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BEFORE THE ARIZONA CORPORATION

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Arizona Corporation Commission

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IN THE MATTER OF THE FORMAL
COMPLAINT AND REQUEST FOR
DECLARATORY JUDGMENT OF
PAC-WEST TELECOMM, INC.
AGAINST QWEST CORPORATION

DOCKET NO. T-03693A-05-0875
T-01051B-05-0875

**QWEST CORPORATION'S
AMENDED ANSWER TO PAC-
WEST TELECOMM'S FORMAL
COMPLAINT FOR
DECLARATORY JUDGMENT, AND
COUNTERCLAIMS**

Qwest Corporation ("Qwest") hereby responds to and answers the Formal Complaint for Declaratory Judgment ("Complaint") filed by Pac-West Telecomm, Inc. ("Pac-West") filed on December 6, 2005, and further, files its counterclaims against Pac-West.

INTRODUCTION

Interconnection Agreement and Amendments

1. Pac-West's Complaint is the result of a misinterpretation by Pac-West of the Interconnection Agreement ("ICA") between Qwest and Pac-West (collectively, "the Parties") and two subsequent amendments to the ICA. The ICA was signed by the Parties on September 30, 1999, and approved by the Arizona Corporation Commission ("Commission") on December 14, 1999. See Decision No. 62137.

2. The first ICA amendment in question, known as the "InterLCA Amendment," was entered into by the Parties on September 11, 2000. This amendment became effective by order of the Commission on February 2, 2001. See Decision No. 63340. A true and correct copy of the InterLCA Amendment is attached hereto as Exhibit A. The InterLCA Amendment allows Pac-West to transport local exchange traffic from a

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1 local calling area ("LCA") to a distant Point of Interconnection ("POI") within the same
2 LATA as the distant POI, thus avoiding creation of a physical POI in every LCA where
3 Pac-West might have local customers who would call Qwest customers. By purchasing
4 InterLCA Facility(ies) from Qwest, Pac-West is able to avoid the capital cost of installing
5 a POI in every LCA¹ and instead, have traffic transported by Qwest to a centrally located
6 POI that Pac-West uses to serve multiple LCAs. See Section 1.0 of Attachment 1 of
7 Exhibit A.

8 3. Under the InterLCA Amendment, Pac-West could only connect from its
9 POI to Qwest end office switches or to Qwest local tandem switches for the exchange of
10 local traffic. The InterLCA Amendment did not permit Pac-West to exchange local traffic
11 at any access tandem.

12 4. Rates for the InterLCA Facility under the InterLCA Amendment include
13 both a fixed charge and mileage-sensitive rate. For the first 20 miles, the rate is a
14 Commission-approved TELRIC rate - which also includes a relative use factor ("RUF")
15 applied to the 20 mile TELRIC-rated portion of the InterLCA Facility - that Pac-West
16 would owe to Qwest. Any portion of the InterLCA Facility beyond 20 miles, however, is
17 rated at a Commission-approved monthly fixed and per mile charge for tariffed Intrastate
18 Private Line Transport Service ("PLTS"). The applicable tariff does not mention or
19 incorporate RUF. PLTS is necessarily inter-exchange in this case.

20 5. The second ICA amendment, known as the single point of presence, or
21 "SPOP Amendment," was entered into by the Parties on January 23, 2001. This
22 amendment became effective by order of the Commission on June 6, 2001. See Decision
23 No. 63736. A true and correct copy of the SPOP Amendment is attached hereto as
24 Exhibit B. This amendment allows Pac-West to use a single POI to deliver its calls from
25

26
27 ¹ InterLCA Facilities allowed a CLEC to avoid the time and cost associated with creation of an equipment
28 collocation in each LCA where the CLEC chose to compete with the ILEC for local customers.

1 its customers throughout an entire LATA, rather than at a point in each LCA. A LATA
2 contains many Commission-mandated LCAs.

3 6. The type and scope of access available through the SPOP Amendment is not
4 available under the InterLCA Amendment. The SPOP Amendment allows a CLEC to
5 send local traffic to an access (toll) tandem in situations where no Qwest local tandem is
6 serving a Qwest end office. The InterLCA Amendment does not permit Pac-West to
7 exchange local traffic at any access tandem. Where CLECs take advantage of that feature
8 of the SPOP Amendment, they can save Direct Trunked Transport ("DTT") expense,
9 because they can connect to the Qwest access tandem and not to every Qwest end office.
10 Further, under the SPOP Amendment, Pac-West can overflow high volumes of end office
11 traffic via an access tandem.

12 7. In contrast to the rates applicable when utilizing an InterLCA Facility, under
13 the SPOP Amendment the existing TELRIC-rated facilities (for example, DTT) may be
14 purchased from a single POI to Qwest local and access tandems serving the different
15 LCAs within the LATA. Therefore, the TELRIC rate applies to the *entire length* of
16 Qwest facilities used. This rate is almost uniformly lower than the tariffed rate. The
17 SPOP Amendment neither mentions nor incorporates RUF.

18 **Statement of Pertinent Facts**

19 8. InterLCA and SPOP are two separate and discrete offerings, with different
20 facilities used to provide the differing interconnection facilities under the respective
21 amendments. Although the physical make-up of the circuit and trunk groups could be the
22 same, access and routing to LCAs within a LATA is provided pursuant to separate
23 facilities which use very specific designations, and are subject to different rating
24 provisions pertinent to the applicable amendment.

25 9. In April, 2003, Pac-West converted all of its facilities from InterLCA
26 Facilities controlled by the InterLCA Amendment to DTT facilities, with appropriate
27 SPOP designations, pursuant to the SPOP Amendment. Pac-West deliberately submitted
28 orders for the conversion of each facility from InterLCA Facility to DTT. Since that time,

1 Pac-West has configured its interconnection architecture and purchased facilities that
2 cross LCAs solely according to the SPOP Amendment.

3 10. Pricing of the DTT facilities under the SPOP Amendment is generally less
4 when compared to service taken pursuant to the InterLCA Amendment.

5 11. Qwest believes that Pac-West customers are entirely Internet Service
6 Providers (“ISPs”) (i.e., companies like AOL and Earthlink) that only cause calls to be
7 sent to them from their customers, as part of the Internet service the ISP offers, which is
8 not a two-way exchange.² A “net protocol conversion,” such as is uniformly performed
9 by an Enhanced Services Provider (“ESP”), is associated with every call in question.
10 Under the business model adopted by Pac-West, there is no reciprocal exchange of local
11 traffic between the Parties. The traffic is one-way from Qwest, because it is made up of
12 calls from Qwest end users to ISP who are customers of Pac-West, which is the business
13 model adopted by Pac-West.

14 12. Pac-West is currently utilizing a Virtual NXX or “VNXX,” architecture for
15 the traffic its ISP customers generate from their subscribers. VNXX is a vehicle by which
16 a competitive local exchange carrier (“CLEC”) obtains from the national number plan
17 administrator a telephone number for one local calling area, and assigns that telephone
18 number to an ISP physically located in another LCA, LATA or State. Using a VNXX
19 scheme makes call detail recordings appear that a call is local (based on the telephone
20 numbers of the calling and called parties) when, in fact, it is an interexchange or long
21 distance call. VNXX, as a federal district court in Oregon recently ruled,³ is a ploy by
22 which Pac-West seeks to avoid the true long distance-toll nature of the call and thereby
23 improperly use local interconnecting facilities (Local Interconnection Services or “LIS”)
24 to route the VNXX traffic over Qwest’s network to Pac-West’s point of interconnection,
25 avoid transportation and access charges, and claim compensation at the rate set by the

26
27 ² Even though the end user may be a Qwest local exchange customer, the call is generated solely because
28 they are also an ISP customer.

³ *Qwest Corp. v. Universal Telecommunications*, 2004 WL 2958421 (D. Ore. 2004).

1 FCC in the ISP Remand Order for what Pact-West calls “locally dialed ISP-bound”
2 traffic. Pac-West’s claim for compensation for traffic delivered via VNXX, and the
3 question of the legality of the use of VNXX, are currently before the Commission in
4 another complaint proceeding.⁴

5 13. Through January of 2006, Qwest has billed, and Pac-West has failed to pay,
6 \$491,595.01 for facilities and services provided pursuant to the ICA, including charges for
7 DTT according to the SPOP Amendment. Pac-West has not made any payments to Qwest
8 under the ICA since May, 2005.

9 **The Pac-West Complaint**

10 14. Pac-West asserts that Qwest is obligated to reduce the rate paid by Pac-West
11 (via application of a RUF) for the first twenty (20) miles of the dedicated transport
12 supplied by Qwest, whether such transport was InterLCA Facility obtained pursuant to the
13 InterLCA Amendment or DTT obtained pursuant to the SPOP Amendment. Pac-West
14 argues that because nothing in the SPOP Amendment replaced or otherwise modified the
15 Parties’ financial obligations for LIS facilities as set forth in the InterLCA Amendment,
16 the RUF provision must still apply.

17 15. Pac-West ignores the plain meaning language of the InterLCA Amendment.
18 Section 1.5 specifically requires Qwest to reduce the rate for “the first twenty (20) miles
19 of the *InterLCA facility* to reflect the portion of the *InterLCA facility* that is used” by
20 Qwest. This language clearly specifies that the reduction associated with the first twenty
21 (20) miles is for when an InterLCA Facility is being used, and that Qwest’s relative use of
22 the *InterLCA Facility* must be taken into account for billing purposes.

23 16. Conversely, the SPOP Amendment does not contain a similar provision. By
24 utilizing and ordering SPOP in a LATA, Pac-West agreed to the terms in the SPOP
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28 ⁴ *In the Matter of the Formal Complaint of Pac-West Telecomm Seeking Enforcement of the
Interconnection Agreement Between Pac-West Telecomm and Qwest Corporation, Docket Nos. T-
01051B-05-0495 and T-03693A-05-0495.*

1 Amendment, which does not provide for RUF on the DTT and any other facilities
2 obtained pursuant to its terms.

3 17. While it may be true that the SPOP Amendment does not replace or
4 otherwise modify Qwest's obligations under the InterLCA Amendment, as Pac-West
5 claims, that status quo applies only to circuits ordered by Pac-West under the Inter LCA
6 Amendment which have not been cancelled or converted by Pac-West. In fact, in April of
7 2003, Pac-West converted all of its then existing InterLCA purchases to SPOP. The
8 SPOP Amendment provides for a completely separate and distinct offering from the
9 service offered under the InterLCA Amendment. Qwest asserts that nothing in the
10 InterLCA Amendment modifies the Parties' financial obligations for transport ordered
11 from the SPOP Amendment.

12 18. Even if the rate reduction language in the InterLCA Amendment pertaining
13 to the first twenty (20) miles of the InterLCA Facility did apply to Pac-West's purchases
14 under the SPOP Amendment, the reduction of the rate to reflect reciprocal usage by
15 Qwest should not apply when there is not any mutual exchange of local traffic. There is
16 no mutual or reciprocal use for which Pac-West is owed money according to the
17 principles of reciprocal compensation for the mutual exchange of local traffic. All costs
18 of the facilities are caused by Pac-West's ISP customers due to Pac-West's unlawful use
19 of VNXX routing or use of the facilities obtained for ISP Bound traffic.

20 19. For the foregoing reasons, Pac-West is wrong in its assertions that the
21 InterLCA Amendment modifies the Parties' financial obligations for transport ordered
22 from the SPOP Amendment, and Qwest is entitled to payment for all amounts it has billed
23 to Pac-West for SPOP Facilities under the SPOP amendment, provided that Pac-West
24 placed orders and sent traffic properly under the terms of the SPOP Amendment.

25 20. Indeed, it appears that the traffic may not be properly sent under the SPOP
26 Amendment. According to Pac-West, traffic originated by Qwest end users bound for
27
28

1 Pac-West is ISP-bound.⁵ This absolutely and directly violates the provision in the SPOP
2 Amendment that “SPOP in the LATA is not available for the *sole purpose of delivering*
3 *ISP bound, interstate in nature, traffic.*” See Exhibit B, Attachment 1 at Paragraph 9
4 (emphasis added). Furthermore, this violates the base interconnection agreement⁶, federal
5 law⁷ and state law. In addition, Section 1 of the SPOP Amendment states “By utilizing
6 SPOP in the LATA, CLEC can deliver both Exchange Access (IntraLATA Toll Non-IXC)
7 and Jointly Provided Switched Access (InterLATA and IntraLATA IXC) traffic and
8 Exchange Service EAS/Local traffic at Qwest’s Access Tandem Switches.” Because Pac-
9 West is not delivering traffic to Qwest (Qwest is sending all traffic to Pac-West) this
10 amendment is not appropriate for this type of traffic.

11 In the alternative to Qwest’s claims that Pac-West must be ordered to pay all
12 amounts Qwest has billed to Pac-West for SPOP Facilities under the SPOP Amendment,
13 based on the nature of Pac-West’s traffic and the prohibition of that traffic thereunder,
14 Pac-West’s traffic does not qualify for treatment under the SPOP Amendment, and,
15 accordingly Pac-West should not be entitled to the pricing from the SPOP Amendment.
16 For the same reasons, Pac-West should not be entitled to expect Qwest to route its traffic
17 via access tandems under the SPOP Amendment. Pac-West should, at a minimum,
18 compensate Qwest at rates specified under the InterLCA Amendment, and for its VNXX
19 traffic, at the applicable rates for private line services and appropriate special access.

21
22 ⁵ In the Matter of the Formal Complaint of Pac-West Telecomm Seeking Enforcement of the
23 Interconnection Agreement Between Pac-West Telecomm and Qwest Corporation; Docket No. T-01051B-
05-0495, T-03693A-05-0495.

24 ⁶ See ICA Attachment 4, Paragraph 1.1, for example, “For purposes of this Attachment 4,
25 “Interconnection” is the linking of the US WEST and Pac-West networks for the **mutual** exchange of
26 traffic. ...” and at paragraph 8.2, “8.2 The Parties shall initially **reciprocally terminate** local exchange
27 traffic and intraLATA/interLATA toll calls originating on each other’s networks...”

28 ⁷ 47 C.F.R. 51.100(b), “A telecommunication carrier that has interconnected or gained access under
sections 251(a)(1), 251(c)(2), or 251(c)(3) of the Act, may offer information services through the same
arrangement, so long as it is offering telecommunications services through the same arrangement as well.”

1 InterLCA Amendment is applicable in the current dispute, or that the disputed charges are
2 governed by the InterLCA Amendment, to the extent that Pac-West is entitled to utilize
3 facilities pursuant to the SPOP Amendment and has obtained facilities pursuant to that
4 amendment.

5 29. To the extent that Pac-West claims to apply the terms of the 20 mile
6 discount to any facility other than an InterLCA Facility, Qwest denies the allegation that
7 Section 1.5 of Attachment 1 to the InterLCA Amendment is applicable to miles of any
8 facility other than an InterLCA Facility based on RUF. Further, Qwest denies that Section
9 1.5 of Attachment 1 to the InterLCA Amendment is applicable to miles of any facility
10 where there is not a mutual, reciprocal exchange of local calls.

11 30. Qwest admits that Pac-West and Qwest entered into the SPOP Amendment
12 on January 12, 2001, for the purpose of establishing one point of presence in a LATA, to
13 permit the exchange of local traffic at access tandem switches, according to the terms of
14 the SPOP Amendment and to order facilities to cross local calling areas.

15 31. Qwest denies the allegation that the InterLCA Amendment and SPOP
16 Amendment are mutually inclusive, or that nothing in the SPOP Amendment replaced or
17 otherwise modified the parties' obligation concerning LIS facilities. The InterLCA
18 Amendment is not applicable to facilities ordered under the SPOP Amendment.

19 32. Qwest admits sending new invoices to Pac-West, for re-calculated transport
20 and switching services, after the United States District Court for the District of Arizona
21 vacated a portion of Commission Decision No. 66385 on December 17, 2004.

22 33. Qwest denies the allegation that Qwest erroneously charged Pac-West the
23 full cost of certain facilities, without deducting the cost of Qwest's relative use, based on
24 requirements set forth in the ICA, as amended. Furthermore, Pac-West states no basis for
25 nonpayment of amounts billed by Qwest subsequent to the District Court's judgment
26 referenced above.

27 COUNTERCLAIMS

28 34. Qwest brings these Counterclaims against Pac-West as a result of Pac-

1 West's breach of the terms and conditions of the ICA. This Counterclaim consists of two
2 counts as follows:

3 **COUNT I**

4 **(Breach of Interconnection Agreement - Payment)**

5 35. Qwest incorporates paragraphs 1 through 34, above.

6 36. Despite continued interconnection with Qwest facilities and services
7 rendered pursuant to the ICA, Pac-West has wrongfully withheld payment of
8 \$491,595.01. Qwest has properly billed these amounts, pursuant to the ICA, including
9 charges for DTT according to the SPOP Amendment. Pac-West has not made any
10 payments to Qwest under the ICA since May, 2005. That amount is immediately due and
11 should be paid to Qwest. Because the interconnection is still in place, the amount owed
12 increases each month. Pac-West should pay all past due amounts, currently due amounts,
13 and make future payments timely. Without waiving its right to receive compensation,
14 Qwest should also be entitled to disconnect Pac-West if it fails to pay amounts ordered to
15 be paid.

16 **COUNT II**

17 **(In the Alternative--Breach of Interconnection Agreement - Service)**

18 37. Qwest incorporates paragraphs 1 through 36, above.

19 38. According to Pac-West, all traffic originated by Qwest's end users that is
20 bound for Pac-West is ISP bound traffic. Despite this, Pac-West has obtained all of its
21 interconnection facilities and continues to take service from Qwest pursuant to the SPOP
22 Amendment.

23 39. Paragraph 9 of the SPOP Amendment states "SPOP in the LATA is not
24 available for the sole purpose of delivering ISP bound, interstate in nature, traffic."
25 Therefore, Pac-West's conversion of all of its InterLCA Facilities to SPOP/DTT and other
26 LIS facilities pursuant to the SPOP Amendment was inappropriate and contrary to the
27 SPOP Amendment. Accordingly, Pac-West should only be able to obtain interconnection
28 facilities that cross LCA boundaries pursuant to the InterLCA Amendment.

1 use of LIS facilities in an amount equal to private line service plus special access, where
2 Pac-West has utilized its VNXX scheme; and

3 G. Any and all other equitable relief that the Commission deems appropriate.

4 RESPECTFULLY SUBMITTED this 20th day of March, 2006.

5 Norman Curtright
6 QWEST CORPORATION
7 4041 N. Central Avenue
8 Phoenix, AZ 85012
9 (602) 630-2187

10 -and-

11 FENNEMORE CRAIG, P.C.

12 By 
13 Timothy Berg
14 Theresa Dwyer
15 Patrick J. Black
16 3003 N. Central Ave, Suite 2600
17 Phoenix, Arizona 85012
18 (602) 916-5421

19 Attorneys for Qwest Corporation

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21 filing this 20th day of March, 2006, to:

22 Docket Control
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24 1200 West Washington
25 Phoenix, Arizona 85007

26 COPY of the foregoing hand-delivered
27 this 20th day of March, 2006 to:

28 Amy Bjelland
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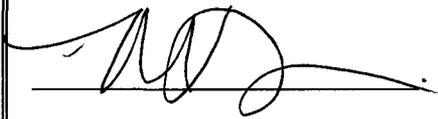
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3 COPY of the foregoing mailed
this 20th day of March, 2006 to:

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Attorneys for Pac-West Telecomm, Inc.
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EXHIBIT A

**Amendment No. 1
to the Interconnection Agreement
Between
Pac-West Telecomm, Inc.
and
U S WEST Communications, Inc.**

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AZ CORP COMMISSION
DOCUMENT CONTROL

For the State of Arizona

This Amendment No. 1 ("Amendment") is made and entered into by and between Pac-West Telecomm, Inc. ("Pac-West") and U S WEST Communications, Inc. ("USW").

RECITALS

WHEREAS, Pac-West and USW entered into that certain Interconnection Agreement for service in the state of Arizona, which was approved by the Arizona Corporation Commission ("Commission") on December 14, 1999 (the "Agreement"); and

WHEREAS, Pac-West and USW wish to amend the Agreement to include LIS Inter Local Calling Area Facility under the terms, conditions and rates contained herein.

AGREEMENT

NOW THEREFORE, the Parties agree as follows:

1. Amendment Terms.

- A. Attachment 4, Section 7.1 of the Agreement, Points of Interconnection, is deleted in its entirety and replaced with the following:

7.1 Points of Interconnection

Upon a request for specific point to point routing, USW will make available to Pac-West information indicating the location and technical characteristics of USW's network facilities. The following alternatives are negotiable and include, but are not limited to: (a) a DS-1 or DS-3 entrance facility, where facilities are available (where facilities are not available and USW is required to build special or additional facilities, special construction charges may apply); (b) virtual collocation; (c) physical collocation; (d) negotiated Meet Point facilities; and (e) LIS Inter Local Calling Area (LCA) Facility. Each Party is responsible for providing its own facilities up to the Meet Point. The Parties will negotiate the facilities arrangement between their networks.

- B. This Amendment is made in order to add the terms and conditions for LIS Inter Local Calling Area (LCA) Facility as set forth in Attachment 1, attached hereto and incorporated herein.

2. Effective Date.

This Amendment shall be deemed effective upon Commission approval; however, the Parties may agree to implement the provisions of this Amendment upon execution. To accommodate this need, Pac-West must generate, if necessary, an updated Customer Questionnaire. In addition to the Questionnaire, all system updates will need to be completed by USW. Pac-West will be notified when all system changes have been made. Actual order processing may begin once these requirements have been met.

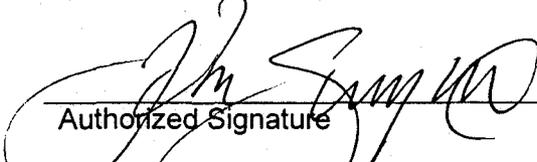
3. Further Amendments.

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. Neither the Agreement nor this Amendment may be further amended or altered except by written instrument executed by an authorized representative of both parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives.

Pac-West Telecom, Inc.

USW Corporation



Authorized Signature
JOHN F. SUMPTER
Name Typed or Printed
VICE PRESIDENT, REGULATORY
Title
9-6-2000
Date

Nancy Bartz for

Authorized Signature
Keith G. Galitz Nancy Bartz
Name Typed or Printed
General Manager
Title
9/11/2000
Date

ATTACHMENT 1

1.0 LIS Inter Local Calling Area (LCA) Facility

- 1.1 Pac-West may request USW-provided facilities to transport local exchange traffic from a virtual local POI ("local VPOI") in a USW local calling area to a POI located in a EAS/local serving area (a "distant POI"). The USW-provided facilities interconnecting a USW local calling area to a distant POI are LIS Inter Local Calling Area (LCA) Facilities.
- 1.2 The actual origination of the LIS Inter LCA Facility shall be in the USW Wire Center located in the distant EAS/local serving area where Pac-West has a physical presence and has established the distant POI. Pac-West may use interconnection arrangements (a), (b), (c), (d) or (e) as outlined in Subsection 6.6 of this Amendment (Points of Interface) to establish the distant POI.
- 1.3 If the distance between the USW Central Office in the local calling area and the distant POI is twenty (20) miles or less, the fixed and per-mile rates for Direct Trunk Transport (DTT) shall apply in accordance with Appendix A to the Agreement.
- 1.4 If the distance between the USW Central Office in the local calling area and the distant POI is greater than twenty (20) miles, the fixed and per-mile DTT rates shall apply to the first twenty (20) miles in accordance with Appendix A, and the remaining miles are rated as intrastate monthly fixed and per mile DS1 Private Line Transport Services. The Private Line Transport Services rates are contained in the applicable state Private Line catalogs and Tariffs.
- 1.5 USW will reduce the rate for the first twenty (20) miles of the interLCA facility to reflect the portion of the interLCA facility that is used by USW to transport USW-originated traffic to Pac-West. USW shall not be required to reduce the Private Line Transport Services rates for the portion of the interLATA LCA facility that exceeds twenty (20) miles in length.
- 1.6 In addition, Pac-West may choose to purchase a Private Line Transport Services DS3 from USW as a Customer Facility Assignment (CFA) on which the LIS InterLCA Facility would ride. Pac-West will purchase a Private Line DS3 to DS1 multiplexer to support the DS1 InterLCA Facility. If Pac-West chooses to utilize a Private Line DS3 as CFA, these rates will be billed out of the applicable Private Line Transport Services catalogs or Tariffs. This DS3 Private Line service must originate from distant POI and terminate in the USW Central Office in the local calling area.
- 1.7 The LIS InterLCA Facility may be used only to transport local exchange traffic between USW and Pac-West customers located within the USW local calling area.
- 1.8 The LIS InterLCA Facility cannot be used to access unbundled network elements.
- 1.9 The LIS InterLCA Facility is available only where facilities are available. USW is not obligated to construct new facilities to provide a LIS InterLCA Facility.

EXHIBIT B

**Single Point of Presence (SPOP) in the LATA Amendment
to the Interconnection Agreement between
Qwest Corporation and
Pac-West Telecomm, Inc.
for the State of Arizona**

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This is an Amendment ("Amendment") for Single Point of Presence (SPOP) in the LATA to the Interconnection Agreement between Qwest Corporation, formerly known as U S WEST Communications, Inc., a Colorado corporation, and Pac-West Telecomm, Inc. Corporation ("CLEC"). CLEC and Qwest shall be known jointly as the "Parties".

RECITALS

WHEREAS, CLEC and Qwest entered into an Interconnection Agreement ("Agreement") for service in the state of Arizona which was approved by the Arizona Corporation Commission ("Commission"); and

WHEREAS, the Parties wish to amend the Agreement further 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 as follows:

Amendment Terms

The Agreement is hereby amended by adding terms and conditions for Single Point of Presence (SPOP) in the LATA as set forth in Attachment 1, to this Amendment, attached hereto and incorporated herein by this reference.

Effective Date

This Amendment shall be deemed effective upon approval by the Commission; however, the Parties may agree to implement the provisions of this Amendment upon execution. To accommodate this need, CLEC must generate, if necessary, an updated Customer Questionnaire. In addition to the Questionnaire, all system updates will need to be completed by Qwest. CLEC will be notified when all system changes have been made. Actual order processing may begin once these requirements have been met.

Further Amendments

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. Neither the Agreement nor this Amendment may be further amended or altered except by written instrument executed by an authorized representative of both Parties.

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.

Pac-West Telecomm, Inc.



Signature

John F. Sumpter
Name Printed/Typed

Vice President, Regulatory
Title

January 12, 2001
Date

Qwest Corporation



Signature

Patrick D. Holton
Name Printed/Typed

Director Wholesale Markets
Title

01/23/01
Date

ATTACHMENT 1
SINGLE POINT OF PRESENCE (SPOP) IN THE LATA

1. By utilizing SPOP in the LATA, CLEC can deliver both Exchange Access (IntraLATA Toll Non-IXC) and Jointly Provided Switched Access (InterLATA and IntraLATA IXC) traffic and Exchange Service EAS/Local traffic at Qwest's Access Tandem Switches. CLEC can also utilize Qwest's behind the tandem infrastructure to terminate traffic to specific end offices. The SPOP is defined as the CLEC's physical point of presence.
2. SPOP in the LATA includes an Entrance Facility (EF)/Expanded Interconnect Channel Termination (EICT) and Direct Trunked Transport (DTT) options at both a DS1 and DS3 capacity.
3. Where there is a Qwest local tandem serving an end office that CLEC intends to terminate traffic, the following conditions apply:
 - 3.1 All local trunking must be ordered to the Qwest local tandem for the Qwest end office served by the Qwest local tandem.
 - 3.2 Connections to a Qwest local tandem may be two-way or one-way trunks. These trunks will carry Exchange Service EAS/Local traffic only.
 - 3.3 A separate trunk group to the Qwest Access Tandem is required for the exchange of Exchange Access (IntraLATA Toll Non-IXC) traffic and jointly Provided Switched Access (InterLATA and IntraLATA IXC) traffic.
4. Where there is no Qwest local tandem serving a Qwest end office, CLEC may choose from one of the following options:
 - 4.1 A two-way CLEC LIS trunk group to the Qwest access tandem for CLEC traffic terminating to, originating from, or passing through the Qwest network that combines Exchange Service EAS/ Local, Exchange Access (IntraLATA Toll Non-IXC) and Jointly Provided Switched Access (InterLATA and IntraLATA IXC) traffic.
 - 4.2 A two-way CLEC LIS trunk group to the Qwest access tandem for CLEC Jointly Provided Switched Access (InterLATA and IntraLATA IXC) traffic terminating to and originating from the IXC Feature Group (FG) A/B/D network through the Qwest network and an additional two-way trunk group to the Qwest access tandem for the combined Exchange Service EAS/ Local and Exchange Access (IntraLATA Toll Non-IXC) traffic terminating to, originating from, and transiting the Qwest network.
 - 4.2.1 If CLEC uses two way trunking, Qwest will send all Exchange Service EAS/Local, Exchange Access (IntraLATA Toll Non-IXC) and Jointly Provided Switched Access (InterLATA and IntraLATA IXC) traffic delivered to the Qwest access tandem on the same combined trunk.

4.3 A one-way terminating CLEC LIS trunk group to the Qwest access tandem for CLEC traffic destined to or through the Qwest network that combines Exchange Service EAS/Local, Exchange Access (Intra LATA Toll Non-IXC) and Jointly Provided Switched Access (InterLATA and IntraLATA IXC) traffic.

4.4 CLEC may utilize a one-way LIS trunk group to the Qwest access tandem for Jointly Provided Switched Access (InterLATA and IntraLATA IXC) traffic terminating to the IXC FG A/B/D network through the Qwest network, and an additional one-way trunk group to the Qwest access tandem for the combined Exchange Service EAS/ Local, Exchange Access (IntraLATA Toll Non-IXC) traffic terminating to, originating from, and transiting the Qwest network.

4.4.1 If CLEC orders either of the above one-way trunk options, Qwest will return the traffic via one combined Exchange Service EAS/ Local, and Exchange Access (IntraLATA Toll Non-IXC) trunk group.

5. CLEC must have SS7 functionality to use SPOP in the LATA.
6. If there is more than one Qwest access tandem within the LATA boundary, CLEC must order LIS trunking to each Qwest access tandem that serves their end-user customers' traffic to avoid call blocking. CLEC must trunk to each Qwest access tandem even if there is not currently a CLEC customer base at each access tandem. CLECs only need to trunk to each local tandem where they have a customer base. The 512 CCS rule and other direct trunking requirements will apply for direct trunking to Qwest end offices.
7. Where CLEC requests for trunking for SPOP in a LATA that exceed fifty (50) miles, Qwest reserves the right to request negotiation of a Mid-Span meet POI.
8. SPOP in the LATA cannot be used in conjunction with existing CLEC LIS trunking that connect to Qwest's end office switches with tandem functionality.
9. SPOP in the LATA is not available for the sole purpose of delivering ISP bound, interstate in nature, traffic.
10. The LIS SPOP facility cannot be used to access unbundled network elements.
11. SPOP in a LATA is available only where facilities are available. Qwest is not obligated to construct new facilities to provide SPOP in a LATA.
12. SPOP in a LATA will be ordered based upon the standard ordering process for the type of facility chosen. See the Qwest Interconnection and Resale Resource Guide for further ordering information.