

**John Staurulakis, Inc. Tariff F.C.C. No. 1**  
**Transmittal No. 92**  
**March 12, 2004**

**INTRODUCTION OF ALTERNATIVE RATE REGULATIONS FOR SYNCHRONOUS OPTICAL  
CHANNEL SERVICE ( "SOCS" ) .**

**Background**

In John Staurulakis, Inc. ("JSI") Transmittal No. 89 filed with the Federal Communications Commission ("FCC") on December 1, 2003, Smart City Telecommunications, LLC d/b/a Smart City Telecom ("SCT") became an issuing carrier for JSI Tariff F.C.C. No. 1. In Transmittal No. 89, JSI introduced an alternative Channel Termination rate structure under Section 7.2.1(A) to accommodate a mileage-based rate structure for SCT's Synchronous Optical Channel Service ("SOCS") offerings in lieu of the non-mileage-based Channel Termination rate structure in JSI Tariff F.C.C. No. 1. Transmittal 89 proposed to further distinguish the rate structure under which issuing carriers, initially only SCT, can provision and bill for SOCS.

To provide clarity regarding the existence of alternative rate regulations, JSI is proposing labeling the existing SOCS rate structure as "SOCS Rate Regulations I" with indication of the issuing carriers providing SOCS under those regulations. The alternative rate regulations will be labeled as "SOCS Rate Regulations II."

With respect to SOCS Rate Regulations I, JSI is proposing modifications to realign the regulations with those for National Exchange Carrier (NECA) F.C.C. No. 5 respecting SOCS.

With respect to proposed Rate Regulations II, Attachment 1 hereto comprises a side-by-side comparison of Rate Regulations II with Rate Regulations I.

<i>Section Reference for Rate Regulations I (mirror NECA)</i>	<i>Regulation Summary for Rate Regulation I</i>	<i>Section Reference for Proposed SOCS Rate Regulation II</i>	<i>Comparison</i>
7.2.1(A) Channel Terminations	The Channel Termination (connection between the serving wire center and the customer designated premises) is a fixed rate without mileage charges.	7.2.1(A) Channel Terminations	<p>The SOCS Channel Termination rate structure introduced in JSI Transmittal 89 comprises a fixed rate that includes the first half mile and a rate for additional half-miles. Smart City Telecom and possibly other carriers in the future require a mileage sensitive Channel Termination rate to ensure recovery of costs for facilities installed to connect customers the SOCS network. (NECA Tariff FCC No. 5, which does not have a mileage-based Channel Termination charge, benefits from the broad averaging of multiple issuing carriers that mitigates the potential for a mismatch between Channel Termination revenue and costs.</p> <p>In Transmittal 92, JSI proposes further refinement of the alternative SOCS Channel Termination rate structure to distinguish between CT trunks that are channelized and those that are not channelized.</p> <p>If a Termination exists at either the central office or the customer designated premises, no channelization on the trunk itself exists and therefore the CT costs may be lower depending on the carrier.</p>
7.2.1(B) Channel Mileage	Channel mileage comprises a fixed channel mileage termination charge and a mileage sensitive channel mileage facility charge.		No distinction for SOCS Rate Regulations II.

<i>Section Reference for Rate Regulations I (mirror NECA)</i>	<i>Regulation Summary for Rate Regulation I</i>	<i>Section Reference for Proposed SOCS Rate Regulation II</i>	<i>Comparison</i>
7.2.1(C) and Optional Features and Functions: 7.11.3(A), (B) and (C)	Provides for the following Synchronous Optical Channel Service optional features and functions: <ul style="list-style-type: none"> <li>• Customer Nodes</li> <li>• Customer Premises Ports</li> <li>• Add/Drop Multiplexing</li> </ul>	7.11.4(A) Channel Interfaces	The proposed Rate Regulation II tariff rate structure provides for channel interfaces wherever the customer is add/drop multiplexing the SOCS service or connecting the SOCS service to a non-SOCS service transport facility. The channel interface charge, if needed at either the customer designated premises or the central office or both, consolidates functionalities associated with Customer Nodes, Customer Premises Ports and Add/Drop Multiplexing as identified in Section 7.11.3(A), (B) and (C). The Channel Interface approach parallels the rate structure for Smart City Telecom's intrastate Private Line services.
7.11.3((D), (E) and (F).	Provide, respectively, for the following Synchronous Optical Channel Service optional features and functions: <ul style="list-style-type: none"> <li>• Shared SONET Ring</li> <li>• DSL Access Service Connection</li> <li>• High Speed Internet Access Service Connection</li> </ul>	n/a	SOCS Rate Regulations II do not include Shared SONET Ring, DSL Access Service Connection or High Speed Internet Access Service Connection at this time. Smart City Telecom provides for DSL Access Service Connection through ATM-CRS. At such time as an issuing carrier provides these services under SOCS Rate Regulations II, JSI will add the feature.