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July 8, 2009

Ms. Sandra Paske
Secretary to the Commission
Public Service Commission of Wisconsin
P.O. Box 7854
Madison, Wisconsin 53707-7854

Re: Application for the Approval of an Interconnection Agreement negotiated between Wisconsin Bell, Inc., d/b/a AT&T Wisconsin and Sage Telecom, Inc.

Dear Ms. Paske:

Wisconsin Bell, Inc., d/b/a AT&T Wisconsin and Sage Telecom, Inc. hereby request approval, pursuant to 47 U.S.C. 252, of this Interconnection Agreement negotiated between Wisconsin Bell, Inc., d/b/a AT&T Wisconsin and Sage Telecom, Inc.

I have been authorized by Sage Telecom, Inc. to submit for Commission approval, pursuant to 47 U.S.C. s 252(e), the enclosed agreement.

Sage Telecom, Inc.
Robert McCausland
V.P. Regulatory
805 Central Expressway South
Suite 100
Allen, TX 75103
Tel: 847-685-8600
Fax: 847-685-4704

Sincerely,

/S/ Sally Briar

Sally Briar

Enclosure

**AMENDMENT
TO THE
PRIVATE COMMERCIAL AGREEMENT FOR LOCAL WHOLESALE COMPLETE**

This Amendment to the Private Commercial Agreement ("Amendment") is entered into by and between Sage Telecom, Inc. and Sage Telecom of Texas, L.P. (hereinafter collectively referred to as "SAGE"), and AT&T-13STATE¹ (collectively, the "Parties").

WHEREAS, AT&T-13STATE and SAGE are the parties to that certain "Private Commercial Agreement for Local Wholesale Complete" dated as of April 21, 2004, as previously amended in October, 2006 (the "Agreement"); and,

WHEREAS, AT&T-13STATE and SAGE have agreed to amend the Agreement further, as set forth herein; and,

WHEREAS, both Parties are willing to agree to this Amendment only on the basis that the entirety of this Amendment, and the changes made to the underlying Agreement, are indivisible.

NOW, THEREFORE, for and in consideration of the promises, mutual promises and covenants contained in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Changes to the Agreement

1.1 Section 1.4 of the Agreement (but not its subsections 1.4.1, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7, 1.4.8, 1.4.9, 1.4.10, and 1.4.11) is hereby deleted and replaced with the following:

1.4 For the Term, SAGE agrees to (i) have no fewer than 200,000 LWCALs in-service at the end of each calendar month ("Monthly Minimum"); and (ii) use LWC to meet a Local Ratio of 95% for each Measurement Period during the effectiveness of the Agreement. The "Local Ratio" is defined to be the ratio of the aggregate billing for LWC in a "Measurement Period" (as set forth in Section 7.4) ("LWC Period Total") over the sum of the LWC Period Total and the aggregate billing under the then-applicable interconnection agreement(s) between SAGE and AT&T-13STATE (excluding any billing for telecommunications services resold pursuant to 47 U.S.C. § 251(c)(4)). The calculation of "Local Ratio" shall not include switching and loop arrangements to be converted, migrated, or disconnected pursuant to the provisions of Section 1.3.3 until the first full Measurement Period following after the 90-day conversion/migration/disconnection period has expired. Any switching and loop arrangements that may not yet be converted to LWC, but to which LWC rates have been applied pursuant to 1.3.3, shall be treated as LWC for the purposes of calculating the Local Ratio. SAGE has the option of reducing and/or eliminating minimum line requirements outlined in Section 1.4 in return for liquidated damages by mutual agreement with AT&T-13STATE.

1.2 Section 1.4.2 of the Agreement is hereby deleted and replaced with the following:

¹ AT&T-13STATE has the same meaning as defined in the PCA.

- 1.4.2 In the event that Section 1.3.3 is triggered and such new SAGE Affiliate converts or migrates its switching arrangements pursuant to Section 1.3.3(i), the Monthly Minimum will be reset at the end of the sixth month following the month in which the new relationship giving rise to the Affiliate status was formed, to 75% of the LWCALs purchased that sixth month by SAGE and the new Affiliate(s). SAGE has the option of reducing and/or eliminating minimum line requirements in return for liquidated damages by mutual agreement, with AT&T-13STATE.
- 1.3 Section 18.2 of the Agreement is hereby deleted and replaced with the following:
- 18.2 This Agreement shall commence upon the Effective Date and shall automatically expire at 11:59:59 p.m. Central Time June 30, 2012, ("Expiration"), unless terminated earlier as provided for herein.
- 1.4 Section 18.3 is hereby deleted and replaced with the following:
- 18.3 Beginning on the later of (i) January 31, 2009, or (ii) the date on which this Section 18.3 became effective between SAGE and AT&T-13STATE, and then prospectively, the LWC prices shall be as set forth in the Third Amended LWC Pricing Schedule; provided, however, that any amounts that are billed retroactively pursuant to this Section 18.3 shall be due no earlier than 30 days of the date that such retroactive bill is issued, and hence no late payment charges may be assessed for the time period prior to 30 days after the date the retroactive bill is issued.
- 1.5 Section 18.4 of the Agreement is hereby deleted and replaced with the following:
- 18.4 In the event that SAGE should wish to pursue a successor agreement with AT&T-13STATE to have in place after the Expiration, SAGE must provide AT&T-13STATE with a written request to negotiate no later than 180 days prior to the Expiration. Upon AT&T-13STATE's receipt of SAGE's request to negotiate, the Parties shall commence good faith negotiations for a successor agreement. The terms and conditions, including pricing, of this Agreement shall continue in full force and effect until the earlier of: (i) the effective date of the successor agreement; or (ii) the Expiration. Notwithstanding the foregoing, if the Parties have not agreed upon a successor agreement and if this Agreement has not been terminated for cause, the Parties shall develop a transition plan no later than 120 days after said request is provided, as described in this Section 18.4, in order to ensure a smooth and minimally disruptive transition of all Services prior to Expiration of this Agreement.
- 1.6 Section 18.8 of the Agreement is hereby deleted and replaced with the following:
- 18.8 Upon the Expiration or termination of this Agreement, (i) the rates, terms and conditions of this Agreement shall continue to apply for all Services until the date such Services are actually transitioned from this Agreement (Transition Period) and (ii) AT&T-13STATE and SAGE shall cooperate in good faith to effect an orderly transition of SAGE end users under this Agreement during the Transition Period; provided that SAGE shall be solely responsible (from a financial, operational and administrative standpoint) to ensure that its LWC End Users have been transitioned from LWC to another serving arrangement of SAGE's choosing that is generally available under Sections 251 and 252 of the Act by the time of the Expiration or termination of this Agreement or that such LWC End User customers have otherwise been informed by SAGE that their LWC-based services will be discontinued/disconnected by SAGE on or before the Expiration or termination, unless otherwise provided herein or agreed by both Parties.
- 1.7 Section 18.9 of the Agreement is hereby deleted and replaced with the following:
- 18.9 Upon the Expiration or termination of this Agreement, in one or more State, neither Party shall have any further obligation under this Agreement in such State or State(s), except:

- 18.9.1 Each Party's confidentiality obligations shall survive, and
- 18.9.2 Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement; and
- 18.9.3 Each Party's indemnification obligations shall survive; and
- 18.9.4 As provided in Section 40.

In any event, as of and after the Expiration or termination of this Agreement and during any such Transition Period as outlined in Section 18.8 above, AT&T-13STATE shall be under no obligation to provision LWC or any other offering provided pursuant to this Agreement, and SAGE shall not be entitled to place any orders for the purchase of Services or make any changes to the Services other than transitioning the Services from this Agreement.

1.8 The following Section 42.2 is hereby added to the Agreement:

42.2 Mergers/Acquisitions. All provisions of this Agreement shall continue in full force and in effect notwithstanding any merger or acquisition affecting SAGE. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which SAGE, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity; or purchases all or substantially all stock or assets of any other entity.

1.9 Section 16.1.1 of "Appendix Commercial Inside Wire Maintenance Plan" to the Agreement is hereby deleted.

1.10 The entirety of the "Second Amended LWC Pricing Schedule" of the Agreement is hereby deleted, and the "Third Amended LWC Pricing Schedule," attached and incorporated into this Amendment, is hereby added to the Agreement.

2. Amendment Effective Date; Prospective Effect

2.1 The effective date of this Amendment shall be the first business day after the day on which the last of the Parties execute this Amendment; provided, however, as to the States of California, Indiana, Michigan, Missouri, and Wisconsin, this Amendment is subject to the approval of the interconnection agreement amendment to which this Amendment is attached and filed with the State commission in such State. In the event that all or any portion of this Amendment as agreed-to and submitted is rejected and/or modified by such a State commission, this Amendment shall be automatically suspended and, unless otherwise mutually agreed, the Parties shall expend diligent efforts to arrive at mutually acceptable new provisions to replace those rejected and/or modified by such State commission; provided, however, that failure to reach such mutually acceptable new provisions within ninety (90) days after such suspension shall permit either Party to terminate this Amendment upon ten (10) days written notice to the other Party.

2.2 Except only to the extent as may be expressly set forth herein, the changes made to the Agreement by this Amendment shall apply prospectively only, beginning on the Amendment's effective date.

3. Additional Terms and Conditions

3.1 This Amendment contains provisions that have been negotiated as part of an entire Amendment and integrated with each other in such a manner that each provision is material to every other provision.

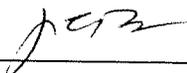
3.2 The Parties agree that each and every rate, term and condition of this Amendment is legitimately related to, and conditioned on, and in consideration for, every other rate, term and condition in this Amendment. The Parties agree that they would not have agreed to this Amendment except for the fact that it was entered into on an "all or nothing" basis, and included the totality of rates, terms and conditions listed herein, and that it is an indivisible whole, intended to bind AT&T-13STATE and SAGE.

- 3.3 EXCEPT AS MODIFIED HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE AGREEMENT SHALL REMAIN UNCHANGED.
- 3.4 This Amendment is the joint work product of the Parties and has been negotiated by the Parties and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.
- 3.5 To the extent there is a conflict or inconsistency between the provisions of this Amendment and the Agreement (including all of its accompanying Appendices, Schedules and Exhibits but ignoring this Amendment), the provisions of this Amendment shall control and apply but only to the extent of such conflict or inconsistency.
- 3.6 The headings of certain sections of this Amendment are for convenience of reference only, and shall in no way define, modify or restrict the meaning or interpretation of the terms or provisions of this Amendment.
- 3.7 Each Person whose signature appears below represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement.
- 3.8 Except as specifically modified by this Agreement with respect to their mutual obligations herein, neither Party relinquishes, and each Party instead fully reserves, any and all legal rights that it had, has and may have to assert any position with respect to any of the matters set forth herein before any state or federal administrative, legislative, judicial or other legal body.
- 3.9 This Amendment may be executed in any number of counterparts, each of which shall be deemed an original; but such counterpart shall together constitute one and the same instrument.

IN WITNESS WHEREOF, this Amendment was executed in duplicate on behalf of each Party by its authorized representative on the date(s) written below.

Sage Telecom, Inc. and Sage Telecom of Texas, L.P.

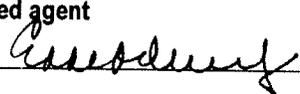
Illinois Bell Telephone Company d/b/a AT&T Illinois, Indiana Bell Telephone Company Incorporated d/b/a AT&T Indiana, Michigan Bell Telephone Company d/b/a AT&T Michigan, The Ohio Bell Telephone Company d/b/a AT&T Ohio, and Wisconsin Bell Inc. d/b/a AT&T Wisconsin, Nevada Bell Telephone Company d/b/a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

Signature: 

Name: John T. Debus

Title: SVP, Chief Financial Officer

Date: 6/25/09

Signature: 

Name: Eddie A. Reed

Title: Director – Interconnection Agreements

Date: 6-29-09

FACILITIES-BASED OCN # AR 8000, CA 9239, CT 634D, IL 9279, IN 9846, KS 5839, MI 8152, MO 9078, NV 049E, OH 777A, OK 2237, TX 8767, WI 9813

ACNA SGZ

THIRD AMENDED LWC PRICING SCHEDULE

Line	Product	Potential Discounts/ Adjustments	Rate Element	RECURRING RATE- RESIDENTIAL	RECURRING RATE – BUSINESS (Business rates are the same for business as residential unless otherwise specified in this column)	NONRECURRING RATE FIRST	NONRECURRING RATE ADDITIONAL
1	LWCAL Base Rate²	A, B, D	thru 12/31/2005	\$ 25.00 / LWCAL	\$27.00/LWCAL		
2		A, B, D	01/01/2006 thru 12/31/2006	\$ 26.00 / LWCAL	\$28.00/LWCAL		
3		A, B, D	01/01/2007 thru 12/31/2007	\$ 27.00 / LWCAL	\$29.00/LWCAL		
4		A, B, D	01/01/2008 thru 06/30/2008	\$ 28.00 / LWCAL	\$30.00/LWCAL		
5		A, B, D	7/01/2008 thru 06/30/2009	\$ 29.20/ LWCAL See Footnote 1	\$31.29/LWCAL See Footnote 1		
5A		A, B, D	07/01/2009 thru 12/31/2009	\$ 29.85/ LWCAL	\$31.94/LWCAL		
5B		A, B, D	01/01/2010 thru 12/31/2010	\$ 30.50/ LWCAL	\$32.59/LWCAL		
5C		A, B, D	01/01/2011 thru 6/30/2012	\$ 31.15/ LWCAL	\$33.24/LWCAL		
6	LWCAL Base Rate Discount Structure						
7	Discount A ³	Recurring	Measurement Period Churn	Per PCA	Per PCA		
8	Discount B ⁴	Recurring	Days Sales Outstanding (DSO) 30-days or less	(\$1.00) / LWCAL	(\$1.00)/LWCAL		
9							
10	Adjustment D ⁵	Recurring and/or Nonrecurring	Measurement Period Local Ratio				
11							
12	Usage		MOU Rate; average is calculated on a per LWCAL basis, and on a per end office,	MOU Rate average per LWCAL per end office	MOU Rate average per LWCAL per end office		

1The parties acknowledge that this rate was set pursuant to, and applicable under, the PCA and the predecessor Second Amended LWC Pricing Schedule.

2 OK Line Class Codes for former OK "Local Plus®" offering is not included within the LWCAL Base Rate.

3 Refer to related terms, conditions and pricing in PCA for this rate element, including its calculation and application.

4 Refer to related terms, conditions and pricing in PCA for this rate element, including when it applies.

5 Refer to related terms, conditions and pricing in PCA for this rate element, including its calculation and application.

			per billing period basis ⁶				
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⁶ MOUs from both Residential and Business LWCALs are aggregated in making the calculation of average MOUs per LWCAL per end office per billing period, e.g., a single calculation of average MOUs per LWCAL is made, and not separate calculations the distinguish Residential LWCALs and Business LWCALs.

Line	Product	Potential Discounts/ Adjustments	Rate Element	RECURRING RATE - Residential	RECURRING RATE – BUSINESS (Business rates are the same for business as residential unless otherwise specified in this column)	NONRECURRING RATE FIRST	NONRECURRING RATE ADDITIONAL
13	Usage		0 – 2600 average MOUs per LWCAL per end office, per billing period	\$0.0000	\$0.0000		
14			Price for MOUs Over 2600 average MOUs per LWCAL per end office, per billing period ⁷	\$0.0015	\$0.0015		
15							
16	Optional Services						
17			Privacy Manager®	\$ 3.50 / LWCAL	\$3.50/LWCAL		
18	Directory Assistance		Directory Assistance (DA)blended Rate for 1) (DA) per call; 2) National DA (NDA) per call; 3) Business Search Category (BCS) per call; 4) Reverse Directory Assistance (RDA)	\$0.37	\$0.37	None	None
19			Directory Assistance Call Completion (DACC) - per call	\$0.15	\$0.15	None	None
20			Directory Assistance Non-Pub Emergency Service	\$2.00	\$2.00	None	None

⁷ Application of rate element is effective 01/01/2005.

Line	Product	Potential Discounts/ Adjustments	Rate Element	RECURRING RATE - Residential	RECURRING RATE – BUSINESS (Business rates are the same for business as residential unless otherwise specified in this column)	NONRECURRING RATE FIRST	NONRECURRING RATE ADDITIONAL
21			Directory Assistance - Branding - Initial/Subsequent Load	None	None	\$ 1,800.00	None
22			Directory Assistance - Branding Per call	\$0.025	\$0.025	None	None
23			Directory Assistance - Rate Reference Initial Load	None	None	\$ 2,200.00	None
24			Directory Assistance - Rate Reference Subsequent Load	None	None	\$ 1,000.00	None
25							
26	Directory Listings		Non-List, Non-Pub, Foreign, enhanced, additional, alternate or other special listing types	65% of then current retail tariff rate	65% of then current retail tariff rate		
27							
28	Operator Services		Operated Services - Fully Automated Call Processing (Per completed automated call)	\$0.15	\$0.15	None	None
29			Operator Services - Operator Assisted Call Processing (Per work second)	\$0.020	\$0.020	None	None
30			Operator Services - Branding Initial/Subsequent Load	None	None	\$1,800.00	None
31			Operator Services - Branding Per call	\$0.025	\$0.025	None	None
32			Operator Services - Rate Reference - Initial Load	None	None	\$2,200.00	None

Line	Product	Potential Discounts/ Adjustments	Rate Element	RECURRING RATE - Residential	RECURRING RATE – BUSINESS (Business rates are the same for business as residential unless otherwise specified in this column)	NONRECURRING RATE FIRST	NONRECURRING RATE ADDITIONAL
33			Operator Services - Rate Reference - Subsequent Load	None	None	\$ 1,000.00	None
34							
35	Service Order Charges						
36		See Discounts C, D	Electronic Service Order			\$ 15.00 / LSR	
37			Semi-manual or Manual Service Order			\$ 50.00 / LSR	
38	Service Order Charge Discount Structure						
39	Discount C ⁸	Non-Recurring	Electronic "Flow Through"	Electronic Service Order reduced by \$10.00 NRC / LSR			
40	Discount E ⁹	Non-Recurring	Electronic " New Line Flow Through"	Electronic Service Order reduced by \$2.50 NRC / LSR			
41	Other Charges						
42			Bill Inquiry/Dispute (Charges sustained)				\$25.00 / Incident
43			Paper Bill				Applicable Access Tariff Rate per Incident
44			Duplicate Bill				Applicable Access Tariff Rate per Incident
45			False Technician Dispatch (CLEC Fault)				\$75.00 / Incident
46			Non-EFT payment or credit				\$25.00 / Incident
47							

⁸ Refer to related terms, conditions and pricing in PCA for this rate element, including its calculation and application.

⁹ Refer to related terms, conditions and pricing in PCA for this rate element, including its calculation and application.