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May 30, 2007

BY HAND DELIVERY AND EMAIL

Secretary
Department of Telecommunications and Cable
One South Station
Boston, MA 02110

Re: Petition of Level 3 Communications, LLC to Direct Neutral Tandem

to Provide Notice to Customers of Termination of Contracts

Dear Secretary:

On behalf of Level 3 Communication, LLC ("Level 3"), I am enclosing an original and nine (9) copies of the Petition to Direct Neutral Tandem – Massachusetts, LLC to Provide Notice to Its Customers of the Termination of Certain Contract Arrangements. Please note that this filing replaces Level 3's May 24, 2007 filing, which is being withdrawn.

As indicated in the Petition, Level 3 respectfully requests expedited treatment of this matter, to avoid disruption of service to customers.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me at 617 748-6847, or by email at mpurcell@llgm.com.

Very truly yours,

Meabh Purcell

cc: William P. Hunt, III Brian T. Fitzgerald, Esq

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND CABLE

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In the Matter of the Petition of)	
Level 3 Communications, LLC to Direct)	
Neutral Tandem-Massachusetts, LLC)	DTC 07
To Provide Notice to Its Customers)	
Of The Termination of Certain Contract)	
Arrangements)	
)	

PETITION OF LEVEL 3 COMMUNICATIONS, LLC

Level 3 Communications, LLC ("Level 3"), by its undersigned counsel and pursuant to M.G.L. c. 159, §§ 12 and 13 and 220 C.M.R. 1.04, requests the Massachusetts Department of Telecommunications and Cable ("DTC")¹ on an expedited or emergency basis to: (1) direct Neutral Tandem - Massachusetts, LLC ("Neutral Tandem") to fulfill its obligations to the public-switched telephone network, its third-party carrier customers, and end-users by cooperating with Level 3 in an orderly migration process; (2) direct Neutral Tandem to notify its carrier customers of the termination of the contracts pursuant to which Neutral Tandem delivers traffic from its carrier customers ("tandem transit traffic") to Level 3; (3) require Neutral Tandem to either route its customers' traffic via its own interconnection trunks with the incumbent local exchange carrier ("ILEC" – Verizon Massachusetts) or compensate Level 3 for the use of the Level 3 network; (4) in light of the exigent circumstances affecting customers, resolve this Petition on an expedited basis; and (5) grant such other relief as the DTC deems reasonable and necessary to

The DTC has oversight and jurisdiction relating to telecommunications and cable issues.

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Effective April 11, 2007, pursuant to House Bill 2034, the Massachusetts Department of Telecommunications and Energy (the "MDTE") was dissolved and divided into two separate departments; the Department of Public Utilities ("DPU") and the Department of Telecommunication and Cable ("DTC").

prevent irreparable injury to the public interest. In support of this Petition, Level 3 states as follows:

- 1. Level 3 is a Delaware limited liability company and an indirect, wholly-owned subsidiary of Level 3 Communications, Inc. Level 3 maintains its principal business office at 1025 Eldorado Boulevard, Broomfield, CO 80021. Level 3 provides high-quality voice and data services to carriers, internet service providers ("ISPs"), and other business customers over its IP-based network. In Massachusetts, Level 3 is a competitive local exchange carrier ("CLEC") authorized to provide resold and facilities-based local exchange and interexchange telecommunications services pursuant to the Statement of Business Operations ("SBO") on file with the DTC.
- 2. Neutral Tandem is a limited liability company organized under the laws of the State of Delaware, and is a wholly owned subsidiary of Neutral Tandem, Inc., a privately held corporation. Neutral Tandem maintains its principal offices at Two North LaSalle Street, Suite 1645, Chicago, IL 60602. Neutral Tandem only provides tandem transit services to wireless, wireline and broadband companies. Neutral Tandem does not originate or terminate any telecommunications traffic. In Massachusetts, Neutral Tandem is authorized as a data local exchange carrier pursuant to its SBO on file with the DTC. Additionally, Neutral Tandem has adopted the terms of the interconnection agreement between AT&T Communications of New England, Inc. and Verizon Massachusetts, approved by the Department in DTE 98-35.
- 3. On July 6, 2004, Level 3 and Neutral Tandem entered into a negotiated, traffic exchange agreement pursuant to which Neutral Tandem delivers tandem transit traffic from third party carriers to Level 3 (the "Level 3 Contract"). In addition, under a Master Services Agreement, dated February 2, 2004, Level 3's wholly-owned subsidiary, Broadwing

Communications ("Broadwing") purchased Neutral Tandem's transit services and was required to make certain payments to Neutral Tandem (the "Master Services Agreement). Pursuant to the terms of the Level 3 Contract and the Master Services Agreement, Level 3 or Neutral Tandem could terminate the agreement on thirty (30) days advance notice. On January 30, 2007, Level 3 provided written notice to Neutral Tandem that Level 3 would terminate the Level 3 Contract on March 2, 2007. (A copy of that letter is attached as Exhibit A). On February 14, 2007, Level 3 notified Neutral Tandem of its intent to terminate the Master Services Agreement pursuant to its terms effective March 23, 2007. (A copy of that letter is attached as Exhibit B).²

- 4. Based upon its own analysis, Level 3 terminates approximately 9.5 million minutes of transit traffic each month from Neutral Tandem (approximately 6 million minutes for Level 3 and 3.5 million minutes for Broadwing). Level 3 further believes that approximately 1.45 billion minutes of transit traffic are exchanged in the Commonwealth of Massachusetts by all carriers. Thus, the amount of traffic Neutral Tandem terminates to Level 3 represents about seven tenths (.07) of all transit traffic in Massachusetts.
- 5. During February, 2007, Level 3 and Neutral Tandem engaged in negotiations on several occasions in an effort to reach a new nationwide agreement. During these discussions, Level 3 extended the termination effective date of the existing network arrangements under the Level 3 Contract to March 23, 2007, consistent with the termination of the Master Services

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Neutral Tandem has taken inconsistent positions on the time period required to transition from direct interconnection to indirect interconnection with Level 3. In testimony filed in other states, Neutral Tandem claimed that the time period required to unwind the direct interconnection is 180 days. In its Motion for Interim Relief Regarding Maintenance of Status Quo Pending Resolution of the Merits in the pending California proceeding, Neutral Tandem acknowledged that the time period necessary to move direct traffic to an indirect interconnection with Level 3 is 30 days, consistent with the Agreement and with Neutral Tandem's statements during contract negotiations. Neutral Tandem's litigation strategy demonstrates bad faith and Level 3 respectfully requests that the Department find that the time period required for Neutral Tandem to move the direct traffic to an indirect interconnection with Level 3 is no longer than the 30 day period provided under the Agreement.

Agreement, to give the parties additional time to negotiate. At the conclusion of these discussions, the parties were unable to reach a mutually acceptable commercial agreement.

6. In early March, 2007, Level 3 unilaterally extended to June 25, 2007 the date on which it would no longer directly accept traffic from Neutral Tandem, although the pre-existing Level 3 Contract and Master Services Agreement were not reinstated or formally extended. After that date, Level 3 will at all times continue to accept traffic from Neutral Tandem on an indirect basis. As a result of Level 3's voluntary action to extend the termination date of the existing traffic exchange arrangements, Neutral Tandem has had a far longer period than provided under the agreements to inform its customers of the changed circumstances and to allow them to take the appropriate steps to ensure that their traffic reaches Level 3's customers.³ With responsible network planning, the calls originating from Neutral Tandem's carrier customers will be routed to Level 3 through other transit providers, most likely the ILEC. Instead of taking responsibility to inform its carrier customers of the termination of the Agreement (and the inability of Neutral Tandem and Level 3 to agree on a commercially negotiated successor agreement) so that alternate arrangements can be made, Neutral Tandem has filed complaints against Level 3 in eight states.⁴ In contrast, Level 3 has demonstrated its willingness to work to assure that there are no interruptions of service associated with the termination of the agreements. Because of Neutral Tandem's obstructionist tactics and unwillingness to notify its customers, Level 3 is compelled to bring this matter to the attention of the DTC.

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It is important to note that, as the calls in dispute are directed to Level 3's customers, Level 3 has no incentive for the calls to fail.

Complaints are pending in New York, Georgia, Florida, Illinois, Michigan, Minnesota, Connecticut and California. As of the date of this filing, no decisions have been issued.

- 7. Given the June 25, 2007 deadline, Level 3 respectfully requests that the DTC, on an expedited basis, direct Neutral Tandem to immediately notify its customers of the termination of the agreements and the lack of a successor traffic exchange agreement and to take such other steps as are necessary to ensure uninterrupted service to customers.
- 8. In the event that Neutral Tandem's customers cannot complete the steps to route the traffic to Level 3 via an alternative provider by June 25, 2007, Level 3 requests that the DTC order Neutral Tandem to route its customers' traffic over its existing interconnection arrangements with the ILEC. In addition, if Neutral Tandem terminates traffic to Level 3 after June 25, 2007, Level 3 requests that the DTC order Neutral Tandem to pay Level 3 \$0.001 per minute of use as compensation for the use of Level 3's network. This rate reflects the rate Level 3 intends to charge Neutral Tandem for use of the Level 3 network after June 25, 2007, and which has been communicated to Neutral Tandem in a letter dated May 8, 2007. (A copy of this letter is attached as Exhibit C). Level 3 also respectfully requests that the DTC require Neutral Tandem to post a bond to ensure that Level 3 does not suffer financial harm in the event Neutral Tandem refuses to pay for terminating traffic to Level 3. Neutral Tandem has shown a willingness to use the regulatory process to attempt to delay the impact of the termination of the commercial agreements and Neutral Tandem should not be allowed to benefit from that delay. Therefore, the posting of a bond is appropriate in this matter.

9. Inquiries or copies of any correspondence, orders, or other materials pertaining to this Petition should be directed to:

Meabh Purcell, Esq. Brian T. FitzGerald, Esq. LeBoeuf, Lamb, Greene & MacRae LLP 260 Franklin Street Boston, MA 02110

Tel: (617) 748-6847 Fax: (617) 897-9047 Email: mpurcell@llgm.com

and

William P. Hunt, III Vice President of Public Policy Level 3 Communications, LLC 1025 Eldorado Boulevard Broomfield, CO 80021

Tel: (720) 888-2516 Fax: (720) 888-5134

Email: Bill.Hunt@Level3.com

For the reasons stated above, Level 3 submits that the public interest, convenience and necessity will be furthered by expeditious DTC approval of Petitioner's requests as described herein.

Respectfully submitted,

By: _____

Meabh Purcell, Esq. LeBoeuf, Lamb, Greene & MacRae LLP 260 Franklin Street Boston, MA 02110

Tel: (617) 748-6847 Fax: (617) 897-9047 Email: mpurcell@llgm.com

Date: May 30, 2007

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing documents by e-mail and first class mail upon Neutral Tandem's counsel:

John R. Harrington Jenner & Block LLP 330 N. Wabash Ave. Suite 4700 Chicago, IL 60611

> Meabh Purcell LeBoeuf, Lamb, Greene & MacRae LLP 260 Franklin Street Boston, Massachusetts 02110

(617) 748-6800

Dated: May 30, 2007