

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



2107 Wilson Boulevard
Arlington, VA 22201

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

May 21, 2002

Mr. Jack Dayan
President
Plan B Communications, Inc. d/b/a Spectrotel
655 Shrewsbury Avenue, Suite 302
Shrewsbury, NJ 07702

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

Dear Mr. Dayan:

Verizon New England Inc., d/b/a Verizon Massachusetts, f/k/a New England Telephone and Telegraph Company, d/b/a Bell Atlantic - Massachusetts ("Verizon"), has received your letter stating that, under Section 252(i) of the Telecommunications Act of 1996 (the "Act"), Plan B Communications, Inc. d/b/a Spectrotel ("Plan B") wishes to adopt the terms of the Interconnection Agreement between Z-Tel Communications, Inc. ("Z-Tel") 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 Plan B has a copy of the Terms. Please note the following with respect to Plan B's adoption of the Terms.

1. By Plan B's countersignature on this letter, Plan B hereby represents and agrees to the following three points:
 - (A) Plan B adopts (and agrees to be bound by) the Terms of the Z-Tel/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 Plan B shall be substituted in place of Z-Tel Communications, Inc. and Z-Tel in the Terms wherever appropriate.

(B) Notice to Plan B and Verizon as may be required under the Terms shall be provided as follows:

To:

Mr. Jack Dayan
President
Plan B Communications, Inc. d/b/a Spectrotel
655 Shrewsbury Avenue, Suite 302
Shrewsbury, NJ 07702
Telephone number: 732-345-7000
FAX number: 732-530-3762

with a copy to:

Mr. Brian T. FitzGerald, Esq.
LeBouef, Lamb, Greene & MacRae, L.L.P.
Attention: Plan B Communications, Inc. d/b/a Spectrotel
One Commerce Plaza, 99 Washington Avenue Ste 2020
Albany, NY 12210-2820
Telephone number: 518-626-9000
FAX number: 518-626-9010

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

(C) Plan B 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.

2. Plan B's adoption of the Z-Tel Terms shall become effective on May 25, 2002. Verizon shall file this adoption letter with the Commission promptly upon receipt of an original of this letter countersigned by an authorized officer of Plan B. The term and termination provisions of the Z-Tel/Verizon agreement shall govern Plan B's adoption of the Terms. The adoption of the Terms is currently scheduled to expire on June 1, 2003.
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 Plan B'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.
5. Verizon reserves the right to deny Plan B'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 Plan B are greater than the costs of providing them to Z-Tel;
 - (b) if the provision of the Terms to Plan B is not technically feasible; and/or
 - (c) to the extent that Verizon otherwise is not required to make the Terms available to Plan B 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.¹ Accordingly, any compensation to be paid for Internet traffic will be handled pursuant to the terms of the *FCC Internet Order*, not

¹ 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. 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).

pursuant to adoption of the Terms.² 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.³ 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 Plan B 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 Plan B 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 Plan B's adoption of the Verizon Terms shall in no way impair such rights of Verizon; and (ii) all rights of Plan B resulting from Plan B'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.

² 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, Resources, Industry Letters, CLEC).

³ See, e.g., 47 C.F.R. Section 51.809(c).

⁴ *FCC Internet Order* ¶ 82.

Please arrange for a duly authorized representative of Plan B to sign this letter in the space provided below and return it to the undersigned.

Sincerely,

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

Jeffrey A. Masoner
Vice President – Interconnection Services

Reviewed and countersigned solely as to points A, B, and C of paragraph 1:

By execution of this letter, Plan B neither agrees to nor concurs with Verizon’s prior or current interpretation of the relevant federal law as described in paragraph #6 above. However, Plan B does agree that its opt-in to the Z-Tel agreement terms will not result in the payment of reciprocal compensation payments for internet traffic.

In addition, notwithstanding Verizon’s position as stated in paragraph #8 above, all rights of Plan B under the Bankruptcy code and applicable non-bankruptcy laws shall be preserved. Nothing contained herein is intended to nor shall be construed as a concession by Plan B that Verizon is or will be entitled to adequate assurances.

PLAN B COMMUNICATIONS, INC. D/B/A SPECTROTEL

(SIGNATURE)

(PRINT NAME)

c: Dina Dye – Verizon