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BellSouth Telecommunications. Inc.

Tallahassee, Florida 32301-1556

850 224-7798 Fax 850 224-5073 Suite 400 150 South Monroe Street

RECURDS AND REPORTING

Marshall M. Criser III Regulatory Vice President

July 19, 2000

Mrs. Blanca S. Bavo Director, Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399

000884-77

Re: Approval of an Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. ("BellSouth") and KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., & KMC Telecom IV, Inc. pursuant to Sections 251, 252 and 271 of the Telecommunications Act of 1996

Dear Mrs. Bayo:

Pursuant to section 252(e) of the Telecommunications Act of 1996, BellSouth and KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., & KMC Telecom IV, Inc. are submitting to the Florida Public Service Commission an amendment to their negotiated agreement for the interconnection of their networks, the unbundling of specific network elements offered by BellSouth and the resale of BellSouth's telecommunications services to KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., & KMC Telecom IV, Inc. The Commission approved the initial agreement between the companies in Order No. 97-0857-FOF-TP issued July 16, 1997 in Docket 970454-TP.

Pursuant to section 252(e) of the Act, the Commission is charged with approving or rejecting the negotiated agreement between BellSouth and KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., & KMC Telecom IV, Inc. within 90 days of its submission. The Act provides that the Commission may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity. Both parties aver that neither of these reasons exist as to the agreement they have negotiated and therefore, are very hopeful that the Commission shall approve their agreement.

Very truly yours,

Marshall M. Cruser III (21)
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ATTACHMENT TO TRANSMITTAL LETTER

The Agreement entered into by and between KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., and KMC Telecom IV, Inc. and BellSouth Telecommunications, Inc., dated 06/16/2000, for the state of Florida consists of the following:

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Amendment to the Interconnection Agreement between KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., & KMC Telecom IV, Inc. and

BellSouth Telecommunications, Inc. Dated April 14, 2000

Pursuant to this Agreement, (the "Amendment"), KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., and KMC Telecom IV, Inc. (collectively KMC), and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement in the state of Florida between the Parties dated April 14, 2000 ("Agreement").

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

- 1. Attachment III, Section 4, Paragraph 4.1 is hereby deleted in its entirety and is replaced with the following:
 - 4.1 Definition
 - 4.1.1 A loop is a transmission facility between a distribution frame [cross-connect], or its equivalent, in a BellSouth central office or wire center, and the network interface device at a subscriber's premises, to which KMC Telecom is granted exclusive use. This includes, but is not limited to two-wire and four-wire analog voice-grade loops, and two-wire and four-wire loops that are conditioned to transmit the digital signals needed to provide ISDN, ADSL, HDSL, and DS1-level signals. Two-wire analog voice-grade loops may be provision as Service Level 1 (SL1) or Service Level 2 (SL2). SL1 loops are non-designed, do not have test points, and do not come with any Order Coordination (OC) or engineering information/circuit make-up data. Upon issuance of an order in the service order system, BellSouth shall activate SL1 loops on the due date in the same manner and time frames that BellSouth normally activates POTS-type loops for its customers. A loop may be composed of the following components:

Loop Concentrator/Multiplexer Loop Feeder Network Interface Device (NID) Distribution

- 2. The following are hereby created and added to Attachment III, Section 2:
 - 2.10 BellSouth Order Coordination referenced in Attachment III includes two type: "Order Coordination" and "Order Coordination Time Specific".
 - 2.10.1 "Order Coordination" refers to standard BellSouth service order coordination involving SL2 voice loops and all digital loops. Order Coordination is a coordinated conversion of an existing dial-tone customer from one local service provider to another. The conversion must include disconnecting the existing circuit, performing any required

number portability translations and activating the new loop to KMC Telecom's collocation space in a coordinated manner. For a coordinated conversion (i.e. stand alone SPNP, SPNP and PNP with loop, or stand alone loop where order coordination is provided for in this Agreement) BellSouth shall verbally coordinate the disconnect with KMC and perform any switch translations so as to limit end user service outage. BellSouth and KMC will mutually agree upon a cutover time 24 to 48 hours prior to the actual conversion. Both parties will use best efforts to ensure mutually agreed to conversions times, as identified in this paragraph, will commence within 15 minutes of the agreed time. BellSouth will provide status and completion notification on new service or non-physical conversions at non-scheduled intervals on the committed due date. The confirmed due date is the date returned on the FOC.

- 2.10.2 "Order Coordination Time Specific" refers to service order coordination in which KMC Telecom requests a specific time for a service order conversion to take place. BellSouth shall charge KMC Telecom an additional charge for such orders.
- 3. The following are hereby created and added to Attachment III, Section 4:
 - 4.1.3 Unbundled Copper Loop (UCL)
 - 4.1.3.1 BellSouth shall make available an Unbundled Copper Loop (UCL). The UCL will be a copper twisted pair loop that is unencumbered by any intervening equipment (e.g., filters, load coils, range extenders, digital loop carrier, or repeaters). The UCL will be offered in two versions Short and Long. A short UCL (18 kft or less) will be provisioned according to Resistance Design parameters. The long UCL (beyond 18kft) will be used when a KMC wants to condition copper loops longer than 18kft by removing load coils and other intervening equipment. BST will only ensure electrical continuity and balance relative to tip and ring on UCLs.
 - 4.1.3.2 The UCL will be a designed circuit, with or without conditioning, provisioned with a test point and come standard with a DLR. OC will be offered as a chargeable option on all UCL loops. Order Coordination Time Specific (OC-TS) will not be offered on UCLs.
 - 4.1.3.3 The UCL is a dry cooper loop and is not intended to support any particular telecommunications service. KMC may use the UCL loop for a variety of services, including xDSL (e.g., ADSL and HDSL) services, by attaching appropriate terminal equipment of KMC's choosing. KMC will determine the type of service that will be provided over the loop.
 - 4.1.3.4 Because the UCL loop shall be an unbundled loop offering that is separate and distinct from BellSouth's ADSL and HDSL capable loop offerings, KMC agrees that BellSouth's UCL loop will not be held to the service level and performance expectations that apply to its ADSL and HDSL unbundled loop offerings. BellSouth shall only be obligated to maintain copper continuity and provide balance relative to tip and ring on UCL loops.
 - 4.1.3.5 The UCL loop shall be provided to KMC in accordance with BellSouth's Technical Reference 73600.

- 4. Loop rates in Attachment 1, Table 1, as amended on May 28, 1998, November 20, 1998, and April 14, 2000 are hereby deleted and replaced with Exhibit A of this Amendment.
- 5. The provisions for the distribution component of the loop, Section 4.6 of Attachment III Network Elements of the Agreement, is hereby augmented to include new Sections 4.6.1.3, 4.6.1.4 and 4.6.1.5 as set forth below.
 - 4.6.1.3 BellSouth will also provide sub-loop distribution interconnection to the intrabuilding network cable (INC) (riser cable). INC is the distribution facility inside a subscriber's building or between buildings on one customer's same premises (continuous property not separated by a public street or road). USL-INC (riser cable) will include the facility from the cross-connect device in the building equipment room up to and including the point of demarcation. BellSouth will install a cross connect panel on which access to the requested sub-loops will be connected. The CLEC's cable pairs can then be connected to the Unbundled Sub-Loop pairs on this cross-connect panel by the BellSouth technician.
 - 4.6.1.4 Through the firm order Service Inquiry (SI) process, BellSouth will determine if it is feasible to place the required facilities where KMC Telecom has requested access to Unbundled Sub-Loops. If existing capacity is sufficient to meet the CLEC demand, then BellSouth will perform the set-up work as described in the next section 4.6.1.5. If any work must be done to modify existing BellSouth facilities or add new facilities (other than adding the cross-connect panel in a building equipment room as noted in 4.6.1.5) to accommodate KMC Telecom's request for Unbundled Sub-Loops, BellSouth will use its Special Construction (SC) process to determine the additional costs required to provision the Unbundled Sub-Loops. KMC Telecom will then have the option of paying the one-time SC charge to modify the facilities to meet KMC Telecom's request.
 - 4.6.1.5 For the set-up inside a building equipment room, BellSouth will perform the necessary work to install the cross-connect panel that will be used to provide access to the requested USLs. Once the set-up is complete, the CLEC requested sub-loop pairs would be provisioned through the service order process based on the submission of a LSR to the LCSC.
- 6. Attachment 1 Table 1 of the Agreement is hereby revised to include the rates for Unbundled Sub-Loop Intrabuilding Network Cable as set forth in Exhibit A of this Amendment incorporated herein by this reference.
- 7. All of the other provisions of the Agreement, dated April 14, 2000, shall remain in full force and effect.
- 8. Either or both of the Parties is authorized to submit this Amendment to the Florida Public Service Commission for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

Inc.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives on the date indicated below.

BellSouth Telecommunications, Inc.	KMC Telecom, Inc., KMC Telecom II, Inc. KMC Telecom III, Inc., KMC Telecom IV,
Signature Jerry D. Hendrix	John D. McLaughlin, Jr.
Name Senior Director	Name Director of State Regulatory Affairs
6/16/00 Date	Date 110/00

EXHIBIT A

Attachment 1/Table 1 Loops and Distribution BellSouth/KMC Telecom Rates

ELEMENTS	USOC	Rate
LOOP INCLUDING NID		
2-Wire Analog VG Loop, per month	UEAL2	\$17.00
NRC – 1 st	UEAL2	\$140.00
NRC - Add'l	UEAL2	\$42.00
NRC - Incremental Charge - Order Coordination - Time Specific (per LSR)	OCOSL	\$55.00
2-Wire Analog VG Loop-SL1, per month	UEAL2	\$17.00
NRC - 1 st	UEAL2	\$80.00
NRC - Add'l	UEAL2	\$55.00
NRC - Order Coordination for Specified Conversion Time	OCOSL	NA
2-Wire Analog VG Loop-SL2, per month	UEAL2	\$17.00
NRC - 1 st	UEAL2	\$140.00
NRC - Add'l	UEAL2	\$42.00
NRC - Order Coordination for Specified Conversion Time	OCOSL	\$55.00
4-Wire Analog VG Loop, per month	UEAL4	\$30.00
NRC - 1 st	UEAL4	\$141.00
NRC - Add'l	UEAL4	\$143.00
NRC - Order Coordination for Specified Conversion Time	UEAL4	\$55.00
2-Wire ISDN Digital Grade Loop, per month	U1L2X	\$40.00
NRC - 1 st	U1L2X	\$306.00
NRC - Add'l	U1L2X	\$283.00
NRC - Order Coordination for Specified Conversion Time	OCOSL	\$55.00
2-Wire Asymmetrical Dig Subscriber Line (ADSL)/Compatible Loop, per month	UAL2X	\$15.81
NRC - 1 st	UAL2X	\$113.85
NRC - Add'l	UAL2X	\$99.61
NRC - Order Coordination for Specified Conversion Time	OCOSL	\$55.00
2-Wire High Bit Rate Dig Subscriber Line (HDSL)/Compatible Loop, per month	UHL2X	\$12.12
NRC - 1 st	UHL2X	\$113.85
NRC - Add'l	UHL2X	\$99.61
NRC - Order Coordination for Specified Conversion Time	OCOSL	\$55.00
4-Wire High Bit Rate Dig Subscriber Line (HDSL)/Compatible Loop, per month	UHL4X	\$18.24
NRC - 1 st	UHL4X	\$116.91
NRC - Add'l	UHL4X	\$101.71
NRC - Order Coordination for Specified Conversion Time	OCOSL	\$55.00
4-Wire DS1 Digital Loop, per month	USLXX	\$80.00
NRC - 1 st	USLXX	\$540.00
NRC - Add'l	USLXX	\$465.00
NRC - Order Coordination for Specified Conversion Time	OCOSL	\$55.00
4-Wire 56 or 64 Kbps Dig Grade Loop, per month	UDL56 OR 64	\$31.90
NRC - 1 st	UDL56 OR 64	\$275.00
NRC - Add'l	UDL56 OR 64	\$105.00
NRC - Manual Service Order - 1st	UDL56 OR 64	\$22.00
NRC - Manual Service Order – Add'l	UDL56 OR 64	\$22.00
NRC - Order Coordination for Specified Conversion Time	UDL56 OR 64	\$55.00
2-Wire Unbundled Copper Loop (18kf or less) Note 1		
RC - Zone 1, per month (Note 2)	TBD	\$18.60

ELEMENTS	USOC	Rate
RC – Zone 2, per month (Note 2)	TBD	\$27.23
RC – Zone 3, per month (Note 2)	TBD	\$60.07
NRC - 1 st	UCLPB	\$340.00
NRC - Add'l	UCLPB	\$300.00
NRC - Manual Service Order - 1st	SOMAN	\$47.00
NRC - Manual Service Order - Add'l	SOMAN	\$21.00
NRC - Manual Order Coordination - per loop	UCLMC	\$16.00
2-Wire Unbundled Copper Loop (>18kf) Note 1		
RC – Zone 1, per month (Note 2)	TBD	\$18.60
RC – Zone 2, per month (Note 2)	TBD	\$27.23
RC – Zone 3, per month (Note 2)	TBD	\$60.07
NRC - 1 st	UCLPB	\$340.00
NRC - Add'l	UCLPB	\$300.00
NRC - Manual Service Order - 1st	SOMAN	\$47.00
NRC – Manual Service Order – Add'l	SOMAN	\$21.00
NRC - Manual Order Coordination - per loop	UCLMC	\$16.00
4-Wire Unbundled Copper Loop (18kf or less) Note 1		
RC – Zone 1, per month (Note 2)	·	\$27.12
RC – Zone 2, per month (Note 2)		\$29.35
RC – Zone 3, per month (Note 2)		\$35.11
NRC - 1 st		\$476.66
NRC - Add'l		\$360.95
NRC - Disconnect - first		\$171.55
NRC – Disconnect – Add'l		\$40.07
4-Wire Unbundled Copper Loop (>18kf) Note 1		
RC – Zone 1, per month (Note 2)		\$77.45
RC – Zone 2, per month (Note 2)		\$128.11
RC – Zone 3, per month (Note 2)		\$150.72
NRC - 1 st		\$247.63
NRC - Add'l		\$156.76
NRC – Disconnect – first		\$171.55
NRC - Disconnect - Add'l		\$40.07
DS3 Unbundled Local Loop		
DS3 Unbundled Local Loop – per mile	1L5ND	\$40.01
DS3 Unbundled Local Loop – per Facility Termination	UE3PX	\$470.83
NRC – Facility Termination – 1 st	UE3PX	\$770.47
NRC – Facility Termination – Add'l	UE3PX	\$436.40
NRC – Facility Termination – Disconnect – 1 st	UE3PX	\$108.95
NRC - Facility Termination - Disconect - Add'l	UE3PX	\$106.01
LOOP, INCLUDING NID	3	
2-Wire USL-INC (Note 1)		
Recurring Rate, per pair, per month	USBR2	\$1.33
NRC - First	USBR2	\$130.84
NRC - Additional	USBR2	\$33.36
NRC - Setup per building equipment room, CLEC feeder facility set up	USBSB	\$367.09
NRC - Setup per building equipment room, CLEC resider racinty set up NRC - Setup per building equipment room per 25 pair panel	USBSD	\$150.96
	USBMC	\$36.46
NRC - Manual Order Coordination, per USL-INC pair (required)	USBIVIC	φ30.40
4-Wire USL-INC (Note 1)	LIODE (00.05
Recurring Rate, per pair, per month	USBR4	\$2.65
NRC - First	USBR4	\$160.18
NRC - Additional	USBR4	\$45.27

C Rate	USOC	ELEMENTS
SB \$367.09	USBSB	NRC - Setup per building equipment room, CLEC feeder facility set up
SD \$150.96	USBSD	NRC - Setup per building equipment room per 25 pair panel
AC \$36.46	USBMC	NRC - Manual Order Coordination, per USL-INC pair (required)
/IC	USBMC	NRC - Manual Order Coordination, per USL-INC pair (required)

NOTES:

- 1. Rates are interim and subject to true-up
- Deaveraged Loop Rates by Zone will be available effective May 1, 2000.
 The status of rates in Florida is as follows:
 Interim rates established in Joint Stipulation and signed by parties in December, 1999; Docket Nos. 5825-U, 7061-U, and 10692-U.