

Attachment 1

Table of Disputed Provisions

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Issue	Section of Agreement	Location as Identified by James Valley	Initial Midco Proposal	James Valley Proposal	Midco Response
1	General Terms and Conditions, Preamble	Page 4 of 49	WHEREAS, Midcontinent is a telecommunications company authorized to provide Telecommunications Services in the State of South Dakota;	WHEREAS, Midcontinent is a <u>local exchange</u> telecommunications company authorized to provide Telecommunications Services in the State of South Dakota...	<p><i>Midco proposes the following language:</i></p> <p>“Midcontinent is a telecommunications company authorized to provide interconnection services in the State of South Dakota;”</p> <p>Alternative: Omit this provision entirely.</p> <p><i>Rationale:</i></p> <ul style="list-style-type: none"> (1) This provision, like the provision describing James Valley, is a self-description, and is not required by law. (2) The revised language will be an accurate description at the time Midcontinent obtains any necessary authorization.

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2	General Terms and Conditions, § 6	Page 7 of 49 ¶ 6	If any sale or transfer of Midcontinent or facilities used to provide services under this Agreement is to an entity that is not authorized to provide Telecommunications Service	If any sale or transfer of Midcontinent or facilities used to provide services under this Agreement is to an entity that is not authorized to provide local exchange Telecommunications Service this Agreement is terminated.	<p><i>Midco proposes the following language:</i></p> <p>If any sale or transfer of Midcontinent or facilities used to provide services under this Agreement is to an entity that is not authorized to provide interconnection service in the Groton exchange of James Valley this Agreement is terminated.</p> <p><i>Rationale:</i></p> <p>The James Valley provision assumes that it always will be necessary to have local exchange authority to provide interconnection service. It is more appropriate to limit this provision to address only whether the acquiring party is authorized to provide interconnection services.</p> <p>In addition, the James Valley provision would require an acquirer to obtain local exchange authority even if the transaction involved the acquisition of the entire Midco business, including its authorizations.</p>

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3	General Terms and Conditions, § 9.6.1	Page 10 of 49 ¶ 9.6.1	The relevant books, records and other documents include, but are not limited to, usage data, source data, traffic reports and associated data (including such traffic reports and associated data from Retail Providers) and other information and documents in accordance with this Agreement.	The relevant books, records and other documents include, but are not limited to, usage data, source data, traffic reports and associated data (including such traffic reports and associated data from Retail Providers) and other information and documents in accordance with this Agreement.	<p><i>Midco proposes the following language:</i> Adopt the original provision.</p> <p><i>Rationale:</i> The purpose of this agreement is for Midco to provide wholesale interconnection services to parties that wish to serve customers in Groton. Removal of this language (and the other language identified as falling under Issue 3) will make it impossible for Midco to provide such services under this agreement.</p> <p>The Commission has recognized in its order on the bifurcated issue that Midco can provide interconnection services if it has appropriate authority, and so there is no legal basis for James Valley to reject provisions necessary to implement wholesale interconnection services.</p> <p>James Valley objects to the various provisions related to providing wholesale services unless Midco inserts language stating that its customers will hold local exchange certificates of authority. To the extent that Midco's customers would be required to hold such authority, that is a requirement that applies to them and not to Midco. Further, there are many potential customers for interconnection services that are not required to hold local exchange certificates, and so this provision would unreasonably limit the ability of Midco to offer such services.</p>

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4	General Terms and Conditions, § 10	Page 10 of 49 ¶ 10	Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement.	<u>This Agreement is subject to and contingent upon it and</u> Each Party shall <u>complying</u> with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement.	<p><i>Midco proposes the following language:</i></p> <p>Retain the original provision and add the following new sentence to Section 2.1 of the General Terms and Conditions:</p> <p>“Midcontinent will not seek to exchange traffic under this Agreement until it has obtained all regulatory authority necessary to provide the services contemplated hereunder.”</p> <p><i>Rationale:</i></p> <p>The original provision is a standard term in interconnection agreements. To the extent that a party violates this provision, the other party has access to all appropriate remedies for breach of the agreement, subject only to the limitations of South Dakota and federal law.</p> <p>James Valley has indicated that it made this change to ensure that Midco would provide interconnection only when it was authorized to do so. The additional language proposed by Midcontinent addresses this issue without raising additional concerns about whether any instance of noncompliance with state or federal law would void the agreement.</p>

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3	General Terms and Conditions, § 16	Page 13 of 49 ¶ 16	Notwithstanding the foregoing, the Parties have expressly agreed that the acts of any Retail Provider contracting, directly or indirectly, with Midcontinent for use of the services provided under this Agreement shall be deemed to be within Midcontinent's control and shall not be a Force Majeure Event.	Notwithstanding the foregoing, the Parties have expressly agreed that the acts of any Retail Provider contracting, directly or indirectly, with Midcontinent for use of the services provided under this Agreement shall be deemed to be within Midcontinent's control and shall not be a Force Majeure Event.	<i>Midco proposes the following language:</i> Adopt the original provision. <i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.

3	General Terms and Conditions, § 22.2.2	Page 15 of 49 ¶ 22.2.2	In addition to the indemnities in Section 22.2.1 above, Midcontinent shall indemnify and hold harmless ILEC from and against claims for loss, cost, liability, damage, and expense (including reasonable attorney’s fees) (“Claims”) caused to ILEC by any third party using Midcontinent to deliver traffic to or receive traffic from ILEC’s facilities, including claims resulting from rate arbitrage, phantom traffic, toll fraud or failure to provide valid, accurate and complete CPN on all traffic subject to this Agreement so that ILEC is compensated in full for such exchanged traffic in accordance with the terms of this Agreement. ILEC will notify Midcontinent of information it has received or discovered which appear to trigger this indemnity	In addition to the indemnities in Section 22.2.1 above, Midcontinent shall indemnify and hold harmless ILEC from and against claims for loss, cost, liability, damage, and expense (including reasonable attorney’s fees) (“Claims”) caused to ILEC by any third party using Midcontinent to deliver traffic to or receive traffic from ILEC’s facilities, including claims resulting from rate arbitrage, phantom traffic, toll fraud or failure to provide valid, accurate and complete CPN on all traffic subject to this Agreement so that ILEC is compensated in full for such exchanged traffic in accordance with the terms of this Agreement. ILEC will notify Midcontinent of information it has received or discovered	<i>Midco proposes the following language:</i> Adopt the original provision. <i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.
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			<p>obligation and provide back-up to support its concerns. Midcontinent will have thirty (30) days to respond to such concerns, and, to the extent such claims are shown to be valid, shall reimburse ILEC promptly for all loss incurred by ILEC. In addition, Midcontinent shall take immediate steps to prevent future problems from the offending third party(s) to the extent they can be identified.</p>	<p>which appear to trigger this indemnity obligation and provide back-up to support its concerns. Midcontinent will have thirty (30) days to respond to such concerns, and, to the extent such claims are shown to be valid, shall reimburse ILEC promptly for all loss incurred by ILEC. In addition, Midcontinent shall take immediate steps to prevent future problems from the offending third party(s) to the extent they can be identified.</p>	

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N/A	General Terms and Conditions, § 29.2	Page 18 of 49 ¶ 29	None	<p>29.2. Notwithstanding any other provision of this Agreement, neither Party waives any rights it may have under the Federal Act or rules of the FCC, under state statute, or pursuant to rules or Orders of the South Dakota Public Utilities Commission, including but not limited to ILEC's right to petition, pursuant to 47 U.S.C. § 251(f)(2), for a suspension or modification from any of the local exchange carrier requirements contained in 47U.S.C. §§ 251(b) and 251(c), at any time that this Agreement is in effect.</p>	<p><i>Midco proposes the following language:</i></p> <p>Notwithstanding any other provision of this Agreement, neither Party waives any rights it may have under the Federal Act or rules of the FCC, under state statute, or pursuant to rules or Orders of the South Dakota Public Utilities Commission, including but not limited to ILEC's right to petition, pursuant to 47 U.S.C. § 251(f)(2), for a suspension or modification from any of the local exchange carrier requirements contained in 47U.S.C. §§ 251(b) and 251(c), at any time that this Agreement is in effect.</p> <p><i>James Valley has agreed to this language.</i></p>

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3	General Terms and Conditions, Glossary, § 2.15	Page 22 of 49 ¶ 2.15	The residence or business subscriber that is the ultimate user of Telecommunications Services provided directly to such subscriber by either of the Parties or by an Interconnection Customer. For purposes of this Agreement, an End User Customer of an Interconnection Customer shall be deemed to be an End User Customer of the Party providing interconnection services to that Interconnection Customer.	The residence or business subscriber that is the ultimate user of Telecommunications Services provided directly to such subscriber by either of the Parties or by an Interconnection Customer. For purposes of this Agreement, an End User Customer of an Interconnection Customer shall be deemed to be an End User Customer of the Party providing interconnection services to that Interconnection Customer.	<p><i>Midco proposes the following language:</i> Adopt the original provision.</p> <p><i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.</p>
3	General Terms and Conditions, Glossary, § 2.21	Page 23 of 49 ¶ 2.21	INTERCONNECTION CUSTOMER. A customer of either Party that purchases interconnection services from that Party.	INTERCONNECTION CUSTOMER. A customer of either Party that purchases interconnection services from that Party.	<p><i>Midco proposes the following language:</i> Adopt the original provision.</p> <p><i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.</p>

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N/A	General Terms and Conditions, Glossary, § 2.36	Page 25 of 49 ¶ 2.36	The physical location(s) mutually agreed upon and designated by the Parties for the purpose of exchanging Local/EAS Traffic. Each Party shall be responsible for all costs on its respective side of the POI.	The physical location(s) mutually agreed upon and designated by the Parties for the purpose of exchanging Local/EAS Traffic. Each Party shall be responsible for all costs on its respective side of the POI.	<i>Midco agrees to the proposed change.</i>
3	Number Portability Attachment, § 3.1	Page 33 of 49 ¶ 3.1	Each Party shall abide by FCC adopted NANC provisioning and implementation processes. If a Party is providing interconnection services, it will require its Interconnection Customers to comply with all applicable numbering and number portability requirements.	Each Party shall abide by FCC adopted NANC provisioning and implementation processes. If a Party is providing interconnection services, it will require its Interconnection Customers to comply with all applicable numbering and number portability requirements.	<i>Midco proposes the following language:</i> Adopt the original provision. <i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.

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3	Interconnection Attachment, § 2.3	Page 35 of 49 ¶ 2.3	Midcontinent provides Telecommunications Services under this Agreement to Interconnection Customers, which provide services to End Users.	Midcontinent provides Telecommunications Services under this Agreement to Interconnection Customers, which provide services to End Users.	<p><i>Midco proposes the following language:</i> Adopt the original provision.</p> <p><i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.</p>
3	Interconnection Attachment, § 5.2	Page 40 of 49 ¶ 5.2	The Parties shall not assign, and shall not permit any Interconnection Customers to assign, telephone numbers from an NPA/NXX to an End User Customer physically located outside the Rate Center Area with which the NPA/NXX is associated.	The Parties shall not assign, and shall not permit any Interconnection Customers to assign, telephone numbers from an NPA/NXX to an End User Customer physically located outside the Rate Center Area with which the NPA/NXX is associated.	<p><i>Midco proposes the following language:</i> Adopt the original provision.</p> <p><i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.</p>

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3	Interconnection Attachment, § 5.3	Page 41 of 49 ¶ 5.3	Users physically located in the ILEC Rate Center Area associated with the number blocks either directly or by means of a dedicated facility from the subscriber's physical location to a location within the ILEC's Rate Center (such as FX service), and Midcontinent shall require any Interconnection Customer to assign numbers in accordance with these requirements.	Users physically located in the ILEC Rate Center Area associated with the number blocks either directly or by means of a dedicated facility from the subscriber's physical location to a location within the ILEC's Rate Center (such as FX service); and Midcontinent shall require any Interconnection Customer to assign numbers in accordance with these requirements.	<p><i>Midco proposes the following language:</i> Adopt the original provision.</p> <p><i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.</p>
3	Exhibit 1	Page 49 of 49 Footnote	*Midcontinent to provide NPA-NXX codes assigned to Interconnection Customers at least thirty (30) days prior to requested date for activation of those codes by ILEC to the address in Section 26 of the Interconnection Agreement.	*Midcontinent to provide NPA-NXX codes assigned to Interconnection Customers at least thirty (30) days prior to requested date for activation of those codes by ILEC to the address in Section 26 of the Interconnection Agreement.	<p><i>Midco proposes the following language:</i> Adopt the original provision.</p> <p><i>Rationale:</i> See discussion under General Terms and Conditions, § 9.6.1.</p>