

Jeffrey A. Masoner Vice President Interconnection Services Policy and Planning Wholesale Marketing

2107 Wilson Boulevard Arlington, VA 22201

Phone 703 974-4610 Fax 703 974-0314 jeffrey.a.masoner@verizon.com

June 23, 2004

Andrew M. Klein Kelley Drye & Warren LLP 1200 19<sup>th</sup> Street, NW Suite 500 Washington, D.C. 20036

Re: Requested Adoption Under Section 252(i) of the TA96

Dear Mr. Klein:

Verizon New England Inc., d/b/a Verizon Massachusetts ("Verizon"), a New York corporation, with principal place of business at 185 Franklin Street, Boston, Massachusetts 02110, has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996 (the "Act"), DSCI Corporation ("DSCI"), a Massachusetts corporation, with principal place of business at 1050 Waltham Street, Suite 510, Lexington, Massachusetts 02421, wishes to adopt the terms of the Interconnection Agreement between BullsEye Telecom Inc.- ("BullsEye") and Verizon that was approved by the Massachusetts Department of Telecommunications and Energy (the "Commission") as an effective agreement in the Commonwealth of Massachusetts, as such agreement exists on the date hereof after giving effect to operation of law (the "Terms"). I understand DSCI has a copy of the Terms. Please note the following with respect to DSCI's adoption of the Terms.

- 1. By DSCI's countersignature on this letter, DSCI hereby represents and agrees to the following five points:
  - (A) DSCI adopts (and agrees to be bound by) the Terms of the BullsEye/Verizon agreement for interconnection as it is in effect on the date hereof after giving effect to operation of law, and in applying the Terms, agrees that DSCI shall

be substituted in place of BullsEye Telecom Inc.- and BullsEye in the Terms wherever appropriate.

- (B) Verizon, on February 20, 2004, filed a petition at the Massachusetts Department of Telecommunications and Energy to arbitrate amendments to interconnection agreements (including the Terms) with respect to the Report and Order and Order on Remand (FCC 03-36) released by the Federal Communications Commission ("FCC") on August 21, 2003 in CC Docket Nos. 01-338, 96-98, 98-147 ("Triennial Review Order") ("TRO Arbitration"). Once the Commission issues an effective order approving an amendment between Verizon and DSCI with respect to the Triennial Review Order in the TRO Arbitration (an "Approved Amendment"): 1) the terms of such Approved Amendment shall be deemed to amend this adoption effective on the effective date of such Commission order, 2) DSCI and Verizon agree to be bound by the terms of such Approved Amendment effective on the effective date of such Commission order, and 3) Verizon and DSCI shall execute an amendment to this adoption to memorialize that this adoption is amended by the terms of such Approved Amendment effective on the effective date of such Commission order; provided, however, failure by either party to do so shall not be cited as a basis for contesting the effectiveness of the provisions in 1) and 2) above.
- (C) Notice to DSCI and Verizon as may be required under the Terms shall be provided as follows:

To: DSCI Corporation

Attention: Sean Dandley President and CEO

1050 Waltham Street, Suite 510

Lexington, MA 02421

Telephone Number: 781-861-4603 Facsimile Number: 781-862-4545

Internet Address: sdandley@dscicorp.com

with a copy to:

DSCI Corporation Genevieve Morelli and Andrew M. Klein Kelley Drye & Warren LLP 1200 19th Street, NW Suite 500

Washington, D.C. 20036

Telephone Number: 202-955-9600 Facsimile Number: 202-955-9792

Internet Address: aklein@kelleydrye.com

## To Verizon:

Director-Contract Performance & Administration Verizon Wholesale Markets 600 Hidden Ridge HQEWMNOTICES Irving, TX 75038

Telephone Number: 972-718-5988 Facsimile Number: 972-719-1519

Internet Address: wmnotices@verizon.com

## with a copy to:

Vice President and Associate General Counsel Verizon Wholesale Markets 1515 N. Court House Road Suite 500 Arlington, VA 22201

Facsimile: 703-351-3664

- (D) DSCI represents and warrants that it is a certified provider of local telecommunications service in the Commonwealth of Massachusetts, and that its adoption of the Terms will cover services in the Commonwealth of Massachusetts only.
- (E) In the event an interconnection agreement between Verizon and DSCI is currently in effect in the Commonwealth of Massachusetts (the "Original ICA"), this adoption shall be an amendment and restatement of the operating terms and conditions of the Original ICA, and shall replace in their entirety the terms of the Original ICA. This adoption is not intended to be, nor shall it be construed to create, a novation or accord and satisfaction with respect to the Original ICA. Any outstanding payment obligations of the parties that were incurred but not fully performed under the Original ICA shall constitute payment obligations of the parties under this adoption.
- (F) The rates set forth in the Pricing Attachment of the Terms (Appendix A to the Verizon Massachusetts/BullsEye Pricing Attachment) shall apply to this adoption; provided, however, that the rates for access to, development, maintenance and use of Operations Support Systems, as related to the provision of unbundled Network Elements, are as set forth in Verizon's DTE MA No. 17 Tariff, as amended from time to time, subject to the unbundled Network Element provisions of the Terms; provided, further that rates for all access to, development, maintenance and use of Operations Support Systems, as related to the provision of Resale, are as set forth in Verizon's DTE MA No. 14 Tariff, as amended from time to time.

- 2. DSCI's adoption of the BullsEye Terms shall become effective on April 15, 2004. Verizon shall file this adoption letter with the Commission promptly upon receipt of an original of this letter countersigned by an authorized officer of DSCI. The term and termination provisions of the BullsEye/Verizon agreement shall govern DSCI's adoption of the Terms. The adoption of the Terms is currently scheduled to expire on September 3, 2004.
- 3. As the Terms are being adopted by you pursuant to your statutory rights under section 252(i), Verizon does not provide the Terms to you as either a voluntary or negotiated agreement. The filing and performance by Verizon of the Terms does not in any way constitute a waiver by Verizon of any position as to the Terms or a portion thereof, nor does it constitute a waiver by Verizon of all rights and remedies it may have to seek review of the Terms, or to seek review in any way of any provisions included in these Terms as a result of DSCI's 252(i) election.
- 4. Nothing herein shall be construed as or is intended to be a concession or admission by Verizon that any provision in the Terms complies with the rights and duties imposed by the Act, the decisions of the FCC and the Commissions, the decisions of the courts, or other law, and Verizon expressly reserves its full right to assert and pursue claims arising from or related to the Terms. Adoption of the Terms does not include adoption of any provision imposing an unbundling obligation on Verizon that no longer applies under the Triennial Review Order, or that is otherwise not required by both 47 U.S.C. Section 251(c)(3) and 47 C.F.R. Part 51.
- 5. Verizon reserves the right to deny DSCI's adoption and/or application of the Terms, in whole or in part, at any time:
  - (a) when the costs of providing the Terms to DSCI are greater than the costs of providing them to BullsEye;
  - (b) if the provision of the Terms to DSCI is not technically feasible; and/or
  - (c) to the extent that Verizon otherwise is not required to make the Terms available to DSCI under applicable law.
- 6. For avoidance of doubt, please note that adoption of the Terms will not result in reciprocal compensation payments for Internet traffic. Verizon has always taken the position that reciprocal compensation was not due to be paid for Internet traffic under section 251(b)(5) of the Act. Verizon's position that reciprocal compensation is not to be paid for Internet traffic was confirmed by the FCC in the Order on Remand and Report and Order adopted on April 18, 2001 ("FCC Internet Order"), which held that Internet traffic constitutes "information access" outside the scope of the reciprocal compensation obligations set forth in section 251(b)(5) of the Act. Accordingly, any compensation to be paid for Internet

<sup>&</sup>lt;sup>1</sup> Order on Remand and Report and Order, In the Matters of: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Intercarrier Compensation for ISP-Bound Traffic, CC Docket No. 99-68 (rel. April 27, 2001) ("FCC Remand Order") ¶44, remanded, WorldCom, Inc. v.

traffic will be handled pursuant to the terms of the FCC Internet Order, not pursuant to adoption of the Terms.<sup>2</sup> Moreover, in light of the FCC Internet Order, even if the Terms include provisions invoking an intercarrier compensation mechanism for Internet traffic, any reasonable amount of time permitted for adopting such provisions has expired under the FCC's rules implementing section 252(i) of the Act.<sup>3</sup> In fact, the FCC Internet Order made clear that carriers may not adopt provisions of an existing interconnection agreement to the extent that such provisions provide compensation for Internet traffic.4

- 7. Should DSCI attempt to apply the Terms in a manner that conflicts with paragraphs 3-6 above, Verizon reserves its rights to seek appropriate legal and/or equitable relief.
- 8. In the event that a voluntary or involuntary petition has been or is in the future filed against DSCI under bankruptcy or insolvency laws, or any law relating to the relief of debtors, readjustment of indebtedness, debtor reorganization or composition or extension of debt (any such proceeding, an "Insolvency Proceeding"), then: (i) all rights of Verizon under such laws, including, without limitation, all rights of Verizon under 11 U.S.C. § 366, shall be preserved, and DSCI's adoption of the Verizon Terms shall in no way impair such rights of Verizon; and (ii) all rights of DSCI resulting from DSCI's adoption of the Verizon terms shall be subject to and modified by any Stipulations and Orders entered in the Insolvency Proceeding, including, without limitation, any Stipulation or Order providing adequate assurance of payment to Verizon pursuant to 11 U.S.C. § 366.

FCC, No. 01-1218 (D.C. Cir. May 3, 2002). Although the D.C. Circuit remanded the FCC Remand Order to permit the FCC to clarify its reasoning, it left the order in place as governing federal law. See WorldCom, Inc. v. FCC, No. 01-1218, slip op. at 5 (D.C. Cir. May 3, 2002).

<sup>&</sup>lt;sup>2</sup> For your convenience, an industry letter distributed by Verizon explaining its plans to implement the FCC Internet Order can be viewed at Verizon's Customer Support Website at URL www.verizon.com/wise (select Verizon East Customer Support, Business Resources, Customer Documentation, Resources, Industry Letters, CLEC, May 21, 2001 Order on Remand).

<sup>&</sup>lt;sup>3</sup> See, e.g., 47 C.F.R. Section 51.809(c).

<sup>4</sup> FCC Internet Order ¶ 82.

## SIGNATURE PAGE

Please arrange for a duly authorized representative of DSCI to sign this letter in the space provided below and return it to Verizon.
Sincerely,
VERIZON NEW ENGLAND INC., D/B/A VERIZON MASSACHUSETTS
Jeffrey A. Masoner Vice President-Interconnection Services Policy and Planning
Reviewed and countersigned as to points A, B, C, D, E and F of paragraph 1 only. DSCI agrees that its adoption of the Terms became effective as of April 15, 2004, as specified in paragraph 2, above. DSCI notes, however, its disagreement with many of the assertions contained in paragraphs 2-8 above, and reserves all rights to seek appropriate legal, regulatory and/or equitable relief should Verizon act in a manner that conflicts or is inconsistent with the Terms and/or applicable laws, rules and regulations.  DSCI CORPORATION

DSCI ADOPTION LETTER OF BULLSEYE ICA (7.14.04).DOC6

Sean Dandley President and CEO

c: K. Robertson – Verizon