

**BEFORE THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

In the Matter of Arbitration Between )  
Level 3 Communications, LLC and )  
SBC Communications, Inc., Pursuant to )  
Section 252(b) of the Communications Act ) Docket No. 04-L3CT-1046-ARB  
Act of 1934, as Amended by the )  
Telecommunications Act of 1996, for )  
Rates, Terms, and Conditions )  
of Interconnection )

**JOINT MOTION TO ACCEPT STIPULATION TO EXTEND TIME FOR  
ARBITRATION DECISION**

The parties to this arbitration, Level 3 Communications, LLC (“Level 3”) and Southwestern Bell Telephone, L.P. d/b/a SBC Kansas (“SBC”), now jointly move the Commission and Arbitrator to accept their Stipulation to Extend Time for Arbitration Decision, and in support of their motion state as follows:

1. On May 25, 2004, Level 3 filed with this Commission its Petition for Arbitration (“Petition”) pursuant to 47 U.S.C. § 252(b)(1). This was the 160<sup>th</sup> day after December 17, 2003, the date the parties agreed that SBC received Level 3’s request for negotiations under Section 252.

2. Pursuant to 47 U.S.C. § 252(b)(4)(C), a state commission must conclude its arbitration of unresolved issues no later than nine months after the date on which the request for negotiations was received. To comply with this statutory time line, the parties calculate that the arbitration must be concluded by September 12, 2004.

3. After SBC responded to Level 3’s Petition on June 21, 2004, the parties entered into an agreement to devote their efforts to negotiating rather than arbitrating their differences for

a 30-day period, ending July 30, 2004. This Standstill Agreement ("Agreement"), effective June 28, 2004, is attached as Exhibit A. Through continued negotiations the parties hope to narrow, if not fully resolve, the issues in the Petition, and also to develop a joint Disputed Points List or DPL that would aid in the arbitration of any outstanding issues. In the event that the parties' negotiations break down before July 30, 2004, the Agreement provides that either party may seek to take the steps necessary to reactivate the arbitration.

4. At a prehearing conference on June 28, 2004 before Arbitrator Cynthia Claus, the parties asked that no further action be taken in the arbitration by the Arbitrator until after July 30, 2004, as contemplated by the Agreement. Upon questioning by the Arbitrator, the parties acknowledged that should there be any unresolved issues on July 30, the arbitration of those issues most likely could not be concluded by the nine-month deadline of September 12, 2004.

5. In recognition of this effect of the Agreement, the parties offered to stipulate and Level 3 and SBC now do stipulate that they waive any and all rights to challenge a Commission order in this arbitration proceeding on the grounds that the order is issued later than September 12, 2004, the nine-month deadline for completing this arbitration under Section 252.

6. Level 3 and SBC also now jointly move the Commission and Arbitrator to accept their Stipulation to Extend Time for Arbitration Decision.

Respectfully submitted,



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Mark P. Johnson  
James M. Kirkland KS Bar #18792  
Sonnenschein Nath & Rosenthal LLP  
4520 Main Street, Suite 1100  
Kansas City, Missouri 64111  
(816) 460-2400  
(816) 531-7545 (facsimile)  
[mjohnson@sonnenschein.com](mailto:mjohnson@sonnenschein.com)  
[jkirkland@sonnenschein.com](mailto:jkirkland@sonnenschein.com)

and

and

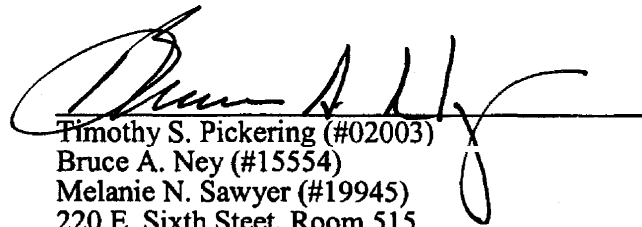
Thomas Erik Bailey  
Briggs and Morgan, PA  
2200 IDS Center  
Minneapolis, Minnesota 55402  
(612) 977-8670  
(612) 977-8650 (facsimile)  
[tbailey@briggs.com](mailto:tbailey@briggs.com)

Richard E. Thayer, Esq., Director – Intercarrier  
Policy

Erik Cecil, Regulatory Counsel  
Level 3 Communications, LLC  
1025 Eldorado Blvd.  
Broomfield, Colorado 80021  
(720) 888-2620  
(720) 888-5128 (facsimile)  
[rick.thayer@level3.com](mailto:rick.thayer@level3.com)  
[erik.cecil@level3.com](mailto:erik.cecil@level3.com)

ATTORNEYS FOR LEVEL 3  
COMMUNICATIONS LLC

and



Timothy S. Pickering (#02003)  
Bruce A. Ney (#15554)  
Melanie N. Sawyer (#19945)  
220 E. Sixth Street, Room 515  
Topeka, Kansas 66603-3596  
(785) 276-8413  
(785) 276-1948 (facsimile)  
[bruce.ney@sbc.com](mailto:bruce.ney@sbc.com)

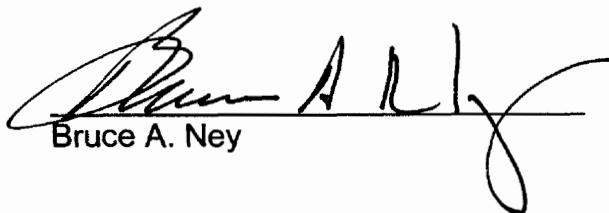
and

Theodore A. Livingston  
Dennis G. Friedman  
Christian F. Binnig  
Demetrios G. Metropoulos  
Michael T. Sullivan  
Mayer, Brown, Rowe & Maw  
190 South LaSalle Street  
Chicago, Illinois 60603  
(312) 782-0600

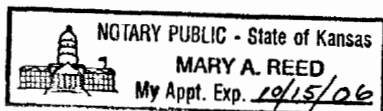
ATTORNEYS FOR SOUTHWESTERN  
BELL TELEPHONE, L.P.

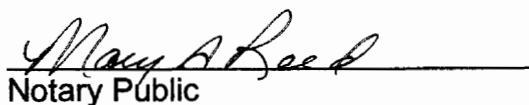
**VERIFICATION**

I, Bruce A. Ney, of lawful age, and being first duly sworn, now state: I am Senior Counsel, and have read the above Joint Motion to Accept Stipulation to Extend Time for Arbitration Decision, and verify the statements contained herein to be true and correct to the best of my knowledge and belief.

  
Bruce A. Ney

Subscribed and sworn to before me this 6th day of July, 2004.



  
Notary Public

My appointment expires: October 15, 2006

# **EXHIBIT A**

### STANDSTILL AGREEMENT

Upon the exchange of e-mails agreeing to the terms set forth below, Level 3 and SBC will have consummated and will undertake to implement their agreement concerning a standstill in their ongoing 13-state arbitrations:

1. The parties have agreed to devote their efforts to negotiation, rather than arbitration, effective upon consummation of this agreement and through July 30, 2004.
2. Accordingly, the parties will cooperate to secure a suspension of the procedural schedules in the arbitrations as soon as practical, subject to the exceptions identified below in item 4 below. In particular, the parties will use their best efforts to secure a suspension of the schedules in Michigan and California on Friday, June 25, effective no later than Monday, June 28.
3. The arrangement with each state commission in states where a schedule has been set will be that that schedule will be suspended. The arrangement with each state commission in states where no schedule has been set will be that no schedule will be set until the week of July 25. The parties will ask each state commission to set a status hearing during the week of July 25 for the purpose of establishing a schedule for the remainder of the proceeding. During their negotiations, the parties will reach agreement on the schedules to be proposed to each state commission during the week of July 25.
4. Exceptions to the standstill:
  - A. SBC will file the statutorily required responses to Level 3's petitions as they come due.
  - B. During the course of the negotiation standstill, discovery will continue. In those states wherein a party has already issued discovery, the parties will not issue additional discovery until after the stand still period. In those states wherein a party has not yet issued discovery, the parties agree that they will only issue discovery during the stand still period to the extent that the requests have already been issued in another state. After the stand still period or such time as the negotiations are broken off, parties are free to issue any additional discovery in any state, to the extent that they were able to issue such discovery at the time the standstill period commenced or are otherwise able to under the law. To the extent that a particular state has statutorily mandated discovery deadlines that cannot be extended, or the arbitration panel or Commission determine that discovery should continue irrespective of the parties agreement herein and notwithstanding the parties best attempts to obtain such an extension, then the parties do not waive their rights to issue discovery and are free to issue all discovery during the stand still period.
5. The baseline agreement from which the Parties will work is the Level 3 redline language that Level 3 submitted to SBC in Indiana. The Parties agree that, in the course of negotiations and in the final language developed as a result of any negotiations, language that is proposed by Level 3 and opposed by SBC will be shown in bold and with underscore and language that is proposed by SBC and opposed by Level 3 will be shown in bold and in italics or in a font different than that used by ~~SBC~~. If needed, additional format and editing conventions to

Level 3  
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appropriately and neutrally reflect the Parties' positions will be agreed upon during the negotiations.

SBC would be able to propose the alternative language that it has submitted in WI, KS, and CA. Neither party would be prohibited from proposing additional language intended to bring the parties closer to resolution of these issues.

6. Face to face discussions with decision makers in the building, or immediately available by telephone.

7. The Parties agree to use a neutral party to track and document the exchange of proposed terms to be included in DPL, including those terms agreed upon and those continuing in dispute. The parties will work towards arriving at an agreement to eliminate the need for a neutral party by developing a reliable alternative method of accomplishing the same purpose, taking into account the course and progress of the negotiations. If and only if the parties arrive at such an agreement, the neutral party may be dismissed. The costs of the neutral third party shall be shared by the parties.

The day following each day of negotiation, the neutral party will provide the Parties with a copy of those sections that had been the subject of the prior day's negotiations and the Parties within 24 hours shall either confirm or deny in writing that such documents reflects their respective position on the subject matter contained therein.

Neither the presence of the neutral party nor the neutral party's tracking or documentation of the parties' proposals will have any bearing on the confidentiality of the parties' negotiations or the admissibility or inadmissibility into evidence of any record of the parties' negotiations. Provided, however, that no testimony by the neutral party concerning the negotiations will be admissible in evidence for any purpose except testimony concerning the authenticity and accuracy of the documents referred to in the above paragraph.

8. SBC will not file testimony in California or Michigan until arbitration resumes after the standstill contemplated by this agreement, and Level 3 may file substitute testimony in California, Michigan and Illinois after arbitration resumes. To be clear here, Level 3 would be permitted to file supplemental testimony to reflect the positions of the parties after the settlement negotiations.

9. The Parties will reach agreement on the continuing calendar thereafter.

The standstill will be implemented by local counsel, and the Parties will schedule settlement discussions up to July 30th. At that point the Parties will move forward to arbitrate the remaining issues and a schedule to be agreed by the parties.

10. The parties agree that either party can terminate the negotiations at any time and immediately take any necessary steps to reactivate the arbitration litigation.

[Signature] (Name)  
GENERAL ATTORNEY (Title)  
JUNE 28, 2004 (Date)

[Signature] (Name)  
REGULATORY COUNSEL (Title)  
JUNE 28, 2004 (Date)

Illinois Bell Telephone Company d/b/a SBC  
Illinois, Indiana Bell Telephone Company  
Incorporated d/b/a SBC Indiana, Michigan  
Bell Telephone Company d/b/a SBC  
Michigan, Nevada Bell Telephone Company  
d/b/a SBC Nevada, The Ohio Bell Telephone  
Company d/b/a SBC Ohio, Pacific Bell  
Telephone Company d/b/a SBC California,  
The Southern New England Telephone  
Company d/b/a SBC Connecticut and  
Southwestern Bell Telephone, L.P. d/b/a SBC  
Arkansas, SBC Kansas, SBC Missouri, SBC  
Oklahoma and/or SBC Texas, and Wisconsin  
Bell, Inc. d/b/a SBC Wisconsin by SBC  
Telecommunications, Inc., its authorized agent

Level 3 Communications, LLC



## CERTIFICATE OF SERVICE

I hereby certify that a correct copy of the Joint Motion to Accept Stipulation to Extend Time for Arbitration Decision was sent via U.S. Mail or hand-delivered on this 6th day of July, 2004, to:

Bret Lawson  
Assistant General Counsel  
Kansas Corporation Commission  
1500 SW Arrowhead Road  
Topeka, KS 66604-4027

Cynthia Claus  
Arbitrator  
1220 Sunset Drive  
Lawrence, KS 66044

Mark P. Johnson  
James Kirkland  
Sonnenschein Nath & Rosenthal  
4520 Main Street, Suite 1100  
Kansas City, MO 64111

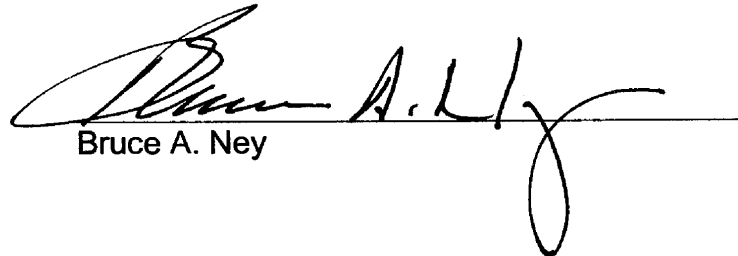
Theodore A. Livingston  
Dennis G. Friedman  
Christian F. Binnig  
Demetrios G. Metropoulos  
Michael T. Sullivan  
Mayer, Brown, Rowe & Maw  
190 S. LaSalle Street  
Chicago, IL 60603

Thomas Erik Bailey  
Briggs and Morgan, PA  
2200 IDS Center  
Minneapolis, MN 55402

Attorneys for SWBT

Richard E. Thayer  
Erik Cecil  
Level 3 Communications, LLC  
1025 Eldorado Blvd.  
Broomfield, CO 80021

Attorneys for Level 3



Bruce A. Ney