



**Internet Service Provider (“ISP”) Bound Traffic Amendment  
to the Interconnection Agreement between  
Qwest Corporation and  
Allegiance Telecom of Oregon, Inc.  
for the State of Oregon**

This is an Amendment (“Amendment”) to the Interconnection Agreement between Qwest Corporation (“Qwest”), a Colorado corporation, and Allegiance Telecom of Oregon, Inc. (“CLEC”), a Delaware corporation. CLEC and Qwest shall be known jointly as the (“Parties”).

**RECITALS**

WHEREAS, the Parties entered into an Interconnection Agreement, for service in the State of Oregon, that was approved by the Oregon Public Utility Commission on October 6, 2000, as referenced in ARB 276 (“Agreement”); and

WHEREAS, the FCC issued an Order on Remand and Report and Order in CC Docket 99-68 (Intercarrier Compensation for ISP-Bound Traffic); and

WHEREAS, the Parties wish to amend the Agreement to reflect the aforementioned Order under the terms and conditions contained herein.

**AGREEMENT**

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the language as follows in lieu of existing contract language:

**1. Definitions**

For purposes of this Amendment the following definitions apply:

1.1 “Bill and Keep” is as defined in the FCC’s Order on Remand and Report and Order in CC Docket 99-68 (Intercarrier Compensation for ISP-Bound Traffic). Bill and Keep is an arrangement where neither of two (2) interconnecting networks charges the other for terminating traffic that originates on the other network. Instead, each network recovers from its own end users the cost of both originating traffic that it delivers to the other network and terminating traffic that it receives from the other network. Bill and Keep does not, however, preclude intercarrier charges for transport of traffic between carriers’ networks.

1.2 “Information Service” is as defined in the Telecommunications Act of 1996 and FCC Order on Remand and Report and Order in CC Docket 99-68 and includes ISP-bound traffic.

1.3 “Information Services Access” means the offering of access to Information Services Providers.

## **2. ISP-Bound Traffic**

2.1 Qwest elects to exchange ISP-bound traffic at the FCC ordered rates pursuant to the FCC's Order on Remand and Report and Order (Intercarrier Compensation for ISP-Bound Traffic) CC Docket 99-68 (FCC ISP Order), effective June 14, 2001, and usage based intercarrier compensation will be applied as follows:

2.2 Compensation for Interconnection configurations exchanging traffic pursuant to Interconnection agreements as of adoption of the FCC ISP Order, April 18, 2001:

2.2.1 Identification of ISP-Bound traffic -- Qwest will presume traffic delivered to CLEC that exceeds a 3:1 ratio of terminating (Qwest to CLEC) to originating (CLEC to Qwest) traffic is ISP-bound traffic. Either Party may rebut this presumption by demonstrating the factual ratio to the state Commission. Traffic exchanged that is not ISP bound traffic will be considered to be section 251(b)(5) traffic. The provisions in this amendment apply regardless of how the ISP bound traffic is determined.

2.2.2 Growth Ceilings for ISP-Bound Traffic -- Intercarrier compensation for ISP-bound traffic originated by Qwest end users and terminated by CLEC will be subject to growth ceilings. ISP-bound MOUs exceeding the growth ceiling will be subject to Bill and Keep compensation.

2.2.2.1 For the year 2001, CLEC may receive compensation, pursuant to a particular Interconnection Agreement for ISP bound minutes up to a ceiling equal to, on annualized basis, the number of ISP bound minutes for which CLEC was entitled to compensation under that Agreement during the first quarter of 2001, plus a ten percent (10%) growth factor.

2.2.2.2 For 2002, CLEC may receive compensation, pursuant to a particular Interconnection Agreement, for ISP bound minutes up to a ceiling equal to the minutes for which it was entitled to compensation under that Agreement in 2001, plus another ten percent (10%) growth factor.

2.2.2.3 In 2003, CLEC may receive compensation, pursuant to a particular Interconnection Agreement, for ISP bound minutes up to a ceiling equal to the 2002 ceiling applicable to that Agreement.

2.2.3 Rate Caps -- Intercarrier compensation for ISP-bound traffic exchanged between Qwest and CLEC will be billed in accordance with their existing Agreement or as follows, whichever rate is lower:

2.2.3.1 \$.0015 per MOU for six (6) months from June 14, 2001 through December 13, 2001.

2.2.3.2 \$.001 per MOU for eighteen (18) months from December 14, 2001 through June 13, 2003.

2.2.3.3 \$.0007 per MOU from June 14, 2003 until thirty six (36) months after the effective date or until further FCC action on intercarrier compensation, whichever is later.

2.2.3.4 Compensation for ISP bound traffic in Interconnection configurations not exchanging traffic pursuant to Interconnection agreements prior to adoption of the FCC ISP Order on April 18, 2001 will be on a Bill and Keep basis until further FCC action on Intercarrier compensation. This includes carrier expansion into a market it previously had not served.

**3. Effective Date**

This Amendment shall be deemed effective upon approval by the Commission. However, the Parties will adopt the rate-affecting provisions for ISP bound traffic as of April 14, 2004.


**4. Further Amendments**

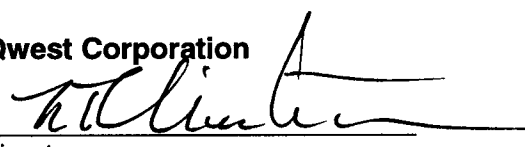
The provisions of this Amendment, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions of this Amendment may not be given without the written consent thereto by both Parties' authorized representative. No waiver by any party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, will be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

**5. Entire Agreement**

The Agreement as amended (including the documents referred to herein) constitutes the full and entire understanding and agreement between the Parties with regard to the subjects of the Agreement as amended and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they relate in any way to the subjects of the Agreement as amended.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

**Allegiance Telecom of Oregon, Inc.**  
  
\_\_\_\_\_  
Signature  
Heather B. Gold  
\_\_\_\_\_  
Name Printed/Typed  
SVP Government Relations  
\_\_\_\_\_  
Title  
9/15/04  
\_\_\_\_\_  
Date

**Qwest Corporation**  
  
\_\_\_\_\_  
Signature  
L. T. Christensen  
\_\_\_\_\_  
Name Printed/Typed  
Director – Interconnection Agreements  
\_\_\_\_\_  
Title  
9/20/04  
\_\_\_\_\_  
Date