to the Collocated Space. AT&T's proposed language is more reasonable than SWBT's proposal; the AT&T language should therefore be adopted.	<b>Attachment 13: Appendix Collocation</b>  16.X If the Collocated Space is damaged by fire or other casualty, and the Collocated Space is rendered untenable in whole or in part and such damage or destruction can be repaired, SWBT <u>will</u> repair the Collocated Space at its expense <b>as soon as reasonably possible</b> (as hereafter limited) and the Monthly Charge shall be abated while AT&T is deprived of use of the Collocated Space. <u>Upon AT&amp;T's written request, SWBT will provide to AT&amp;T a comparable suitable collocation arrangement at another mutually agreeable location at SWBT's expense.</u>
48. What is SWBT's repair obligation when SWBT's misconduct causes damage to AT&T's Collocated Space?	SWBT's proposal would extend the limitation on SWBT's repair obligation to apply to damage done as a result of SWBT misconduct. SWBT's <i>proposal is unreasonable, because it acts as a mini-limitation-of-liability provision that conflicts with the general limitation of liability provisions in the terms and conditions portion of this Appendix. To protect SWBT from liability for its misconduct would encourage SWBT misconduct.</i> AT&T's proposed language should therefore be implemented.	<b>Attachment 13: Appendix Collocation</b>  16.X Any obligation on the part of SWBT to repair the Collocated Space shall be limited to repairing, restoring, and rebuilding the Collocated Space as prepared by SWBT for AT&T. <u>The limitation contained in this section will not apply to any damage resulting from intentional misconduct or a negligent act or omission by SWBT, its employees, or agents.</u>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue	AT&T Reason why language should be included or excluded	AT&T Language
49. When may SWBT repossess a Collocated Space?	SWBT's proposal would allow it to repossess a Collocated Space if AT&T breaches any of its obligations under this Appendix with respect to that Collocated Space. That remedy is quite harsh, and AT&T's proposed language is necessary to temper that remedy. First, AT&T's proposed language would require the breach to continue for sixty days before SWBT would be entitled to repossess a Collocated Space; for some equipment-related breaches, AT&T could require up to sixty days to correct them. Second, AT&T's proposed language would require SWBT to notify AT&T within twenty-four hours of the repossession of a Collocated Space. To temper the repossession remedy, AT&T's <i>proposed language should be adopted.</i>	<b>Attachment 13: Appendix Collocation</b>  17.X If AT&T materially breaches any of its obligations under this Appendix with respect to a particular Collocated Space, and the breach shall continue for <b>sixty (60)</b> days after AT&T's receipt of written notice of breach, SWBT may, immediately or at any time thereafter, without notice or demand, <b>enter and repossess that particular Collocated Space, expel AT&amp;T and any person or entity claiming under AT&amp;T, remove AT&amp;T's property, forcibly if necessary, and terminate the collocation arrangement with respect to that particular Collocated Space, without prejudice to any other remedies SWBT might have. <u>SWBT must notify AT&amp;T by facsimile that it has repossessed a Collocated Space within twenty-four (24) hours of its repossession of that Collocated Space.</u></b> Thereafter, until the breach is cured or otherwise resolved by the parties, SWBT may also refuse additional applications for collocation and/or refuse to complete any pending orders for additional space by AT&T in the Eligible Structure where that Collocated Space is located.
50. Must SWBT notify AT&T that it has repossessed a Collocated Space?	AT&T's proposed language would require SWBT to notify AT&T within twenty-four hours of the repossession of a Collocated Space. This requirement is reasonable and imposes no great burden on SWBT. <i>AT&amp;T's proposed language should therefore be implemented.</i>	<b>Attachment 13: Appendix Collocation</b>  <b>17.X SWBT must notify AT&amp;T by facsimile that it has repossessed a Collocated Space within twenty-four (24) hours of its repossession of that Collocated Space.</b>
51. May SWBT reject all of AT&T's collocation requests under certain circumstances?	SWBT's proposal would allow it to reject <i>all</i> of AT&T's collocation requests, if AT&T owes any past due charges under this Appendix. This remedy is extreme, to say the least particularly in view of AT&T's undeniable financial ability to pay. SWBT's other remedies for late payments by AT&T, such as interest charges and, if late payment continues, repossession of the Collocated Space, will be sufficient to protect SWBT's interests, without need for this further remedy. Because SWBT's proposal is unreasonable, it should be excluded.	[AT&T opposes the inclusion of this section]

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
52. Which limitation of liability provisions should apply to this Appendix concerning omissions by "Others"?	Under SWBT's proposal, SWBT would "have absolutely no liability with respect to any act or omission by any Other." Among other things, this provision would excuse SWBT from liability if SWBT's negligent or grossly negligent provision of security services allowed an "Other" to damage AT&T or if SWBT's negligent retention or supervision of a contract caused damage to AT&T. AT&T believes that it is unreasonable to excuse SWBT from liability under those circumstances. Moreover, the limitation of liability sections in the terms and conditions portion of the Interconnection Agreement should provide sufficient protection to SWBT without the need for this additional language. Accordingly, SWBT's proposal should be excluded.	<p><b>Attachment 13: Appendix Collocation</b></p> <p>19.X <b>Except with respect to Section 19.2 below</b>, limitation of liability provisions covering the matters addressed in this Appendix are contained in the General Terms and Conditions portion of this Agreement.</p> <p>19.X AT&amp;T acknowledges and understands that SWBT may provide space in or access to its Eligible Structures to other persons or entities ("Others"), which may include competitors of AT&amp;T; that such space may be close to the Collocated Space, possibly including space adjacent to the Collocated Space and/or with access to the outside of the Collocated Space; and that the cage around the Collocated Space is a permeable boundary that will not prevent the Others from observing or even damaging AT&amp;T's equipment and facilities.</p>
53. Which dispute resolution provisions should apply to this Appendix?	AT&T's proposed language exempts certain disputes from the dispute resolution provisions in the terms and conditions portion of the Interconnection Agreement, specifically those disputes arising out of Individual Case Basis pricing of services under this Appendix and disputes over amendments to SWBT's technical publications. AT&T's proposed language would allow for those specific disputes to be resolved more quickly than they otherwise would be under the standard dispute resolution provisions. AT&T's proposed language is reasonable and it should therefore be adopted.	<p><b>Attachment 13: Appendix Collocation</b></p> <p>21.X All disputes arising under this Appendix will be resolved in accord with the dispute resolution procedures set forth in the General Terms and Conditions portion of this Agreement, <b>with the exception that disputes relating to SWBT's price quotation or Completion Interval may be brought to the Commission for resolution, as set forth in this Appendix, and that disputes relating to the content of SWBT's technical publications will be resolved in accord with Section 11.2 above.</b></p>
54a. What insurance requirements should AT&T be required to meet concerning the following items:  b. waiver	SWBT's proposal would require AT&T to waive "any" rights of recovery. This language is unreasonable because AT&T is legally capable of waiving "its" own rights of recovery and may not waive the rights of any others. AT&T should also not be required to indemnify SWBT for damage to vehicles of AT&T's employees; if an AT&T employee has a claim against SWBT, it is reasonable for SWBT and not AT&T to pay such a claim. SWBT's proposal should therefore be excluded.	<p><b>Attachment 13: Appendix Collocation</b></p> <p>22.X AT&amp;T hereby waives <u>its</u> rights of recovery against SWBT for damage to AT&amp;T's vehicles while on the grounds of the Eligible Structure and AT&amp;T will hold SWBT harmless with respect to any such damage or damage to vehicles of AT&amp;T's employees.</p>

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
54c. all risk insurance policy	SWBT's proposal would require AT&T to waive "any and all" right of recovery. This proposal is unreasonable, because AT&T is legally capable only of waiving "its" own right of recovery. AT&T's proposed language should instead be implemented.	<b>Attachment 13: Appendix Collocation</b>  22.X AT&T releases SWBT from and waives <u>its</u> right of recovery, claim, action or cause of action against SWBT, its agents, directors, officers, employees, independent contractors, and other representatives for any loss or damage that may occur to equipment or any other personal property belonging to AT&T or located on or in the space at the instance of AT&T by reason of fire or water or the elements or any other risks would customarily be included in a standard all risk property insurance policy covering such property, regardless of cause or origin, including negligence SWBT, its agents, directors, officers, employees, independent contractors, and other representatives.
54d. business interruption insurance	SWBT's proposal recites that AT&T may elect to purchase business interruption insurance. To the extent that this proposal imposes no obligation on AT&T to purchase such insurance, this proposal is unnecessary and should therefore be rejected. The remainder of SWBT's proposal recites that AT&T "knows" that SWBT has no liability for loss of profit or revenues. AT&T, however, is unwilling to concede that SWBT has no liability for loss of profit or revenues should AT&T's service be interrupted, especially where AT&T's service interruption is caused by SWBT's misconduct. SWBT's proposal is therefore unreasonable and should be excluded.	[AT&T opposed the inclusion of this section]
54e. access to surveys, recommendations of SWBT's insurer	AT&T's proposed language would require SWBT to provide copies of all documents related to recommendations by SWBT's property insurance companies with which SWBT seeks AT&T's agreement. It is unreasonable for SWBT to seek AT&T's agreement to specific recommendations without providing AT&T an opportunity to review those recommendations carefully. AT&T's proposed language should therefore be included.	<b>Attachment 13: Appendix Collocation</b>  22.X AT&T must also conform to the recommendation(s) made by SWBT's Property Insurance Company which AT&T has already agreed to or to such recommendations as it shall hereafter agree to. <u>With respect to recommendations for which SWBT seeks AT&amp;T's agreement, SWBT will provide AT&amp;T copies of any applicable surveys, recommendations and compliance requirements by its Property Insurer for AT&amp;T's review.</u>
55. What is the purpose of this Appendix?	SWBT's proposal misstates the purpose of the Appendix. AT&T properly intends to use the Collocated Space to connect with SWBT's network and with the networks of other collocators, subject to the conditions set forth in the Commission's Order. The remainder of SWBT's proposal is unnecessary, in light of the terms and conditions portion and unbundled network elements portion of the Interconnection Agreement. SWBT's proposal should therefore be excluded.	[AT&T opposes the inclusion of this section]

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**XI. COLLOCATION  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - MISSOURI**

Issue:	AT&T Reason why language should be included or excluded	AT&T Language
56. What is the effect of conflicting tariff provisions on this Appendix?	SWBT's proposal would allow SWBT to effectively amend this Appendix by filing a tariff with contradictory provisions. SWBT would therefore be able to modify the Appendix unilaterally, defeating the entire purpose of this Appendix, avoiding the Commission's decisions in the arbitration proceeding and allowing SWBT to circumvent the <i>three-year term of the Interconnection Agreement</i> . SWBT's proposal is therefore unreasonable and should be excluded.	<b>Attachment 13: Appendix Collocation</b>  23.X This Appendix may not be modified by the Parties except by a subsequent written document executed by the Parties.
57. What terms and conditions should govern AT&T's regulatory compliance?	SWBT's proposal would obligate AT&T to comply with a document entitled SW9368. AT&T opposes this proposal, because AT&T has never seen document SW9368 and is thus not in a position to agree or disagree with that document or with SWBT's proposal incorporating that document. On a general note, language requiring AT&T to comply with regulations with which AT&T is required by law to comply is unnecessary.	<b>Attachment 13: Appendix Collocation</b>  23.X The AT&T and all persons acting through or on behalf of AT&T shall comply with the provisions of the Fair Labor Standards Act, the Occupational Safety and Health Act, and all other applicable federal, state, county, and local laws, ordinances, regulations and codes (including identification and procurement of required permits, certificates, approvals and inspections) in its performance hereunder.

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**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded:	SWBT Reason why language should be included or excluded:	Attachment and Sections:	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
<p><b>1. Receipt of Toll Revenue</b></p> <p><i>AT&amp;T Statement of Issue:</i></p> <p>When it purchases UNE local switching, should AT&amp;T be recognized as the IntraLATA toll provider and therefore receive access and toll revenue, prior to implementation of dual PIC?</p> <p><i>SWBT Statement of Issue:</i></p> <p>Is AT&amp;T entitled to IntraLATA dialing parity before SWBT is authorized to provide in-region interLATA services?</p>	<p>Yes. As a provider of local service, prior to dual PIC, AT&amp;T is entitled to IntraLATA toll revenues. After dual PIC, the IntraLATA revenue will accrue to the IntraLATA PIC. Until then, when AT&amp;T pays the full cost of UNE switching, it should receive the full switching functionality, including the ability to process all types of calls originated by its customer over the unbundled switch. Having received full compensation for the elements (switching) that serve an AT&amp;T customer, SWBT may not receive additional revenue (toll) for that customer's use of those elements under the Act. Until dual PIC, the customer's choice of a local service provider should determine his or her IntraLATA carrier as well. That is how it should be for all LSPs prior to dual PIC.</p> <p>The FCC has recognized that section 251(c)(3) of the Act permits requesting telecommunications carriers to purchase UNEs for the purpose of offering exchange access services, or for the purpose of providing exchange access services to themselves in order to provide interexchange services to consumers. FCC Order, ¶ 358. For that reason, the FCC properly concluded that telecommunications carriers purchasing UNEs to provide interexchange services or access services are not required to pay federal or state exchange access charges except for a limited transition mechanism. Id. at ¶ 363. The FCC recognized that payment of access charges in addition to UNE charges would violate the cost-based pricing standard for UNEs under the Act.</p>	<p>In making its argument, AT&amp;T completely ignores the fact that SWBT is not obligated to provide the requested IntraLATA dialing parity under Section 271(e) of the FTA and under the stipulation by the parties. Southwestern Bell objected to AT&amp;T's proposed language due to AT&amp;T's inability to explain the intent of the language and the rationale for its inclusion in the Agreement. AT&amp;T has articulated that this language is important because it relates to the overall practice of implementing the customer owned pay telephone service market. Although AT&amp;T states that it wishes to route traffic over a specially designated AT&amp;T line or trunk for call handling, this Commission should not be driven by what AT&amp;T desires, but rather, the legal authority on point. As previously stated, it is Southwestern Bell's position that based upon Section 271(e)(2)(B) of the Act and the IntraLATA toll stipulation approved by the Commission, Southwestern Bell is not obligated to route 1+ and/or 0- IntraLATA toll calls to AT&amp;T for handling at this time. As a result, AT&amp;T's proposed language should be rejected.</p> <p>It is Southwestern Bell's view that resold COPTS and SmartCoin lines should be treated as any other resold line. Southwestern Bell does not route calls on any resold line, unless the competitive local service provider elects to have such calls customized routed to its platform pursuant to the customized routing terms and provisions in the Agreement, in which case the provider would have to pay for such service. It appears that by way of its proposed language, AT&amp;T is</p>	<p>Attachment 6, Sections 5.1.1, and 5.2.4.4;</p> <p>Appendix Pricing UNE, Section 5.2.2.2.1.1</p>	<p><b>5.1.1</b> The local switching element also includes access to all call origination and completion capabilities (including IntraLATA and InterLATA calls), and AT&amp;T is entitled to all revenues associated with its use of those capabilities, including access and toll revenues.</p> <p><b>5.2.4.4</b> SWBT will make available to AT&amp;T the ability to route all local Directory Assistance and Operator Service calls, e.g., 1+411, 0-, and 0+ seven or ten digit local, 1+HNPA+555-1212 dialed by AT&amp;T Customers to the AT&amp;T Directory Assistance and Operator Services platform. Customized Routing will not be used in a manner to circumvent the Inter or IntraLATA PIC process directed by the FCC. To the extent that IntraLATA calls are routed to AT&amp;T OS and DA platforms, AT&amp;T may complete such calls and receive the associated revenue.</p> <p><b>5.2.2.2.1.1</b> Until the implementation of IntraLATA Dialing Parity, AT&amp;T will pay applicable ULS-O, ULS-T, signaling, common transport, and tandem switching charges for all IntraLATA toll calls initiated by an AT&amp;T ULS Port.</p>	<p><b>6.1.1</b> The local switching element also includes access to all call origination and completion capabilities which are provided to SWBT's own customers. Where technically feasible, SWBT will provide AT&amp;T with recordings which will permit it to collect all revenues associated with the use of the local switching element. Where such capability is not available (e.g., originating 800 and terminating access calls), SWBT will continue to seek cost effective solutions and in the meantime will ensure that AT&amp;T, as the local service provider, incurs no charges for the provision of such dialing capabilities to their customers.</p> <p><b>5.2.4.4</b> SWBT will make available to AT&amp;T the ability to route all local Directory Assistance and Operator Service calls (e.g., 1+411, 0- and 0+ seven or ten digit local) dialed by AT&amp;T customers to the AT&amp;T Directory Assistance and Operator Services Platform. At the direction of the FCC, 1+HNPA+555-1212 will be directed to the PIC2 IntraLATA carrier once Dialing Parity is implemented.</p> <p><b>5.2.2.2.1.1</b> Until the implementation of IntraLATA Dialing Parity, AT&amp;T will pay IntraLATA toll rates reduced by the discount rate applicable to Resale services for all IntraLATA toll calls initiated by an AT&amp;T ULS Port. No ULS usage charges will apply to AT&amp;T.</p>		

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**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
	<p>For the same reasons, a CLEC who purchases unbundled network elements is entitled to use them to provide IntraLATA toll services. The FCC rejected the argument that CLECs should not be able to use UNEs to provide originating and terminating toll services: "Congress intended the 1996 Act to promote competition for not only telephone exchange and exchange access services, but also for toll services." FCC Order, ¶361. Having paid the full UNE cost of local switching and any necessary transport and tandem switching, the CLEC may use those elements without restriction to provide telecommunications services. The full functionality of the local switch includes the ability to originate and terminate all types of calls, including IntraLATA toll calls. The Act provides no basis for SWBT to except IntraLATA toll services from the category of services a UNE purchaser may offer.</p> <p>Consistent with its rights under the Act as described above, AT&amp;T has proposed language in two places that are necessary to enable AT&amp;T to provide IntraLATA toll service and receive the toll revenues (prior to dual PIC). First, AT&amp;T has proposed in section 5.1.1 of Attachment 6 to recognize that, when it purchases local switching, it obtains the full functionality of that element, including the ability to originate and complete all types of calls, including IntraLATA toll calls, and to receive access and toll revenues. This language is shown as disputed in its entirety. However, AT&amp;T believes that SWBT agrees that when AT&amp;T purchases UNE switching, it will obtain the ability to originate and complete IntraLATA and InterLATA calls</p>	<p>attempting to require that Southwestern Bell route these calls to AT&amp;T to avoid charges for customized routing and to improperly obtain IntraLATA toll dialing parity. The Commission will note that to date, AT&amp;T has neither set forth how its proposal could be accomplished, nor how much it would pay for such service. Thus, it is apparent that AT&amp;T intends on claiming at a later date that it is entitled to terminating compensation for the calls which would be terminated on Southwestern Bell's network from resold COPTS and SmartCoin lines. For the reasons set forth in Southwestern Bell's initial comments, terminating compensation would be highly inappropriate in such cases.</p> <p>For the foregoing reasons, Southwestern Bell requests that AT&amp;T's proposed language be rejected.</p> <p>Once dialing parity is implemented SWBT would generally agree with AT&amp;T's 5.1.1 language with exceptions which are the result of technical limitations in the network. These exceptions involve the inability of the existing network to distinguish originating 800 calls and terminating access calls which involve an unbundled Switch Port and those which involve only SWBT's own local service customers. Because of the billions of such calls which are processed, searching for calls which originate or terminate to an unbundled switch port is impractical and inordinately expensive. SWBT can, however ensure that when access calls of these types are billed to the IXC by SWBT business as usual, that we don't also charge the Local Service Provider, thus avoiding any duplication of cost recovery.</p> <p>In May the FCC issued a ruling regarding</p>					

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**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

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	<p>for its customer using the unbundled local switch. For example, in SWBT's proposed section 2.2 of Attachment 8 (which AT&amp;T disputes on other grounds), SWBT agrees that "[T]his paragraph does not limit AT&amp;T's ability to permit IXCs to access ULS for the purpose of terminating InterLATA and IntraLATA access traffic or limit AT&amp;T's ability to originate InterLATA or IntraLATA calls using ULS consistent with Section 5 of this attachment." Further, AT&amp;T and SWBT have agreed on the routing of IntraLATA toll calls to the IntraLATA PIC in a post-dual PIC environment, as shown in Appendix Pricing UNE section 5.2.2.1.2.</p> <p>What SWBT disputes is AT&amp;T's receipt of IntraLATA toll revenues prior to dual PIC (access disputes post-dual PIC are discussed elsewhere). Although AT&amp;T will have paid the full cost of UNE switching, which SWBT agrees includes the capability to process IntraLATA calls, and although the customer will have made a decision to change his or her local service provider from SWBT to AT&amp;T, SWBT seeks to retain the prerogative to collect IntraLATA toll revenues. SWBT's position will result in its own recovery of revenues in excess of costs, and will in effect deny AT&amp;T local switching functionality (receiving the ability to pay for an element and use it to deliver a service to a customer, with the service revenues still flowing to SWBT, cannot be considered receiving the full functionality of an element).</p> <p>In short, SWBT will transfer to AT&amp;T (and other LSPs who purchase local switching) the cost of providing IntraLATA service to a customer, but retain for itself the revenues generated by that service. (SWBT's proposal to treat IntraLATA toll</p>	<p>the treatment of HNPA and FNPA + 555-1212 calling. As a result, the unbundled Local Switching Local Routing Service Marketing Service Description was modified to read as follows:</p> <p>Operator class of call is defined as 0+ 10 digit local and 0- calling. LRS using AIN will define 0+411 as an operator class of call rather than a directory assistance class of call. 0+HNPA-555-1212 will be sent to the PIC2 carrier. 0+FNPA-555-1212 will be forwarded to the PIC1 or PIC2 carrier as may be appropriate.</p> <p>Directory Assistance class of call was initially defined as 1+ 411 and 1+HNPA-555-1212. In May, the LRS Service Design Team was informed of an FCC decision requiring that 1+HNPA-555-1212 be sent to the PIC2 IntraLATA carrier. As a point of clarification, a 1+FNPA-555-1212 call will be sent to the PIC1 (InterLATA carrier) or PIC2 (IntraLATA carrier) as may be appropriate.</p>					

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**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
	calls as resale transactions, discussed below, mitigates the impact of its position, but does not qualitatively change it). SWBT's position should be rejected. Until dual PIC, the customer's choice of a local service provider should determine the customer's IntraLATA carrier as well. AT&T's proposed section 5.1.1 should be adopted to provide for AT&T's receipt of IntraLATA toll revenues from its UNE switching customers, with no obligation to pass those revenues on to SWBT, in a pre-dual PIC environment.  Second, in Attachment 6-Pricing, section 5.2.2.1.1, AT&T has proposed to pay SWBT the full UNE cost of originating IntraLATA toll calls, including applicable local switching, signaling, common transport, and tandem switching charges. In turn, AT&T should receive access and toll revenues. SWBT opposes this language and has instead proposed to treat UNE-originated IntraLATA toll calls as resale transactions, charging AT&T the applicable retail toll charge less the resale discount. As described above, SWBT's position denies AT&T the full functionality and usage of local switching to provide competitive telecommunications services and is contrary to the Act. AT&T's proposed language should be accepted, and SWBT's should be rejected.						
2. IntraLATA toll - OS/DA  AT&T Statement of Issue:  Should AT&T be able to complete IntraLATA toll calls (and collect the related revenues) that SWBT routes to AT&T's	Yes. AT&T should not be required to bear the burden and cost of identifying IntraLATA toll calls that SWBT routes to AT&T's OS/DA platform and returning those calls to SWBT.  In conformance with the Commission's December 19, 1996 Order, the current Interconnection Agreement excludes IntraLATA toll calls from the call types for	AT&T wants SWBT to provide it with customized routing capability for its IntraLATA Directory Assistance and Operator Service toll calls. AT&T's request must be rejected because it is in conflict with Section 271(e) of the Act.  Under Section 271(e)(2)(A), SWBT is required only to provide IntraLATA toll	Attachment 6, Section 5.2.4.4; Appendix Customized Routing - Resale, Section 1.4	5.2.4.4 SWBT will make available to AT&T the ability to route all local Directory Assistance and Operator Services calls e.g., 1+411, 0-, and 0+ seven or ten digit local, 1+HNPA+555-1212) dialed by AT&T Customers to the AT&T Directory Assistance and Operator Services platform. Customized Routing will not be used in a manner to circumvent the inter or IntraLATA PIC	5.2.4.4 SWBT will make available to AT&T the ability to route all local Directory Assistance and Operator Services calls e.g., 1+411, 0-, and 0+ seven or ten digit local, 1+HNPA+555-1212) dialed by AT&T Customers to the AT&T Directory Assistance and Operator Services platform. Customized Routing will not be used in a manner to circumvent the inter or IntraLATA PIC		

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IntraLATA Toll/Access- 4

**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be Included or excluded	SWBT Reason why language should be Included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
OS/DA platforms?  <i>SWBT Statement of Issue:</i> Is AT&T entitled to IntraLATA dialing parity before SWBT is authorized to provide in- region InterLATA services? (Same as #1 above)	<p>which SWBT must provide customized routing capability to AT&amp;T's OS/DA platforms. However, it has become apparent during implementation that, where AT&amp;T requests customized routing, SWBT intends to include IntraLATA calls in the calls that will be routed to AT&amp;T's OS/DA platforms, but SWBT expects AT&amp;T to identify those calls and return them to SWBT for completion. That is, rather than do the systems development work that would be required to retain IntraLATA OS/DA calls for itself at the same time that it routes other OS/DA calls to AT&amp;T's OS/DA platform, SWBT seeks to transfer that work to AT&amp;T, even as it claims the revenue for the IntraLATA calls.</p> <p>For the reasons stated above, AT&amp;T should be recognized as the IntraLATA toll provider generally for calls originated by its local service customers over unbundled local switching, prior to dual PIC. In any event, AT&amp;T should not be required to return IntraLATA calls that SWBT routes to AT&amp;T OS/DA platforms, resulting in a cost to AT&amp;T with no opportunity for revenue. With SWBT having set up its customized routing in a way such that IntraLATA calls originated by AT&amp;T local service customers are routed to AT&amp;T's OS/DA platforms, AT&amp;T should be entitled to complete those calls and receive the associated revenues. Accordingly, AT&amp;T's proposed contract language should be adopted.</p>	<p>dialing parity throughout Texas) coincident with its exercise of authority to provide InterLATA services originating in Texas. Thus, this Commission is prohibited by Section 271(e)(2)(B) of the Act from satisfying AT&amp;T's request for IntraLATA dialing parity.</p> <p>During the arbitration process, the parties stipulated that SWBT would be required to offer customized routing of IntraLATA toll calls only if this "Commission rules or the parties agree that AT&amp;T is entitled to IntraLATA toll on resale services and unbundled switch elements." These conditions have not been met. See, Stipulation, pp. 4-5. Thus, the stipulation prohibiting AT&amp;T from requiring that SWBT provide such customized routing services still governs.</p> <p>Rejecting AT&amp;T's request regarding IntraLATA toll dialing parity also would be consistent with arbitration decisions in Arkansas. For example, in Arkansas Arbitrator Order Docket No. 98-395-U, Order No. 5, affirmed by the Arkansas Commission in Order No. 6 at p. 22, AT&amp;T's position was rejected.</p> <p>Pursuant to 47 U.S.C. § 271(e)(2)(D), AT&amp;T cannot have IntraLATA toll dialing parity with SWBT until SWBT receives approval from the FCC to provide InterLATA toll service or three years [from] the date of enactment of the 1996 Act. There is no authority in the 1996 Act to use UNEs as a means to avoid this restriction on AT&amp;T's ability to compete with SWBT.</p>		<p>process directed by the FCC. <u>To the extent that IntraLATA calls are routed to AT&amp;T OS and DA platforms, AT&amp;T may complete such calls and receive the associated revenue.</u></p> <p>1.4 SWBT will make available to AT&amp;T the ability to route Directory Assistance and Operator Services calls (1+411, 0+411, 0- and 0+ Local) dialed by AT&amp;T Customers directly to the AT&amp;T Directory Assistance and Operator Services platform. If the State Commission rules or the Parties agree that AT&amp;T is entitled to IntraLATA toll on resale services and unbundled switch elements, SWBT agrees to customized routing of the following types of calls: 0+IntraLATA toll, 0+HNPA-555-1212, 1+HNPA-555-1212. <u>For calls that SWBT delivers to AT&amp;T with the required signaling and data, AT&amp;T will complete the call.</u></p>	<p>process directed by the FCC.</p> <p>(SWBT opposes inclusion of AT&amp;T language.)</p>		

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**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
3. Application of Access Charges  <i>AT&amp;T Statement of Issue:</i> May SWBT collect intrastate or interstate access charges from AT&T or IXCs for calls originated or terminated by AT&T local service customers served over SWBT unbundled local switching?  <i>SWBT Statement of Issue:</i> With the court-imposed stay of the FCC's interconnection pricing rules, should SWBT calculate access charges for intrastate toll minutes of AT&T customer traffic traversing a purchased unbundled local switch: (i) based upon the stayed methodology prescribed in the FCC's Interconnection Order, codified in C.F.R. § 51.515, or (ii) based upon the currently effective access charge methodology?	No. The FCC has confirmed that interstate access charges do not apply to CLECs purchasing unbundled network elements, and the same result should now be confirmed for intrastate access charges. The time has come to terminate the transitional allowance of CCLC and RIC in the UNE environment. The contract should confirm that SWBT may not charge AT&T access charges (or surrogates) for intrastate or interstate calls originated or terminated over UNE switching. The contract should confirm that SWBT may not bill any IXC originating or terminating access charges for such calls, because that prerogative now falls to AT&T as the (UNE) switching provider. (Access charges related to transport and tandem switching between the IXC and the originating/terminating switch are discussed under issue 4 below.)  The FCC has recognized that section 251(c)(3) of the Act permits requesting telecommunications carriers to purchase UNEs for the purpose of offering exchange access services, or for the purpose of providing exchange access services to themselves in order to provide interexchange services to consumers. FCC Order, ¶ 356. For that reason, the FCC properly concluded that telecommunications carriers purchasing UNEs to provide interexchange services or access services are not required to pay federal or state exchange access charges except for a limited transition mechanism. <i>Id.</i> at ¶ 363. The FCC	In this issue, AT&T continues its attack on the payment of access charges. The federal Act unquestionably contemplates protection of existing state access revenue sources as a means of continuing to subsidize universal basic residential service at below-cost rates. This is to continue unless and until adequate substitutes, that fairly spread such costs over all compellers, are in place. See, e.g., the Act, Section 251(d)(2), 254(b)(4), 254(f). Section 254(b)(4) states, "All providers of telecommunications services should make an equitable and nondiscriminatory contribution to the preservation and advancement of universal service." Section 254(f) states, in pertinent part, "Every telecommunications carrier that provides intrastate telecommunications services shall contribute, on an equitable and nondiscriminatory basis, in a manner determined by the State, to the preservation and advancement of universal service in that State." SWBT submits that the statutes require such protections. In any event, to avoid constitutional problems, they must be so read.  AT&T wants SWBT to assess access charges according to the FCC's Interconnection Order. Under that order and pursuant to 47 C.F.R. § 51.515 (1997) currently stayed by the Eighth Circuit, SWBT can charge AT&T an amount equal to the Carrier Common Line Charge (CCLC) and 75% of the Residual Interconnection Charge (RIC) for all intrastate toll minutes of AT&T customer traffic traversing the unbundled	Attachment 8, Section 2.19.1, 2.20.	2.19.1 Under the SWBT intrastate access tariff existing as of the effective date of the Agreement, which does not contain a residual interconnection charge (RIC), when AT&T purchases a SWBT Local Switching element, SWBT is allowed to recover only the carrier common line charge (CCLC) for all intrastate toll minutes of AT&T customer traffic traversing that Local Switching element. Upon the effective date of its restructured intrastate switched transport tariff, SWBT is allowed to recover from AT&T, when AT&T purchases a SWBT Local Switching element, the CCLC and 100% of the RIC for all intrastate toll minutes of AT&T customer traffic traversing that Local Switching element. SWBT recovery of the RIC and/or the CCLC under this section will terminate on the earlier of: (a) June 13, 1997, the date of the review of interconnection issues to be conducted by the Texas Commission; (b) the date on which SWBT is authorized to offer in region interLATA service pursuant to Section 271 of the Act; or (c) the effective date of a Texas Commission decision that SWBT may not assess such charges.  2.20 When AT&T purchases unbundled Network Elements to provide interexchange services or exchange access services, SWBT will not collect access charges from AT&T or other IXCs (except for charges for exchange access transport services that an IXC elects to purchase from SWBT).	(SWBT opposes the inclusion of AT&T language.)		

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**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be Included or excluded	SWBT Reason why language should be Included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
	<p>recognized that payment of access charges in addition to UNE charges would violate the cost-based pricing standard for UNEs under the Act.</p> <p>In its very recent <i>Access Charge Reform Order</i> (May 16, 1997), the FCC confirmed its conclusion that access charges do not apply to telecommunications carriers purchasing unbundled network elements. FCC <i>Access Charge Reform Order</i> at paragraph 337. As a transitional mechanism to the implementation of fully cost-based rates, the FCC had allowed ILECs to charge the CCLC and 75% of the RIC, for a limited time, as an additional charge for traffic traversing the unbundled network elements. The FCC's recent order confirmed that, on the interstate level, this transitional mechanism will expire June 30, 1997. FCC <i>Access Charge Reform Order</i> at paragraphs 338-339.</p> <p>In keeping with this construction of the Act, AT&amp;T has proposed to maintain the existing contract language that prohibits SWBT from collecting intrastate access charges from AT&amp;T when AT&amp;T purchases UNEs, allows SWBT to continue collecting the CCLC and 75% of the RIC until the earliest of three dates: June 13, 1997, the date SWBT is authorized to offer in region interLATA service in Texas under section 271; or the effective date of a PUCT decision that SWBT may no longer collect these transition access charges. SWBT now opposes the June 13, 1997 end date, without justification.</p> <p>AT&amp;T also proposes section 2.20, which would provide contractual recognition to</p>	<p>local switching element until the earliest of: (i) June 30, 1997; (ii) the FCC access charge and universal service decision effective dates; or (iii) authorized entry by SWBT into the Texas interLATA services market.</p> <p>SWBT is not required to use the access charge methodology adopted in the <i>Interconnection Order</i>. In <i>Iowa Utilities Bd. v. F.C.C.</i>, 109 F.3d 418, 427 (8th Cir. 1998), the U.S. Court of Appeals for the 8th Circuit stayed the FCC's access charge methodology adopted in the <i>Interconnection Order</i>. Thus, SWBT is entitled to continue recovering the existing access charges in conjunction with unbundled elements until rules adopted by the FCC regarding access charge pricing for interconnection become effective. Even though the FCC recently adopted such rules for interstate, this does not impact intrastate. See, <i>Access Charge Reform, First Report and Order</i>, CC Docket No. 96-262 (FCC 97-158, released May 16, 1997). This Commission has recently (and appropriately) extended the termination date of CCLC and RIC until December 31, 1997.</p> <p>Determining which access charge methodology can be used will have a significant impact. Payment of access charges, based upon the formula adopted in the <i>Interconnection Order</i> but stayed by the court, would result in AT&amp;T avoiding payment of the subsidy elements included in the CCLC and RIC. Under the pre-<i>Interconnection Order</i> methodology, the access charge, including the universal service subsidy from the CCLC and the RIC, is approximately \$0.07/minute. If the</p>					

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	<p>the FCC's recent order confirming that interstate access charges will not apply henceforth when AT&amp;T purchases unbundled network elements to provide exchange access services or interexchange services. This section also will recognize that SWBT may not itself assess access charges to IXCs for exchange access services provided by AT&amp;T using unbundled network elements. The FCC has recognized that, once an LSP has paid for the unbundled network elements, it is the LSP who will be providing the exchange access services for interstate calls over those elements. The LSP should receive the access, not the ILEC, for whom access charge recovery would constitute recovery in excess of the cost-based price it has received from the LSP. FCC Order ¶ 363 n. 772. Proposed section 2.20 properly limits SWBT future recovery of access charges to charges for transport that an IXC elects to receive from SWBT. (These charges are discussed further in connection with Issue 4 below.)</p> <p>AT&amp;T's proposal to carry forward section 2.19.1 without change should be adopted; it is consistent with both this Commission's prior Arbitration Award and the FCC's recent Access Charge Reform Order. Proposed section 2.20 also should be adopted, based on the FCC's recent order.</p>	<p>FCC's stayed methodology is enforced, it would reduce the subsidy by approximately \$.065/minute.</p> <p>To avoid this draconian result, while preserving a universal service subsidy, SWBT has offered a compromise: SWBT will forego the imposition of access charges for local switching, CCLC and RIC to the IXC for interLATA calls over AT&amp;T-purchased unbundled local switching in exchange for AT&amp;T's agreement to pay an amount equal to the CCLC and RIC in addition to the charges for unbundled elements purchased. Until an access charge methodology for such services is made effective, this compromise would preserve the universal service subsidy without prejudicing IXCs or LSPs like AT&amp;T. Furthermore, the same language has been adopted by state commissions in the arbitration of interconnection agreements in other states, not just in SWBT's region, but across the country.</p> <p>AT&amp;T's argument is based entirely on that portion of the Interconnection Order promulgating the stayed Section 51.515 of the FCC's Rules. Because these rules are stayed, SWBT is not required to use the access charge methodology adopted in the Interconnection Order. <i>Iowa Utilities Bd. v. F.C.C.</i>, 109 F.3d 418, 427 (8th Cir. 1996) in which the U.S. Court of Appeals for the 8th Circuit stayed the FCC's access charge methodology adopted in the Interconnection Order. Thus, SWBT is entitled to continue recovering the existing access charges for intrastate toll minutes in conjunction with unbundled elements unless and until applicable rules adopted by the Commission regarding access charge</p>					

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		<p>pricing for interconnection changes this structure.</p> <p>This issue involves SWBT's collection of access charges for intrastate toll minutes. Even though the FCC recently adopted rules for interstate access, this does not impact intrastate access. See, <i>Access Charge Reform, First Report and Order</i>, CC Docket No. 96-262 (FCC 97-158, released May 16, 1997). Accordingly, there is no order pending which removes the effect of the stay.</p> <p>Moreover, if AT&amp;T's proposed language is adopted, there would be a significant adverse impact on the amount of any universal service subsidy. It is clear under Section 254 of the Act that existing state access revenue sources must be protected to continue subsidizing basic residential service at below-cost rates. Under AT&amp;T's proposal, the subsidy would be reduced by over 90%!</p> <p>To preserve the universal service subsidy, SWBT offered a compromise whereby it would forego the imposition of access charges for local switching, CCLC and RIC to the IXC for InterLATA calls over AT&amp;T-purchased unbundled local switching in exchange for AT&amp;T's agreement to pay an amount equal to the CCLC and RIC in addition to the charges for unbundled elements purchased. This compromise would preserve the universal service subsidy without prejudicing IXCs or LSPs like AT&amp;T. Contrary to AT&amp;T's argument, this approach would not result in SWBT receiving "excessive compensation." In fact, not surprisingly, AT&amp;T provides no data to support this bald assertion. Furthermore, the same language has been adopted by state</p>					

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		commissions in the arbitration of interconnection agreements in other states, not just in SWBT's region, but across the country.  Finally, AT&T impermissibly is attempting to relitigate issues that already have been decided by this Commission.					
<p><b>4. Tandem Switching and Transport</b></p> <p>When AT&amp;T originates and terminates toll calls through a SWBT unbundled local switch, should the IXC determine which carrier assesses access charges for transporting the call between the IXC's point of presence (POP) and the originating or terminating UNE switch?</p>	<p>Yes. The provider of access transport services should be selected by the IXC. AT&amp;T should have the ability to use UNEs, including common transport and tandem switching, to deliver toll calls between the IXCs POP and the originating or terminating local switch which AT&amp;T has purchased as an unbundled element. If the IXC selects AT&amp;T's transport services, AT&amp;T should collect the related access charges. If the IXC selects SWBT, it may collect those charges. AT&amp;T's proposed contract language achieves this result.</p> <p>As discussed in connection with Attachment 6, Section 2.19.1 and Section 2.20 above, AT&amp;T is entitled under the Act to use unbundled network elements to provide telecommunications services without restriction, including exchange access services and toll services. AT&amp;T is no longer required to pay SWBT access charges in connection with toll calls traversing network elements purchased from SWBT.</p> <p>Correspondingly, for calls originated or terminated by an AT&amp;T local service customer using UNE switching, it will be AT&amp;T who will bill the IXC for access charges applicable to that call, not SWBT. The FCC explained this result in footnote</p>	<p>The FCC's Interconnection Order permitted the substitution of Access Charges for Unbundled Network Elements only when the Local Service Provider was both the local and the toll provider. As a result, Access Transport may be replaced by UNE transport for AT&amp;T customers only when AT&amp;T is the customers local and toll provider. Other IXCs may be utilized by AT&amp;T's customers on the originating side through the use of 10XXX dialing and in the terminating direction, simply by receiving call from a subscriber who selected an IXC other than AT&amp;T. While it is SWBT's position that the IXC orders the transport necessary to originate and terminate calls, the only time UNE transport can be utilized is when the IXC is also the LSP for the customer involved. AT&amp;T is simply trying to utilize the complexities associated with their use of Unbundled Local Switching, rather than their own facilities to undermine the access charge rules the FCC has yet to eliminate.</p>	<p>Appendix Pricing UNE, Sections 5.2.2.2.1.2.1, 5.2.2.2.1.2.2, 5.2.2.2.1.3</p>	<p><b>5.2.2.2.1.2.1 AT&amp;T may provide exchange access transport services to IXCs, upon request, using unbundled network elements. For InterLATA toll calls and intraLATA toll calls (post dialing parity) that are originated by local customers using SWBT unbundled local switching, AT&amp;T may offer to deliver the calls to the PIC at the SWBT access tandem, with AT&amp;T using unbundled common transport and tandem switching to transport the call from the originating unbundled local switch to the PIC's interconnection at the access tandem. When the PIC agrees to take delivery of toll calls under this arrangement, then AT&amp;T will pay SWBT ULS-Q usage, signaling, common transport, and tandem switching for such calls. SWBT will not bill any access charges to the PIC under this arrangement. AT&amp;T may use this arrangement to provide exchange access services to itself when it is the PIC for toll calls originated by AT&amp;T local customers using SWBT unbundled local switching.</b></p> <p><b>5.2.2.2.1.2.2 If the PIC elects to use transport and tandem switching provided by SWBT to deliver InterLATA toll calls or intraLATA toll calls (post dialing parity) that are originated by AT&amp;T local customers</b></p>	<p>(SWBT opposes inclusion of AT&amp;T language.)</p> <p>(SWBT opposes inclusion of AT&amp;T language.)</p>		

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	<p>772 to the Local Service Order. "We also note that where new entrants purchase access to unbundled network elements to provide exchange access services, . . . the new entrants may assess access charges to the IXCs originating or terminating toll calls on those elements. In these circumstances, incumbent LECs may not assess exchange access charges to such IXCs because the new entrants, rather than the incumbents, will be providing exchange access services, and to allow otherwise would permit incumbent LECs to receive compensation in excess of network costs in violation of the pricing standard in Section 252(d)." FCC Order at ¶ 363, n. 772.</p> <p>The exception to this access payment occurs when an IXC enters into a contractual agreement with SWBT indicating that SWBT will be the access provider of tandem switching and transport. In those cases, AT&amp;T will only receive the originating or terminating switching portion of the access. AT&amp;T may, however, establish its own contractual relationships with the IXCs to be the access provider for tandem switching and transport. If this is the case, then AT&amp;T will receive the associated access revenue.</p> <p>The interconnection agreement should reflect a proper understanding between the parties regarding which of them is to bill access charges to IXCs associated with UNE calls. In recent negotiations, SWBT has taken the view that access charges will be "shared" in the future, with AT&amp;T to bill access related to the local switching element but SWBT in all cases to continue billing access related</p>			<p><u>using SWBT unbundled local switching, then AT&amp;T will pay SWBT ULS-O usage and signaling only in connection with such calls. SWBT will not bill the PIC any originating switching access charges in connection with such calls.</u></p> <p>5.2.2.2.1.3 When an IntraLATA or InterLATA toll call terminates to an AT&amp;T ULS Port, AT&amp;T will pay ULS-T charges and SWBT will not charge terminating access to AT&amp;T or the IXC except that SWBT may bill the IXC for terminating transport in cases where the IXC has chosen SWBT as its transport provider.</p>	<p>5.2.2.2.1.3 When an IntraLATA (after dialing parity) or InterLATA toll call terminates to an AT&amp;T ULS Port, AT&amp;T will pay ULS-T charges.</p>		

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	to the common transport and tandem switching necessary to reach the IXC's POP. SWBT's position is contrary to the FCC Order as quoted above.  Proposed Sections 5.2.2.2.1.2.1, 5.2.2.2.1.2.2, and 5.2.2.2.1.3, of Appendix Pricing UNE provide and illustrate how AT&T should bill originating and terminating access when it uses unbundled network elements purchased from SWBT. These Sections should be accepted for the reasons set forth above.						
<b>5. Billing for Toll-free Calls</b>	<b>Yes.</b> For the same reasons that AT&T is entitled to bill access charges to IXCs for toll calls originated and terminated over unbundled network elements, AT&T should be the party billing applicable charges associated with 800-type calls originated over UNEs by its local service customers. AT&T should pay the applicable charges for the elements required to make such a call (local switching, applicable signaling, 800 database query) and then it, not SWBT, should bill the IXC who terminates the call to the 800 provider. Otherwise, AT&T is denied the opportunity to use the elements that it has purchased for the provision of a telecommunications service (800 service), on the same terms as SWBT.  SWBT instead proposes to retain the 800 service for itself, and in turn would not bill AT&T any UNE usage charges when an AT&T customer originates an 800-type call across a UNE switch. SWBT states that its facilities are not equipped to return a call to AT&T for completion after an 800 database dip. Regardless of any technical issues, however, the parties can arrange billing for 800 calls in the	By including this disputed language, AT&T is seeking to avoid the applicable access query charge for inter-exchange calls for which AT&T is the inter-exchange carrier. Today, when a customer on SWBT's system originates an 800 call, the call is routed via the normal processing of SWBT's switch to the appropriate 800 carrier. However, to route the call, SWBT's switch first sends the call to a data base to conduct a query to identify the 800 carrier. The database returns the appropriate routing information to the switch, where the call is sent to the 800 transport carrier. These are services that SWBT performs for the toll-free carrier and the toll-free carrier now pays access charges comprising a query charge and a local switch originating charge. When a similar call comes in from an LSP customer, there will be no charge to this process. The same services will be performed and SWBT will bill the inter-exchange carrier, not the LSP. AT&T apparently wants to convert this process to Unbundled Network Elements comprised of a query and a local switching element. To do this, SWBT would be compelled to bill the LSP of the	<b>Appendix Pricing, UNE, Section 5.2.2.3</b>  <b>Attachment 6 - Section 9.8.5</b>	<b>5.2.2.3 Toll Free Calls</b>  <b>When AT&amp;T uses ULS Ports to Initiate an 800-type call, AT&amp;T will pay the 800 database query charge and ULS-O charge. AT&amp;T will be responsible for any billing to the IXC for such calls.</b>  <b>9.8.5 In addition to the Toll Free Database query, there are three optional features available with 800-type service: Designated 10-Digit Translation, Call Validation and Call Handling and Destination. There is no additional charge for the Designated 10-Digit Translation and Call Validation feature beyond the Toll Free Database query charge. When an 800-type call originates from an AT&amp;T switch or from AT&amp;T's use of SWBT's Unbundled Local Switching to the SWBT Toll Free Database, AT&amp;T will pay the Toll Free Database query rate for each query received and processed by SWBT's database. When applicable, the charge for the Call Handling and Destination feature are per query and in addition to the Toll Free Database query charge, and will also be paid by AT&amp;T. These rates are reflected in Appendix Pricing</b>	<b>5.2.2.3 Toll Free Calls</b>  <b>When AT&amp;T uses ULS Ports to Initiate an 800-type call, SWBT will perform the appropriate database query and route the call to the indicated IXC. No ULS-O charges will apply.</b>  <b>9.8.5 In addition to the Toll Free Database query, there are three optional features available with 800-type service: Designated 10-Digit Translation, Call Validation and Call Handling and Destination. There is no additional charge for the Designated 10-Digit Translation and Call Validation feature beyond the Toll Free Database query charge. When an 800-type call originates from an AT&amp;T switch to the SWBT Toll Free Database, AT&amp;T will pay the Toll Free Database query rate for each query received and processed by SWBT's database. When applicable, the charge for the Call Handling and Destination feature are per query and in addition to the Toll Free Database query charge, and will also be paid by AT&amp;T. The Toll Free Database charges do not apply when AT&amp;T uses SWBT's</b>		

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	manner proposed by AT&T. In so doing they will come closer to providing AT&T with the full nondiscriminatory access to unbundled elements that the Act requires.	originating caller. AT&T's proposal inappropriately would circumvent the existing access charge structure that the Act and the Commission Order left intact.  AT&T demands that SWBT offer toll-free query and switch access as an UNE; SWBT is unable to do this because it cannot bill AT&T for such an element. This is so because SWBT's switch is not able to distinguish between toll-free calls originated by an LSP end user and a SWBT end user, nor is it able to identify the LSP whose customer made the call. Under AT&T's proposal, this element would be free of charge, because SWBT could not bill for it.  AT&T brushes this aside by saying, "Regardless of any technical issues, however, the parties can arrange billing for 800 calls in the manner proposed by AT&T." This is simply not so. SWBT cannot bill AT&T when it does not know how to determine whether an AT&T customer is using the element.  The Commission should reject AT&T's language and adopt the SWBT language.		UNE - Schedule of Prices under the label "Toll-Free Database".	Unbundled Local Switching. These rates are reflected in Appendix Pricing UNE - Schedule of Prices under the label "Toll-Free Database".		
6. Ability to bill access:  AT&T Statement of Issue: Must SWBT provide AT&T with sufficient usage data to allow AT&T to render intrastate and interstate access bills to other IXC's?  SWBT Statement of Issue:  Should SWBT be	Yes. If AT&T is to bill the intrastate and interstate access charges to which it is entitled as described under Issues 3 and 4 above, SWBT must provide the relevant usage data. AT&T and SWBT have working teams creating call flow diagrams to reflect each parties' recording and billing requirements. In order for AT&T to bill access, SWBT must provide AT&T with the necessary usage data to allow AT&T to render accurate bills for certain call types that necessitate SWBT to provide us billing detail. AT&T's proposed contract language provides for the appropriate	As indicated in Issue 1 above, the Public Switched Network lacks the technical capabilities to modify the way access calls are currently processed, transported, recorded and billed. SWBT has every intention, to provide AT&T the ability it seeks as it relates to originating access calls. SWBT will modify the access billing to the IXC to ensure that Access Switching, Carrier Common Line and RIC are not charged when the call originates from and unbundled switch port. Additionally SWBT will bill AT&T the unbundled Local Switching usage charge and provide AT&T with the record	Attachment 10, Sections 4.4 - 4.5.5	<u>4.4 SWBT will provide to AT&amp;T recorded Usage Data as described in AT&amp;T's Call Flows Document (CFD) dated June 1997, incorporated herein and modified as the Parties may otherwise agree, sufficient for AT&amp;T to render InterLATA and IntraLATA access bills and end-user bills and for purposes of mutual compensation.</u>  <u>4.5 In addition to the requirements for recorded Usage Data specified in this Attachment, when AT&amp;T is providing Telecommunications Services to its customer through the use of unbundled Network Elements, SWBT</u>	(SWBT objects to the inclusion of AT&T language.)		

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AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

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required to provide customer usage data unrelated to unbundled network elements ordered by AT&T without additional compensation?	usage data.	<p>It will require to bill access charges to the IXC. Such ability does not currently exist for SWBT to do the same for originating 800 service or terminating access. SWBT is willing to work with AT&amp;T and the rest of the industry to seek cost effective solutions to this industry wide problem.</p> <p>AT&amp;T's proposed confuses the provision of unbundled network elements - to which this Attachment applies - with a recording contract, which is something entirely different. SWBT agrees in this Attachment to provide certain functionalities of unbundled network elements for use by AT&amp;T in providing local service. These functionalities generate certain customer usage data which AT&amp;T will receive and presumably use in providing service. AT&amp;T is not content with this, but seeks to impose an obligation on SWBT, unrelated to these network elements, to furnish additional customer usage data which these network elements cannot generate. The price paid by AT&amp;T for the network elements does not include the cost of acquiring this additional customer usage data. In effect, AT&amp;T is seeking the benefits of a recording contract without paying for them. AT&amp;T's proposed language should be rejected.</p>		<p>will provide to AT&amp;T recorded Usage Data sufficient for AT&amp;T to render interstate and intrastate access bills. The recorded Usage Data will be provided in a manner, at a minimum, that enables AT&amp;T to render the following five types of access bills: Originating to IXC, Originating Local 800, Terminating and Originating IntraLATA, which are described below.</p> <p><b>4.5.1 Originating to IXC - This type of access record is created when a toll call originates from an AT&amp;T customer served through unbundled Network Elements and terminates to an IXC. AT&amp;T will bill the IXC access charges in accordance with its access tariffs.</b></p> <p><b>4.5.2 Originating Local 800 - This type of access record is created when an 800 call originates from an AT&amp;T customer served through unbundled Network Elements to a LEC providing the 800 service. AT&amp;T will bill the LEC access charges in accordance with its access tariffs.</b></p> <p><b>4.5.3 Originating InterLATA 800 - This type of access record is created when an 800 call originates from an AT&amp;T customer served through unbundled Network Elements to an IXC providing the 800 service. AT&amp;T will bill the IXC access charges in accordance with its access tariffs.</b></p> <p><b>4.5.4 Terminating - This type of access record is created when a toll call originates from an IXC and terminates to an AT&amp;T customer served through unbundled Network</b></p>			

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**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
				<p>Elements. AT&amp;T will bill the IXC terminating charges in accordance with its access tariffs.</p> <p>4.5.5 Originating IntraLATA - This type of access record is created when a call originates from an AT&amp;T customer served through Unbundled Network Elements and terminates outside the Local Call Area but within the LATA. AT&amp;T will bill the IntraLATA Toll Provider originating and terminating access charges in accordance with its access tariffs.</p>			
<p><b>7. Lost Data</b></p> <p><u>AT&amp;T Statement of Issue:</u> Should the contract require SWBT to estimate volumes of lost usage data to enable AT&amp;T to render bills to end-users and for access?</p> <p><u>SWBT Statement of Issue:</u> Should SWBT be required to provide customer usage data unrelated to unbundled network elements ordered by AT&amp;T without additional compensation?</p>	<p>Yes. The contract must include reasonable terms to apply in situations where SWBT loses the usage data that it is required to provide AT&amp;T for AT&amp;T's billing purposes.</p> <p>In an access environment today, SWBT estimates volumes of lost usage data to enable it to collect access charges. However, when its loss of data will cause AT&amp;T to lose the ability to collect revenues from its customers or IXCs, SWBT is refusing to provide any process for reconciliation on estimation of lost usage data. The amount of lost revenue potential is great if AT&amp;T is unable to bill its customers or to collect access charges for calls completed over unbundled network elements. By refusing to provide a process for estimation of lost data, SWBT seeks to shift monetary responsibility for such loss from itself to AT&amp;T. AT&amp;T's proposed contract language provides for a reasonable adjustment against recording service charges to account for lost usage data. It should be adopted.</p>	<p>See discussion under Attachment 10: Provision of Customer Usage Data - Unbundled Network Elements - Paragraphs 4.4-4.5.5. SWBT is not acting as a recording agent, but under this Attachment is merely providing AT&amp;T the ability to purchase piece parts of a network. The price of these piece parts does not include the cost of "trending/tracking" of customer usage. At a minimum, such trending/tracking would be necessary to enable SWBT to estimate lost usage data. Because SWBT cannot estimate lost usage data, it cannot comply with AT&amp;T's requested provisions. Since AT&amp;T is merely trying to get a service, in the nature of a recording contract without paying for it, AT&amp;T's proposed language should be rejected.</p>	<p>Attachment 10, Sections 6.2 - 6.2.3.3</p>	<p><b>6.2 Loss of Recorded Usage Data - If AT&amp;T recorded Usage Data is determined to have been lost, damaged or destroyed as a result of an error or omission by SWBT and the data cannot be recovered by SWBT, SWBT will estimate the messages and associated revenue, with assistance from AT&amp;T, based upon the method described below. This estimate will be used to adjust the amount AT&amp;T owes SWBT for services SWBT provides in conjunction with the provision of recorded Usage Data.</b></p> <p><b>6.2.1 Partial Loss - SWBT will review its daily controls to determine if data has been lost. When there has been a partial loss, actual message and minute volumes will be reported, if possible. Where actual data are not available, a full day will be estimated for the recording entity, as outlined in Section 6.1.3 following. The amount of the partial loss is then determined by subtracting the data actually recorded for such day from the estimated total for such day.</b></p> <p><b>6.2.2 Complete Loss - Estimated</b></p>	<p>SWBT opposes inclusion of AT&amp;T language.</p>		

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**I. INTRALATA TOLL/ACCESS  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

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				<p>message and minute volumes for each loss consisting of an entire AMA tape or entire data volume due to its loss prior to or during processing, lost after receipt, degaussed before processing, receipt of a blank or unreadable tape, or lost for other causes, will be reported.</p> <p><b>6.2.3 Estimated Volumes -</b> From message and minute volume reports for the entity experiencing the loss, SWBT will secure message/minute counts for the four (4) corresponding days of the weeks preceding that in which the loss occurred and compute an average of these volumes. SWBT will apply the appropriate average revenue per message ("arpm") provided by AT&amp;T to the estimated message volume to arrive at the estimated lost revenue.</p> <p><b>6.2.3.1</b> If the day of loss is not a holiday but one (1) (or more) of the preceding corresponding days is a holiday, use additional preceding weeks in order to procure volumes for two (2) non holidays in the previous two (2) weeks that correspond to the day of the week that is the day of the loss.</p> <p><b>6.2.3.2</b> If the loss occurs on a weekday that is a holiday (except Mother's Day or Christmas), SWBT will use volumes from the two (2) preceding Sundays.</p> <p><b>6.2.3.3</b> If the loss occurs on Mother's Day or Christmas, SWBT will use volumes from that day in the preceding year (if available).</p>			

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(AT&T) 7/28/97  
IntraLATA Toll/Access- 16

**II. CUSTOMIZED ROUTING/OS/DA  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

	<b>AT&amp;T Reason why language should be included or excluded</b>	<b>SWBT Reason why language should be included or excluded</b>	<b>Attachment and Sections</b>	<b>AT&amp;T Language</b>	<b>SWBT Language</b>	<b>AT&amp;T's Language Accepted</b>	<b>SWBT's Language Accepted</b>
<p><b>1. Customized routing</b></p> <p><b>AT&amp;T Statement of Issues:</b></p> <p>a. Update: Should the customized routing of the interconnection Agreement be modified to reflect the terms of the Further Stipulation on Customized Routing, dated June 18, 1997?</p> <p>b. Whether customized routing for Operator Services and Directory Assistance should be priced using cost-based unit rates or priced on an individual case basis?</p> <p><b>SWBT Statement of Issue:</b></p> <p>What is the appropriate rate structure for customized routing for Operator Services and Directory Assistance?</p>	<p>a. Update: The parties signed a Further Stipulation regarding Customized Routing, dated June 18, 1997, and it is the language from this stipulation that AT&amp;T proposes for inclusion. The language SWBT proposes does not conform with the terms of the Further Stipulation. Deletion of certain existing provisions in the current Texas Interconnection Agreement will also be necessary to reflect the Further Stipulation.</p> <p>b. AT&amp;T opposes the introduction of SWBT's language into this section and strongly believes that SWBT should not be able to price customized routing on an "individual case basis".</p> <p>The FCC's <i>Local Service Order</i> defined the local switching element to include all technically feasible types of customized routing. The Arbitration Award incorporated the parties' stipulation that SWBT would provide customized routing of operator services and directory assistance calls from its local switches to AT&amp;T operator service/directory assistance platforms.</p> <p>Implementation of this stipulation has been aborted over a pricing dispute. SWBT, having reserved to itself the right to select the customized routing methodology that it will use, selected line class codes as its initial methodology. SWBT's initially proposed price to AT&amp;T to create the line class codes for customized routing to AT&amp;T's OS/DA platforms in Texas was in excess of \$300 million for the state. As a result of this prohibitive</p>	<p>Initially, SWBT proposed cost-based individual case basis pricing in response to AT&amp;T's request for customized routing via the line class code (LCC) method. In the 6/18/97 Stipulation between SWBT and AT&amp;T, AT&amp;T eliminated its pursuit of customized routing via LCCs. SWBT and AT&amp;T agreed to the appropriate cost-based rate structure for customized routing via the AIN method (e.g., "up front rates, per line assignable USOC, per end office rates and per line per month rates") in the 6/18/97 Stipulation. However, any customized routing via the LCC method requested in the future will be rated on a cost-based individual case basis.</p>	<p><b>Attachment 6, Section 5.2.3.2; Appendix Pricing UNE - Schedule of Prices</b></p> <p><b>Also Appendix Customized Routing - Resale, Sections 1.2, 1.2.1, 1.2.2</b></p>	<p>AT&amp;T opposes the inclusion of SWBT's language and proposes the following language which is taken from the Further Stipulation Regarding Customized Routing, signed June 18, 1997:</p> <p>Attachment 6, Sections 5.2.3.2, 5.2.3.3, and 5.2.4.2</p> <p>5.2.4.2</p> <p><i>SWBT agrees to provide AT&amp;T no later than July 15, 1997 a schedule for deployment of AIN solution for customized routing in each of its end offices. SWBT agrees that the AIN solution to customized routing will be implemented in all end offices by December 31, 1997. To the extent that the AIN solution is available prior to that date, the parties agree to testing between the parties will begin as AIN becomes available on an end-office by end-office basis and the AIN solution will be deployed on the same end-office by end-office basis as it becomes available.</i></p> <p><b>5.2.3.2 (New)</b></p> <p><i>Pricing for customized routing will be determined in pending cost proceedings before the Texas PUC. While it is contemplated that the pricing will be approved prior to full implementation of the AIN solution, the parties agree that to the extent customized routing is provided prior to such decision, AT&amp;T will pay at a rate of 50% of the applicable AIN rates quoted in SWBT's letter dated April 28, 1997 subject to a true-up following the issuance of a commission approved rate. This applies to up-front rates, per switch rates, and per line rates. The true-up will be for the entire period for which the AIN solution has been provided to AT&amp;T. SWBT has agreed to make cost studies</i></p>	<p>5.2.3.2 <i>The establishment of Customized Routing in a SWBT end office will be subject to the rates as reflected in Appendix Pricing UNE - Schedule of Prices labelled "Customized Routing". Unless requested by AT&amp;T, the trunk termination and transport charges will not be included as part of the price for customized routing. To the extent that Customized Routing via the AIN solution is available to AT&amp;T before the pricing issues are determined by the Texas PUC, AT&amp;T will pay 50% of the applicable AIN Solution rates in SWBT's letter dated April 28, 1997, subject to a true up following the issuance of a Commission approved rate. This applies to up-front rates, per switch rates, and per line rates. The true-up will be for the entire period for which the AIN solution has been provided to AT&amp;T.</i></p>		

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**II. CUSTOMIZED ROUTING/OS/DA  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
<p>price quote, AT&amp;T has had to suspend plans to utilize customized routing of OS/DA calls in Texas, pending resolution of the pricing dispute.</p> <p>SWBT has not produced any evidence that its customized routing price quote is cost-based. AT&amp;T also disagrees that customized routing need be priced on an individual case basis, end office by end office. AT&amp;T accepts that some nonrecurring charge will be appropriate to pay for the initial work required at the time that customized routing is established in a switch (i.e., the work necessary to program the switch to direct AT&amp;T customer calls to the trunk group(s) that will lead to the AT&amp;T OS/DA platform). However, a cost-based unit price for this charge can be established. AT&amp;T is in the process of developing proposed prices for customized routing that it plans to submit to the Commission in the current price proceedings, though it is hampered in this regard by the absence of a SWBT cost study to support SWBT's proposed charges.</p> <p>AT&amp;T requests that the Commission direct the parties to produce proposed pricing, with appropriate cost support, for customized routing of operator services and directory assistance calls, based on both a line class code methodology (as previously proposed by SWBT) and an AIN methodology (the methodology SWBT plans to have available by year end 1997 and now strongly prefers).</p>			<p>available to support the rates quoted for AIN customized routing in the context of the currently pending cost proceeding.</p> <p><b>5.2.3.3 (New)</b></p> <p><i>Prior to the deployment of AIN solution, SWBT will provide OS/DA services to AT&amp;T on the following terms: (1) Branding will be provided at a rate of 50% of the loading and per call rates quoted in SWBT's letter dated May 16, 1997. These rates are subject to true-up in the currently pending cost proceedings. The true-up will be based on prices paid from the date of provision of AIN to AT&amp;T. SWBT will submit cost studies to support its quoted rates for branding. (2) Rate quotes will be provided by SWBT to callers requesting AT&amp;T rates using the rate tables already loaded by SWBT based on information already provided by AT&amp;T. The parties agree that AT&amp;T will reimburse SWBT \$25,500 for the initial loading costs and \$1500 per operator switch for any future AT&amp;T requested modifications to the rate tables. These prices will not be subject to true-up.</i></p> <p>AT&amp;T also proposes the following language in Appendix Customized Routing Resale:</p> <p><b>1.2 (Replace existing 1.2)</b></p> <p><i>SWBT agrees to provide AT&amp;T no later than July 15, 1997 a schedule for deployment of AIN solution for customized routing in each of its end offices. SWBT agrees that the AIN solution to customized routing will be implemented in all end offices by December 31, 1997. To the extent that the AIN solution is available prior to that date, the parties agree that testing between the parties will begin as AIN becomes available on an end-office by end-office basis and the AIN solution will be deployed on the same end-office</i></p>			

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(AT&T) 7/28/97  
Customized Routing/OS/DA - 2

**II. CUSTOMIZED ROUTING/OS/DA  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

	<b>AT&amp;T</b> Reason why language should be included or excluded	<b>SWBT</b> Reason why language should be included or excluded	<b>Attachment and Sections</b>	<b>AT&amp;T Language</b>	<b>SWBT Language</b>	<b>AT&amp;T's Language Accepted</b>	<b>SWBT's Language Accepted</b>
				<p>by end-office basis as it becomes available.</p> <p><b>1.2.1 (New)</b></p> <p>Pricing for customized routing will be determined in pending cost proceedings before the Texas PUC. While it is contemplated that the pricing will be approved prior to full implementation of the AIN solution, the parties agree that to the extent customized routing is provided prior to such decision, AT&amp;T will pay at a rate of 50% of the applicable AIN rates quoted in SWBT's letter dated April 28, 1997 subject to a true-up following the issuance of a commission approved rate. This applies to up-front rates, per switch rates, and per line rates. The true-up will be for the entire period for which the AIN solution has been provided to AT&amp;T. SWBT has agreed to make cost studies available to support the rates quoted for AIN customized routing in the context of the currently pending cost proceeding.</p> <p><b>1.2.2 (New)</b></p> <p>Prior to the deployment of AIN solution, SWBT will provide OS/DA services to AT&amp;T on the following terms: (1) Branding will be provided at a rate of 50% of the loading and per call rates quoted in SWBT's letter dated May 16, 1997. These rates are subject to true-up in the currently pending cost proceedings. The true-up will be based on prices paid from the date of provision of AIN to AT&amp;T. SWBT will submit cost studies to support its quoted rates for branding. (2) Rate quotes will be provided by SWBT to callers requesting AT&amp;T rates using the rate tables already loaded by SWBT based on information already provided by AT&amp;T. The parties agree that AT&amp;T will reimburse SWBT \$25,500 for the initial loading costs and \$1500</p>			

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**II. CUSTOMIZED ROUTING/OS/DA  
CONTRACTUAL DISPUTED ISSUES MATRIX  
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	<b>AT&amp;T Reason why language should be included or excluded</b>	<b>SWBT Reason why language should be included or excluded</b>	<b>Attachment and Sections</b>	<b>AT&amp;T Language</b>	<b>SWBT Language</b>	<b>AT&amp;T's Language Accepted</b>	<b>SWBT's Language Accepted</b>
				<i>per operator switch for any future AT&amp;T requested modifications to the rate tables. These prices will not be subject to true-up.</i>			
<b>2. Zero minus transfer:</b>  Should the new entrant have the option to directly provide consumers rate quotations when using SWBT's OS and DA?	<p>Yes, AT&amp;T should be able to quote its rates to consumers by SWBT performing a zero minus transfer if SWBT has not implemented customized routing in all end offices by the end of the year, in accordance with the Further Stipulation Customized Routing, June 18, 1997.</p> <p>Since SWBT failed to meet its due date to provide customized routing at a reasonable price (initially requiring approximately \$310 million), AT&amp;T has been forced into utilizing SWBT's operator services and directory assistance platform as an interim measure in Texas to continue with market entry plans. AT&amp;T therefore requests the option to provide rate quotes to its own customers, rather than being required to have SWBT provide that service. PacTel (now owned by SBC) is allowing LSPs in California to quote their own rates to consumers while other operator services are being provided by PacTel. AT&amp;T merely requests that this same option be made available in Texas.</p> <p>When AT&amp;T is using SWBT's OS/DA services and a customer requests a rate quote, the rate quote may be provided either by an AT&amp;T operator, or by a SWBT operator. This flexibility should be available whether AT&amp;T is operating in a Resale environment, purchasing OS/DA as an unbundled element, or functioning as a facilities-based carrier choosing to utilize</p>	<p>No. Per the 6/18/97 Stipulation, prior to deployment of the AIN solution, SWBT will provide OS/DA services to AT&amp;T on the terms therein.</p>	<p><b>Appendix DA-Resale</b>, Sections 3.3 and 3.4;</p> <p><b>Appendix OS-Resale</b>, Sections 9.2, 9.3</p> <p><b>Attachment 6:</b> UNE, Sections 7.2.3.2, 7.2.3.3, 7.2.3.3.1, 7.2.3.3.2, 7.2.3.3.3, 7.2.3.3.4, 7.3.3.2, 7.3.3.3, 7.3.3.3.1-7.3.3.3.4;</p> <p><b>Attachment 22: DA Facilities Based</b>, Sections 3.2 and 3.3;</p> <p><b>Attachment 23: OS Facilities Based</b>, Sections 2.8 and 2.9</p>	<p><b>Appendix DA-Resale</b></p> <p><b>3.3 If AT&amp;T so requests in writing, SWBT Directory Assistance operators will provide Directory Assistance Rate information upon request to AT&amp;T's end users.</b></p> <p><b>3.4 If AT&amp;T has not made such a request in writing, as provided in Section 3.3 above, when an AT&amp;T caller requests a quotation of rates, the call will be treated as an Operator Transfer Service request and SWBT will connect the caller to AT&amp;T's operator services for the purposes of providing a quotation of AT&amp;T's rates, thereby fulfilling the customer's request for a quotation of rates. AT&amp;T will pay to SWBT the same charge for Operator Transfer Service that is applicable to operator transfer services as shown in Section 7.1.2 of Attachment 23: OS - Facility Based.</b></p> <p><b>Appendix OS-Resale</b></p> <p><b>9.2 If AT&amp;T so requests in writing, SWBT Operator Services operators will provide Operator Services Rate information upon request to AT&amp;T's end users.</b></p> <p><b>9.3 If AT&amp;T has not made such a request in writing, as provided in Section 9.3 above, when an AT&amp;T caller requests a quotation of rates, the call will be treated as an Operator Transfer Service request and SWBT will connect the caller to AT&amp;T's operator services for the purposes of providing a quotation of AT&amp;T's rates, thereby fulfilling the customer's request for</b></p>	<p><b>Appendix DA-Resale</b></p> <p>3.3 SWBT Directory Assistance operators will provide Directory Assistance Rate information upon request to AT&amp;T's end users.</p> <p><b>Appendix OS-Resale</b></p> <p>9.2 SWBT Operator Services operators will provide Operator Services Rate information upon request to AT&amp;T's end users.</p>		

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Customized Routing/OS/DA - 4

**II. CUSTOMIZED ROUTING/OS/DA  
CONTRACTUAL DISPUTED ISSUES MATRIX  
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	<p>SWBT's OS/DA platform. In the first arbitration, the Commission ruled, over SWBT's objection, that SWBT must provide rate quotations when AT&amp;T uses SWBT's OS and DA. AT&amp;T agreed to contract language in section 7.2.7.3 of Attachment 6, which states that, when AT&amp;T elects the option of using SWBT's operators to provide rate quotes, AT&amp;T will provide rate quote tables to SWBT to allow them to quote rates. Another option AT&amp;T has identified is that of using SWBT's "Operator Transfer Service" to have the call transferred to an AT&amp;T operator who will provide the requested quote. Use of this "0-transfer" will avoid the expense, operational difficulty, and competitive sensitivity of loading and updating AT&amp;T rate information into the SWBT OS/DA platforms.</p> <p>"0-transfers" are provided for and priced under the Agreement as a type of operator services function, so this alternative is readily available. AT&amp;T's provision of rate quotes in this manner will satisfy all applicable regulatory requirements. AT&amp;T's proposed contract language providing for rate quotation through "0-transfers" should be accepted.</p>			<p><b><u>a quotation of rates. AT&amp;T will pay to SWBT the same charge for Operator Transfer Service that is shown in Section 7.1.2 of Attachment 23: OS - Facility Based.</u></b></p> <p><b><u>Attachment 6: UNE</u></b></p> <p><b><u>7.2.3.2 When an AT&amp;T caller requests a quotation of rates, the call will be treated as an Operator Transfer Service request and SWBT will connect the caller to AT&amp;T's operator services for the purposes of providing a quotation of AT&amp;T's rates, thereby fulfilling the customer's request for a quotation of rates. When an AT&amp;T caller requests a quotation of rates, AT&amp;T will pay the rates and charges labeled "0-Transfer" on Appendix Pricing UNE - Schedule of Prices.</u></b></p> <p>(AT&amp;T requests that SWBT's proposed language amendments to the existing approved Texas Interconnection Agreement be stricken in its entirety. However, in the event that the PUC determines that the Rate and Reference language should be clarified, AT&amp;T proposes the following amendment to 7.2.3.3)</p> <p><b><u>7.2.3.3 If AT&amp;T so requests in writing, SWBT Operator Services operators will provide Operator Services Rates/Reference Information upon request to AT&amp;T's end users, as required by Section 226(b)(1)(C) of the Act. Rate/Reference information will be provided under the following terms and</u></b></p>	<p><b><u>Attachment 6: UNE</u></b></p> <p>(SWBT opposes the inclusion of AT&amp;T's language.)</p> <p><b><u>7.2.3.3 SWBT Operator Services operators will provide Operator Services Rates/Reference Information upon request to AT&amp;T's end users, as required by Section 226(b)(1)(C) of the Act. Rate/Reference information will be</u></b></p>		

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AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

	<b>AT&amp;T Reason why language should be Included or excluded</b>	<b>SWBT Reason why language should be Included or excluded</b>	<b>Attachment and Sections</b>	<b>AT&amp;T Language</b>	<b>SWBT Language</b>	<b>AT&amp;T's Language Accepted</b>	<b>SWBT's Language Accepted</b>
				<p>conditions:</p> <p><b><u>7.3.3.2 When an AT&amp;T caller requests a quotation of rates, the call will be treated as an Operator Transfer Service request and SWBT will connect the caller to AT&amp;T's operator services for the purposes of</u></b></p>	<p>provided under the following terms and conditions:</p> <p>7.2.3.3.1 AT&amp;T will furnish Rate and Reference information in a mutually agreed to format or media thirty (30) days in advance of the date when information is to be provided by SWBT.</p> <p>7.2.3.3.2 AT&amp;T will inform SWBT, in writing, of any changes to be made to such Rate and Reference information ten (10) working days prior to the effective rate change date. AT&amp;T acknowledges that it is responsible to provide SWBT updated Rate information in advance of when the Rates are to become effective.</p> <p>7.2.3.3.3 In all cases when SWBT receives a rate request from an AT&amp;T end user, SWBT will quote the Operator Services rates provided by AT&amp;T.</p> <p>7.2.3.3.4 After the AIN solution is available, a charge will apply for each subsequent change to AT&amp;T's Operator Services Reference information. The applicable prices contained on Appendix Pricing - UNE - Schedule of Prices and labeled "Rate/Reference Information (DA/OS)" will apply.</p> <p>(SWBT opposes the inclusion of AT&amp;T's language.)</p>		

**Key:** **Bold & underline** represents language proposed by AT&T and opposed by SWBT.

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*Italicized* represents new or revised language agreed on by AT&T and SWBT.



**II. CUSTOMIZED ROUTING/OS/DA  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

	<b>AT&amp;T Reason why language should be included or excluded</b>	<b>SWBT Reason why language should be included or excluded</b>	<b>Attachment and Sections</b>	<b>AT&amp;T Language</b>	<b>SWBT Language</b>	<b>AT&amp;T's Language Accepted</b>	<b>SWBT's Language Accepted</b>
				<p><u>providing a quotation of AT&amp;T's rates, thereby fulfilling the customer's request for a quotation of rates. When an AT&amp;T caller requests a quotation of rates, AT&amp;T will pay the rates and charges as shown as "0-Transfer" on Appendix Pricing UNE - Schedule of Prices.</u></p> <p>(AT&amp;T requests that SWBT's proposed language amendments to the existing approved Texas Interconnection Agreement to be stricken in its entirety. However, in the event that the PUC determines that the Directory Assistance Rate Information language should be clarified, AT&amp;T proposes the following amendments to 7.3.3.3.)</p> <p><b>7.3.3.3 If AT&amp;T so requests in writing, SWBT Directory Assistance operators will provide Directory Assistance Rate Information upon request to AT&amp;T's end users, as required by Section 226(b)(1)(C) of the Act. Rate Information will be provided under the following terms and conditions:</b></p>	<p>7.3.3.3 SWBT Directory Assistance operators will provide Directory Assistance Rate Information upon request to AT&amp;T's end users, as required by Section 226(b)(1)(C) of the Act. Rate information will be provided under the following terms and conditions:</p> <p>7.3.3.3.1 AT&amp;T will furnish Rate and Reference information in a mutually agreed to format or media thirty (30) days in advance of the date when they are to be provided by SWBT. If AT&amp;T does not provide the Rate Information and branding phrase as required in this Section, SWBT will brand the DA service provided to AT&amp;T as SWBT DA service and quote SWBT rates.</p> <p>7.3.3.3.2 AT&amp;T will inform SWBT, in writing, of any changes to be made to</p>		

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**II. CUSTOMIZED ROUTING/OS/DA  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

	<b>AT&amp;T Reason why language should be included or excluded</b>	<b>SWBT Reason why language should be included or excluded</b>	<b>Attachment and Sections</b>	<b>AT&amp;T Language</b>	<b>SWBT Language</b>	<b>AT&amp;T's Language Accepted</b>	<b>SWBT's Language Accepted</b>
				<p>such Rate and Reference Information ten (10) working days prior to the effective rate change date. AT&amp;T acknowledges that it is responsible to provide SWBT updated Rate Information in advance of when the Rates are to become effective.</p> <p>7.3.3.3.3 In all cases when SWBT receives a rate request from an AT&amp;T end user, SWBT will quote the Directory Assistance rates provided by AT&amp;T.</p> <p>7.3.3.3.4 An Initial non-recurring charge will apply for loading AT&amp;T's Directory Assistance Rate Information as well as a charge for each subsequent change to AT&amp;T's Directory Assistance Reference Information. When AT&amp;T uses Call Rating, the applicable prices contained on Appendix Pricing - UNE - Schedule of Prices and labeled "Rate/Reference Information (DA/OS)" will apply.</p> <p><u>Attachment 22: DA Facilities Based</u></p> <p><b>3.2 If AT&amp;T so requests in writing, SWBT Directory Assistance operators will provide Directory Assistance Rate Information upon request to AT&amp;T's end users.</b></p> <p><b>3.3 If AT&amp;T has not made such a request in writing, as provided in Section 3.3 above, when an AT&amp;T caller requests a quotation of rates, the call will be treated as an Operator Transfer Service request and SWBT will connect the caller to AT&amp;T's operator services for the purposes of providing a quotation of AT&amp;T's rates.</b></p>	<p>such Rate and Reference Information ten (10) working days prior to the effective rate change date. AT&amp;T acknowledges that it is responsible to provide SWBT updated Rate Information in advance of when the Rates are to become effective.</p> <p>7.3.3.3.3 In all cases when SWBT receives a rate request from an AT&amp;T end user, SWBT will quote the Directory Assistance rates provided by AT&amp;T.</p> <p>7.3.3.3.4 An Initial non-recurring charge will apply for loading AT&amp;T's Directory Assistance Rate Information as well as a charge for each subsequent change to AT&amp;T's Directory Assistance Reference Information. When AT&amp;T uses Call Rating, the applicable prices contained on Appendix Pricing - UNE - Schedule of Prices and labeled "Rate/Reference Information (DA/OS)" will apply.</p> <p><u>Attachment 22: DA Facilities Based</u></p> <p>(SWBT opposes the inclusion of AT&amp;T's language.)</p>		

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(AT&T) 7/28/97  
Customized Routing/OS/DA - R

**II. CUSTOMIZED ROUTING/OS/DA  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
				<p>thereby fulfilling the customer's request for a quotation of rates. AT&amp;T will pay to SWBT the same charge for Operator Transfer Service that is shown in Section 7.1.2 in Attachment 23: OS-Facilities Based.</p> <p><u>Attachment 23: OS facilities Based</u></p> <p><b>2.8 If AT&amp;T so requests in writing, SWBT Operator Services operators will provide Operator Services Rates/Reference Information upon request to AT&amp;T's end users.</b></p> <p><b>2.9 If AT&amp;T has not made such a request in writing, as provided in Section 2.8 above, when an AT&amp;T caller requests a quotation of rates, the call will be treated as an Operator Transfer Service request and SWBT will connect the caller to AT&amp;T's operator services for the purposes of providing a quotation of AT&amp;T's rates, thereby fulfilling the customer's request for a quotation of rates. AT&amp;T will pay to SWBT the same charge for Operator Transfer Service that is shown in Section 7.1.2 of this Attachment.</b></p>	<p><u>Attachment 23: OS Facilities Based</u></p> <p>(SWBT opposes the inclusion of AT&amp;T's language.)</p>		

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(AT&T) 7/28/97  
Customized Routing/OS/DA - 9

**III. OPERATIONAL ISSUES**  
**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
<p><b>1. UNE Ordering and Provisioning</b></p> <p><i>AT&amp;T Statement of Issue:</i>  A) Should SWBT be required to provide to AT&amp;T all of the capabilities in Exhibit A (Attachment 7) using an industry standard EDI interface?</p> <p>B) On an interim basis, until the parties can agree on an interface specification for UNE ordering, should SWBT be required to provide AT&amp;T access to EASE to order UNE loop and port combinations to provide services similar to the services SWBT provides to its end users?</p> <p>Alternatively, if SWBT is not ordered to make EASE available to order UNE loop and port combinations and to provide services similar to the services SWBT provides to its end users, what system should be made available in the interim for UNE transactions pending further development of the EDI interfaces?</p> <p><i>SWBT Statement of Issue:</i>  A) May AT&amp;T impose the conditions for all</p>	<p>A) Yes, SWBT should provide to AT&amp;T all of the functionality for ordering and pre-ordering as outlined in Exhibit A (Attachment 7). Provision of EDI interface would put AT&amp;T at parity with what SWBT provides to itself when offering service to an end user and would allow AT&amp;T to provide UNE based services to its end users at the same quality and timelines that SWBT provides such service to its end users.</p> <p>Many of the disagreements between the parties regarding provisions of industry standard EDI interface (Exhibit A) require resolution before the parties can mutually agree upon the data to be passed on the electronic interface. These disagreements will be resolved through this arbitration. However, in the interim of development of EDI, SWBT should be required to allow AT&amp;T to use EASE (until both parties have agreed upon and developed the necessary electronic interfaces) to process orders for UNE Loop and Port combinations that AT&amp;T will use to provide POTS service to its end users.</p> <p>The Parties have submitted competing language for Section 3.3 of Attachment 7, which provides the schedule and requirements for implementation of the EDI electronic interface for pre-ordering and the EDI interface for ordering and provisioning.</p> <p>AT&amp;T's language includes dispatch requirements and due dates in the information to be provided via the pre-order interface. SWBT's language does not, which would effectively leave implementation to SWBT's discretion.</p>	<p>A) No. This is AT&amp;T's attempt to have AT&amp;T Ex. 15A for Resale from Docket 16226 applied to UNEs. The "Exhibit A" referred to in AT&amp;T's language is simply a version of AT&amp;T Ex. 15A for Resale. Otherwise, the competing language is similar. SWBT offers UNEs and electronic interfaces in compliance with the requirements of the Federal Act, FCC rules, and Texas Arbitration Award, whereby UNEs are available in a nondiscriminatory manner as separate elements with separate costs that can be combined. SWBT's position is that it must serve all LSPs and thus must apply ordering and provisioning processes to all uses of UNEs including requests for individual elements as well as requests for combined multiple elements. AT&amp;T's inappropriate efforts to rebundle UNEs to provide services entirely via SWBT network elements is refuted elsewhere, but nevertheless such combinations are entirely and nondiscriminatorily possible via SWBT's DataGate and EDI electronic interfaces and manual ordering processes. AT&amp;T and SWBT have agreed, in advance of standards, to utilize a loop with switch port LSR/EDI format to specify the loop elements, the port type and its content. A remaining disagreement lies with AT&amp;T's aversion to manage the ordering and network inventory details using SWBT network identification codes. These codes are necessarily associated with the provision of SWBT UNEs, as lawfully defined. AT&amp;T's aversion to using NC and NCI codes conflicts with a similar Resale situation, where at AT&amp;T's request, AT&amp;T and SWBT agreed to utilize SWBT</p>	<p>Attachment 7: Ordering &amp; Provisioning-UNE, Sections 3.2, 3.2.1, 3.3, Exhibit A</p>	<p><b>3.2 SWBT will provide an industry standard ordering EDI interface to enable AT&amp;T to perform all of the service order functions listed in Exhibit A to this Attachment (including migration with changes, partial migration, new connects, disconnects, change orders, records only order, Outside Moves, T&amp;F order, supplemental orders, firm order confirmation, jeopardies, rejects, and order completion) for individual and combinations of elements (including the UNE Platform) for the capabilities listed in Exhibit A to this Attachment (including individual elements, combinations, TSR to UNE, and UNE to TSR). SWBT will make this industry standard ordering EDI interface generally available for AT&amp;T's use by June 1, 1997, and available for testing not later than April, 1997. In addition, AT&amp;T and SWBT agree to develop a standard format for (1) ordering and provisioning, (2) time frame and mechanization requirements for transport and (3) Common Use Unbundled Network Elements (including, but not limited to signaling and call related databases, operator services and directory assistance), by June 30, 1997, or a mutually agreed upon date. In any event, SWBT will make all unbundled Network Elements available for ordering and purchase by AT&amp;T by June 1, 1997.</b></p> <p><b>3.3 AT&amp;T and SWBT agree to implement the electronic interface, which will be transaction based, to provide the</b></p>	<p><b>3.2 SWBT will provide an industry standard ordering EDI interface to enable AT&amp;T to perform all of the service order functions listed in Exhibit A-UNE to this Attachment (including migration with changes, partial migration, new connects, disconnects, change orders, records only order, Outside Moves, supplemental orders, firm order confirmation, jeopardies, rejects, and order completion) for individual and combinations of elements. SWBT will make this industry standard ordering EDI interface generally available for AT&amp;T's use by June 1, 1997. In addition, AT&amp;T and SWBT agree to develop a standard format for ordering and provisioning, Common Use Unbundled Network Elements (including, but not limited to signaling and call related databases, operator services and directory assistance), by June 30, 1997, or a mutually agreed upon date.</b></p>		

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(AT&T) 8/14/97  
Operations - I  
Replacement

000011

**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
<p>preordering, ordering, and provisioning functions for resale services to unbundled network elements?</p> <p><i>SWBT Statement of Issue:</i> B) Should SWBT be required to modify its retail interfaces to support UNE when it has completed with development of new interfaces that specifically support UNEs?</p>	<p>Time frames are important to AT&amp;T for two reasons: (1) business planning; and (2) time frames to assure SWBT compliance.</p> <p>AT&amp;T should have the capability to provide its end users the same information that SWBT provides its end users. This information is important to the end user and AT&amp;T because AT&amp;T will need to coordinate any SWBT dispatch with the dispatch of its Inside Wire Vendor (if necessary) and the schedule of the end user.</p> <p>B) AT&amp;T had proposed interim use of a modified version of EASE for processing UNE transactions pending agreement on the specifications for and further development of the EDI interfaces. At its OSS presentation to the Commission on June 24, 1997, SWBT commented on the similarities between the service order process for resale and the service order process for loop and switch port combinations. Because of this statement and because AT&amp;T personnel have received training on EASE, AT&amp;T believed that this proposal offered a short term option pending further development of the EDI interfaces. Given SWBT's opposition to allowing use of EASE, AT&amp;T proposes alternatively that SWBT be directed to provide AT&amp;T with a production version of LEX suitable for AT&amp;T's needs no later than September 1, 1997. Because SWBT identifies LEX as the interface available for use in ordering UNEs individually and in combinations, AT&amp;T assumes that this alternative will be more acceptable to SWBT. Given current difficulties being experienced in the development of the EDI</p>	<p>USOC codes to identify Resale Services.</p> <p>In recent negotiations, SWBT has proposed Exhibit A - UNE, for use to contractually identify the OSS preordering and ordering functions that are available via the DataGale and EDI Gateways, respectively. This matrix represents the content provided in the UNE matrix as filed in the joint progress report of May 19, 1997 and is nearly identical to AT&amp;T Exhibit A. AT&amp;T's Exhibit A inappropriately references "Resale Due Date Assignment" and "Dispatch" preordering functions and "Migrations As-Is" ordering functions. Although AT&amp;T has made strides moving away from the AT&amp;T Exhibit 15A for Resale, which was clearly established in the first arbitration as specific to Resale OSS functions, they still cling to the As-Is functions. Not only does this circumvent Resale, but AT&amp;T asks that SWBT perform the combinations and design services for them.</p> <p>For these reasons, SWBT's language should be adopted to reflect the proper functionalities represented in Exhibit A - UNE.</p> <p>B) No. AT&amp;T seeks to use EASE as an "interim" interface for ordering UNE loop and port combinations. EASE is a resale interface, and AT&amp;T is well aware that Southwestern Bell already has the functionality to order loop and port combinations in place.</p> <p>Until this proceeding, AT&amp;T has requested that testing UNE ordering efforts via the EDI Gateway follow Resale</p>		<p><u>pre-service ordering information for unbundled Network Elements (i.e., address verification, service and feature availability, telephone number assignment, dispatch requirements, due date, and Customer Service Record information (CSR) in English subject to the conditions as set forth in Attachment Resale) not later than July 1, 1997. SWBT and AT&amp;T also agree to work together to implement an Electronic Data Interface (EDI) for ordering and provisioning specified in the Local Service Ordering Electronic Data Interchange (EDI) Support Implementation Guide (SIG) dated May 20, 1996, or as otherwise agreed to in writing by the Parties. Both EGI for pre-order and EDI for ordering and provisioning will be available not later than July 1, 1997, for all pre-order and ordering and provisioning order types and functions as outlined in Attachment A with a variation of no more than two (2) weeks.</u></p> <p>EXHIBIT A - Attached (AT&amp;T Exhibit 18)</p> <p><u>3.2.1 SWBT also will make available to AT&amp;T [EASE] [LEX], to be used by AT&amp;T on an interim basis prior to the development of an agreed upon UNE ordering interface, for the processing of UNE Loop and Port combination, used to provide POTS service by AT&amp;T, service orders. The following order types may be processed via [EASE] [LEX]: Conversion (as-is or with changes); Change (Features, Listings, InterLATA and IntraLATA [when available] Long Distance PICs);</u></p>	<p>EXHIBIT A - Attached (AT&amp;T Exhibit 18A)</p>		

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(AT&T) 8/14/97  
Operations - 2  
Replacement

000012

**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections:	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
	Interfaces, the availability of some interim electronic system solution is critical.	<p>EDI ordering functionality. AT&amp;T request for EASE to support UNE is yet another ploy to equate Resale with UNEs. Their request is also likely fueled by AT&amp;T's internal challenges in developing their side of the EDI Gateway. SWBT is preparing to assist LSPs that cannot, or choose not, to build to the EDI Gateway. LEX is SWBT interface that will allow LSPs to order UNEs individually and in combinations as specified by the CLEC. EASE, however, is the SWBT retail systems that SWBT offers to LSPs facilitate market entry using Retail services available for Resale. With the availability of EDI and LEX ordering capabilities, there is no just reason or need for SWBT to modify EASE to support UNEs.</p> <p>AT&amp;T has repeatedly refused to acknowledge the fact that SWBT's OSS preordering functions for provisioning UNEs differ from those involved in providing retail services. While SWBT's OSS in the resale environment have the ability to provide AT&amp;T with due date availability and dispatch requirements, UNEs do not need due date scheduling capability. The reason being is that UNEs are network components, not services, and require different OSS provisioning and billing systems capabilities to manage them. These OSS support other products similar to UNEs and provisioning intervals are very adequate allowing the purchaser with the ability to schedule time frames for installation. Thus, this preordering information is "equal in quality and speed" to that which SWBT provides itself for similar services (e.g., access</p>		<p><b><u>New Connect; Disconnect; From and To (change of premises with same service). A production version of [EASE] (LEX) suitable for AT&amp;T's needs shall be provided no later than September 1, 1997.</u></b></p>			

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**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
		and private line services) and to other LSPs. This is again an attempt by AT&T to get SWBT to provide a competitive advantage against other LSPs who are truly facility based and use standard intervals to provide service to their end users.					
<p><b>2. UNE Ordering and Provisioning</b></p> <p><i>AT&amp;T Statement of Issue:</i> Should AT&amp;T and SWBT be efficient in the design of their ordering processes and not be required to provide information that is already available to the requesting party?</p> <p><i>SWBT Statement of Issue:</i> Should SWBT OSS systems be modified to accommodate ordering without product specification?</p>	Yes, AT&T and SWBT should develop processes that are as efficient as possible. It is inefficient for SWBT to ask AT&T to provide information that already exists within SWBT databases. Requests for already existing information within SWBT's databases also causes additional points for the order to fallout from the systems as human error is introduced. To minimize the fallout and manual work involved which can slow down the provisioning process, AT&T should not be required to provide to SWBT information that already exists within SWBT.	<p>This issue has been agreed to within Resale. Therein, AT&amp;T is providing all Service and Equipment associate with Migration orders. This a basic requirement of order processing inherent in SWBT OSS ordering functionality. The premise for specification of UNE design is no different. AT&amp;T should specify the components UNE it wishes SWBT to provision. There is simply no requirement that SWBT itself determine as part of the UNE ordering process what UNEs AT&amp;T needs to accomplish AT&amp;T's objective in providing a particular service. AT&amp;T can itself obtain that information by using the appropriate SWBT operating support system services, which are available to AT&amp;T. As the FCC has explained, "requesting carriers must specify to incumbent LECs the network elements they seek before they can obtain such elements on an unbundled basis." While SWBT will work with AT&amp;T to assist it in identifying the elements it needs, AT&amp;T bears the responsibility for deciding what UNEs to order and prepare to utilize an ordering method that support this.</p> <p>This is another attempt by AT&amp;T to refuse to recognize the distinction between resold services and UNEs.</p>	Attachment 7: Ordering & Provisioning-UNE, Section 5.8	<b><u>5.8 On a conversion as is or conversion as specified order, SWBT will not require AT&amp;T to provide data that already exists in SWBT's database.</u></b>	(SWBT opposes inclusion of AT&T language.)		

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**III. OPERATIONAL ISSUES**  
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Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
		<p>AT&amp;T wants to be able to just tell SWBT, "I want John Doe's service - whatever it is - on a UNE basis and at UNE prices" Without specifying the elements. This is what FTA calls resale.</p> <p>UNEs were intended to be used by the CLEC for the purpose of constructing its own service offering. Thus AT&amp;T should perform the proper provisioning of its service offering. SWBT will perform these provisioning functions when AT&amp;T purchases a resale of a SWBT service, the provisioning is included in the rates for the SWBT service, UNE rates do not include the provisioning work being performed by SWBT.</p>					
<p><b>3. UNE Ordering and Provisioning</b></p> <p><b>AT&amp;T Statement of Issue:</b> Should UNE ordering and provisioning be based upon industry guidelines developed by Standards Bodies in which both parties are participants?</p> <p><b>SWBT Statement of Issue:</b> Should SWBT be required to adhere to every national guideline where such standards do not appropriately support the functionality of SWBT service offerings?</p> <p>Should AT&amp;T be allowed to determine what data</p>	<p>Yes, it is beneficial to both corporations to abide by industry guidelines. AT&amp;T does not wish SWBT to impose ordering guidelines that are not compatible with the guidelines developed by the Ordering and Billing Forum (OBF) in which we both participate and guidelines that are used by the rest of the industry.</p> <p>Ameritech has agreed with AT&amp;T that UNE loop and port combinations used to serve POTS customers can be ordered through standard OBF fields without having to use proprietary codes transmitted using the NC/NCI/SPEC fields.</p> <p>Use of industry standards simplifies the process and eliminates a further opportunity for delay on the part of SWBT and confusion on the part of both parties.</p>	<p>SWBT has agreed to utilize national guidelines in deploying and maintaining its OSS Interfaces. These industry guidelines evolving so to specify all the fields and valid content that may be necessary for every industry participant. SWBT utilizes these guidelines as they are applicable to SWBT business requirements, not all are applicable nor are all fields identified that will be required. When it comes to guidelines for code sets, the industry has yet to scratch the surface. SWBT has been proactive to employ Loop with Switch Port functionality, identifying fields to use in advance of standards, in its EDI Gateway for UNEs. The use of NC and NCI codes are not a "foreign language" as AT&amp;T suggests. Instead they are used daily by AT&amp;T's interexchange business and are another industry standardized means (Bellcore) of</p>	Attachment 7: Ordering & Provisioning-UNE, Section 7.2	<b>7.2 When ordering either Customer-Specific Combinations or Common-Use Combinations, AT&amp;T may specify the functionality of that Combination using national standards for ordering and provisioning.</b>	(SWBT opposes inclusion of AT&T language.)		

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Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Section:	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
elements SWBT and all other ILEC's need in order to process UNE order request?		Identifying network components. NC and NCI codes are very similar to SWBT and AT&T agreed upon use of USOCs for the Resale ordering processes. SWBT agrees that National Standards must be utilized where defined. However, every ILEC does not utilize the same back end OSSs. Due to differences in OSSs, ILEC's will have different needs as far as attributes that must be sent on the Local Service Request (LSR). The OBF LSR provides for the use of NC/NCI codes and SWBT needs these attributes to be provided by AT&T. Use of these codes and processes are an appropriate way to provision, maintain, and modify UNEs as lawfully defined.					
4. <u>Interim Number Portability - LIDB data</u>  AT&T Statement of Issue: Should SWBT update and or modify existing data in its LIDB when AT&T ports a customer using INP?  SWBT Statement of Issue: Should SWBT update and or modify existing data in its LIDB when AT&T ports a customer using INP?	Yes. SWBT should accept AT&T's updates to the LIDB database through the industry standard OBF forms as defined by the LSOG when AT&T ports an existing SWBT customer using INP. If there is no change to the customer's existing LIDB functionality (e.g. collect/third party call blocking), SWBT should not remove the existing customer data. This information can be included in the INP order using OBF forms if an update is needed. The update of the LIDB is a cost of providing INP. When Permanent Number Portability is implemented, AT&T will be able to populate customer information for ported numbers in its own LIDB.  AT&T does not have direct access into SWBT's proprietary database; therefore, if the information can be easily sent through the order fields defined by LSOG, the process is less cumbersome and more	No. SWBT has requirements from the FCC's Interconnection Order to provide AT&T the capability to directly update or modify its data in LIDB. Paragraph 493 of the Interconnection Order requires SWBT to "provide access, on an unbundled basis, to the service management system (SMS), which allow competitors to create, modify, or update information in call-related databases". In Paragraph 494 the FCC finds that "compelling provide access to the SMS is technically feasible if it is provided in the same or equivalent manner that the incumbent LEC currently uses to provide such access to itself." The FCC also notes in paragraph 494 that "[c]ommenters argue that they need equal access to incumbent LECs' SMS to write or populate their own information in call-related databases" and references AT&T as one of the commenters that so	Attachment 14; INP Section 6.5	6.5 SWBT agrees to populate its Line Information Database (LIDB) with information, such as TLN calling cards and Billing Number Screening (BNS), regarding ported numbers for billing. SWBT will provide access to LIDB database interfaces to accomplish this function, or make input on behalf of AT&T pursuant to LIDB data storage and administrative contracts. <u>Alternatively, AT&amp;T may provide the LIDB information using the standard OBF fields as defined in the LSOG (Local Services Order Guide).</u>	SWBT will provide AT&T with interfaces that allow AT&T to access SWBT's LIDB service management system (SMS). These interfaces will allow AT&T to create, modify, and delete AT&T line records for ported numbers. SWBT will provide interfaces to the LIDB SMS to accomplish this function as set forth in [insert section reference to LVAS].		

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(AT&T) 7/28/97  
Operations - 6

**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
	efficient for all involved. In this case, the parties have already agreed on the fields to be used for passing this information for a Resale order. The same fields are available to pass this information for an INP order.	argued. The FCC further concludes in paragraph 494 that "whatever method is used, the incumbent LEC must provide the competing carrier with the information necessary to correctly enter or format for entry the information relevant for input into the incumbent LEC SMS." SWBT has met the requirements of the Interconnection Order with respect to the LIDB SMS. SWBT provides four interfaces that provide AT&T equivalent access to the SMS. SWBT provides an interactive interface that is equivalent to the dial-up access of SWBT's database administration center. SWBT provides a Service Order Entry Interface that is equivalent to the bulk transfer feed SWBT uses to update its own records from service orders. SWBT provides a Tape Load Facility Interface that is equivalent to the tape load process SWBT uses for initial product loads. SWBT provides a LIDB Editor Interface that is equivalent to the emergency update process SWBT uses when the SMS is down or otherwise unable to communicate with LIDB. In paragraph 494, the FCC provided an example of what it considered equivalent access: "For example, if the incumbent LEC inputs information into the SMS using magnetic tapes, the competitive carrier must be able to create and submit magnetic tapes for the incumbent to input into the SMS in the same way the incumbent inputs its own magnetic tapes" (emphasis added). This SWBT has done. AT&T asks that SWBT be forced to develop functionalities beyond the requirements of the Act and the FCC Order.					

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**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
		SWBT cannot feasibly meet AT&T's request and still meet the requirements of the FCC's Interconnection Order. SWBT's SMS has security features which partition data from unauthorized access. This security capability allows SWBT to partition data so that one LSP cannot view or modify the data of another LSP or SWBT. This security capability drives off of record creation. If AT&T creates its own customer data, as the FCC decided, then SWBT can keep other companies from accessing, viewing, modifying, or deleting the AT&T customer data. If, on the other hand, SWBT creates AT&T's data, and then provides AT&T with its equivalent, access to the SMS (which SWBT is obligated to do based on the FCC's Interconnection Order), then AT&T gains access to all of SWBT's customer records and the customer records of every LSP (such as reseller LSPs) records which SWBT also created. This access gives AT&T the ability to view, modify, and delete those records. Neither the Act nor the FCC support AT&T's requests.					
5. <u>Portability of Customer Reserved Numbers</u>  AT&T Statement of Issue: Should a customer that has reserved a block of numbers as a SWBT customer be allowed to keep the reserved numbers when ported to AT&T using INP?	Yes. AT&T should be able to offer the same service SWBT offers its customer and SWBT should not be able to prevent AT&T, or any other LSP, from offering parity in number block administration. NXX block transfer should be considered and treated as an INP solution.  Customers will not be willing to change service providers if they would lose the ability to keep reserved numbers that they	No. the FTA96 defines Number Portability as "the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers..." Number Portability must not be used by AT&T as a tool to gain access to non-working telephone numbers. Additionally, AT&T's requested language would initiate countless disputes as to what is a "reserved" telephone number.	Attachment 14: INP Section 6.9	<b><u>6.9 When an existing SWBT customer with reserved numbers migrates to AT&amp;T service, the customer will be allowed to retain all previously reserved numbers for future use.</u></b>	(SWBT opposes inclusion of AT&T language.)		

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**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
<p><i>SWBT Statement of Issue:</i> Should SWBT be required to relinquish non-working telephone numbers when a customer's working telephone number(s) is ported to AT&amp;T?</p>	<p>are planning on using when their business expands.</p> <p>To the extent that SWBT claims that transfer of reserved numbers is complex, AT&amp;T believes that both companies can devise ways to make transferring numbers from one carrier to another, and especially at the request of a customer, a reality.</p>	<p>The goal of INP is for the end user to have the appearance of keeping their telephone number when changing local service providers. This goal is accomplished, and all requirements of FTA are met, by providing INP on "existing" or working telephone numbers.</p>					
<p><b>6. Billing</b></p> <p><i>AT&amp;T Statement of Issue:</i> Should SWBT impose a requirement on AT&amp;T that assigns multiple Billing Account Numbers (BANs) within a Regional Accounting Office (RAO) because of SWBT systems deficiencies?</p> <p><i>SWBT Statement of Issue:</i> This issue has been resolved in recent negotiations.</p>	<p>No. It is more efficient to require SWBT to assign AT&amp;T one BAN each, per RDA for residential and business customers. AT&amp;T's request is technically feasible and can be implemented by SWBT. To the extent that deficiencies exist in SWBT's billing systems, AT&amp;T is willing to work with SWBT. A more efficient automated service order and billing process is beneficial to the industry as manual intervention always leaves room for human error that could cause fallout of service orders.</p> <p>SWBT, on the other hand, would require multiple BANS per RAO, which will require extensive manual work by AT&amp;T to send SWBT service orders.</p>	<p>SWBT and AT&amp;T have mutually agreed that SWBT will provide a BAN for each class of service within the same LATA. There is no distinction between Residence and Business for unbundled network elements.</p>	<p><b>Attachment 9: Billing-UNE, Section 2.5</b> <b>Attachment 4: Connectivity Billing-Resale, Section 2.5</b></p>	<p><b>Attachment 9: Billing-UNE</b></p> <p><b>2.5 SWBT will assign to AT&amp;T one Billing Account Number (BAN) per Regional Accounting Office (RAO) for consumer and one BAN per RAO for business.</b></p> <p><b>Attachment 4: Connectivity Billing-Resale</b></p> <p><b>2.5 SWBT will assign to AT&amp;T one Billing Account Number (BAN) per Regional Accounting Office (RAO) for consumer and one BAN per RAO for business.</b></p>	<p><b>Attachment 9: Billing - UNE</b></p> <p><b>2.5 SWBT and AT&amp;T have mutually agreed that SWBT will provide a BAN for each class of service within the same LATA. There is no distinction between Residence and Business for unbundled network elements.</b></p> <p><b>Resale Attachment 4 - Connectivity Billing</b></p> <p><b>2.5, SWBT and AT&amp;T have mutually agreed that SWBT will provide a BAN for each billing period for residence end-users within a RAO and a BAN for each billing period for Business within the RAO.</b></p>		
<p><b>7. UNE Provisioning and Ordering</b></p> <p><i>AT&amp;T Statement of Issue:</i> Should SWBT and AT&amp;T have to jointly develop process metrics requirements for new processes and electronic interfaces that are implemented between AT&amp;T and SWBT?</p>	<p>AT&amp;T's proposed language in Section 8.6 (UNE) will commit the parties to develop process performance requirements as new processes and new electronic interfaces are implemented between them. SWBT agreed to parallel language in Section 7.6 of Attachment 2 in the resale context. AT&amp;T's language is a reasonable, limited measure to provide some assurance that the processes developed between the parties will function effectively.</p>	<p>This issue was already arbitrated in the mega-arbitration and awarded in Section 29. While SWBT agrees to continuously work with AT&amp;T to improve the functionality of the OSS interfaces, it would be improper to impose performance metrics associated with the individual OSS interfaces, functions or processes. These new interfaces, new users, and new procedures require and will receive close monitoring and an extensive process improvement actions</p>	<p><b>Attachment 7: Ordering &amp; Provisioning-UNE, Section 8.6</b></p>	<p><b>8.6 When new processes and electronic interfaces are implemented between AT&amp;T and SWBT, SWBT and AT&amp;T will develop process metrics requirements. Implementation of such measurements are subject to future agreements by SWBT and AT&amp;T. All such process metrics will be subject to review quarterly and subject to modification or discontinuance.</b></p>	<p>(SWBT opposes inclusion of AT&amp;T language.)</p>		

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(AT&T) 7/28/97  
Operations - 9

**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
SWBT Statement of Issue: Should AT&T be able to re-arbitrate the performance standards issue when SWBT is in compliance with the award?		as a part of ongoing implementation. However, this new environment does not support the proper establishment of meaningful measurements or comparisons. As awarded, SWBT reporting requirements to the Texas Public Utility Commission on the service establishment and repair measures adequately govern SWBT OSS functionality for all customers, whether access is manual or mechanized.					
<p><b>8. UNE Provisioning and Ordering</b></p> <p><b>AT&amp;T Statement of Issue:</b> Should SWBT be required to provide to AT&amp;T access to the same types of operational support systems information and functions for UNE pre-ordering, ordering and provisioning with the same timing and quality it provides to itself when it provides a service to its end users equivalent to the service AT&amp;T will provide its end users using UNEs?</p> <p><b>SWBT Statement of Issue:</b> May AT&amp;T impose the conditions for all preordering, ordering, and provisioning functions for resold services to unbundled network elements?</p>	Yes. AT&T should be provided access to operational support systems for UNE pre-ordering, ordering and provisioning at parity with that available to SWBT. AT&T should not be put at a competitive disadvantage as a new competitor and not allowed access to the same functionality provided by SWBT customers. AT&T and users should be at parity with SWBT end users for equivalent services provided to them via SWBT or via AT&T using UNE.	<p>No. This issue is addressed above in III.1</p> <p>The dispute with respect to this language is related to testing. Mechanized Loop Testing ("MLT") is not available today for UNEs as it is for resale, nor do the Electronic Communications Implementation Committee ("ECIC") standards permit requesting and receiving tests through EBI.</p> <p>Development of MLT, like other SWBT OSS modifications, is pursued where SWBT determines its business needs justify efforts to support new or changing business categories. SWBT should not be required to implement new functionalities or capabilities where SWBT offers interfaces and processes which support its requirements for preordering, ordering, repair, and billing. To require this, would needlessly impose development of customized interfaces and processes for every CLEC and would be directly inconsistent with the FCC's requirement in its Interconnection Order. That Order, Paragraph 523, requires only that an incumbent local exchange carrier</p>	Attachment 7: Ordering & Provisioning-UNE, Section 1.5	1.5 For all unbundled Network Elements and Combinations ordered under this Agreement, SWBT will provide pre-order, ordering and provisioning services equal in quality and speed (speed to be measured from the time SWBT receives the service order from AT&T) to the services SWBT provides to its end users for an equivalent service. <u>When UNEs are ordered in combination, for example, loop and switch port, the service must be supported by all the functionalities provided to SWBT's local exchange service customers. This will include but is not limited to, MLT testing, Dispatch scheduling, and Real time Due Date assignment. The ordering and provisioning to support these services will be provided in an efficient manner which meets or exceeds the performance metrics SWBT achieves when providing the equivalent end user services to an end user.</u>	(SWBT opposes inclusion of AT&T language.)		

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**III. OPERATIONAL ISSUES**  
**CONTRACTUAL DISPUTED ISSUES MATRIX**  
**AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
		provide access to those operation support systems that are currently available to itself.  For these reasons, AT&T's proposed language should not be included in the Agreement.					
9(A). <u>UNE Provisioning and Ordering</u>  Should SWBT develop the capability to perform pre-testing and to provide test results to AT&T by January of 1998?	Yes. The parties agreed in the Texas Interconnection Agreement on providing pre-testing and providing test results in support of both UNE and Resale services where available. In further discussions, SWBT has indicated that it will never be available. AT&T's proposed language in Section 6.5 (UNE) and 4.5 (Resale) will commit the parties to develop the capability within a reasonable timeframe. When turning up new service, it is imperative that AT&T manage the reliability of the customer's service being provisioned. AT&T's language is a reasonable measure to provide some assurance that the processes developed between the parties will function effectively.	No! 1. SWBT does not do testing (transmission and noise) on POTS services today and we will not perform any on combined UNE switch ports and standard loops. 2. There is no OSS available to manage this test data. 3. Installers and Frame personnel who perform these installations do not have test sets for performing tests. 4. "SWBT will perform pre-testing" has never been defined. 5. SWBT does not foresee a purpose for these tests in a customer environment. SWBT should not be required to develop functionality for one LSP that will negatively impact service to other LSPs or SWBT.	Attachment 7: Ordering & Provisioning-UNE, Section 6.5 Attachment 2: Ordering & Provisioning-Resale, Section 4.5	<u>Attachment 7: O &amp; P UNE</u>  6.5 Where available, SWBT will perform pre-testing and will provide in writing (hard copy) or electronically, as directed by AT&T, all test and turn up results in support of Unbundled Network Elements or Combinations ordered by AT&T. <b><u>This capability will be available by January 1998 or as agreed to by the Parties.</u></b>  <u>Attachment 2: O &amp; P-Resale</u>  4.5 Where available, SWBT will perform pre-testing and will provide in writing (hard copy) or electronically, as directed by AT&T, all test and turn up results in support of Resale services ordered by AT&T. <b><u>This capability will be available by January 1998 or as agreed to by the Parties.</u></b>	(SWBT opposes inclusion of AT&T language)          (SWBT opposes inclusion of T&T language.)		
9(B). Should all billing and usage data provided for under the Interconnection Agreement (e.g., mutual compensation, resale, UNE) be delivered to AT&T in a single transmission?	Yes. All billing under the contract will be in a CABS-like format, in accordance with the Commission's Arbitration Award. All that billing also should be on the same cycle. All billing and usage data for each cycle should be provided to AT&T in a single transmission. This transmission would include billing and usage data for mutual compensation, as well as resale.	SWBT language should be accepted.	Attachment 8: Billing-UNE, Section 12.2	<b><u>12.2 Billing for mutual compensation will be in accordance with a CABS format billing system to be implemented as soon as possible after the Ordering and Billing Forum (OBF) issues its final CABS release. To the extent that there are no CABS standards governing the formatting of certain data, such data will be issued</u></b>	12.2 Billing for mutual compensation will be provided in accordance with mutually agreed to CABS-like data content via current industry processes for mutual compensation..		

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(AT&T) 7/28/97  
Operations - 11

**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
	<p>unbundled network elements, and other matters, if any, to be billed to AT&amp;T by SWBT under the contract. A single comprehensive billing transmission will enable both parties to most efficiently track the various transactions and interrelationships among the different bills.</p> <p>AT&amp;T's proposed Section 12.2 to Attachment 9, providing for a single billing transmission, should be approved.</p>			<p><u>In the CABS-like format mutually agreed by the Parties by July 1, 1997. All usage information will be presented to AT&amp;T on a single transmission.</u></p>			
<p>10.</p> <p><i>AT&amp;T Statement of Issue:</i> Should AT&amp;T be able to use standard OBF conventions for ordering common-use unbundled network elements?</p> <p><i>SWBT Statement of Issue:</i> Should SWBT be able to establish an EDI gateway based upon its business requirements in advance of standards in order to maximize the ordering functionality and efficiency?</p>	<p>Yes. AT&amp;T's language would ensure that the ordering and provisioning of common-use unbundled network elements would comply with OBF standards. SWBT has agreed in other sections of the Agreement (see, e.g., Section 1.6.2) to use standards developed by the OBF. It is not clear why SWBT would resist and object to AT&amp;T's language to use and to abide by OBF guidelines.</p> <p>It is advantageous for all LSPs to utilize nationally-accepted standards for ordering and provisioning whenever possible. National standards are developed in an effort to promote the spread of competition across state barriers and into other incumbent LECs' territories. In this circumstance, it is more reasonable to have the parties abide by OBF standards than attempt to devise mutually-agreed upon standards that may never materialize.</p>	<p>SWBT has agreed to utilize national guidelines in deploying and maintaining its national guideline based interfaces. These industry guidelines continuously evolve to specify all the fields and valid content that may be necessary for every industry participant. SWBT utilizes these guidelines as they are applicable to SWBT business requirements, not all are. In addition, SWBT has negotiated in advance of standards many times with AT&amp;T and established locations for data required, but not yet defined in the OBF formats. Where industry guidelines are applicable to SWBT business requirements they will be used.</p> <p>When it comes to guidelines for codesets, the industry has yet to scratch the surface. SWBT is nondiscriminatorily utilizing its own complete set of product, service, and element identification codes to accurately provision, maintain, and modify UNEs, and Resale services, as lawfully defined. This enables Gateway users to order all SWBT products, not just those the industry has mapped. While SWBT is assisting in the development of national code sets,</p>	<p>Attachment 7: Ordering &amp; Provisioning-UNE, Section 1.4 and 1.7.1</p>	<p><u>1.4 Combinations will be identified and described by AT&amp;T so that they can be ordered and provisioned together. All elements and functionalities will be enumerated using OBF defined fields (e.g., Pulse, Signl (signaling), TBE (Toll Billing Indicator, Feature, Feature Detail) and industry standard formats.</u></p> <p><u>1.7.1 Common Use unbundled Network Elements are defined as unbundled Network Elements provided by SWBT that are used by AT&amp;T to provide a Telecommunications Service but are not customer specific, including, without limitation, Common Transport, Dedicated Transport, tandem switching, signaling and call-related databases, Operator Services and DA, and Operations Support Systems. Common-Use Unbundled Network Elements will be ordered in a manner that is consistent with the OBF Access Service Request Process; in addition customized routing will be ordered in the same manner. When AT&amp;T orders an unbundled Local Switch Port, and does not order customized routing, SWBT will</u></p>	<p>(SWBT opposes inclusion of AT&amp;T language.)</p> <p>(SWBT opposes inclusion of AT&amp;T language.)</p>		

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**III. OPERATIONAL ISSUES  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
		<p>deploying complete code sets into all ILEC gateways will take years.</p> <p>To illustrate how unique this potential situation is, consider for example, a retailer like Wal-Mart. Wal-Mart is extremely stringent of its suppliers so it may accurately and efficiently identify the products it needs via EDI ordering processes. However, Wal-Mart does not demand that all manufacturers of similar items create common product codes. Wal-Mart does require that each manufacturer have a unique identification number and a universal product code (UPC) for each product. It is Wal-Mart, the retailer, that manages these product code classifications and modifications. Further, when Wal-Mart orders products, it specifies exactly what should be delivered and where. Likewise, LSPs have the responsibility of ordering products or elements based upon each "manufacturer's" product identifiers and specify where and how to "ship" products to defined locations.</p>		<p><i>provide AT&amp;T access to SWBT's local network elements for the purposes of completing AT&amp;T end user calls without the need for an order for the following Common Use Network Elements: Common Transport; Signaling and Call Related databases; and Tandem Switching. AT&amp;T will pay the charges for usage of those elements in accordance with Appendix Pricing UNE - Schedule of Prices.</i></p>			

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**IV. UNE PARITY  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Section:	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
<p><b>1. Parity: Overview</b></p> <p><i>AT&amp;T Statement of Issue:</i> When AT&amp;T orders a combination of unbundled network elements, and specifies the service it intends to provide using that combination (e.g., POTS, ISDN), should SWBT provide the requested elements with at least the same functionality, performance quality, and operations systems support that is available to SWBT for providing equivalent service to its customers?</p> <p><i>SWBT Statement of Issue:</i> By ordering "combinations" of UNEs, may AT&amp;T force SWBT to choose what UNEs AT&amp;T will need for the desired service and provide them at rates which are less than the sum of the respective rates for each constituent element?</p>	<p>Yes. AT&amp;T should be able to provide a service using UNE elements equivalent to that provided by SWBT to its customers. SWBT's business and "policy" positions conspire to lower the level of service, limit the functionality, and raise the price of UNEs in such a way that would discourage competition in Texas.</p> <p>Through the loops, switches, transport facilities, and other elements that comprise the SWBT network, SWBT is able to market and deliver telecommunications services to its customers with a certain range of functionality, quality, and speed. If AT&amp;T and other LSPs are to have the opportunity to compete successfully for local service customers using unbundled network elements, their access to SWBT's UNEs must provide them the opportunity at least to match the functionality, quality, and speed of service offered by SWBT through those same elements. SWBT's Implementation plans, however, made manifest in contract negotiations, are certain to deny AT&amp;T access to unbundled elements on a parity basis with SWBT itself.</p> <p>This issue arises in several contexts. When SWBT uses a loop and switch port to serve a POTS customer, the customer's loop is automatically tested by the Mechanized Loop Testing (MLT) system in the local switch. Proactive maintenance is provided to the customer through the Local Maintenance Operation System. When AT&amp;T orders that same loop and switch port to serve a POTS</p>	<p>SWBT intends to provide UNEs to AT&amp;T individually or in combination. Nevertheless, AT&amp;T demands that SWBT undertake additional duties that are not required by the Act or by this Commission. AT&amp;T wants to order what it calls a UNE "platform" from SWBT. This means AT&amp;T seeks the right to specify a retail service and then require SWBT to identify and assemble the combination of UNEs necessary to provide that service. AT&amp;T would then obligate SWBT to provide that "platform" at less than the sum of respective rates established for each constituent UNE. This strategy should be rejected for five principal reasons.</p> <p>First, SWBT cannot be obligated to choose the UNEs necessary for AT&amp;T to provide a service. SWBT has configured its systems to process orders for resold services (as such) and orders for UNEs (as such). This is consistent with the FCC's requirement that UNEs be offered separately, for a separate charge, 47 C.F.R. § 51.307(d), as well as the requirement that "an incumbent LEC must provide, upon request, nondiscriminatory access to operations support systems functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing of UNEs under section 251(c)(3) and resold services under section 251(c)(4)." Interconnection Order § 525. However, there simply is no requirement that SWBT itself determine as part of the UNE ordering process what UNEs AT&amp;T needs to accomplish AT&amp;T's objective in providing a particular service. AT&amp;T can</p>	Attachment 6: UNE, Section 2.4.1	<p><b>2.4.1 When AT&amp;T orders unbundled Network Elements in combination, and identifies to SWBT the type of telecommunications service it intends to deliver to its end-user customer through that combination (e.g., POTS, ISDN), SWBT will provide the requested elements with all the functionality, and with at least the same quality of performance and operations systems support (ordering, provisioning, maintenance, billing and recording), that SWBT provides through its own network to its local exchange service customers receiving equivalent service, unless AT&amp;T requests a lesser or greater quality of performance through the Special Request process. For example, loop/switch port combinations ordered by AT&amp;T for POTS service will include, without limitation, MLT testing, real time due date assignment, dispatch scheduling, service turn-up without interruption of customer service, and speed and quality of maintenance, at parity with SWBT's delivery of service to its POTS customers served through equivalent SWBT loop and switch ports. Network element combinations provided to AT&amp;T by SWBT will meet or exceed all performance criteria and measurements that SWBT achieves when providing equivalent end-user service to its local exchange service customers (e.g., POTS, ISDN).</b></p>	(SWBT opposes inclusion of AT&T language.)		

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(AT&T) 7/28/97  
UNE Parity - 1

**IV. UNE PARITY  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
	<p>customer, however, SWBT plans to reclassify the elements as "designed circuits", eliminate MLT testing of the loop, and maintain them under a non-automated Work Force Administration system. To take another example, when a prospective POTS customer calls a SWBT customer service representative, SWBT's operations support systems provide that customer service representative with electronic access to dispatch requirements and due date information. However, SWBT holds to the position that its operations support systems will not provide AT&amp;T customer service representatives with that same information when they seek to order unbundled network elements to provide comparable service to the same prospective POTS customers. Similarly, when a SWBT customer service representative completes an order for POTS service, SWBT's systems automatically flow through the relevant information to populate the LIDB database. Although AT&amp;T will be required to provide the relevant information for LIDB on its orders for unbundled network elements, SWBT has set up its systems so that this "flow-through" capability will not be available to AT&amp;T or other LSPs. Rather, each LSP will have to develop an alternative system for populating SWBT's LIDB database with information for the LSP's customers.</p> <p>In each of these instances, the same difference in perspective separates SWBT and AT&amp;T. SWBT disclaims any obligation to make the network elements available to AT&amp;T and other LSPs so that they may use those elements on a par</p>	<p>obtain that information by using the appropriate SWBT operation support services, which are available to AT&amp;T. As the FCC has explained, "requesting carriers must specify to incumbent LECs the network elements they seek before they can obtain such elements on an unbundled basis." <i>Id.</i> § 297. AT&amp;T bears the responsibility for deciding what UNEs to order.</p> <p>Second, AT&amp;T wants SWBT to combine UNEs into a "platform" and provide them at less than the sum of their separate unbundled rates. In this manner, AT&amp;T hopes to eliminate the non-recurring charge associated with each separate element. SWBT is not required to comply with AT&amp;T's request because it would unjustifiably permit AT&amp;T to avoid payment of the separate unbundled rates to which SWBT is entitled under the Act.</p> <p>Under the cost-based rates for UNEs, each element has associated with it a monthly recurring rate and, at the time the element is ordered, a non-recurring rate. With its proposed contract language, AT&amp;T will seek to eliminate the non-recurring rate by ordering the UNEs in an "interconnected" package. This violates the Act as well as the rules of the FCC, which require that network elements be offered on an "unbundled basis" (Section 251(c)(3); and that these elements be separately offered and separately priced (47 C.F.R. § 51.307(d) (1997)).</p> <p>SWBT is entitled to make and collect a separate charge for each separate UNE. There may be systems, databases and</p>					

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CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

Issue:	AT&T Reason why language should be included or excluded	SWBT Reason why language should be included or excluded	Attachment and Sections	AT&T Language	SWBT Language	AT&T's Language Accepted	SWBT's Language Accepted
	<p>with SWBT (to the extent technically feasible) in competing to provide telecommunications service to customers. Rather, SWBT maintains that it does not provide unbundled network elements "to itself" and that its only obligation is to provide equal access to unbundled network elements to all LSPs. According to SWBT, it is irrelevant if that equal access leaves all the LSPs at a substantial disadvantage to SWBT in competing for POTS customers.</p> <p>This Commission's previous Arbitration Award established that SWBT must provide unrestricted access to the unbundled network elements identified by the Commission and that LSPs may not be required to own or control any of their own local exchange facilities before they can purchase or use unbundled elements to provide a telecommunications service. Arbitration Award at p. 6. This ruling opened an important pathway by which LSPs will be able to use unbundled network elements to offer competitive services to Texas consumers. A new entrant may order from SWBT the complete combination of elements needed in order to deliver telecommunications service to a retail customer through a physical configuration of network facilities that is unchanged from the facilities that serve the customer today. This UNE "platform," offers an economic, marketing, and technical basis for transition to facilities-based competition.</p> <p>The FCC and each of the state commissions in SWBT's traditional local service territory all agree that LSPs may</p>	<p>records that must be updated in order to provide that UNE to AT&amp;T. These costs are included in the non-recurring charge associated with each UNE, and SWBT has the right to recover these costs.</p> <p>Third, allowing AT&amp;T to avoid the non-recurring charge on each element also would be discriminatory. By ordering all its "unbundled" elements together, AT&amp;T could buy elements cheaper than a facilities-based LSP would pay for the same elements. This kind of discrimination violates the Act, as well as the rules promulgated under the FCC's Interconnection Order at § 51.307(a) and 51.311(a).</p> <p>Fourth, AT&amp;T's request is an excellent example of its "sham" unbundling or <i>de facto resale</i>. Indeed, AT&amp;T's attempt is an unmistakable gambit to avoid the mandates of the Act. Forcing SWBT to offer up UNEs in combination in this manner will not only allow AT&amp;T to create a "service" without installing any facilities, but also allow it to obtain those UNEs at less than the specified UNE rates. This is totally unjustified under the FTA. While SWBT will offer UNEs to a non-facilities based LSP like AT&amp;T, consistent with Section 251(c)(3) of the Act, it certainly is not required also to choose what UNEs to provide and to recover less than the full unbundled rate.</p> <p>AT&amp;T seeks to convert SWBT's retail customers "as is" to AT&amp;T's repackaged unbundled network service offerings and to avoid paying service activation and other nonrecurring charges associated with the provisioning of those unbundled</p>					

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(AT&T) 7/28/97  
UNE Parity - 1

**IV. UNE PARITY  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

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	<p>purchase and use the UNE platform for competitive entry, without a requirement that the LSP own its own facilities. See FCC Order, ¶ 331; Kansas Arbitration Order at 43; Missouri Arbitration Order at 13; Arkansas Arbitration Order at 28; Oklahoma Arbitration Order Regarding Unresolved Issues at 5. SWBT, however, continues to resist the UNE platform at every turn, not only by its appeals of this Commission's Arbitration Award, where it characterizes the UNE platform as "sham unbundling," but also in its contract negotiations and UNE implementation plans. SWBT's plans for UNE implementation will effectively deny LSPs the capability to compete for POTS customers via the UNE platform.</p> <p>Proposed section 2.4.1 of Attachment 6 directly addresses this conflict. It will define "parity" of access to unbundled network element combinations from the only perspective that will create a meaningful opportunity for competition -- the ability to deliver equivalent service to the end-user customer. AT&amp;T will indicate on orders for combinations of elements the type of service it intends to deliver over those elements (e.g., POTS, ISDN) -- indeed, this is a requirement of the ordering processes developed in implementation of the Texas Interconnection Agreement. In turn, SWBT will be required to provide the requested elements with all of the functionality, and with at least the same quality of performance and operations systems support, that SWBT provides through its own network to its local exchange customers receiving equivalent service. Unless LSPs are provided with</p>	<p>network elements. This is AT&amp;T's latest attempt in a series to rewrite the law to its own liking and to obtain unlawful and discriminatory preferences.</p> <p>Section 252(d)(3) says how the wholesale discount for SWBT's resold services is to be determined and directs that it be on the basis of retail rates less SWBT's avoided costs. Pursuant to the directive, this Commission determined the discount to be 21.6% for SWBT in Texas.</p> <p>Not content with the 21.6% discount, AT&amp;T seeks to order the same retail service for resale at a higher effective discount simply by labeling it as an order for unbundled network elements or a "UNE Platform" Using the interim rates from Docket No. 16226, SWBT estimates that AT&amp;T can raise the discount from 21.6% to approximately 45 - 55%, which is consistent with AT&amp;T's objective all along to achieve a wholesale discount of between 35% and 50%.</p> <p>Indeed, AT&amp;T's General Counsel John Zeglis has now admitted that this was AT&amp;T's objective. Speaking to a group of investment analysts, Mr. Zeglis recently stated: "Another way to resell, and one that figures prominently in our plans, is what we've been calling the unbundled network element." (Emphasis Added). Using Pennsylvania as an example, Mr. Zeglis said this causes the wholesale discount to increase from 25.9% to a 52% discount for a customer who buys \$25 of long distance and \$5 of local toll per month and a 64% discount for a \$75 toll customer with \$5 of</p>					

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(AT&T) 7/28/97  
UNE Parity - 4

**IV. UNE PARITY  
CONTRACTUAL DISPUTED ISSUES MATRIX  
AT&T-SWBT INTERCONNECTION AGREEMENT - TEXAS**

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	access to SWBT's UNEs in a manner that provides them with an opportunity to deliver equivalent service to end-user customers, then the access to unbundled network elements previously ordered by this Commission will remain access in name only.	<p>IntraLATA toll. Mr. Zepilis goes on to suggest two other favorable aspects of this so-called resale option that appeal to his company: (1) the avoidance of access charges (despite Congress expressly preserving the existing access charge scheme in subsections 251(d)(3) and 251(g)); and (2) the opportunity to collect (or forego collecting) the subscriber line charge revenue (and possibly even to receive universal service support notwithstanding the fact that AT&amp;T would be deploying no facilities of its own). pp. 5-6. The patent unfairness and absurdity of AT&amp;T's rebundling argument is further demonstrated by this approach. SWBT and others have challenged such sham unbundling in the Eighth Circuit Court of Appeals as being contrary to the statute and as rendering its resale and wholesale discount provisions virtually meaningless.</p> <p>Here, AT&amp;T wants to take the matter a step further and not even pay the non-recurring costs of provisioning the unbundled network elements. The effect of this proposal would be to substantially increase the effective discount even further than the approximately 45% - 55%, based on SWBT's estimate. AT&amp;T reasons that, since there allegedly is no change in the features or functionality necessary to serve the "as is" customer, it should not have to pay any non-recurring charges.</p> <p>AT&amp;T cannot have it both ways - namely, calling its service unbundled for one purpose and treating it as strict resale in another. Clearly, it costs SWBT more, even in an "as is" context, to</p>					

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(AT&T) 7/28/97  
UNE Parity - 5

**IV. UNE PARITY  
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		<p>provision unbundled network elements than it does to provide a retail service via resale, and in the provisioning of unbundled network elements more is involved than just a service order change. In the retail context, SWBT is not required to identify or to bill for the individual network elements and can implement the service with relatively little change. The opposite is true in the case of unbundled network elements where it is incumbent on the ordering carrier to specify the desired elements; for them to be separately provisioned and billed as components. Designating the change order "as is" does not simplify the process and, in fact, complicates it by shifting to SWBT the responsibility to determine what unbundled network elements are needed or desired by the carrier. AT&amp;T can, of course, avoid these charges by ordering the bundled/resold service. What it cannot or should not be allowed to do is order the unbundled service and then seek to avoid the associated unbundling costs or its responsibility to designate the individual elements ordered. That result would be contrary to Section 252(d)(1) which allows the provisioning carrier to recover its costs and would be discriminatory because in all other (not-as-is) instances the ordering carrier would be required to pay such costs.</p> <p>Finally, AT&amp;T predicts ominously that without its UNE Platform method of service, SWBT will "force a customer service outage whenever a SWBT customer is converted to UNE-based service." This assertion misstates the facts. AT&amp;T has the ability to achieve</p>					

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UNE Parity - 6

**IV. UNE PARITY  
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		conversion from a SWBT service to UNE-based service with minimal end user customer service interruption.  Based on all the foregoing, the Commission should reject AT&T's language.					
2. <u>Ordering and Provisioning: Access to Information</u>  <i>AT&amp;T Statement of Issue:</i> Should SWBT provide AT&T with parity in pre-ordering, ordering, and provisioning processes in terms of access to information?  <i>SWBT Statement of Issue:</i> May AT&T dictate to SWBT what systems it will provide and when it will make such systems available when such systems go beyond what SWBT provides to itself?	Yes. SWBT should be required to provide its end user due date and dispatch information to AT&T so that AT&T can coordinate its inside plant vendor with the time table of the end user. This information should be provided to AT&T in the same manner as SWBT provides this information to its end users for equivalent services (e.g. SWBT POTS customer vs. AT&T Loop and Port combination POTS customer). SWBT should not put AT&T at a competitive disadvantage by not allowing access to information that SWBT can provide to its customers.  SWBT should also be obligated to provide AT&T end users the same level of performance that it provides its own end users for equivalent services. SWBT should also provide to AT&T an electronic transaction to notify AT&T that a due date is not going to be met so that AT&T can notify its customer of the situation.  The FCC recognizes that nondiscriminatory access to the ILEC's operations support systems "is vital to creating opportunities for meaningful competition." FCC Order at ¶ 518. The FCC thus concluded that "an incumbent LEC must provide nondiscriminatory access to their operation support systems functions for pre-ordering, ordering, provisioning, maintenance and	No. At the present time, SWBT does not have EDI, but is currently working to build this system at AT&T's request.  In addition, the manual process AT&T seeks to require SWBT to implement until the 855 transaction is available is a tremendous, onerous process. Although SWBT is willing to perform this manual process where available, it is SWBT's position that AT&T should not have the right to dictate to SWBT what systems it will provide and when it will make such systems available when they are systems that SWBT does not have in place and does not use in connection with serving its own customers. Rather, the systems proposed by AT&T go beyond that which SWBT provides for itself and consequently, AT&T's language should be stricken from the Agreement, and SWBT's language providing that it will provide the 855 transaction to AT&T "when available" and in the interim, will provide the function on a manual basis "where available," should be included in such Agreement.	<b>Attachment 7:</b> <b>Ordering &amp; Provisioning, Section 2.1</b>  <b>Attachment 2:</b> <b>Ordering &amp; Provisioning-Resale, Section 4.7</b>  <b>Attachment 7:</b> <b>Ordering &amp; Provisioning, Sections 8.7 and 9.1</b>	<b>Attachment 7</b>  2.1 SWBT and AT&T agree to work together to implement the Electronic Gateway Interface (EGI) used for resold services that provides non-discriminatory access to SWBT's pre-order process. AT&T and SWBT agree to implement the electronic interface, which will be transaction based, to provide the pre-service ordering information (i.e., address verification, service and feature availability, telephone number assignment, <b>dispatch requirements, due date</b> and Customer Service Record (CSR) information), subject to the conditions as set forth in Attachment 2: Ordering and Provisioning - Resale, Paragraph 1.4.  <b>Attachment 2</b>  4.7 When available, SWBT will provide AT&T an 855 EDI transaction based reply when SWBT's committed Due Date (DD) is in jeopardy of not being met by SWBT on any Resale service. SWBT will concurrently provide the revised due date. SWBT may satisfy its obligations under this paragraph by providing AT&T access through the electronic interface to a database which identifies due dates in jeopardy and provides revised due dates as soon as they have been established	(SWBT opposes inclusion of AT&T language.)		

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(AT&T) 7/28/97  
UNE Parity - 7

IV. UNE PARITY  
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	<p>repair, and billing available to the LEC itself. Such nondiscriminatory access includes access to the functionality of any internal gateway systems the incumbent employs in performing the above functions for its own customers." <i>Id.</i> at ¶523. The FCC required ILECs to meet the requirement of nondiscriminatory OSS access by January 1, 1997. <i>Id.</i> at ¶ 525.</p> <p>SWBT has failed to meet this requirement in its implementation negotiations with AT&amp;T. SWBT has delayed and resisted providing AT&amp;T with access to OSS functions that will enable AT&amp;T to pre-order, order, and provision UNE service for its customers with the same quality and speed that SWBT uses to serve its retail customers, contrary to the requirements of Section 251(c)(3) of the Act and the FCC's very plain, specific interpretation. This resistance has manifested itself in disagreements over a number of provisions in Attachment 7: Ordering and Provisioning - Unbundled Network Elements.</p> <p>For example, proposed Section 2.1 of Attachment 7 would include dispatch requirements and due date in the categories of information that would be available to AT&amp;T via electronic interface for pre-ordering purposes for unbundled network elements. That information is available to SWBT in performing pre-ordering for its retail customers who will be served through the same equipment and facilities (i.e., network elements) as AT&amp;T's retail customers served through unbundled network elements. SWBT has</p>			<p>by SWBT. On an interim basis, where available, SWBT and AT&amp;T will establish mutually acceptable methods and procedures for handling the processes for a jeopardy notification or missed due date. <b><u>This capability will be available by January 1998 or as agreed to by the Parties.</u></b></p> <p><b><u>Attachment 7</u></b></p> <p>6.7 When available, SWBT will provide AT&amp;T an 855 EDI transaction based reply when SWBT's committed Due Date (DD) is in jeopardy of not being met by SWBT on any Unbundled Network Elements or Combinations. SWBT will concurrently provide the revised due date. SWBT may satisfy its obligations under this paragraph by providing AT&amp;T access through the electronic interface to a database which identifies due dates in jeopardy and provides revised due dates as soon as they have been established by SWBT. On an interim basis, where available, SWBT and AT&amp;T will establish mutually acceptable methods and procedures for handling the processes for a jeopardy notification or missed due date. <b><u>This capability will be available by January 1998 or as agreed to by the Parties.</u></b></p> <p><b><u>9.1 SWBT will provide AT&amp;T with the provisioning intervals as currently outlined in the LCUG Service Quality Measurements document, or as may be revised from time to time.</u></b></p>	<p>9.1 SWBT will provide AT&amp;T with the provisioning intervals as specified below:</p> <p>(See SWBT Table in Attachment 7: Ordering &amp; Provisioning, Section 9.1)</p>		

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