

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

CHECK SHEET

Title Pages 1 to 3 and Pages 1 to 24-10 inclusive, of this tariff are effective as of the date shown. Original and revised pages as named below and Supplement Nos. 1, 2, 5, 6, 7, 8, and 10 contain all changes from the original tariff that are in effect on the date shown.

<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>
Title Page 1	1st	22.1	Original	2-5	Original	2-36	1st
Title Page 2	9th	23	1st	2-6	3rd	2-37	1st
Title Page 3	4th	24	4th	2-6.1	1st	2-38	Original
1	431st*	24.1	4th	2-7	7th	2-39	2nd
1.1	40th	25	4th	2-8	3rd	2-40	3rd
2	75th	26	3rd	2-9	2nd	2-41	2nd
2.1	36th	27	7th	2-10	1st	2-41.1	3rd
3	69th*	27.1	2nd	2-11	8th	2-42	1st
3.1	28th	28	8th	2-11.1	4th	2-43	2nd
4	89th	29	1st	2-11.2	3rd	2-44	1st
4.1	139th	30	1st	2-12	5th	2-45	Original
4.2	3rd	31	6th	2-13	4th	2-46	Original
5	87th	32	2nd	2-13.1	1st	2-47	Original
5.1	5th	33	1st	2-13.2	1st	2-47.1	Original
6	12th	34	10th	2-14	2nd	2-47.2	Original
7	44th	35	Original	2-14.1	3rd	2-48	Original
7.1	37th	36	4th	2-14.2	3rd	2-49	2nd
8	26th	37	3rd	2-14.3	1st	2-50	2nd
9	13th	38	1st	2-15	2nd	2-50.1	1st
9.1	10th	39	1st	2-16	3rd	2-50.2	2nd
10	55th	40	4th	2-16.1	3rd	2-50.3	3rd
10.1	30th	41	12th	2-16.2	7th	2-50.4	Original
10.2	41st	41.1	Original	2-17	2nd	2-50.5	Original
10.3	14th	41.2	7th	2-17.1	1st	2-50.6	Original
10.3.1	8th	41.3	1st	2-18	6th	2-50.7	Original
10.3.2	3rd	41.4	Original	2-19	2nd	2-50.8	Original
10.4	14th*	42	8th	2-20	Original	2-50.9	1st
11	3rd	43	5th	2-21	1st	2-50.10	5th
12	4th	44	5th	2-22	1st	2-50.11	Original
13	4th	44.1	11th	2-23	Original	2-50.12	Original
13.1	8th	45	1st	2-24	Original	2-50.13	Original
13.2	Original	46	8th	2-25	1st	2-50.14	3rd
14	3rd	46.1	Original	2-26	1st	2-50.15	3rd
14.1	Original	46.2	Original	2-27	Original	2-50.16	3rd
15	4th	46.3	Original	2-28	1st	2-50.17	3rd
16	2nd	47	6th	2-29	1st	2-50.18	3rd
17	4th	48	1st	2-30	1st	2-50.19	4th
17.1	2nd	1-1	5th	2-31	2nd	2-50.20	3rd
18	7th	2-1	2nd	2-32	Original	2-50.21	3rd
19	4th	2-2	4th	2-33	2nd	2-50.22	3rd
20	2nd	2-2.1	6th	2-34	2nd	2-50.23	3rd
21	2nd	2-3	Original	2-34.1	1st	2-50.24	3rd
22	1st	2-4	Original	2-35	Original	2-50.25	1st

* New or Revised Page

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

CHECK SHEET

<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>
5-34	1st	5-71	2nd	5-100	1st	5-125.22	Original
5-35	1st	5-72	2nd	5-101	1st	5-125.23	Original
5-36	Original	5-72.1	Original	5-102	2nd	5-125.24	Original
5-37	1st	5-73	2nd	5-103	1st	5-125.25	Original
5-38	Original	5-74	1st	5-104	1st	5-125.26	Original
5-39	Original	5-74.1	3rd	5-105	1st	5-125.27	Original
5-40	Original	5-75	Original	5-106	1st	5-125.28	Original
5-41	1st	5-76	5th	5-107	Original	5-125.29	Original
5-42	3rd	5-76.1	Original	5-108	Original	5-125.30	Original
5-42.1	Original	5-77	4th	5-109	Original	5-125.31	Original
5-43	1st	5-78	Original	5-110	Original	5-125.32	Original
5-44	3rd	5-79	1st	5-111	Original	5-125.33	Original
5-45	Original	5-80	1st	5-112	7th	5-125.34	Original
5-46	7th	5-81	5th	5-113	4th	5-126	6th
5-46.1	6th	5-81.1	2nd	5-114	4th	5-127	18th
5-47	10th	5-82	Original	5-115	7th	5-127.1	21st
5-47.1	Original	5-83	Original	5-115.1	1st	5-127.2	11th
5-48	3rd	5-84	Original	5-116	4th	5-127.3	4th
5-48.1	Original	5-85	Original	5-117	6th*	5-128	12th
5-49	1st	5-86	1st	5-118	1st	5-128.1	5th
5-50	1st	5-86.1	Original	5-119	1st	5-129	12th
5-51	1st	5-86.2	Original	5-120	2nd*	5-129.1	5th
5-52	1st	5-87	4th*	5-121	3rd*	5-130	15th
5-53	1st	5-87.1	2nd*	5-122	1st	5-131	13th
5-54	1st	5-87.2	Original*	5-123	3rd	5-131.1	5th
5-55	1st	5-88	2nd	5-124	1st	5-132	12th
5-56	1st	5-88.1	2nd	5-125	2nd*	5-132.1	5th
5-57	Original	5-88.1.1	Original	5-125.1	1st	5-133	12th
5-58	2nd	5-88.2	1st*	5-125.2	1st	5-133.1	5th
5-58.1	Original	5-89	6th*	5-125.2.1	1st*		
5-59	1st	5-89.1	1st	5-125.3	1st		
5-59.1	Original	5-90	2nd	5-125.4	1st		
5-60	1st	5-90.1	1st	5-125.5	Original		
5-61	2nd	5-90.2	1st*	5-125.6	Original		
5-62	3rd	5-90.3	1st*	5-125.7	Original		
5-62.1	2nd	5-90.4	1st*	5-125.8	Original		
5-63	2nd	5-91	4th	5-125.9	Original		
5-64	2nd	5-91.1	5th	5-125.10	Original		
5-65	1st	5-91.1.1	Original	5-125.11	Original		
5-65.1	Original	5-91.2	3rd*	5-125.12	Original		
5-66	Original	5-92	1st	5-125.13	Original		
5-67	Original	5-93	2nd	5-125.14	Original		
5-68	2nd	5-94	1st	5-125.15	Original		
5-69	1st	5-95	1st	5-125.16	Original		
6-69.1	Original	5-96	1st	5-125.17	Original		
5-70	1st	5-97	1st	5-125.18	Original		
5-70.1	Original	5-98	1st	5-125.19	Original		
		5-99	1st	5-125.20	Original		
				5-125.21	Original		

* New or Revised page

(This page filed under Transmittal No. 1335.)
 Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

CHECK SHEET

<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>	<u>Page</u>	<u>Revision</u>
22-1	4th	23-1	1st	23-35	1st*	23-75	Original
22-2	5th	23-2	1st*	23-36	1st	23-76	1st
22-3	1st	23-3	1st*	23-37	3rd*	23-77	1st
22-4	1st	23-4	2nd*	23-38	1st*	23-78	Original
22-5	2nd	23-5	2nd*	23-39	1st	23-79	1st*
22-6	2nd	23-6	1st*	23-40	2nd*	23-80	1st
22-7	2nd	23-7	2nd*	23-41	1st*	23-81	1st
22-8	2nd	23-8	1st*	23-42	1st*	23-82	Original
22-9	2nd	23-9	1st*	23-42.1	Original*	23-83	Original
22-10	2nd	23-10	1st*	23-42.2	Original*	23-84	2nd*
22-11	2nd	23-10.1	Original*	23-43	2nd*	23-85	2nd*
22-12	2nd	23-10.2	Original*	23-44	1st	23-86	1st*
22-13	2nd	23-10.3	Original*	23-45	Original	23-87	Original
22-14	2nd	23-11	1st*	23-46	Original		
22-15	2nd	23-12	Original	23-47	Original	24-1	2nd
22-16	2nd	23-13	2nd*	23-48	Original	24-2	1st
22-17	2nd	23-14	1st*	23-49	Original	24-3	1st
22-18	1st	23-15	1st*	23-50	1st	24-4	1st
22-19	1st	23-16	1st*	23-51	Original	24-5	1st
22-20	1st	23-17	1st*	23-52	Original	24-6	1st
22-21	1st	23-18	1st*	23-53	Original	24-7	4th
22-22	1st	23-19	1st*	23-54	Original	24-8	4th
22-23	1st	23-20	1st*	23-55	Original	24-9	Original
22-24	1st	23-21	Original	23-56	Original	24-10	Original
22-25	2nd	23-22	1st	23-57	Original		
22-26	2nd	23-23	1st	23-58	Original		
22-27	1st	23-24	Original	23-59	Original		
		23-25	2nd*	23-60	1st*		
		23-26	2nd	23-61	1st		
		23-27	Original	23-62	1st		
		23-28	Original	23-63	1st		
		23-29	1st	23-64	1st		
		23-30	Original	23-65	1st		
		23-31	Original	23-66	Original		
		23-32	Original	23-67	Original		
		23-33	Original	23-68	1st*		
		23-34	Original	23-69	1st*		
		23-34.1	Original	23-70	1st		
		23-34.2	Original	23-71	Original		
		23-34.3	Original	23-72	Original		
				23-73	1st		
				23-74	Original		

* New or Revised page

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.14 DS1 Term Volume Plans

(A) Description

One-, Two-, Three-, Five-Year DS1 Term Volume Plans (TVP)

The DS1 Term Volume Plan (TVP) allows customers discounts, which are applied to DS1 SALs based upon a volume and term commitment. The TVP is offered for a 1, 2, 3 or 5 year term commitment period.

For DS1 TVPs established prior to July 16, 2016, the customer's DS1 SAL commitment level was established on a nationwide basis or negotiated between the customer and the Telephone Company (i.e., state basis, regional basis, etc.). All of the customer's TVP DS1 SALs will be billed at the same rate, based upon the state where the service is located, the length of the term selected by the customer, and the threshold level in which the commitment quantity falls. (T) (T)

For DS1 TVPs established on or after July 16, 2016, the customer must designate which of its ACNA(s) it wishes to include in its TVP. All of the customer's TVP DS1 SALs for the ACNAs designated to be included in the TVP will be billed at the same rate, based upon the state where the service is located, the length of the term selected by the customer, and the threshold level in which the commitment quantity falls. (N) | (N)

All other associated rate elements or additional features are available at the applicable tariffed rates and regulations.

During the TVP term, the customer may elect to increase the term or commitment level of the plan without any termination liability, provided there is no lapse of time between the effective date of the increase and the termination of the previously effective term or commitment quantity.

The new term length begins on the same start day as the term length it replaces. There will not be any retroactive adjustments of a discount due to a customer-initiated change in term or commitment quantity.

For TVPs established prior to July 16, 2016, during the TVP term, a customer may not concurrently subscribe its DS1 SALs to the National Discount Plan as set forth in Section 23.1 following. For TVPs established on or after July 16, 2016, during the TVP term, a customer may not concurrently subscribe the ACNA(s) included in TVP to the National Discount Plan as set forth in Section 23.1 following. (T) (N) | (N)

Certain material previously found on this page can now be found on 2nd Revised Page 5-87.1.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.14 DS1 Term Volume Plans

(A) Description (Cont'd)

Eight- and Ten-Year DS1 Term Volume Plans (ETTVP)

The Eight- and Ten-Year DS1 Term Volume Plans (ETTVP) allow customers discounts, which are applied to DS1 SALs based upon a volume and term commitment. The customer elects to enroll in an ETTVP by specifying in writing the enrollment date (which will be the anniversary date) and their volume and term commitment. (M)(x)

For ETTVPs established prior to July 16, 2016, the customer's DS1 SAL volume commitment level will be 90% of the existing DS1 SALs for all ACNAs included under this Tariff FCC No. 14 jurisdiction. For ETTVPs established on or after July 16, 2016, the customer's DS1 SAL volume commitment level will be 90% of the existing DS1 SALs for those ACNAs designated for inclusion in the ETTVP. (T)(x)
(M)(x)
(N)
(N)

The ETTVP is offered for an 8- or 10-year term commitment period. Time In-Service Credit (TISC) will be granted on a replaced TVP for uninterrupted TVP subscription time and applied toward the new 8- or 10-year commitment period. All of the customer's ETTVP DS1 SALs will be billed at the state rate in this tariff, based upon the state where the service is located, the length of the term selected by the customer, and the threshold level in which the commitment quantity falls. All other associated rate elements or additional features are available at the applicable tariffed rates and regulations. (M)(x)

For ETTVPs established prior to July 16, 2016, during the ETTVP term, a customer may not concurrently subscribe its DS1 SALs to the National Discount Plan as set forth in Section 23.1 following. For ETTVPs established on or after July 16, 2016, during the ETTVP term, a customer may not concurrently subscribe the ACNA(s) included in ETTVP to the National Discount Plan as set forth in Section 23.1 following. (T)
(N)
(N)

(B) Rate Application

One-, Two-, Three-, Five-Year DS1 Term Volume Plans (TVP)

For conversion of existing month-to-month DS1 service to a TVP arrangement, the customer will be required to submit written notification or a change order ASR to convert to the TVP. No service or billing interruption will occur when a customer converts from month-to-month rates to a TVP. If no other changes to the service(s) are ordered, no charges will apply.

If a change involves establishing a multiplexing arrangement, termination liability charges will not apply if the hub wire center and the serving wire center of the customer designated location are the same.

(x) Certain material on this page formerly appeared on 3rd Revised Page 5-87. Certain material previously found on this page can now be found on Original Page 5-87.2.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.14 DS1 Term Volume Plans

(B) Rate Application (Cont'd)

Eight- and Ten-Year DS1 Term Volume Plan (ETTVP)

(M)

For conversion of existing month-to-month DS1 service to a ETTVP arrangement, the customer will be required to submit written notification or a change order ASR to convert to the ETTVP. No service or billing interruption will occur when a customer converts from month-to-month rates to a ETTVP. No TISC will be counted for termination liability purposes. If no other changes to the service(s) are ordered, no charges will apply.

If a change involves establishing a multiplexing arrangement, termination liability charges will not apply if the hub wire center and the serving wire center of the customer designated location are the same.

(M)

Certain material on this page formerly appeared on 1st Revised Page 5-87.1.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.14 DS1 Term Volume Plans (Cont'd)

(F) TVP Plan Enrollment

One-, Two-, Three-, Five-Year DS1 Term Volume Plans (TVP)

When the customer elects to enroll in a TVP the customer must specify, in writing, the enrollment date (which will be the anniversary date) and the DS1 SAL commitment quantity. The specified enrollment date must be within 30 days of receipt. By the specified date, the customer must submit a request in writing or issue ASR(s) to add DS1 SALs to the TVP and/or convert month-to-month arrangement DS1 SALs to the TVP to fall within the commitment quantity specified.

Eight- and Ten-Year DS1 Term Volume Plans (ETTVP)

When the customer elects to enroll in an ETTVP the customer must specify, in writing, the enrollment date (which will be the anniversary date) and the term and volume DS1 SAL commitment. For ETTVPs established prior to July 16, 2016, the DS1 SAL commitment quantity must be at minimum 90% of the customers actual in-service DS1 SALs at the time of enrollment. For ETTVPs established on or after July 16, 2016, the DS1 SAL commitment quantity must be at minimum 90% of the customers actual in-service DS1 SALs for the ACNAs designated for inclusion in ETTVP at the time of enrollment. The specified enrollment date must be within 30 days of receipt of the written notice. By the specified enrollment date, the customer must submit a request in writing or issue ASR(s) to convert DS1 SALs to the ETTVP and/or convert month-to-month arrangement DS1 SALs to the ETTVP to fall within the commitment quantity specified.

(T)
(N)
|
(N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

- 5 SPECIAL ACCESS (Cont'd)
 - 5.6 Rate Regulations (Cont'd)
 - 5.6.14 DS1 Term Volume Plans (Cont'd)
 - (G) Annual Review

One-, Two-, Three-, Five-Year DS1 Term Volume Plans (TVP)

Each customer's TVP will be reviewed annually. The customer will be notified in writing as to the status of the TVP. If the applicable in-service DS1 SAL quantity (including any DS1 SALs that were replaced by a Replacing Service using the methodology for a Technology Migration specified in Section 2.10.2 preceding) falls below the commitment quantity, an allowance of 3% will be considered as having met the commitment quantity. Where the customer does not meet the minimum quantity of DS1 SALs in service, penalties will be assessed as set forth under 5.6.14(l). (T)

If the number of DS1 SALs increase from the initial commitment, the customer will have the option of increasing the commitment level for the remainder of their TVP. If the customer chooses not to increase the commitment level, he/she may convert the increased number of DS1 SALs to a monthly plan for an ACNA not already included in TVP or a second TVP plan for an ACNA not already included in TVP. (Z)
(N)
(N)

The customer may decrease the commitment level at the time of the annual review and pay the applicable penalties for the amount of DS1 SALs being decreased. Penalties will apply as set forth in 5.6.14(l).

The customer will have 30 days from receipt of notification to convert DS1 SALs. If the customer does not take action during the 30 day period: The commitment level will be automatically changed to the number of TVP DS1 SALs in effect at the annual review.

Eight- and Ten-Year DS1 Term Volume Plan (ETTVP)

Each customer's ETTVP will be reviewed annually. The customer will be notified in writing as to the status of the ETTVP. If the applicable in-service DS1 SAL quantity (including any DS1 SALs that were replaced by a Replacing Service using the methodology for a Technology Migration specified in Section 2.10.2 preceding) falls below the commitment quantity penalties will be assessed as set forth under 5.6.14 (l). For purposes of determining whether the customer's in-service DS1 SAL quantity meets the ETTVP commitment quantity (but not for the purpose of subjecting FiberConnect OPP SALs to ETTVP rates or for any other purpose), all in-service FiberConnect OPP SALs, expressed on an equivalent DS1 basis, will be included in the in-service ETTVP quantity count. For example, four (4) DS1s provided over a FiberConnect OPP SAL will count as four (4) ETTVP DS1 SALs. (T)

For ETTVPs established prior to July 16, 2016, during the annual review the commitment level will be reset to 90% of existing in-service SALs and cannot fall below the initial 90% commitment quantity at time of enrollment. For ETTVPs established on or after July 16, 2016, during the annual review the commitment level will be reset to 90% of existing in-service SALs for the ACNAs designated for inclusion in ETTVP and cannot fall below the initial 90% commitment quantity at time of enrollment. (N)
|
|
(N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.14 DS1 Term Volume Plans (Cont'd)

(L) Options at Expiration

One-, Two-, Three-, Five-Year DS1 Term Volume Plans (TVP)

At the expiration of a TVP period, the customer may select one of the following:

- (1) Select any then-effective TVP period to establish a new TVP. The TVP customer may designate the same or different ACNAs to be included in the new TVP in accordance with Section 5.6.14(A) preceding. All terms and conditions, including termination liability, will apply to the new TVP period. (N)
- (2) Select any then-effective ETTVP period to establish a new ETTVP. The TVP customer may designate the same or different ACNAs to be included in the new ETTVP in accordance with Section 5.6.14(A) preceding. All terms and conditions, including termination liability, will apply to the new ETTVP period. (N)
- (3) Discontinue TVP in order to subscribe services to National Discount Plan.
- (4) Discontinue TVP and convert service to a month-to-month payment plan.

If the customer fails to notify the Telephone Company of its choice above prior to the expiration of its TVP period, the Telephone Company will notify the customer and continue two additional months of TVP billing. If the customer does not notify the Telephone Company of its choice above, in writing, within the first 60 days after the expiration date, billing will remain at the current threshold level and a new TVP period will begin based on the then-effective term and quantity commitment. All terms and conditions, including termination liability will apply to the new TVP period.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.14 DS1 Term Volume Plans (Cont'd)

(L) Options at Expiration (Cont'd)

Eight- and Ten-Year DS1 Term Volume Plans (ETTVP)

At the expiration of an 8-year ETTVP period, the customer may select one of the following options:

- (a) Select any then-effective TVP period to establish a new TVP. The ETTVP customer may designate the same or different ACNAs to be included in the new TVP in accordance with Section 5.6.14(A) preceding. All terms and conditions, including termination liability, will apply to the new TVP period. (N) | (N)
- (b) Select any then-effective ETTVP period to establish a new ETTVP. The ETTVP customer may designate the same or different ACNAs to be included in the new ETTVP in accordance with Section 5.6.14(A) preceding. All terms and conditions, including termination liability, will apply to the new ETTVP period. (N) | (N)
- (c) Discontinue ETTVP in order to subscribe services to National Discount Plan.
- (d) Discontinue ETTVP and convert service to a month-to-month payment plan.

If the customer fails to notify the Telephone Company of its choice above prior to the expiration of its ETTVP period, the Telephone Company will notify the customer and continue two additional months of ETTVP billing. If the customer does not notify the Telephone Company of its choice above, in writing, within the first 60 days after the expiration date, billing will remain at the current threshold level and a new ETTVP period will begin based on the then-effective term and quantity commitment.

At the expiration of a 10-year ETTVP period or extension period, as outlined in section 5.6.14(M) following, the customer may select one of the following options:

- (a) Select any then-effective TVP period to establish a new TVP. The ETTVP customer may designate the same or different ACNAs to be included in the new TVP in accordance with Section 5.6.14(A) preceding. All terms and conditions, including termination liability, will apply to the new TVP period. (N) | (N)
- (b) Select any then-effective ETTVP period to establish a new ETTVP. The ETTVP customer may designate the same or different ACNAs to be included in the new ETTVP in accordance with Section 5.6.14(A) preceding. All terms and conditions, including termination liability, will apply to the new ETTVP period. (N) | (N)
- (c) Discontinue ETTVP in order to subscribe services to National Discount Plan.
- (d) Discontinue ETTVP and convert service to a month-to-month payment plan.
- (e) Extend the 10-year ETTVP period or extension period, as applicable and outlined in section 5.6.14(M) following.

If the customer fails to notify the Telephone Company of its choice above, the Telephone Company will notify the customer and continue two additional months of ETTVP billing. If the customer does not notify the Telephone Company of its choice above, in writing, within the first 60 days after the expiration date, billing will remain at the current threshold level and a new ETTVP period will begin based on the then-effective term, quantity commitment, and included ACNAs. (T) (T)

(This page filed under Transmittal No. 1335.)
 Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.14 DS1 Term Volume Plans (Cont'd)

(M) Extension Options at Expiration

One-, Two-, Three-, Five-Year DS1 Term Volume Plans (TVP)

Extension is not an option with TVP.

Eight- and Ten-Year DS1 Term Volume Plans (ETTVP)

At the expiration of an 8-year ETTVP period, extension is not an option.

At the expiration of a 10-year ETTVP period or extension period, as applicable, the customer has the option to extend the expiration date of the expiring 10-year ETTVP plan at the then-effective 10-year rates, as specified in section 5.7.18(A)(6) following, for an additional 2-year period. TISC is not applicable when extending the expiration date of the expiring 10-year ETTVP plan.

All terms and conditions of 10-year ETTVP, including termination liability as outlined in section 5.6.14(O) following, will apply during any extension period.

The customer is still subject to Annual Reviews as set forth in Section 5.6.14(G) preceding. If the customer chooses to extend the expiration date for a 10-year ETTVP period or extension period, as applicable, a new commitment level must be established that is: (T)

For 10-year ETTVPs established prior to July 16, 2016, the highest of ninety percent (90%) of existing in-service SALs and the expiring commitment level. (T)

For 10-year ETTVPs established on or after July 16, 2016, the highest of ninety percent (90%) of existing in-service SALs for the ACNAs designated for inclusion in the ETTVP and the expiring commitment level. (N)
|
(N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.14 DS1 Term Volume Plans (Cont'd)

(P) Termination Without Liability

One-, Two-, Three-, Five-Year DS1 Term Volume Plans (TVP)

During a TVP period, should the currently effective rate for a customer's service increase, the customer may, at their option, terminate the TVP arrangement without penalty or liability, unless the increase is a result of FCC action.

A customer may cancel its TVP in order to subscribe its DS1 Services to the National Discount Plan as set forth in Section 23.1 following as long as all of the ACNA(s) that were included in the TVP are included in the National Discount Plan. (N)
(N)

A customer may cancel its TVP if all of its DS1 Services under that TVP have been replaced with a Replacing Service pursuant to (N)(2) preceding.

Eight- and Ten-Year DS1 Term Volume Plans (ETTVP)

During an ETTVP period, should the currently effective rate for a customer's service increase, the customer may, at their option, terminate the ETTVP arrangement without penalty or liability, unless the increase is a result of FCC action.

A customer may cancel its ETTVP in order to subscribe its DS1 Services to the National Discount Plan as set forth in Section 23.1 following as long as all of the ACNA(s) that were included in the TVP are included in the National Discount Plan. (N)
(N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.19 DS3 Term Volume Plan

(A) Description

- (1) The DS3 Term Volume Plan (**DS3 TVP**) provides a customer with discounted monthly recurring rates for DS3 Special Access Line (**SAL**) rate elements based upon a term commitment and a committed number of DS3 SALs (**DS3 Commitment Quantity**). The DS3 Commitment Quantity represents the total number of DS3 SALs that the customer commits to the DS3 TVP, regardless of the total number of DS3 SALs that the customer currently has in-service in the operating territories of this tariff. Only one DS3 Commitment Quantity is allowed for the DS3 TVP. For DS3 TVPs established prior to July 16, 2016, the DS3 Commitment Quantity (along with the Term Commitment as defined in (A)(2) following) determines the Commitment Level and corresponding rates applicable to the DS3 SALs included in the TVP. For DS3 TVPs established on or after July 16, 2016, the DS3 Commitment Quantity for the customer's ACNAs designated for inclusion in the DS3 TVP (along with the Term Commitment as defined in (A)(2) following) determines the Commitment Level and corresponding rates applicable to the DS3 SALs included in the TVP. Commitment Levels are described in (C) following (**Commitment Level**). (T)
(T)
- (2) The DS3 TVP is offered for a 3, 5, or 7 year term commitment period (**Term Commitment**). For DS3 TVPs established prior to July 16, 2016, upon subscription to the DS3 TVP, all of the customer's DS3s that are eligible for inclusion in the DS3 TVP (whether or not such DS3s are actually included in the Commitment Level) will be billed at the applicable DS3 TVP rate level. For DS3 TVPs established on or after July 16, 2016, upon subscription to the DS3 TVP, all of the customer's DS3s that are eligible for inclusion in the DS3 TVP (whether or not such DS3s are actually included in the Commitment Level) in the ACNAs designated for inclusion in the DS3 TVP will be billed at the applicable DS3 TVP rate level. The applicable DS3 TVP rate level corresponds to the length of the Term Commitment selected by the customer and a Commitment Level as determined by the DS3 Commitment Quantity. For example, if a customer commits 51 DS3 circuits to a 3 year Term Commitment under this DS3 TVP, but has a total of 150 DS3 circuits in-service, the customer will receive a rate corresponding to a Term Commitment of 3 years for a Commitment Level of 50-149 DS3 circuits for all 150 DS3 circuits. (N)
(T)
(T)
- (3) During the DS3 TVP term, the customer may elect to increase the DS3 Commitment Quantity in accordance with (G) following, the Term Commitment in accordance with (H) following, or both.
- (4) The regulations and rates set forth in this Section 5.6.19 apply only to the DS3 SAL rate elements for Eligible DS3 Services, as defined in (D)(1) following, under a DS3 TVP. All other rate elements or additional features associated with the service are provided at the rates and regulations set forth elsewhere in this tariff as they may apply to those associated rate elements or additional features.
- (5) For DS3 TVPs established prior to July 16, 2016, a customer may not concurrently subscribe its DS3 Services to the National Discount Plan as set forth in Section 23.1 following. For DS3 TVPs established on or after July 16, 2016, a customer may not concurrently subscribe its DS3 Services to the National Discount Plan as set forth in Section 23.1 following for those ACNAs designated for inclusion in the DS3 TVP. (T)
(N)
(N)

(This page filed under Transmittal No. 1335.)
 Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.19 DS3 Term Volume Plan (Cont'd)

(D) Terms and Conditions

- (1) The DS3 TVP includes only SALs associated with Protected Individual DS3s without Company Electronics or Protected Individual DS3s with Company Electronics as set forth in Section 5.7.22 following (**Eligible DS3 Services**). No other DS3 offerings as set forth in this or other sections of this tariff will be included in the DS3 TVP.

- (2) Subsequent to initial enrollment to the DS3 TVP under (B) preceding, the customer may, at any time during the Term Commitment, purchase (only under the ACNAs included in the DS3 TVP) additional DS3 SALs which are Eligible DS3 Services, each of which shall be automatically included in the DS3 TVP. The additional SALs will be billed at the same rate level as all of the other DS3 SALs in the DS3 TVP. Rate levels for DS3 SALs in a DS3 TVP are set forth in Section 5.7.22 following and are determined by the Term Commitment and DS3 Commitment Quantity for the TVP. The addition of new DS3 SALs does not change the DS3 Commitment Quantity.

(This page filed under Transmittal No. 1335.

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)5.6 Rate Regulations (Cont'd)5.6.19 DS3 Term Volume Plan (Cont'd)(E) Annual Review

- (1) On the anniversary date of the customer's DS3 TVP, the Telephone Company will conduct an Annual Review to determine if the customer has met its DS3 Commitment Quantity of DS3 SALs for the ACNAs included in the DS3 TVP for the prior twelve (12) months. For purposes of conducting the Annual Review, the Telephone Company will develop an average number of DS3 SALs that were in-service over the prior 12 months by first summing the actual number of DS3 SALs that were in-service for each of the prior 12 months (including any DS3 SALs replaced by a Replacing Service(s) using the methodology for a Technology Migration specified in Section 2.10.3 preceding) and then dividing that total by twelve (12). The anniversary date shall be determined as set forth in (B) (1) (a) preceding. (T)
- (2) For purposes of the Annual Review, an allowance of up to three percent (3%) below the committed number of in-service DS3 SALs (rounded to the nearest DS3) will be considered as having met the DS3 Commitment Amount. The DS3 Commitment Quantity less the three percent (3%) allowance shall be defined as the **Minimum DS3 Commitment Quantity**. For example, the Minimum DS3 Commitment Quantity for 48 DS3 SALs is considered to be met if the average number of in-service DS3 SALs determined at the Annual Review is no less than 47 (e.g., 48 DS3 SALs less 3% allowance = 46.56 and then rounded up to 47 SALs). The average number of in-service DS3 SALs determined at the Annual Review may exceed the DS3 Commitment Quantity, subject to (E) (4) and (E) (5) following. (T)
- (3) Where the average number of in-service DS3 SALs at the time of the Annual Review is less than the Minimum DS3 Commitment Quantity determined in (E) (2) preceding (i.e., customer has not met its DS3 Commitment Quantity, less the 3% allowance), a penalty as set forth under (F) following will be assessed.
- (4) Where the average quantity of in-service DS3 SALs at the time of the Annual Review is equal to the customer's Minimum DS3 Commitment Quantity (i.e., customer has met its DS3 Commitment Quantity, less the 3% allowance), or exceeds the DS3 Commitment Quantity by no more than thirty percent (30%), no penalty applies. The current DS3 Commitment Quantity will continue for the remainder of the TVP Term Commitment unless otherwise adjusted under this Section (E) and (G) following.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)5.6 Rate Regulations (Cont'd)5.6.19 DS3 Term Volume Plan (Cont'd)(l) TVP Renewal Options

- (1) At the expiration of the TVP Term Commitment, the customer may select a new DS3 TVP or may convert to any other payment plan offered in this tariff for DS3 Service. The customer may designate the same or different ACNAs to be included in the new DS3 TVP in accordance with Section 5.6.19 (A) (1) preceding. If the customer fails to make an election, the Telephone Company will continue DS3 TVP billing based on the current Commitment Level and Term Commitment for sixty (60) calendar days beyond the scheduled expiration date of the DS3 TVP or until an election is made. (N)
- (2) If the customer does not select a new DS3 TVP or convert to another payment plan within sixty (60) calendar days beyond the scheduled expiration date, the current DS3 TVP will be automatically renewed at the DS3 Commitment Quantity and Term Commitment in effect on the expiration date, and a new DS3 TVP term will begin. The effective date of the new DS3 TVP is the same date on which the old DS3 TVP expires. (N)
- (3) All terms and conditions under this Section 5.6.19, including termination liabilities, will apply to the renewed DS3 TVP.
- (4) If the customer chooses to convert to a term plan option other than a DS3 TVP, this election will be treated as a disconnect of the existing service and installation of a new service, and all applicable rates, terms, conditions, ordering processes, and obligations associated with the new service option will apply. However, installation charges do not apply to those DS3 SALs that are in service on the date that they are converted from the DS3 TVP to the other term plan.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

5 SPECIAL ACCESS (Cont'd)

5.6 Rate Regulations (Cont'd)

5.6.19 DS3 Term Volume Plan (Cont'd)

(K) Termination Liability

- (1) When the entire DS3 TVP is discontinued prior to the end of the Term Commitment, termination liability applies to each DS3 SAL that is in-service for the ACNAs (N) included in the DS3 TVP on the date of discontinuance. Termination liability charges (N) apply from the date of discontinuance to the end of the Term Commitment of the DS3 TVP. When applicable, termination liability is equal to one hundred percent (100%) of the total monthly recurring charges for the remaining portion of the first year and fifteen percent (15%) of the total monthly recurring charges for the remainder of the Term Commitment. The monthly rates used to calculate termination liability are the monthly rates that would otherwise apply had the DS3 TVP not been discontinued (i.e., charges based on current Commitment Level and Term Commitment at the time of discontinuance).

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans23.1 National Discount Plan

The following discount plans are available to all customers who purchase the applicable services and meet the requirements for each such discount plan, as set forth in Section 23.1 following for National Discount Plan.

23.1.1 General

(A) Overview

The National Discount Plan (NDP) is an optional discount plan that allows the NDP Customer to aggregate its Qualifying Services on a national basis. The NDP provides discounts on certain rate elements of Qualifying Services. The level of discount received by the NDP Customer corresponds to the NDP Customer's quantities of Qualifying Services, the customer's selection of a Commitment Matrix Option, and the Plan Year. (D)

(B) Specific Terms and References

Unless otherwise defined in this tariff, the following terms are used in this Section 23.1. References to other sections of Section 23.1 are provided for further information on each term.

- (1) **Achieved Discount Tier**: shall mean the Discount Tier (as determined in the Annual True-Up) that the NDP Customer could have achieved during the Annual True-Up Period.
- (2) **ACNA**: shall mean Access Customer Name Abbreviation, as such term is generally understood in the Telecommunications Industry to be the name abbreviation for a purchaser of Special Access Services and Facilities for Interstate Access.
- (3) **Actual Increase**: shall mean a measurement used in calculating the CBB Discount, that measures the difference between (i) the number of Equivalent DS1 CTs or Equivalent DS1 CMs (as applicable) in month one (1) of the Annual True-Up Period; and (ii) the number of Equivalent DS1 CTs or Equivalent DS1 CMs (as applicable) in month twelve (12) of the Annual True-Up Period.
- (4) **Anniversary Date**: shall mean each twelve (12) month anniversary of the NDP Start Date during the Term.
- (5) **Annual True-Up**: shall mean the true-up conducted by the Telephone Company following the end of each Plan Year during which the Telephone Company shall measure, among other things, whether the NDP Customer has met and/or exceeded the Commitment Level and the Discount Tier for the Annual True-Up Period, as more specifically described in Section 23.1.7 following. A Final True-Up shall be conducted in accordance with Section 23.1.14(B)(1) following.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.1 General (Cont'd)

(B) Specific Terms and References (Cont'd)

- (6) **Annual True-Up Period**: shall mean the most recent Plan Year that has just been completed for which the Annual True-Up is being conducted.
- (7) **Assigned Discount Tier**: shall mean the applicable Discount Tier that was in effect during an Annual True-Up Period.
- (8) **Average Monthly Rate Per Equivalent DS1 CM**: shall mean the rate as calculated in accordance with Section 23.1.7(C)(2) following.
- (9) **Average Monthly Rate Per Equivalent DS1 CT**: shall mean the rate as calculated in accordance with in Section 23.1.7(C)(1) following.
- (10) **Channel Termination(s)**: shall mean the applicable Special Access channel terminations for Qualifying Services (as used in the Telephone Company's Tariff F.C.C. No. 1 (FCC1) and the Telephone Company's Tariff F.C.C. No. 11 (FCC11), the applicable Special Access Lines (SAL(s)) for Qualifying Services (as used in this tariff), and the applicable Circuit Terminations for Qualifying Services (as used in the Telephone Company's Tariff F.C.C. No. 16 (FCC16) as follows.
 - (a) Channel Terminations for Special Access DS1 Services are described in Section 7.2.9 of FCC1, Section 7.2.9 of FCC11, Section 5.3.6 preceding of this tariff, and Section 7.11.1 of FCC16; and
 - (b) Channel Terminations for Special Access DS3 Services using electrical and optical interfaces are described in Section 5.3.6 preceding of this tariff and Section 7.11.1 of FCC16; and
 - (c) Primary and Secondary Channel Terminations for Special Access DS3 Services using electrical and optical interfaces are set forth in Section 7.2.9 of FCC1, and Section 7.2.9 of FCC11; and
 - (d) Channel Terminations for FMS Services are set forth in Section 7.2.13 of FCC1 and Section 7.2.16 of FCC11; and
 - (e) Channel Terminations for IEF Services.
- (11) **Channel Termination Revenue Cap**: shall mean the total discounted monthly revenues associated with all in-service channel termination rate elements for Equivalent DS1 CTs for month one of the NDP multiplied by the appropriate Commitment Level percentage (e.g., 92% for Deluxe). In the event the Commitment Level changes (e.g., as a result the NDP Customer exceeding its Maximum Service Level), the Telephone Company will make a commensurate adjustment to the Channel Termination (CT) Revenue Cap. (N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.1 General (Cont'd)

(B) Specific Terms and References (Cont'd)

- (12) **Channel Mileage:** shall mean the applicable channel mileage for Qualifying Services (as used in FCC1 and FCC11), the applicable Special Transport for Qualifying Services (as used in this tariff), and the applicable Circuit Mileage for Qualifying Services (as used in FCC16) as follows. (T)
 - (a) Channel Mileage for Special Access DS1 Services and Special Access DS3 Services are described in Section 7.2.9 of FCC1, Section 7.2.9 of FCC11, Section 5.3.6 preceding of this tariff, and Section 7.11.1 of FCC16; and
 - (b) Channel Mileage for FMS Services which are described in Section 7.2.13 of FCC1 and Section 7.2.16 of FCC11.
- (13) **Channel Mileage Revenue Cap:** shall mean the total discounted monthly revenues associated with all in-service channel mileage rate elements for Equivalent DS1 CMs for month one of the NDP multiplied by the appropriate Commitment Level percentage (e.g., 92% for Deluxe). In the event the Commitment Level changes (e.g., as a result the NDP Customer exceeding its Maximum Service Level), the Telephone Company will make a commensurate adjustment to the Channel Mileage (CM) Revenue Cap. (N)
- (14) **Commitment Buy Up Bonus:** shall mean an option available to the NDP Customer which allows the NDP Customer to increase (buy-up) their CT Commitment Level and/or their CM Commitment Level, and receive a discount on one or both Commitment Levels, as described in Section 23.1.7(E) following. (T)
- (15) **CBB Discount:** shall mean the Commitment Buy-Up Bonus Discount as described in Section 23.1.7(E) following. (T)
- (16) **Commitment Level:** shall mean the CM Commitment Level (i.e., the total number of Equivalent DS1 CMs) and/or the CT Commitment Level (i.e., the total number of Equivalent DS1 CTs) that the NDP Customer must commit to the NDP, as described further in Section 23.1.4 following. If the NDP Customer has Channel Terminations and Channel Mileage, then the NDP Customer must establish a separate Commitment Level for Channel Terminations (CT Commitment Level) and a separate Commitment Level for Channel Mileage (CM Commitment Level). (T)
- (17) **Commitment Matrix:** shall mean the Premier Commitment Matrix, the Standard Commitment Matrix or the Deluxe Commitment Matrix, as each is described in Section 23.1.4(C) following. (T)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.1 General (Cont'd)

(B) Specific Terms and References (Cont'd)

- (18) **Discount Tier**: shall mean the tier in each of the tables set forth in Section 23.1.4(B) following into which the NDP Customer falls based on the actual quantities of Equivalent DS1 CTs or Equivalent DS1 CMs, as applicable. (T)
- (19) **Discount Tier Adjustment**: shall mean the adjustment (if applicable) to a higher or a lower Discount Tier based on the difference (if any) between the NDP Customer's Achieved Discount Tier and Assigned Discount Tier, as calculated during the Annual True-Up Period. See Section 23.1.7(D) following for further explanation. (T)
- (20) **Discounted Rate Elements**: shall mean those rate elements of the Qualifying Services that receive a discount under the NDP. A listing of the Discounted Rate Elements is set forth in Section 23.1.5(A) following. (T)
- (21) **Equivalent DS1 CTs**: shall mean the total number of equivalent DS1 Channel Terminations for Qualifying Services as determined in accordance with Section 23.1.4 following. (T)
- (22) **Equivalent DS1 CMs**: shall mean the total number of equivalent DS1 Channel Miles for Qualifying Services as determined in accordance with Section 23.1.4 following. (T)
- (23) **FMS Services**: shall mean Special Access Service provided as Facilities Management Service under Section 7.2.13 of FCC1 and Section 7.2.16 of FCC11. Switched Access FMS Services are not included in the NDP. (T)
- (24) **IEF Services**: shall mean, as applicable, either (a) Special Access IntelliLight® Entrance Facilities STS1 terminations (excluding interface options) as described in Section 7.2.15 of FCC1, Section 26.1.4 of FCC11, Section 20.4 preceding of this tariff, and Section 20.4 of FCC16; or (b) Telephone Company provided SONET entrance facility STS1 terminations (excluding interface options) provided by the Telephone Company where such service is technically and operationally feasible, as determined by the Telephone Company. (T)
- (25) **Initial Term**: shall mean the five (5) year initial term of the NDP. (T)
- (26) **Monthly Average Count of Equivalent DS1 CMs**: shall mean the average number of Equivalent DS1 CMs that were in-service during each month of the Annual True-Up Period, as calculated in accordance with Section 23.1.7(B)(1) following. (T)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.1 General (Cont'd)

(B) Specific Terms and References (Cont'd)

- (27) **Monthly Average Count of Equivalent DS1 CTs**: shall mean the average number of Equivalent DS1 CTs that were in-service during each month of the Annual True-Up Period, as calculated in accordance with Section 23.1.7(B)(1) following. (T)
- (28) **Monthly Charges**: shall mean the dollar amount of monthly recurring charges billed by the Telephone Company for Discounted Rate Elements. (T)
- (29) **Monthly Shortage**: shall mean the difference between (i) the Monthly Average Count of Equivalent DS1 CTs or Monthly Average Count of Equivalent DS1 CMs, as applicable; and (ii) the NDP Customer's CT Commitment Level or CM Commitment Level, respectively. (T)
- (30) **NDP Customer**: shall mean collectively the subscribing customer (as defined in Section 2.6 preceding) and all Persons that are included in the same NDP. (T)
- (31) **NDP Start Date**: shall mean the start date of the NDP Customer's NDP as described in Section 23.1.2(A)(1) following. (T)
- (32) **Non-Discounted Billed Amounts**: shall mean the Monthly Charges for the Discounted Rate Elements that would have been billed if the discount percentages of the NDP had not been applied, as calculated in accordance with Section 23.1.7(D). (T)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.1 General (Cont'd)

(B) Specific Terms and References (Cont'd)

- (33) **Person:** shall mean any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization (T)
- (34) **Plan Year:** shall mean each 12-month period during the Term of the NDP commencing on the NDP Start Date and each Anniversary Date thereafter, as applicable. (T)
- (35) **Qualifying Services:** shall mean Special Access DS1 Services, Special Access DS3 Services, FMS Services, and IEF Services provided by the Telephone Company to the NDP Customer as more specifically described in Section 23.1.3 following of this tariff, Section 25.3.3 of FCC1, Section 25.2.3 of FCC11, and Section 22.1.3 of FCC16. (T)
- (36) **Renewal Term:** shall mean any renewed 5-year period of the NDP. (T)
- (37) **Sale Adjustment:** shall mean an adjusted amount of Equivalent DS1 CTs and an adjusted amount of Equivalent DS1 CMs which are no longer provided to the NDP Customer as a result of a Telephone Company Sale. (T)
- (38) **Shortfall Penalty:** shall mean a penalty assessed against the NDP Customer when it fails to meet its CT Commitment Level and/or CM Commitment Level, during the Annual True-Up Period, as applicable, as further described in Section 23.1.7(C) following. (T)
- (39) **Special Access DS3 Service:** shall mean Special Access High Capacity Digital DS3 Service as described in Section 5.3.6(E) preceding, Special Access DS3 High Capacity/44.736 Mbps Service as described in Section 7.2.9 of FCC1, Special Access High Capacity 44.736 Mbps Service as described in Section 7.2.9 of FCC11, and Special Access DS3 High Capacity Service as described in Section 7.11 of FCC16. (T)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.1 General (Cont'd)

(B) Specific Terms and References (Cont'd)

- (40) **Special Access DS1 Service**: shall mean Special Access High Capacity Digital DS1 Service as described in Section 5.3.6(A) preceding, Special Access DS1 High Capacity/1.544 Mbps Service as described in Section 7.2.9 of FCC1, Special Access High Capacity 1.544 Mbps Service as described in Section 7.2.9 of FCC11, and Special Access DS1 High Capacity Service as described in Section 7.11 of FCC16. (T)
- (41) **Subscription Date**: shall mean the date that the Telephone Company receives an executed and completed subscription document from the NDP Customer. (T)
- (42) **Telephone Company Sale**: shall mean the sale or other divestiture of an operating territory or a portion of an operating territory of a Telephone Company, whereby the Telephone Company no longer provides Qualifying Services in such operating territory or portion of an operating territory. (T)
- (43) **Term**: shall mean the Initial Term and any Renewal Term(s). (T)
- (44) **Upgrade or Upgraded**: shall mean the replacement of (i) a Qualifying Service with a Qualifying Service of a higher bandwidth or capacity (e.g., replacement of a Special Access DS3 Service with an IEF Service); or (ii) a Qualifying Service with another Telephone Company provided service of a higher bandwidth or capacity that is not a Qualifying Service (e.g., replacement of a Special Access DS3 Service with an Ethernet Service of a higher bandwidth). (T)
- (45) **Upgrade Adjustment**: shall mean an adjusted number of Equivalent DS1 CTs and an adjusted number of Equivalent DS1 CMs that were Upgraded by the NDP Customer during the Annual True-Up Period. (T)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.1 General (Cont'd)

(C) ACNAs Subscribing to NDPs Established Prior to July 16, 2016 (T)

- (1) At the time of subscription to NDP, the subscribing customer must include all of its ACNAs in the NDP. The NDP Customer also has the option to include the ACNA(s) of one or more Person(s) in its NDP (subject to written authorization from the NDP Customer and the applicable Person(s)). In this case, the NDP Customer's NDP shall include (i) all of the subscribing customer's ACNA(s); and (ii) all of the ACNA(s) of the Person(s) that the subscribing customer wishes to include in its NDP (subject to written authorization from the NDP Customer and the applicable Person(s)).
- (2) If, subsequent to the NDP Start Date, the NDP Customer wishes to add one or more ACNA(s) to its NDP for one of the following reasons, then all such ACNA(s) of the NDP Customer or Person(s), as applicable, shall be added to the NDP Customer's NDP at the time of the next Annual True-Up, in accordance with the terms set forth in Section 23.1.11 following.
 - (a) NDP Customer (at its option) wishes to include one or more Person(s) into its NDP that are not currently included in the NDP Customer's NDP (subject to written authorization from the NDP Customer and the applicable Person(s)); or
 - (b) NDP Customer or one of the Person(s) who is currently included in the NDP (at its option) has acquired one or more new ACNA(s) and wishes to include such ACNA(s) in the NDP Customer's NDP; or (C)
 - (c) NDP Customer has acquired one or more ACNA(s) through merger, acquisition, or other transaction that are not currently included in the NDP Customer's NDP only when such ACNA(s) were already included in an NDP acquired by such merger, acquisition, or other transaction. NDP Customer is not required to include ACNA(s) acquired through merger, acquisition, or other transaction that were not currently included in another NDP. (C)
- (3) No later than thirty (30) calendar days prior to each Anniversary Date, the NDP Customer must provide written notice to the Telephone Company indicating its intent to add such ACNA(s) to the NDP, and setting forth the affected ACNA(s) and the name of the Person (if applicable) who owns such ACNA(s).

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.1 General (Cont'd)

(C) ACNAs Subscribing to NDPs Established Prior to July 16, 2016 (Cont'd) (T)

- (4) Once an ACNA is included in the NDP, it cannot concurrently be included in any other NDP. Combination or addition of ACNAs are further described in Section 23.1.11 following.
- (5) For example, assume that a customer who has only one ACNA (ABC) subscribes to the NDP. Assume further that such NDP Customer has five (5) affiliates, but only wishes to include three (3) affiliates in its NDP as of the NDP Start Date. Assume also that each of the three (3) included affiliates each have one ACNA respectively (ACNAs LLL, MMM, and NNN, respectively). In this case, a single NDP will be established for the NDP Customer that includes the following ACNAs: ABC, LLL, MMM, and NNN. Assume further that during Plan Year 2, the NDP Customer decides to include its remaining two (2) affiliates in its NDP. Then, in accordance with this Section 23.1.1 and Section 23.1.11 following, the NDP Customer will include all of the ACNAs of such affiliates into the NDP.

Certain material previously found on this page can now be found on Original Page 23-10.3.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.1 General (Cont'd)

- (D) ACNAs Subscribing to NDPs Established On or After July 16, 2016 (N)
- (1) At the time of subscription to NDP, the subscribing customer must designate to the Telephone Company its ACNAs that it wishes to include in the NDP. The NDP Customer also has the option to include some or all of the ACNA(s) of one or more Person(s) in its NDP (subject to written authorization from the NDP Customer and the applicable Person(s)).
 - (2) If, subsequent to the NDP Start Date, the NDP Customer adds one or more ACNA(s) to its NDP for one of the following reasons, then the subscribing customer must designate to the Telephone Company those ACNA(s) it wishes to have added to its NDP at the time of the next Annual True-Up, in accordance with the terms set forth in Section 23.1.11 following.
 - (a) NDP Customer (at its option) may include one or more Person(s) into its NDP that are not currently included in the NDP Customer's NDP (subject to written authorization from the NDP Customer and the applicable Person(s)); or
 - (b) NDP Customer or one of the Person(s) who is currently included in the NDP has acquired one or more new ACNA(s) and (at its option) wishes to include such ACNA(s) in the NDP Customer's NDP; or
 - (c) NDP Customer (at its option) may include one or more ACNA(s) into its NDP that are not currently included in the NDP Customer's NDP; or
 - (d) NDP Customer has acquired one or more ACNA(s) through merger, acquisition, or other transaction that is not currently included in the NDP Customer's NDP and such ACNA(s) was already included in an NDP acquired by such merger, acquisition or other transaction. NDP Customer is not required to include ACNA(s) owned by a Person that is not included in the NDP Customer's NDP or ACNA(s) acquired through merger, acquisition, or other transaction that was not currently included in another NDP.
 - (3) No later than thirty (30) calendar days prior to each Anniversary Date, the NDP Customer must provide written notice to the Telephone Company indicating its intent to add such ACNA(s) to the NDP, and setting forth the affected ACNA(s) and the name of the Person (if applicable) who owns such ACNA(s). (N)

Certain material previously found on this page can now be found on Original Page 23-10.2.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.1 General (Cont'd)

(D) ACNAs Subscribing to NDPs Established On or After July 16, 2016 (Cont'd)

(N)

(4) Once an ACNA is included in the NDP, it cannot concurrently be included in any other NDP. Combination or addition of ACNAs are further described in Section 25.1.11 following.

(5) For example, assume that a customer who has only one ACNA (ABC) subscribes to the NDP. Assume further that such NDP Customer has five (5) affiliates, but only wishes to include three (3) affiliates in its NDP as of the NDP Start Date. Assume also that each of the three (3) included affiliates each have one ACNA respectively (ACNAs LLL, MMM, and NNN, respectively). In this case, a single NDP will be established for the NDP Customer that includes the following ACNAs: ABC, LLL, MMM, and NNN. Assume further that during Plan Year 2, the NDP Customer decides to include its remaining two (2) affiliates in its NDP. Then, in accordance with this Section 23.1.1 and Section 23.1.11 following, the NDP Customer will include all of the ACNAs of such affiliates into the NDP.

(N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.1 General (Cont'd)

(E) Subscription to Other Tariff Arrangements (Cont'd) (T)

(1) (Cont'd)

(b) Unless specifically prohibited under a contract tariff option, the NDP Customer may concurrently subscribe to and receive the benefits of NDP and any existing or new contract tariff option (as set forth in Section 21 preceding) that provides discounts for achieving certain aggregate volume or revenue targets for FMS Services and/or IEF Services; or

(c) The specific tariff arrangement (including the contract tariff option) specifically permits concurrent subscription to the NDP and the applicable contract tariff option; or

(d) The NDP Customer may subscribe concurrently to the NDP and FMS term plans.

(e) The NDP Customer may subscribe concurrently to the NDP and an IEF term plan or an IEF Commitment Discount Plan.

(f) The NDP Customer may concurrently subscribe Qualifying Services ordered on or after July 16, 2016 to other existing or new tariff arrangements as long as said Qualifying Services are for an ACNA that is not included in the NDP Customer's NDP (N)
 |
 |
 (N)

(2) As an illustrative example, the NDP Customer may continue to subscribe to and receive discounts under a contract option which provides circuit specific discounts on Special Access DS3 Services. The NDP Customer may also continue to subscribe to a "Total Billed Revenue" contract option which provides discounts on aggregate revenues of FMS Services, since rate elements of FMS Services are not Discounted Rate Elements under NDP. However, the NDP Customer may not subscribe to and receive discounts under a "Total Billed Revenue" contract option which provides discounts on aggregate revenue of Special Access DS1 Services and Special Access DS3 Services.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.2 Subscription (Cont'd)

(2) Actual Quantities of Channel Terminations and Channel Mileage for Qualifying Services

The Telephone Company shall calculate and provide to the NDP Customer the actual quantities of Channel Terminations and Channel Mileage for the ACNA(s) included in the NDP Customer's NDP during the month prior to the Subscription Date. The Telephone Company's records regarding the actual number of Channel Terminations and Channel Mileage for the ACNA(s) included in the NDP Customer's NDP shall be deemed accurate in the case of any discrepancy between the NDP Customer's records and the Telephone Company's records. In accordance with Section 23.1.4 following, the Telephone Company shall derive the Equivalent DS1 CTs and the Equivalent DS1 CMs from the actual quantities of Channel Terminations and Channel Mileage for the ACNA(s) included in the NDP Customer's NDP. (N)

(3) Discount Tier

Based on the Equivalent DS1 CTs and Equivalent DS1 CMs determined in (2) above, the Telephone Company will determine the Discount Tier that the NDP Customer falls into in each of the applicable tables set forth in Section 23.1.4(B) following.

(4) Commitment Matrix and Commitment Levels

The NDP Customer must specify a Commitment Level by selecting from one of the following three (3) Commitment Matrix options: (1) Premier Commitment Matrix, as described in Section 23.1.4(C)(1) following; and (2) Standard Commitment Matrix, as described in Section 23.1.4(C)(2) following; and (3) Deluxe Commitment Matrix, as described in 23.1.4(C)(3) following. The NDP Customer's choice of the Commitment Matrix determines (a) the number of Equivalent DS1 CTs and/or Equivalent DS1 CMs that the NDP Customer must commit to the NDP; and (b) the discount on Discounted Rate Elements provided under the NDP.

(5) BANs

The NDP Customer must specify a BAN, per state (for each operating territory included in this tariff), against which the Telephone Company will apply adjustments (including Shortfall Penalties as set forth in Section 23.1.7(C) following, Discount Tier Adjustments as set forth in Section 23.1.7(D) following, and CBB Discounts as set forth in Section 23.1.7(E) following) associated with the NDP.

(6) ACNA(s)

For customers subscribing to NDP on or after July 16, 2016, the NDP Customer must specify the ACNA(s) it wishes to include in NDP in accordance with Section 23.1.1(D)(1) preceding. (N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.3 Qualifying Services

(A) Inclusion of Qualifying Services in NDP

- (1) If the NDP Customer purchases one or more of the Qualifying Services under this tariff, and/or under FCC1, and/or FCC11 and/or FCC16, and subscribes to the NDP, the NDP Customer's NDP must include the Qualifying Services in the quantities set forth in (B) following that are purchased under such affected tariffs for the ACNA(s) included in NDP. For each Qualifying Service, with the exception of FMS Services, for which only seventy-five percent (75%) must be included, the NDP Customer must include all quantities (i.e., one hundred percent (100%)) of such Qualifying Service purchased under all affected tariffs. The Qualifying Services are included in the NDP for purposes of determining the Equivalent DS1 CTs and Equivalent DS1 CMs for the ACNA(s) included in NDP. (N) (N) (N) (N)
- (2) The NDP will be administered as a single discount plan across all such tariffs for which a single set of Commitment Levels, Discount Tiers, and Term shall apply.

For example, assume the NDP Customer purchases Special Access DS3 Services under this tariff and under FCC1 and FCC11, and FMS Services under FCC1 and under FCC11. In this case, the NDP Customer must subscribe to the NDP all (i.e., 100%) of such Special Access DS3 Services purchased under this tariff and under FCC1 and FCC11 for the ACNA(s) included in the NDP Customer's NDP. However, the NDP Customer is only required to include 75% of the FMS Services purchased by the NDP Customer under FCC1 and FCC11 for the ACNA(s) included in the NDP Customer's NDP. The NDP Customer's NDP shall be administered as one discount plan across this tariff, FCC1, and FCC11. Assume further that in Plan Year 2, the NDP Customer purchases Special Access DS1 Services in FCC 16. Then, the Telephone Company shall include all (i.e., 100% of such Special Access DS1 Services for the ACNA(s) included in the NDP Customer's NDP. (N) (N) (N) (N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.3 Qualifying Services

(B) Qualifying Services

Subject to the terms of Section 23.1.1(D) preceding, the applicable percentage (as listed below) of each Qualifying Service provided by the Telephone Company to the NDP Customer pursuant to this tariff, FCC1, FCC11, and FCC16, for the ACNA(s) included in the NDP Customer's NDP, shall be included in the NDP at the time of subscription to NDP and, as applicable, at any time during the Term when the NDP Customer purchases additional quantities of such Qualifying Services. (N) (N)

- (1) All quantities (one hundred percent (100%)) of Special Access DS1 Service Channel Terminations (see Note 1);
- (2) All quantities (one hundred percent (100%)) of Special Access DS3 Service Channel Terminations (including Individual System, 3 System, and Unlimited System configurations in this tariff and FCC16, and 12 Capacity System configurations in FCC16) (see Note 2);
- (3) All quantities (one hundred percent (100%)) of Special Access DS1 Service Channel Mileage (see Notes 1 and 3);
- (4) All quantities (one hundred percent (100%)) of Special Access DS3 Service Channel Mileage (including Individual System, 3 System, and Unlimited System configurations in this tariff, and Individual System, 3 Capacity System, 12 Capacity System and Unlimited System configurations in FCC16);
- (5) All quantities (one hundred percent (100%)) of IEF STS1 Channel Terminations;
- (6) Seventy-five percent (75%) of the quantities of FMS Service Primary Premises Channel Terminations with a DS1 Interface or a DS3 Interface in FCC1 and FCC11;
- (7) Seventy-five percent (75%) of the quantities of FMS Service Channel Mileage in FCC1 and FCC11.

Note 1: High Capacity Digital FT1 Facilities in this tariff and FCC16 are not Qualifying Services.

Note 2: Channel Terminations and Channel Mileage for 12 and 24 Group System configurations in this tariff are not Qualifying Services.

Note 3: The MetroLAN Optional Arrangement in this tariff and FCC16 is not a Qualifying Service.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.3 Qualifying Services (Cont'd)

(C) Shared Use Arrangements

For Qualifying Services that are provided as part of a Shared Use Arrangement as set forth in Section 5.6.7 preceding, the Special Access DS3 Service, Special Access DS1 Service, IEF Service, or FMS Service will be included in the NDP. The Switched Access Portion for such services of the Shared Use Arrangement will not be included in the NDP or be subject to discounting under the NDP.

(D) Conversion of Qualifying Services

Upon subscription to NDP, all of the NDP Customer's individual circuit-specific term plans for Special Access DS3 Service and Special Access DS1 Service for the ACNA(s) included in the NDP Customer's NDP, such as DS1 and DS3 term plans as offered under Section 5 preceding, must be cancelled to include all such services in the NDP. Minimum period charges as set forth in Section 5 preceding will not apply to such cancellations. (N) (N)

Additionally, all of the NDP Customer's DS1 Term Volume Plan(s) (TVP(s)) and Eight and Ten Year DS1 Term Volume Plan(s) (ETTVP(s)) offered under Section 5.6.14 preceding, and DS3 TVPs offered under Section 5.6.19 preceding for the ACNA(s) included in the NDP Customer's NDP must be cancelled in order to include all such Special Access DS3 Services and Special Access DS1 Services in the NDP. Termination liability as set forth in Section 5.6.14(N) preceding and Section 5.6.19(K) preceding will not apply to such cancellations. (N) (N)

Further, all of the NDP Customer's individual circuit-specific term plans and non-circuit-specific term plans for Special Access DS3 Service and Special Access DS1 Service for the ACNA(s) included in the NDP Customer's NDP, such as (i) Term Pricing Plans (TPPs) and Commitment Discount Plans (CDPs) as offered under FCC1; Service Discount Plans (SDPs) and CDPs as offered under FCC11; and (ii) DS1 Term Payment Plans (DS1 TPPs) as offered under FCC16, must be cancelled in order to include all such services in the NDP. (N) (N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.3 Qualifying Services (Cont'd)

(E) Addition of Services and Removal of Services

(1) Addition of Services

- (a) The NDP Customer may add Special Access DS3 Service and Special Access DS1 Service for the ACNA(s) included in the NDP Customer's NDP at any time during the Term of the NDP. Qualifying Services are added to the NDP for the remainder of the Term (i.e., on a coterminous basis). The NDP Customer may add Special Access DS3 Service and Special Access DS1 Service for ACNA(s) not included in NDP only if it adds the ACNA(s) to the NDP Customer's NDP pursuant to Section 23.1.11 following. (N) | (N) | (N)
- (b) When the NDP Customer adds one or more IEF Services or one or more FMS Services during the Term of the NDP, the added IEF Service or FMS Service will be added to the NDP solely for the purpose of calculating the number of Equivalent DS1 CTs and/or the number of Equivalent DS1 CMs used to administer the NDP.

(2) Removal of Services

- (a) When the NDP Customer removes one or more Special Access DS3 Services or Special Access DS1 Services for the ACNA(s) included in the NDP Customer's NDP, but not all Special Access DS3 Services and Special Access DS1 Services for the ACNA(s) included in the NDP Customer's NDP, from NDP at any time during the Term, no termination liability charge applies. (N) | (N)
- (b) When the NDP Customer removes one or more IEF Services for the ACNA(s) included in the NDP Customer's NDP, or one or more FMS Services for the ACNA(s) included in the NDP Customer's NDP during the Term of the NDP, no termination liability under this Section 23.1 applies. However, the NDP Customer may be subject to termination liability under its applicable term plan for IEF Service or FMS Service. (N) | (N)
- (c) When the NDP Customer removes all Special Access DS3 Services and all Special Access DS1 Services for the ACNA(s) included in the NDP Customer's NDP from the NDP (i.e., the NDP Customer cancels its NDP in its entirety), termination liability applies in accordance with Section 23.1.13 following. (N) | (N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.4 Commitment Levels and Discount Tiers

(A) Calculation of Equivalent DS1 CTs and Equivalent DS1 CMs

In order to establish Commitment Levels and Discount Tiers, Equivalent DS1 CTs and Equivalent DS1 CMs must be determined. Based on the actual quantities of Channel Terminations and Channel Mileage for the ACNA(s) included in the NDP Customer's NDP, and the percentage of each Qualifying Service that must be included in the NDP (i.e., 100% or 75%, as applicable), as set forth in Section 23.1.3(B) preceding, the Telephone Company will calculate the Equivalent DS1 CTs and Equivalent DS1 CMs. (N)

(1) The Equivalent DS1 CTs shall be calculated as follows:

(Step 1) Determine the actual quantity of Channel Terminations for each Qualifying Service across this tariff and FCC1, FCC11, and FCC16, as applicable, for the ACNA(s) included in the NDP Customer's NDP. (N)

(Step 2) Multiply the actual quantity of Channel Terminations for such Qualifying Service by either (a) 100% if the Qualifying Service is Special Access DS1 Service, Special Access DS3 Services, or an IEF Service; or (b) 75% if the Qualifying Service is an FMS Service. (N)

(Step 3) Using Table 1, below, multiply (a) the applicable number in the column entitled "DS1 CT Multiplier" below; by (b) the number derived in Step 2 above.

(Step 4) Repeat the process in Steps (1) through (3) for each Qualifying Service.

(Step 5) Add the product of all of the equivalent Channel Terminations for all of the Qualifying Services derived in Steps (1) through (4) above.

Table 1: Calculation of Equivalent DSI CTs.

<u>Qualifying Service</u>	<u>DS1 CT Multiplier</u>
STS1 level	28
DS3 level	28
DS1 level	1
FMS level	1/24th

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.4 Commitment Levels and Discount Tiers (Cont'd)

(A) Calculation of Equivalent DS1 CTs and Equivalent DS1 CMs (Cont'd)

(2) The Equivalent DS1 CMs shall be calculated as follows:

(Step 1) Determine the actual quantity of Channel Mileage for each Qualifying Service across this tariff and FCC1, FCC11, and FCC16, as applicable, for the ACNA(s) included in the NDP Customer's NDP. (N)

(Step 2) Multiply the actual quantity of Channel Mileage for such Qualifying Service by either (a) 100% if the Qualifying Service is a Special Access DS1 Service or a Special Access DS3 Services; or (b) 75% if the Qualifying Service is an FMS Service. (N)

(Step 3) Using Table 2, below, multiply (a) the applicable number in the column entitled "DS1 CM Multiplier" below; by (b) the number derived in Step 2 above.

(Step 4) Repeat the process in Steps (1) through (3) for each Qualifying Service.

(Step 5) Add the product of all of the equivalent Channel Mileage for all of the Qualifying Services derived in Steps (1) through (4) above.

Table 2: Equivalent DSI CMs.

<u>Qualifying Service</u>	<u>DS1 CM Multiplier</u>
STS1 level	N/A
DS3 level	28
DS1 level	1
FMS level	1/24th

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.4 Commitment Levels and Discount Tiers (Cont'd)

(A) Calculation of Equivalent DS1 CTs and Equivalent DS1 CMs (Cont'd)

(2) (Cont'd)

As an example of the above, assume that the NDP Customer has Channel Terminations for the ACNA(s) included in the NDP Customer's NDP in the following quantities: (N)

- 200 IEF STS1 Channel Terminations
- 800 DS3 Channel Terminations
- 3,000 DS1 Channel Terminations
- 481 FMS Channel Terminations (this number represents 75% of the total quantity of FMS Channel Terminations in accordance with Section 23.1.3(A) preceding)

The Equivalent DS1 CTs would be determined as follows:

<u>Channel Termination</u>		<u>DS1 CT Multiplier</u>	=	<u>Equivalent DS1 CTs</u>
200 IEF STS1s	X	28	=	5,600
800 DS3 CTs	X	28	=	22,400
3000 DS1 CTs	X	1	=	3,000
481 FMS CTs	X	1/24	=	20.04
Total Equivalent DS1 CTs				= 31,020.04

Further assume that NDP Customer has Channel Mileage for the ACNA(s) included in the NDP Customer's NDP in the following quantities: (N)

- 5,000 DS3 Channel Miles
- 75,000 DS1 Channel Miles
- 3,004 FMS Channel Miles (this number represents 75% of the total quantity of FMS Channel Mileage in accordance with Section 23.1.3(A) preceding)

The Equivalent DS1 CMs would be determined as follows:

<u>Channel Mileage</u>		<u>DS1 CM Multiplier</u>	=	<u>Equivalent DS1 CMs</u>
5,000 DS3 CMs	X	28	=	140,000
75,000 DS1 CMs	X	1	=	75,000
3,004 FMS CMs	X	1/24	=	125.17
Total Equivalent DS1 CMs				= 215,125.17

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.5 Application of Discount(A) Discounted Rate Elements

The discounts provided under the NDP shall only be provided for the ACNA(s) included in the NDP Customer's NDP on the following Discounted Rate Elements: (N)
(N)

- (1) The following Discounted Rate Elements from FCC1 are included in NDP:
 - (a) Special Access DS1 Service Channel Terminations, Basic Service, Section 7.5.9(A) of FCC1, as determined in accordance with Section 14.7 of FCC1.
 - (b) Special Access DS1 Service Channel Mileage, Basic Service, Section 7.5.9(B) of FCC1, as determined in accordance with Section 14.7 of FCC1.
 - (c) Special Access DS1 Service DS1 to Voice Multiplexing, Basic Service, Section 7.5.9(C) of FCC1, as determined in accordance with Section 14.7 of FCC1.
 - (d) Special Access DS1 Service DS1 to Digital Multiplexing, Basic Service, Section 7.5.9(C) of FCC1, as determined in accordance with Section 14.7 of FCC1.
 - (e) Special Access DS1 Service DS1 to DS0 Multiplexing, Basic Service, Section 7.5.9(C) of FCC1, as determined in accordance with Section 14.7 of FCC1.
 - (f) Special Access DS3 Service primary and secondary Channel Terminations with optical and electrical interfaces, Base Rates, Section 7.5.9(A) of FCC1, as determined in accordance with Section 14.7 of FCC1.
 - (g) Special Access DS3 Service Channel Mileage, Banded Base Rates, as applicable, Section 7.5.9(B)(1)(e)(ii) of FCC1.
 - (h) Special Access DS3 Service Channel Mileage, Base Rates, as applicable, Section 7.5.9(B)(1)(e)(i) of FCC1, as determined in accordance with Section 14.7 of FCC1.
 - (i) Special Access DS3 Service DS3 to DS1 Multiplexing, Base Rates, Section 7.5.9(C) of FCC1, as determined in accordance with Section 14.7 of FCC1.
 - (j) Special Access DS3 Service DS3 Premises Multiplexer, Base Rates, Section 7.5.9(C) of FCC1, as determined in accordance with Section 14.7 of FCC1.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.6 Special Access DS3 Service Channel Mileage Rates

- (A) Special Access DS3 Service Channel Mileage (Special Transport) Banded Rates as set forth in Section 5.7.14(C) preceding will apply to Special Access DS3 Services for the ACNA(s) (N) included in the NDP Customer's NDP that are provided between two serving wire centers of (N) the same Verizon Telephone Company (i.e., in those instances where service is not provided by more than one exchange telephone company under Section 2.7 preceding).

- (B) Except as set forth in (A) preceding, the Channel Mileage (Special Transport) Rates set forth in Section 5.7.14(B) preceding apply to all other Special Access DS3 Services for the ACNA(s) (N) included in the NDP Customer's NDP that are included in the NDP and provided between (i) (N) two (2) Verizon Telephone Companies; or (ii) between a Verizon Telephone Company and another exchange telephone company in accordance with Section 2.4.7 preceding.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.7 Annual True-Up (Cont'd)

(A) (Cont'd)

- (6) If the NDP Customer added or removed one or more ACNA(s) under Section 23.1.11 or Section 23.1.12 following, respectively, during the Annual True-Up Period, the Telephone Company will adjust the CT Commitment Level and/or CM Commitment Level, as applicable, to reflect such added or removed ACNA(s). No later than thirty (30) calendar days prior to the Anniversary Date of the NDP Customer's NDP, the NDP Customer must notify the Telephone Company in writing of any such changes to its ACNAs.
- (7) Subject to the requirements set forth in Section 23.1.7(F) following, assign the Discount Tiers applicable to the next Plan Year; and
- (8) Assuming the NDP Customer qualifies for a change from the Standard Commitment Matrix to the Deluxe Commitment Matrix or the Premier Commitment Matrix, or for a change from the Deluxe Commitment Matrix to the Premier Commitment Matrix, and the NDP Customer elects to make such change, the Telephone Company will calculate and set the new Commitment Levels associated with the choice of a Deluxe Commitment Matrix or a Premier Commitment Matrix, as applicable and Discount Tiers in accordance with Section 23.1.7(G) following.

(B) Calculation of Monthly Counts and Measuring Monthly Counts Against Commitment Levels

- (1) The Telephone Company will calculate the Monthly Average Count of Equivalent DS1 CTs and the Monthly Average Count of Equivalent DS1 CMs for the Qualifying Services purchased under the NDP that were in service for each month of the Annual True-Up Period. The Monthly Average Count of Equivalent DS1 CTs is calculated as follows:

(Step 1) add the actual number of Equivalent DS1 CTs for Qualifying Services purchased for the ACNAs included under the NDP for each month of the Annual True-Up Period (including any Equivalent DS1 CTs replaced by a Replacing Service using the methodology for a Technology Migration specified in Section 2.10.4 preceding); (N)

(Step 2) add the result from Step 1 preceding to the quantities of Equivalent DS1 CTs determined in (i) and (ii) following:

- (i) the Upgrade Adjustment, as calculated in accordance with Section 23.1.7(H) following, for any Qualifying Service(s) that has been Upgraded; and/or
- (ii) the Sale Adjustment, as calculated in accordance with Section 23.1.10 following, for any Qualifying Service(s) which are affected by a Telephone Company Sale;

(Step 3) divide the number derived in Step 2 preceding by 12 months.

(This page filed under Transmittal No. 1335.)
Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.7 Annual True-Up (Cont'd)

(B) Calculation of Monthly Counts and Measuring Monthly Counts Against Commitment Levels (Cont'd)

(1) (Cont'd)

A similar calculation is performed by the Telephone Company for calculating the Monthly Average Count of Equivalent DS1 CMs for the Qualifying Services purchased under the NDP by using Equivalent DS1 CMs for the ACNA(s) included in the NDP Customer's NDP (N) instead of using Equivalent DS1 CTs.

(2) The Telephone Company will compare the Monthly Average Count of Equivalent DS1 CTs against the CT Commitment Level, and the Monthly Average Count of Equivalent DS1 CMs against the CM Commitment Level. If the NDP Customer's Monthly Average Count of Equivalent DS1 CTs is equal to or greater than (subject to certain restrictions as set forth in (a) following) the CT Commitment Level, then the NDP Customer shall be deemed to have met its CT Commitment Level. If the NDP Customer's Monthly Average Count of Equivalent DS1 CMs is equal to or greater than (subject to certain restrictions as set forth in (a) following) the CM Commitment Level, then the NDP Customer shall be deemed to have met its CM Commitment Level.

(a) Where the NDP Customer has met its CT Commitment Level and/or CM Commitment Level, as applicable, but has not exceeded such Commitment Level by more than sixty percent (i.e., the NDP Customer's Monthly Average Count of Equivalent DS1 CTs and/or Monthly Average Count of Equivalent DS1 CMs, as applicable, is less than 160% of the applicable Commitment Level), no action is required. An NDP Customer who elected the Premier Commitment Matrix may be eligible to voluntarily increase (buy up) its CT Commitment Level and/or its CM Commitment Level as specified in Section 23.1.7(E) following.

(b) Where the NDP Customer has exceeded its CT Commitment Level and/or its CM Commitment Level, as applicable, by more than sixty percent (i.e., the NDP Customer's Monthly Average Count of Equivalent DS1 CTs and/or Monthly Average Count of Equivalent DS1 CMs, as applicable, is more than 160% of its applicable Commitment Level), the exceeded Commitment Level(s) will be adjusted as follows:

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.7 Annual True-Up (Cont'd)

(C) Shortfall Penalty

A Shortfall Penalty is assessed against (i) the CT Commitment Level when the NDP Customer's Monthly Average Count of Equivalent DS1 CTs is less than the CT Commitment Level; or (ii) the CM Commitment Level is less than the NDP Customer's Monthly Average Count of Equivalent DS1 CMs. There are two methods (i.e., Option 1 or Option 2) of determining and calculating the Shortfall Penalty. The Telephone Company will calculate the Shortfall Penalty using both methods and apply the method that produces the lesser Shortfall Penalty. (N)

(1) Option 1 Shortfall Penalty Method and Calculation (C)

(Step 1) Calculate the Monthly Average Count of Equivalent DS1 CTs and the Monthly Average Count of Equivalent DS1 CMs during the Annual True-Up Period as set forth in Section 23.1.7(B)(1) preceding.

(Step 2) Determine the Monthly Shortage of Equivalent DS1 CTs and/or the Monthly Shortage of Equivalent DS1 CMs, as applicable.

(a) The NDP Customer's Monthly Shortage of Equivalent DS1 CTs will be determined by subtracting (i) the Monthly Average Count of Equivalent DS1 CTs determined in Step 1; from (ii) the CT Commitment Level.

(b) The NDP Customer's Monthly Shortage of Equivalent DS1 CMs will be determined by subtracting (i) the Monthly Average Count of Equivalent DS1 CMs determined in Step 1; from (ii) the CM Commitment Level.

(Step 3) Calculate the Average Monthly Rate per Equivalent DS1 CT and/or the Average Monthly Rate per Equivalent DS1 CM, as applicable.

(a) The Average Monthly Rate per Equivalent DS1 CT is calculated by (i) adding the total Monthly Charges billed for all Channel Termination and multiplexing (FCC1 and FCC11 only) Discounted Rate Elements, during each month of the Annual True-Up Period; and (ii) dividing the result in (i) preceding by twelve months; and (iii) dividing the result in (ii) preceding by the Average Monthly Count of Equivalent DS1 CTs calculated in Step 1.

(b) The Average Monthly Rate per Equivalent DS1 CM is calculated by (i) adding the total Monthly Charges billed for all Channel Mileage Discounted Rate Elements, during each month of the Annual True-Up Period; and (ii) dividing the result in (i) preceding by twelve months; and (iii) dividing the result in (ii) preceding by the Average Monthly Count of Equivalent DS1 CMs calculated in Step 1.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.7 Annual True-Up (Cont'd)

(C) Shortfall Penalty (Cont'd)

(1) Option 1 Shortfall Penalty Method and Calculation (Cont'd) (N)

(Step 4) Calculate the Shortfall Penalty for the CT Commitment Level and/or the CM Commitment Level, as applicable.

- (a) The Telephone Company will calculate the Shortfall Penalty for the CT Commitment Level by multiplying (i) the Monthly Shortage determined in Step 2; by (ii) the Average Monthly Rate per Equivalent DS1 CT calculated in Step 3; and by (iii) twelve (12) months.
- (b) The Telephone Company will calculate the Shortfall Penalty for the CM Commitment Level by multiplying (i) the Monthly Shortage determined in Step 2; by (ii) the Average Monthly Rate per Equivalent DS1 CM calculated in Step 3; and by (iii) twelve (12) months.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.7 Annual True-Up (Cont'd)(C) Shortfall Penalty (Cont'd)

(2) As an illustrative example of the Option 1 Shortfall Penalty calculation for the CT Commitment Level, assume that at an Annual True-Up, an NDP Customer who selected the Premier Commitment Matrix had the following results: (i) the NDP Customer has met but has not exceeded by more than 60% its CM Commitment Level of 75,000 Equivalent DS1 CMs; (ii) the NDP Customer has not met its CT Commitment Level of 120,000 Equivalent DS1 CTs; and (iii) the Monthly Average Count of Equivalent DS1 CTs is 118,000. No Shortfall Penalty is applicable to NDP Customer's CM Commitment Level since NDP Customer has met its CM Commitment Level. Shortfall Penalty is due on the CT Commitment Level and is calculated as follows (using Steps 1-4 above): (N)

(Step 1) Calculate the Monthly Average Count of Equivalent DS1 CTs. In this example, this number is 118,000 Equivalent DS1 CTs.

(Step 2) Calculate the Monthly Shortage of Equivalent DS1 CTs. [120,000 Commitment Level – 118,000 Monthly Average Count of Equivalent DS1 CTs = 2,000 Equivalent DS1 CTs]

(Step 3) Calculate the Average Monthly Rate per Equivalent DS1 CT. In this example, assume that the sum of the total Monthly Charges billed for all Channel Termination and multiplexing Discounted Rate Elements during each month of the Annual True-Up Period is \$150,000,000. The Average Monthly Rate per Equivalent DS1 CT is \$105.93. [$\$150,000,000/12$ months/ $118,000$ Monthly Average Count of Equivalent DS1 CTs]

(Step 4) Calculate the Shortfall Penalty. The Shortfall Penalty is \$2,542,320 (the Monthly Shortage of 2,000 Equivalent DS1 CTs x \$105.93 Average Monthly Rate per Equivalent DS1 CT x 12 months).

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.7 Annual True-Up (Cont'd)

(C) Shortfall Penalty (Cont'd)

(2) Option 2 Shortfall Penalty Method and Calculation

(N)

The Shortfall Penalty for Equivalent DS1 CTs will be an amount equal to the difference between (1) the Channel Termination Revenue Cap and (2) the actual total dollar Channel Termination revenue for Equivalent DS1 CTs in each of the twelve (12) months of the true-up period. The Shortfall Penalty for Equivalent DS1 CMs will be an amount equal to the difference between (1) the Channel Mileage Revenue Cap and (2) the actual total dollar Channel Mileage revenue for Equivalent DS1 CMs in each of the twelve (12) months of the true-up period. The Telephone Company will calculate the difference as follows:

(Step 1) The Telephone Company will first determine the Channel Termination Revenue Cap by multiplying the total discounted monthly revenues associated with all in-service channel termination rate elements for Equivalent DS1 CTs for month one of the NDP by the appropriate Commitment Level percentage (e.g., 92% for Deluxe)(CT Revenue Cap). In the event the Commitment Level changes (e.g., as a result the NDP Customer exceeding its Maximum Service Level), the Telephone Company will make a commensurate adjustment to the CT Revenue Cap. The adjusted CT Revenue Cap will be used beginning with the month in which the Commitment Level was changed.

(Step 2) The Telephone Company will then determine the actual channel termination revenues by calculating the total discounted monthly revenues associated with all in-service Equivalent DS1 CT rate elements for each month of the twelve (12) month true-up period.

(Step 3) For each month of the twelve (12) month true-up period, subtract the actual channel termination revenues from the CT Revenue Cap.

(Step 4) The Telephone Company will determine the Channel Mileage Revenue Cap by multiplying the total discounted monthly revenues associated with all in-service channel mileage rate elements for Equivalent DS1 CMs for month one of NDP by the appropriate Commitment Level percentage (e.g., 92% for Deluxe) (CM Revenue Cap). In the event the Commitment Level changes (e.g., as a result the NDP Customer exceeding its Maximum Service Level), the Telephone Company will make a commensurate adjustment to the CM Revenue Cap. The adjusted CM Revenue Cap will be used beginning with the month in which the Commitment Level was changed.

(N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

Effective: July 16, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.7 Annual True-Up (Cont'd)

(C) Shortfall Penalty (Cont'd)

(2) Option 2 Shortfall Penalty Method and Calculation (Cont'd)

(Step 5) The Telephone Company will then determine the actual channel mileage revenues associated with all in-service Equivalent DS1 CM rate elements for each month of the twelve (12) month true-up period.

(Step 6) For each month of the twelve (12) month true-up period, subtract the actual channel mileage revenues from the CM Revenue Cap.

(Step 7) To determine the amount due from the NDP Customer, the Telephone Company will sum the amounts calculated in Step 3 and Step 6. The amount due is not subject to any late payment factor as specified in Section 2.4.1 preceding. However, a late payment factor will apply in accordance with Section 2.4.1 preceding if such amount is not paid by the bill due date of the month in which such amount first appears on the bill.

(N)

(N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.7 Annual True-Up (Cont'd)

(C) Shortfall Penalty (Cont'd)

- (4) The Telephone Company will apply the lesser Shortfall Penalty calculated in (C)(1) or (C)(3) preceding to the BANs designated by the NDP Customer under Section 23.1.2(C)(5) preceding. The Shortfall Penalty is not subject to late payment penalty under Section 2.4.1 preceding, except when the bill containing such Shortfall Penalty is not paid by the payment date.

(D) Discount Tier Adjustment

- (1) At each Annual True-Up, the Telephone Company will automatically adjust the Discount Tier(s) if the Achieved Discount Tier is a higher or a lower Discount Tier than the Assigned Discount Tier that was in effect during the Annual True-Up Period. Such action shall be referred to as the Discount Tier Adjustment. The Achieved Discount Tier and the Assigned Discount Tier are independently determined for Channel Terminations and Channel Mileage. For NDP Customers who elected either the Standard Commitment Matrix or the Premier Commitment Matrix, the Discount Tier Adjustment is set forth in Step 1 through Step 6 of (D)(2) following, the result of which may be an increase or decrease in the discount percentage that was applied during the Annual True-Up Period, and shall be reflected as a credit or debit on the NDP Customer's bill.
- (2) A Discount Tier Adjustment is calculated as follows:
- (Step 1) Calculate the Monthly Average Count of Equivalent DS1 CTs and the Monthly Average Count of Equivalent DS1 CMs during the Annual True-Up Period as set forth in Section 23.1.7(B)(1) preceding.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.7 Annual True-Up (Cont'd)

(F) Assign the Discount Tier(s) for the Next Plan Year

The Telephone Company will assign the Discount Tier(s) applicable to the next Plan Year (i.e., from the most recent Anniversary Date to the next successive Anniversary Date) if the Achieved Discount Tier in month twelve (12) of the Annual True-Up Period (taking into account any (i) Upgrade Adjustment, as calculated in accordance with Section 23.1.7(H) following, for any Qualifying Service(s) that has been Upgraded; and (ii) any Sale Adjustment, as calculated in accordance with Section 23.1.10 following, for any Qualifying Service(s) for the ACNA(s) included in the NDP Customer's NDP which are affected by a Telephone Company Sale) is a higher or lower Discount Tier than the Assigned Discount Tier for the Annual True-Up Period. With respect to either Channel Terminations or Channel Mileage, the new Discount Tier for the next Plan Year (i.e., the new Assigned Discount Tier) shall result in an increased or decreased discount percentage pursuant to Section 23.1.5(B) preceding. If the Achieved Discount Tier (as determined in accordance with Section 23.1.7(D) preceding) is the same as the Assigned Discount Tier for the Annual True-Up, no action will be taken.

For example, assume that the NDP Customer's Assigned Discount Tier in Plan Year 2 for Channel Mileage Discounted Rate Elements was Discount Tier B. Further assume that the NDP Customer's Achieved Discount Tier for such Channel Mileage Discounted Rate Elements in month 12 of the Annual True-Up Period was Discount Tier C. In this case, the Telephone Company will assign Discount Tier C as the Discount Tier for the next Plan Year.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.11 Addition of an ACNA(s) to an Existing NDP

- (A) One of the following two (2) options must be chosen by the NDP Customer when adding one or more ACNA(s) to its NDP:
 - (1) If an NDP Customer adds one or more ACNA(s) to its NDP (as permitted under Section 23.1.1(C) and (D) preceding), and such ACNA(s) is/are not already included in a different NDP, then, at its option, the NDP Customer may ~~must~~ include such ACNA(s) in its NDP in accordance with the terms of Section 23.1.11(B)(1) following; or (N) (C)
 - (2) If an NDP Customer adds one or more ACNA(s) to its NDP (as permitted under Section 23.1.1(C) and (D) preceding), and such ACNA(s) is/are already included in another NDP, then the NDP Customer must include such ACNA(s) in its NDP in accordance with the terms of Section 23.1.11(B)(2) following. (N)

The terms of Section 23.1.1(C) preceding apply in addition to any requirements set forth herein.

- (B) No later than thirty (30) calendar days prior to each Anniversary Date of the NDP, the NDP Customer must provide the Telephone Company with a list of the any ACNAs that the NDP Customer acquired (as defined in (A) above) during the Annual True-Up Period. Whether the acquired ACNA(s) is/are already included in an NDP shall determine whether (i) the NDP Customer's NDP is augmented to include such acquired ACNA(s); (ii) the NDP Customer's NDP is combined with the NDP associated with the acquired ACNA(s); or (iii) a new NDP is established that includes the NDP Customer existing ACNA(s) and the acquired ACNAs.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.11 Addition of an ACNA(s) to an Existing NDP (Cont'd)

(B) (Cont'd)

(1) Augment of Existing NDP to Include the Added ACNA(s)

Where an NDP Customer seeks to add one or more ACNA(s) to its NDP in accordance with Section 23.1.11(A)(1) preceding (i.e., such ACNA(s) is/are not already included in another NDP), the NDP Customer's NDP shall be augmented to include the quantities of the Qualifying Services of such added ACNAs.

- (a) At the next Annual True-Up following the effective date of the NDP Customer acquiring the additional ACNA(s), the Telephone Company will complete Steps (A)(1) through (A)(5) of the Annual True-Up as described in Section 23.1.7(A) preceding as if the NDP Customer had not acquired the additional ACNA(s).
- (b) Upon completion of Section 23.1.7(A)(1) through (A)(5) preceding, and in accordance with Section 23.1.1(C) or (D) preceding, the acquired ACNA(s) will be added to the NDP and all of the following shall occur: (N)

(1) Adjust Commitment Levels

The Telephone Company will adjust Commitment Levels of the NDP to include the Qualifying Services of the acquired ACNA(s) as follows:

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.11 Addition of an ACNA(s) to an Existing NDP (Cont'd)

(B) (Cont'd)

(2) Combine NDPs (Cont'd)

(c) New NDP Option (Cont'd)

(2) The new NDP shall be established using the quantities of Qualifying Services for the ACNAs of Plan A and Plan B as determined in the Final True-Up for each plan, and shall be established and maintained in accordance with the requirements of this Section 23.1.

23.1.12 Removal of an ACNA(s) as a Result of a Customer Sale

(A) A Customer Sale is the consummation of a sale, divestiture, spin-off, or other transaction which results in the NDP Customer no longer having any (i.e., 0%) control (including any stock or assets) in a Person that is (at the time of the Customer Sale) included within the NDP Customer's NDP. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership or voting securities, by contract or otherwise.

(1) When an NDP Customer is subject to a Customer Sale, and seeks to remove one or more ACNA(s) from its NDP, the terms of Section (A)(2) following shall apply, and the Telephone Company shall automatically at the next Annual True-Up modify the existing NDP by removing the affected ACNAs and the Qualifying Services associated with the affected ACNA(s). No later than thirty (30) calendar days prior to the Anniversary Date, the NDP Customer must provide a written notice with supporting documentation that describes the Customer Sale, and the ACNAs impacted by such Customer Sale.

If the NDP Customer sells, divests, spins off, or otherwise reduces its control (including any stock or assets) in a Person that is (at the time of the applicable sale transaction) included within the NDP Customer's NDP, but the NDP Customer still retains some control (i.e., greater than 0%) in the affected Person(s), then all of the ACNA(s) of such Person(s) shall continue to be included in the NDP Customer's NDP, in accordance with the terms of Section 23.1.1(C) or (D) preceding. As used in this paragraph, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership or voting securities, by contract or otherwise. (N)

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
 1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.14 Renewal and Termination of NDP

(A) Description

No later than sixty (60) calendar days prior to expiration of the Initial Term or Renewal Term, as applicable, of the NDP, the NDP Customer must provide the Telephone Company with written notice of its election of one of the following options.

- (1) Renew its NDP for a 5-year Renewal Term as described in Section 23.1.14(B) including providing written election of its subscription to the Renewal Benefit Option as set forth in Section 23.1.14(C) following; or (C)
- (2) subscribe to a new NDP with a different set of ACNA(s) to be included. All terms and conditions of NDP, including termination liability, shall apply to the new Initial Term. The Renewal Benefit Option is not applicable to this option. (N)
- (3) subscribe the Qualifying Services of the expiring NDP to any then effective discount plan, term plan or Contract Tariff Option for which the NDP Customer is eligible; or (T)
- (4) continue with service on a month-to-month basis without any discount or term plan; or (T)
- (5) discontinue service for all Qualifying Services without the application of termination liability as set forth in Section 23.1.13 preceding. (T)

(B) Renewal

The NDP Customer's election to renew its NDP for another Renewal Term under Section 25.3.14(A)(1) preceding must be provided in writing, must include a list of ACNA(s) designated to be included in the NDP Renewal Term, and must be received by the Telephone Company no later than 60 calendar days prior to expiration of the Term. If the NDP Customer does not provide the Telephone Company with written notice (including providing timely notice) of its election under Section 25.3.14(A) preceding, and subject to the following requirements, the expiring NDP shall automatically renew for a 5-year Renewal Term at the end of the Initial Term or Renewal Term, as applicable, for the ACNA(s) included in the expiring NDP. (C)

- (1) The Telephone Company will conduct the Annual True-Up for Plan Year 5 in accordance with Section 23.1.7 preceding (Final True-Up), except that such Final True-Up shall not include the following:
 - (a) The Commitment Buy-Up option as set forth in Section 23.1.7(E) preceding; and
 - (b) The Telephone Company will not assign Discount Tiers for the expiring NDP since the NDP has just completed its last Plan Year of the Initial Term or Renewal Term, as applicable; and
 - (c) Subject to Section 23.1.14(C) following, where the NDP Customer provides timely notice of its election under Section 23.1.14(A) preceding, the NDP Customer may change the Commitment Matrix to any available Commitment Matrix option.

(This page filed under Transmittal No. 1335.)

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)

23.1 National Discount Plan (Cont'd)

23.1.14 Renewal and Termination of NDP (Cont'd)

(B) Renewal (Cont'd)

- (2) The Telephone Company shall establish the renewed NDP using the quantities of Qualifying Services for the NDP Customer's ACNA(s) (as determined in Section 23.1.1(D) preceding) (including any ACNAs associated with any Person(s) that are included in the NDP Customer's NDP, as determined in Section 23.1.1(D) preceding). The renewed NDP shall be established and maintained in accordance with the requirements of this Section 23.1 and shall be subject to the following conditions:
 - (a) A Renewal Term of five (5) years; and
 - (b) All Qualifying Services that the NDP Customer subscribed to in month twelve (12) of Plan Year 5 of the expiring Initial Term or a Renewal Term, as applicable, must be included in the Renewed NDP; and
 - (c) The NDP Customer must specify a Commitment Matrix Option for the Renewal Term from those offered under Section 23.1.4(C) preceding, except where the NDP Customer selects the Renewal Benefit Option under Section 23.1.14(C) following, in which case the NDP Customer must select either the Premier Commitment Matrix or the Deluxe Commitment Matrix; and
 - (d) The Telephone Company will develop a new CT Commitment Level for the Renewal Term using (i) the actual number of Equivalent DS1 CTs for Qualifying Services that were subscribed to in month twelve (12) of Plan Year 5 of the expiring Initial Term or the Renewal Term, as applicable, for the NDP Customer's ACNA(s) that it designated to be included in the Renewal Term, and (ii) in the event the NDP customer is adding ACNA(s) to the plan, the actual number of Equivalent DS1 CTs for Qualifying Services that were in service for the new ACNA(s) during month 12 of Plan Year 5. The calculation shall be performed in accordance with Section 25.3.4 preceding; and
 - (e) The Telephone Company will develop a new CM Commitment Level for the Renewal Term using (i) the actual number of Equivalent DS1 CMs for Qualifying Services that were subscribed to in month twelve (12) of Plan Year 5 of the expiring Initial Term or the Renewal Term, as applicable, for the NDP Customer's ACNA(s) that it designated to be included in the Renewal Term, and (ii) in the event the NDP Customer is adding ACNA(s) to the plan, the actual number of Equivalent DS1 CMs for Qualifying Services that were in service for the new ACNA(s) during month 12 of Plan Year 5. The calculation shall be performed in accordance with Section 25.3.4 preceding; and

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005

Issued: July 1, 2016

FACILITIES FOR INTERSTATE ACCESS

23. Discount Plans (Cont'd)23.1 National Discount Plan (Cont'd)23.1.14 Renewal and Termination of NDP (Cont'd)

(B) Renewal (Cont'd)

(2) (Cont'd)

- (f) New Discount Tiers will be assigned for the renewed NDP using the actual quantity of Equivalent DS1 CTs or actual quantity of Equivalent DS1 CMs, as applicable, that were used to determine the new CT and CM Commitment Levels as describe in (d) and (e) preceding; and (C)
- (g) The renewed NDP shall begin in Plan Year 1 but shall continue to receive the discounts associated with Plan Year 5 as set forth in Section 23.1.5(B) preceding. (C)

(C) Renewal Benefit Option

- (1) If the NDP Customer elects the Renewal Benefit Option, and makes such election in a timely manner as set forth in Section 23.1.14(A) preceding, the expiring NDP shall be renewed at the end of the expiring Initial Term or Renewal Term, as applicable, in accordance with the requirements of (B)(2) preceding. If the NDP Customer does not provide timely notice of its election to renew under Section 23.1.14 preceding, the NDP Customer is not eligible for the Renewal Benefit Option.
- (2) When the Renewal Benefit Option is selected, termination liability under Section 23.1.13 preceding is only applicable for the first forty-two (42) months of the Renewal Term. Termination Liability is not applicable in month forty-three (43) through month sixty (60) of the Renewal Term (Renewal Benefit Period).

For example, assume the NDP Customer renews its NDP on November 1, 2012. In this case, the Renewal Term begins November 1, 2012 and ends October 31, 2017. If the NDP Customer were to terminate its NDP at any time after May 1, 2016 (i.e., during the Renewal Benefit Period which is after month forty-two (42) of the Renewal Term), termination liability as set forth in Section 23.1.13 preceding is not applicable.

For a second example, assume the NDP Customer renews its NDP on November 1, 2012. In this case, the Renewal Term begins November 1, 2012 and ends October 31, 2017. If the NDP Customer were to cancel its NDP at any time prior to May 1, 2016 (i.e., during the first forty-two (42) months of the Renewal Term), termination liability as set forth in Section 23.1.13 preceding applies.

(This page filed under Transmittal No. 1335.)

Vice President, Federal Regulatory
1300 I Street NW, Washington, DC 20005