STIPULATION OF VERIZON NEW ENGLAND INC., D/B/A VERIZON MASSACHUSETTS

AND

LEVEL 3 COMMUNICATIONS, LLC

IN THE COMMONWEALTH OF MASSACHUSETTS

WHEREAS, Verizon New England Inc., d/b/a Verizon Massachusetts ("Verizon") and Level 3 Communications, LLC ("Level 3") are Parties to an interconnection agreement under Sections 251 and 252 of the Telecommunications Act of 1996 dated November 1, 2000 (the "Agreement"); and

WHEREAS, the Federal Communications Commission (the "FCC") released an order on August 21, 2003 in CC Docket Nos. 01-338, 96-98, and 98-147 (the "TRO"), which became effective as of October 2, 2003 and was, in part, vacated and remanded in *United States Telecom Ass'n v. FCC*, Nos. 00-1012 *et al.* (D.C. Cir. Mar. 2, 2004); and

WHEREAS, the FCC released an order on August 20, 2004 in CC Docket Nos. 01-338, 96-98, and 98-147 (the "Interim UNE Order") which became effective as of September 13, 2004; and

WHEREAS, the FCC released an order on February 4, 2005 in CC Docket No. 01-338 and WC Docket No. 04-313, (the "UNE Order on Remand"); and

WHEREAS, the Parties have not reached agreement on the terms of an amendment to the Agreement with respect to the TRO; and

WHEREAS, Verizon, pursuant to the TRO and Section 252(b) of the Telecommunications Act of 1996 (the "Act"), filed a petition at the Massachusetts Department of

Telecommunications and Energy (the "Department") on February 20, 2004, to arbitrate the rates, terms, and conditions of Verizon's proposed amendment to interconnection agreements (including the Agreement) with respect to the TRO (such amendment, as updated from time to time in subsequent filings by Verizon, the "TRO Amendment") and the Department has initiated a proceeding for that purpose (the "TRO Arbitration"); and

WHEREAS, Level 3 does not wish to participate actively in the TRO Arbitration, except as provided in this Stipulation; and

WHEREAS, the Parties wish for the TRO Arbitration to resolve any disagreement they may have regarding the terms of the TRO Amendment.

NOW, THEREFORE, in consideration of the promises and mutual agreements set forth herein, the Parties agree and stipulate as follows:

- 1. Except as otherwise ordered by the Department or as provided in paragraph 2.c. below, Level 3 shall be a party to the TRO Arbitration, but shall not actively participate in the TRO Arbitration, propound or respond to discovery or testimony, or submit filings in the TRO Arbitration.
- 2. Upon the Department's issuance of an effective order resolving disputed issues regarding the terms, conditions, and/or rates that shall be set forth in the TRO Amendment (the "Department Order"):
 - a. the TRO Amendment that conforms the Agreement to the terms of the

 Department Order shall be deemed to amend the Agreement effective as

 of the effective date specified in the Department Order or, in the absence

 of such a specified date, as of the effective date of the Department Order;

- b. the Parties agree to be bound by the TRO Amendment that conforms the

 Agreement to the terms of the Department Order effective as of the

 effective date specified in the Department Order or, in the absence of such
 a specified date, as of the effective date of the Department Order; and
- If the Department Order includes a form of conforming amendment, the c. Parties shall execute such amendment effective as of the effective date specified in the Department Order or, in the absence of such a specified date, as of the effective date of the Department Order. If the Department Order does not include a form of conforming amendment, Verizon and Level 3 shall work cooperatively to prepare and execute a conforming amendment to the Agreement. Notwithstanding anything to the contrary set forth herein (but without limiting Section 4 below), the Parties agree to be bound by the terms of the Department Order as if it amended the Agreement until such time as the TRO Amendment is negotiated, executed and approved. Both Parties reserve the right to negotiate the terms of such TRO Amendment in compliance with the Department Order and to pursue any remedy they may have to ensure that the TRO Amendment complies with the Department Order. Provided, however, that failure by either Party to execute such an amendment shall not affect, and shall not be cited as a basis for contesting, the effectiveness of the provisions in Paragraph 2.a., Paragraph 2.b and this Paragraph 2.c. Verizon and Level 3 shall submit the executed TRO Amendment to the Department for approval.

- Except as otherwise provided in the TRO Amendment that the Parties execute and submit to the Department for approval pursuant to Paragraph 2.c. above:
 - a. In the event a court of competent jurisdiction issues a stay of any or all of the Department Order's provisions, application of the stayed provisions to the Agreement pursuant to Paragraph 2 above shall be suspended, and shall have no force and effect, from the effective date of such stay until the stay is lifted.
 - Should a court of competent jurisdiction reverse or vacate any or all of the
 Department Order's provisions, then any terms and conditions of the
 Department Order that relate to the reversed or vacated provisions shall be
 voidable at the election of either Party.
- 4. Nothing set forth herein shall be deemed: (a) to amend or extend the term of the Agreement, (b) to limit either Party's right to appeal, seek reconsideration of, or otherwise seek to have stayed, modified, reversed or invalidated the Department Order, (c) to affect any right either Party may have with respect to termination of the Agreement, or (d) to require either Party, during the pendency of the TRO Arbitration or at any other time, to provide any service or facility that the Party is not required to provide under the Agreement.
- 5. In the event the Department dismisses or otherwise terminates the TRO

 Arbitration (either generally or as to Level 3 in particular) prior to issuing a

 Department Order, either Party may, by written notice to the other Party, cancel
 this Stipulation, in which case either Party may pursue any right or remedy it may
 have under the order of dismissal or termination, the Agreement, or otherwise.

IN WITNESS WHEREOF, the Parties hereto have caused this Stipulation to be executed as of the date set forth below.

LEVEL 3 COMMUNICATIONS, LLC	VERIZON NEW ENGLAND INC., D/B/A VERIZON MASSACHUSETTS
By: Wm.P. Ha 31	By: Spelituesmer
Printed: William P. Hunt	Printed: Jeffrey A. Masoner
Title: <u>VP - Regulatory</u>	Title: Vice President – Interconnection Services

DATED: 31, May, 2005