ACCESS SERVICE

(N)

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19. Service Provider Number Portability (SPNP) Service

19.1 SPNP General Description

Service Provider Number Portability (SPNP) Service provides, where facilities permit, the ability: (1) of a local exchange telephone service customer to maintain the same Directory Number (DN) when changing from one telecommunications service provider to another while remaining at the same location; and (2) of all telephone company customers (end users, line side access and resale customers) to complete local calls to numbers that have been ported.

SPNP Service is an Advanced Intelligent Network (AIN) capability which utilizes the common channel signaling network to query a database to secure network routing instructions before completion of a call. For NXXs that have been designated as number portable, the database contains information about end user's choice of Local Service Provider(LSP) along with the appropriate Location Routing Number (LRN) for that LSP's service switch that will be used to direct calls to the correct network switching facility for completion to end user customers that have ported their number. Where more than one network is involved in completing the call, the network just before the terminating network (i.e., the N-1 Network) is responsible for querying a Service Provider Number Portability (SPNP) database to secure the routing information is used in routing the call. Where the carrier of the N-1 network fails to query on SPNP database, and forwards a call to a switch in the Telephone Company's network to a NXX designated as a number portable code in the Local Exchange Routing Guide and/or the NECA Tariff F.C.C. No. 4 and the NXX has at least one number ported, the Telephone Company will bill that N-1 carrier a SPNP Query – Default Charge as specified in 19.4(B).

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.2 SPNP Service Application

There are three distinct applications of the SPNP network capability available through the Telephone Company's network:

(A) SPNP Query Service

(1) Prearranged
(2) Default

(B) SPNP Query Service - Database

(C) Basic SPNP Service

Following are detailed descriptions of each of the available service applications.

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.2 SPNP Service Application (Cont'd)

(A) SPNP Query Service

(1) Prearranged

Customers terminating calls from the N-1 Network to numbers in the Telephone Company's network with NXX codes that have been designated as number portable and the NXX has at least one number ported are responsible for making a query to a database containing information necessary to route calls to number portable NXX codes. This capability is provided under this tariff as an optional access service.

Customers responsible for making the database query may arrange in advance to have the Telephone Company's end office or access tandem switch suspend call processing, formulate and launch a query via the common channel signaling network to a database containing information necessary to route calls to number portable NXX codes. When the necessary routing information has been returned from the SPNP database to the switch originating the query, call processing is resumed and the call is routed to the correct network switching element for completion to the called party.

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.2 SPNP Service Application (Cont'd)

(A) SPNP Query Service (Cont'd)

(2) Default

Customers that have not prearranged with the Telephone Company to query a database containing information necessary to route calls to number portable NXX codes, may terminate such traffic to the Telephone Company's network non-queried. When this occurs, the Telephone Company's network must query its SPNP database to obtain information necessary to complete such calls. A SPNP Query-Default rate will apply.

Such non-queried traffic may be routed to the Telephone Company's end office or access tandem switch. This will force the Telephone Company's end office or access tandem switch to suspend call processing, formulate and launch a query via the common channel signaling network to a database to obtain information necessary to route calls to number portable NXX codes. When the necessary routing information has been returned from the SPNP database to the switch originating the query, call processing is resumed and the call is routed to the correct network switching element for completion to the called party.

N-1 Carriers who terminate traffic into the Telephone Company's network and have not prearranged with the Telephone Company to perform SPNP queries will also be assessed the Billing Charge, as set forth in 19.4(B).

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.2 SPNP Service Application (Cont'd)

(B) SPNP Query Service - Database

Customers terminating calls from the N-1 Network to numbers in the Telephone Company's network with NXX codes that have been designated as number portable and the NXX has at least one number ported may be responsible for making a query to a database containing information necessary to route calls to number portable NXX codes. Customers may query the Telephone Company's SPNP database by interconnecting with the Telephone Company's common channel signaling network as provided in Section 6.1.2(A)(5)(d), Common Channel Signaling Access Capability (CCSAC). This is an optional access service.

Customers responsible for making the database query may arrange in advance to query, via the common channel signaling network, the Telephone Company's SPNP database which contains information necessary to route calls to number portable NXX codes. When the necessary routing information has been returned from the SPNP database to the switch originating the query, call processing is resumed by the originating carrier, local service provider, etc., and the call is routed to the correct network switching element for completion to the called party.

(C) Basic SPNP Service

The Telephone Company queries the database, as required, on behalf of its local exchange, line side access service customers, and resale customers to enable completion of calls to numbers with NXX codes that have been designated as number portable. This service is "automatically" provided as part of the dialing process employed in the Telephone Company's local exchange and access network.

On calls placed to numbers with NXX codes that have been designated as number portable, an originating LRN capable switch, using advance intelligent network capabilities will suspend call processing and formulate and launch a query via the common channel signaling network to a database containing information necessary to route calls to number portable NXX codes. When the necessary routing information has been returned from the database to the switch originating the query, call processing is resumed and the call is routed to the correct network switching element for completion to the called party.

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.3 Service Provisioning

SPNP Service is initially being deployed in the Reno, NV Rate Center and will be deployed in all Telephone Company switches by December 31, 1999.

SPNP Service procedures will be applied uniformly to all users of the Telephone Company's SPNP Service. The Telephone Company's SPNP database will receive and respond to all queries, including the Telephone Company's queries, as defined in the following Technical Reference Publication, listed in Reference to other Publications with addresses:

(A) Bellcore GR-2936, Local Number Portability Capability Specification

19.3.1 Manner of Provisioning

SPNP Service will be provisioned using the LRN solution. LRN associates an NPA-NXX number with each central office switch that serves ported lines. This number will be known as the LRN for that switch. The LRN will be used as a network routing number for calls to ported numbers served by that switch. The LRN will share an existing NPA-NXX assigned to the specific office it represents. All switching equipment types used by the Telephone Company for SPNP Service will utilize LRN functionality using Advanced Intelligent Network capability (AIN).

With SPNP Service, a subscriber served by one switch (the “donor” switch) may move service to a different switch (the “recipient” switch) while retaining the same DN. The LSP of the recipient switch will send information to the Regional Service Management System/Number Portability Administration Center (RSMS/NPAC), the third-party administrator/database, for the porting subscriber. This information will include the porting DN, the LRN of the recipient switch, the Destination Point Codes for CLASS and LIDB Transaction Capability Application Part (TCAP) messages. This information is downloaded to all SPNP databases based on contracts between the third-party administration and the SPNP Service Providers.

ACCESS SERVICE

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.3 Service Provisioning (Cont'd)

19.3.2 Limitations

SPNP Service is to be used only on a call-by-call basis for routing calls to number portable NXX codes and cannot be used for purposes other than those functions described in Section 19.2 SPNP Service Applications unless expressly authorized in writing by the customer and the Telephone Company.

Information residing in the Telephone Company's SPNP database is protected from unauthorized access and may not be stored in a customer's database or elsewhere for any reason.

The LRN method of number portability is limited to circuit switched calls and excludes High Volume Call-in network NXXs until industry standards are defined.

Customers with directory numbers that are used for both circuit switched (e.g., voice and/or data) and packet data can port their directory numbers, however, they must disconnect the packet service and reconnect with their new service provider. SPNP Service does not apply to Service Codes (e.g., 411) or Service Access Codes (e.g., 500, 700, 800, and 900).

Groups of lines (e.g., multi-line hunt groups, centrexy groups) cannot port separately. If only one directory number in the group ports, it will be removed from the group. However, the entire group of directory numbers may port. The functionality associated with the ported number is determined by the new service provider.

When access traffic is directly routed to an end office, only those numbers in valid NXX codes served by that office, including numbers ported into that office, may be accessed. When routed through an access tandem, only those numbers in valid NXX codes served by end offices subtending the access tandem, including numbers ported into those offices, may be accessed. However, when a call has been routed to an access tandem to a number in a valid NXX code served by an end office subtending the access tandem but the NXX code is shown in the LERG as number portable where the N-1 network has not performed a SPNP query, one of the following may occur:

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.3 Service Provisioning (Cont'd)

19.3.2 Limitations (Cont'd)

- the call will be routed to the appropriate end office for completion when the call is to a number in a valid NXX code served by an end office subtending the access tandem and a query of the SPNP database indicates the number has not been ported;
- the call will be routed to the appropriate end office based on the LRN for completion when the call is to a number in a valid NXX code served by an end office subtending the access tandem and a query of the SPNP database indicates the number has been ported and the LRN returned by the database is in a valid NXX code served by an end office subtending the access tandem; or
- the call will be routed to the other access tandem and then to the appropriate end office based on the LRN for completion when the call is to a number in a valid NXX code served by an end office subtending the access tandem and a query of the SPNP database indicates that the number has been ported and the LRN returned by the database is in a valid NXX code that is served by an end office subtending another access tandem.

When a call is to a number in a valid NXX code shown in the LERG as number portable and the N-1 network performs the SPNP query, the N-1 network is responsible for routing the call to the correct access tandem based on the LRN returned by the SPNP database.

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.3 Service Provisioning (Cont'd)

19.3.3 Network Management

The Telephone Company will administer its network to ensure the provision of acceptable service levels to all telecommunications users of the Telephone Company's network services.

The Telephone Company maintains the right to apply automated or manual protective controls which would generally be applied as a result of occurrences such as failure or overload of Telephone Company facilities, customer facilities, or other networks, natural disasters, mass calling or national security demands.

Choke Networks, also known as High Volume Call-In (HVCI) Networks are also utilized by the Telephone Company to ensure its networks reliability. HVCI service is represented by a unique NXX, not assigned to a specific switch in the Local Exchange Routing Guide, that has a presence in several switches within the designated local calling area for which terminating calls are routed over dedicated trunk groups to a single tandem switch. This is done for the purpose of controlling the impact on the local network from potentially high volumes of terminating calls that might be directed to DNs within such NXXs at a customer's request.

Using the Telephone Company's target architecture, the final completion group to a customer subscribing to a choke network service is associated with a Pseudo number to prevent any calling party from circumventing the function of the choke network. Choke network customers may designate any local network provider to provide the final completion group without changing the DN associated with their choke network service. However, numbers within special NXXs designated for this purpose are not number portable and are not included in the SPNP database.

ACCESS SERVICE

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.4 Rate Regulations

The rates and charges associated with SPNP Services, which are "query" based, will be billed on a monthly basis, based on recorded usage. Query charges will be applied by the Telephone Company based upon the recordings of customer queries to the database. If such recordings are not available, the Telephone Company will develop monthly charges based on an average number of queries per month.

Specific rates and charges are set forth in 19.5, Rates and Charges.

19.4.1 Rate Elements

The following provides a list of the various SPNP Service rate elements and how the rate elements are defined. The query rate element applies for each query received at the Telephone Company's database regardless of whether the DN is actually ported.

(A) SPNP Query - Prearranged

The SPNP Query - Prearranged Charge rate element provides for the routing information necessary to complete calls to directory numbers within NXX Code designated as number portable including transport of the query to and from the database. These queries apply to Service Providers with arrangements made in advance with the Telephone Company.

(1) A recurring usage query rate will be applied on a per unit basis, i.e., per query. Usage charges are accumulated over a monthly period.

(2) A nonrecurring rate will apply on a per order basis.

(B) SPNP Query – Default

The SPNP Query - Default Charge rate element provides for the identification of routing information necessary to complete calls to directory numbers within NXX Code designated as number portable including transport of the query to and from the database. These queries will apply to all Service Providers with no established arrangements made in advance with the Telephone Company. In addition, a billing charge will apply as specified in 19.5(G) (Rates and Charges).

(1) recurring usage rate will be applied on a per unit basis, i.e., per query. Usage charges will be accumulated over a monthly period.

(2) A nonrecurring rate will apply per account the first time an N-1 Carrier terminates into the Telephone Company's network for delivery to a number in an NXX designated in the LERG as number portable and at least one number in the NXX has ported and the N-1 Carrier has not prearranged with the Telephone Company to perform SPNP queries.

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.4 Rate Regulations (Cont'd)

19.4.1 Rate Elements (Cont'd)

(C) SPNP Query - Database

The SPNP Query - Database rate element provides for the identification of the routing information associated with the directory number being queried including transport from the STP to the SPNP data base.

(1) A recurring usage rate will be applied on a per unit basis, i.e., per query. When the actual number of database queries cannot be determined, the Telephone Company will bill a monthly recurring charge.
(2) A nonrecurring rate will apply on a first and additional basis based on the number of STP mated pairs requested.

(D) Basic SPNP Service

The Basic SPNP Service is billed on a monthly basis to the Telephone Company's local customers, lineside access customers, and customers of a local service provider that resells services of the Telephone Company for the associated local or lineside access services (resale customers). This charge applies to all existing customers beginning April 1, 2000, as defined below and will apply to any potential customer when the customer obtains service.

The Basic SPNP Service rate element applies to and provides the capability necessary for the Telephone Company's local and general exchange and lineside access services (e.g., FGA) customers to: (1) maintain the same DN when changing from one Telecommunications Service Provider to another while remaining at the same location, and (2) to complete calls to any DN that has been ported.

This capability is automatically provided as part of the local dialing process employed in the Telephone Company's exchange network.

This charge applies per line capable of originating local exchange calls with the following exceptions:

- PBX trunks will be assessed the equivalent of 9 monthly rates; and
- ISDN PRI will be assessed the equivalent of 5 monthly rates.

19. Service Provider Number Portability (SPNP) Service (Cont'd)

19.5 Rates and Charges

	Monthly Recurring Charge	Monthly Rate Per Query
(A) SPNP Query - Prearranged		
- END OFFICE		$ 0.001075(I)
- Tandem		0.001075(I)
(B) SPNP Query - Default		
- End Office		$ 0.001075(I)
- Tandem		0.001075(I)
(C) SPNP Query - Database	$1280.00(I)	$ 0.00034

	Monthly Rate Per Line
(D) Basic SPNP Service*	$ 0.41

	Nonrecurring
(E) SPNP Query – Prearranged, per order	$ 48.40
(F) SPNP Query - Database, per STP Mated Pairs	
- First	$ 501.16
- Additional	$ 230.94
(G) Billing Charge, per customer account	$ 225.85

* Billed over a 60 month period beginning April 1, 2000.

Rates contained in this transmittal are subject to subsequent adjustment, effective retrospectively, in the event the Commission or a court subsequently authorizes Nevada to correct its rates pursuant to pending motions, or petitions for reconsideration or waiver, or in the event of any other adjustment to an order of the Commission or a court.

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

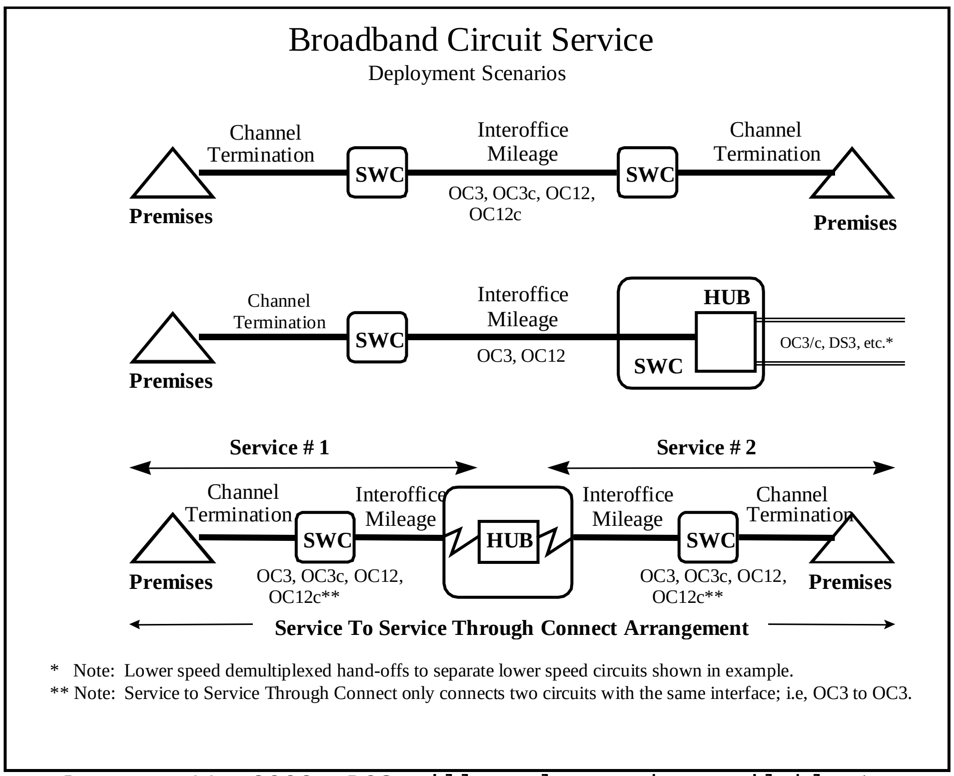
ACCESS SERVICE

20. Broadband Circuit Service* (C)

20.1 General Description

Broadband Circuit Service (BCS) is a special access service which transports SONET optical rate capacities between two end points. BCS can be provided between two customer designated premises when provisioned for OC-3 (155.520 Mbps), OC-3c (155.520 Mbps concatenated), OC-12 (622.080 Mbps), and OC-12c (622.080 Mbps concatenated). BCS is only available where facilities and equipment exist.

When provisioned for non-concatenated OC-3 (155.520 Mbps) and OC-12 (622.080 Mbps), BCS is provided under three topologies. These include: A) between two customer designated premises; B) between a customer designated premises and a Telephone Company Hub Central Office; and C) a Service-to-Service Through Connect Arrangement between a Telephone Company Hub Central Office and another compatible Telephone Company provided special access service, such as another BCS circuit with the same speed and interface type. These deployment scenarios are shown below.



* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

(This page filed under Transmittal No. 7)

20. Broadband Circuit Service* (Cont'd) (C)

20.1 General Description (Cont'd)

BCS circuits are configured based on customer requirements provided to the Telephone Company at the time of ordering. BCS does not extend the SONET Data Communications Channel overhead across the Network Interface to the customer's equipment. BCS may be configured in the following ways:

A. OC-3:

1. Three STS-1 (Synchronous Transport Signal) channels which each contain:

- One asynchronous DS3 that is STS-1 Mapped (BCS Default Configuration);
- Up to 28 asynchronous DS1s that are VT-Mapped; or
- An STS-1 channel without constraint to payload mapping when the STS-1 channel does not terminate via the Central Office Multiplexing optional feature to DS1 or DS3 services within the Telephone Company's network as in Section 20.2(D)(3) following.

2. A single concatenated STS-3c channel.

B. OC-12:

1. Twelve STS-1 channels which each contain:

- One asynchronous DS3 that is STS-1 Mapped (BCS Default Configuration);
- Up to 28 asynchronous DS1s that are VT-Mapped; or
- An STS-1 channel without constraint to payload mapping when the STS-1 channel does not terminate via the Central Office Multiplexing optional feature to DS1 or DS3 services within the Telephone Company's network as in Section 20.2(D)(3) following.

2. Four concatenated STS-3c channels;

3. From one to three STS-3c channels mixed with from three to nine STS-1 channels subject to the utilization of the total OC-12 capacity;

4. A single concatenated STS-12c channel.

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

20. Broadband Circuit Service* (Cont'd) (C)

20.1 General Description (Cont'd)

The customer is responsible for providing, at the time of ordering, the required STS signal configuration to be contained in each OC-3 and OC-12 BCS circuit. This information is required for routing and connection purposes in the network. (Note: BCS will be configured for asynchronous DS3 that is STS-1 Mapped if the customer does not provide the STS signal configuration at the time the service is ordered.)

If the customer elects to modify the STS-1 configuration of an existing premises-to-premises, non-concatenated OC-12 BCS that involves lower speed concatenated signals (i.e., STS-3c), an OC-12 STS-1 Channel Reconfiguration Charge will apply per customer initiated change as set forth in Section 20.2(L)(3) and 20.3.2(F) following.

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations

This section contains the specific regulations governing the rates and charges which may apply to BCS. The rates and charges in effect at the time the BCS is installed and accepted by the customer are the rates and charges which will be billed to the customer requesting the service. The rates and charges in effect at the time may not be the same as those rates and charges in effect at the time the customer requests the service.

If the Telephone Company initiates rate changes resulting in a decrease of rates for an existing service with a 3 or 5 year billing period, those rate changes will be passed along to the customer. Rate changes resulting in an increase of rates for an existing service with a 3 or 5 year billing period will not exceed the original rate for that selected billing period. Rate changes may occur as a result of F.C.C. action.

The four basic rate categories for BCS are Channel Termination, Interoffice Mileage, Service-to-Service Through Connect Arrangement, and Optional Features.

A. Channel Termination (CT)

The CT provides for the communications path between a customer designated premises and the serving wire center. CTs are only offered without terminal equipment at the customer's designated premises.

Without terminal equipment is defined as a CT without the Telephone Company's Add-Drop Multiplexer (ADM) located on the customer's premises. A BCS CT is terminated at a demarc that hands-off either two or four fiber optic strands to the customer depending on the optional features ordered. The customer is required to provide an ADM that is compatible with the Telephone Company's ADM in the serving wire center as is described in Technical Publication GR-253-CORE. BCS does not extend the SONET Data Communications Channel overhead across the Network Interface to the customer's equipment. The figure following illustrates a deployment scenario where customers might order a basic CT without Equipment Protection (EP) or Loop Redundancy (LR) optional features.

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

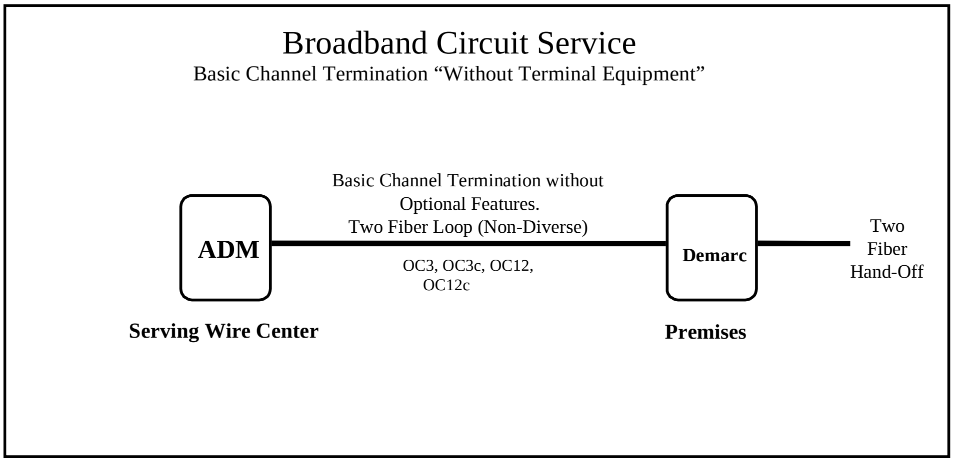
(N)

ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

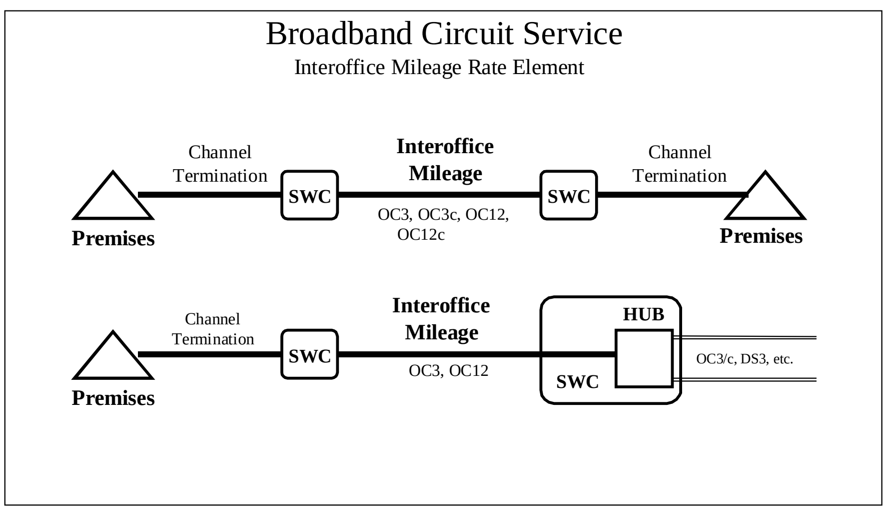
20.2 Rate Regulations (Cont'd)

A. Channel Termination (CT) (Cont'd)



B. Interoffice Mileage (IM)

IM provides for the transmission facilities between the serving wire centers associated with two customer designated premises, between a serving wire center and a Telephone Company Hub Central Office, or between two Telephone Company Hub Central Offices. The figure below illustrates two deployment scenarios that involve IM.



* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

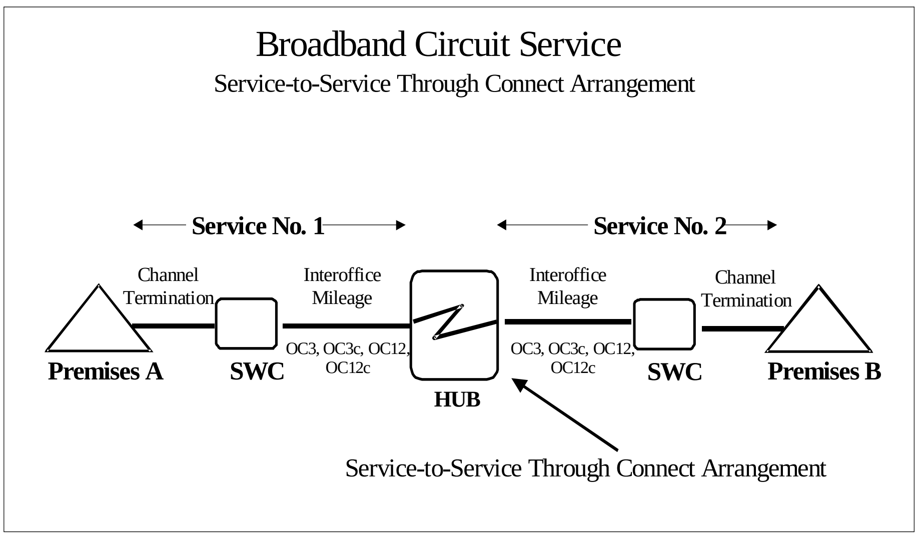
(This page filed under Transmittal No. 7)

20. Broadband Circuit Service (BCS)* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

C. Service-to-Service Through Connect Arrangement

A Service-to-Service Through Connect Arrangement provides for an interconnection of two BCS circuits with the same speed and interface, or a like-speed and interface BCS circuit associated with another compatible Telephone Company provided special access service as provided by the tariff. The figure below illustrates the Service-to-Service Through Connect Arrangement.



* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

(This page filed under Transmittal No. 7)

20. Broadband Circuit Service (BCS)* (Cont'd) (C)

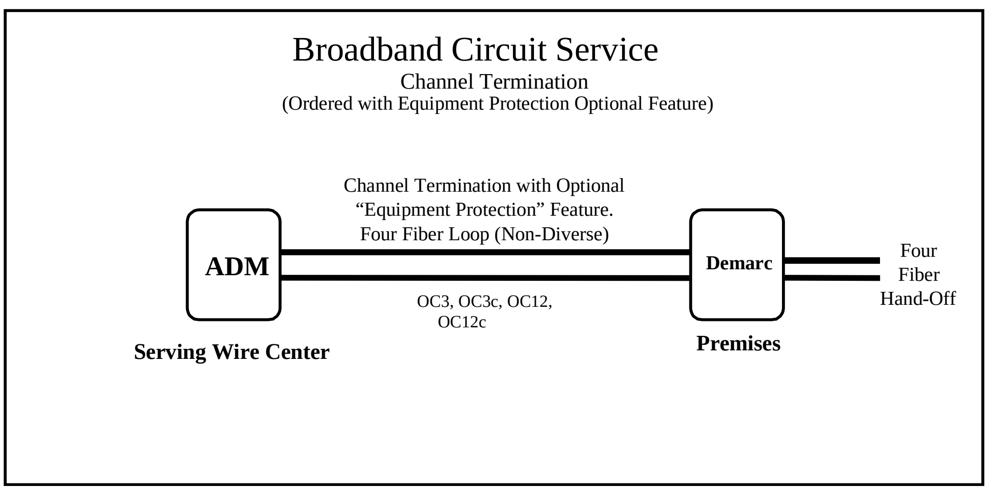
20.2 Rate Regulations (Cont'd)

D. Optional Features

1. Equipment Protection

Equipment Protection (EP) is a CT optional feature that provides for automatic restoration of BCS in the event of an equipment card failure within the Telephone Company's ADM located in the serving wire center. EP is provided via four fibers (working and protect side) in conjunction with the CT. EP does not provide for automatic loop redundancy nor any protection within the customer's ADM on their premises. EP relies upon a customer provided ADM for protection switching functions that are compatible with the Telephone Company's ADM in the serving wire center. EP is not available as a stand-alone feature with Loop Redundancy, since EP is inherent to that feature.

Customers will order EP when they require a non-diverse four fiber loop and a four fiber hand-off to enable EP on their compatible ADM customer premises equipment as described in Technical Publication GR-253-CORE. The figure below illustrates when a CT is ordered with EP.



* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

ACCESS SERVICE

20. Broadband Circuit Service (BCS)* (Cont'd) (C)

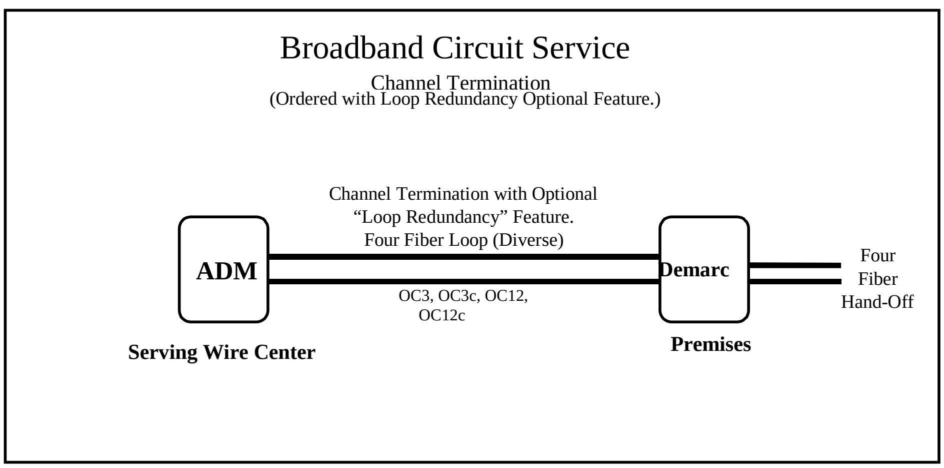
20.2 Rate Regulations (Cont'd)

D. Optional Features (Cont'd)

2. Loop Redundancy

Loop Redundancy (LR) is a CT optional feature that provides for automatic restoration of BCS in the event of either a BCS local loop failure or an equipment line card failure. LR features two physically diverse fiber routes between the first man-hole near the customer's premises and their serving wire center, and is provisioned with a four fiber hand-off to the customer. Dual-entrance facilities into the customer's premises are not included with LR. LR relies upon a customer provided ADM for protection switching functions that are compatible with the Telephone Company's ADM in the serving wire center. To provide equipment line card protection, LR includes the EP optional feature as specified in 19.2(D)(1) preceding. LR is only available where compatible equipment and facilities exist.

A customer would order LR when they require a diverse four fiber loop and a four fiber hand-off to enable LR (and EP) capability on their Customer Premises Equipment ADM. The figure below illustrates when a CT is ordered with LR.



* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

(This page filed under Transmittal No. 7)

20. Broadband Circuit Service* (Cont'd) (C)

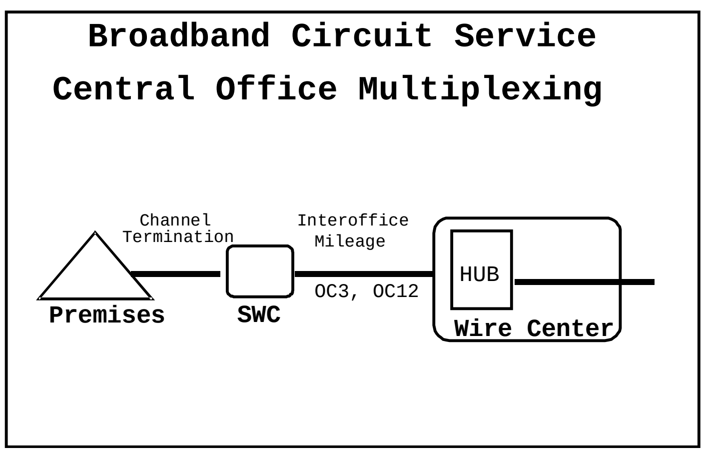
20.2 Rate Regulations (Cont'd)

D. Optional Features (Cont'd)

3. Central Office Multiplexing

Central Office Multiplexing (CO-MUX) provides an arrangement in a Telephone Company Hub Central Office that demultiplexes a non-concatenated BCS (e.g., OC-3, OC-12) into a mix of lower speed signals. The mix of demultiplexed signals cannot exceed the maximum bandwidth of the higher speed BCS circuit terminated on CO-MUX. Availability of CO-MUX equipment is dependent upon the overall bandwidth of the high-speed circuit being terminated on the multiplexer (e.g., OC-12 BCS) and the desired lower demultiplexed speeds. If asynchronous DS-1 ports are required on an OC-12 BCS circuit, then the OC-3 CO-MUX feature and associated DS-1 ports must be ordered in addition to the OC-12 CO-MUX feature. CO-MUX can only be ordered in conjunction with a BCS circuit. The customer must provide configuration information for the entire multiplexing option at the time the order for the service is placed.

CO-MUX consists of two types of monthly charges; 1) a System Arrangement charge (use of the Central Office Multiplexer), and 2) a Port charge (by available interface and speed.) The figure below illustrates when a CT is ordered with CO-MUX.



* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

D. Optional Features (Cont'd)

3. Central Office Multiplexing (Cont'd)

a. Central Office Multiplexing System Arrangements

1. OC-3 Central Office Multiplexing (OC-3 CO-MUX)

An OC-3 CO-MUX System Arrangement supports the maximum capacity of BCS OC-3 bandwidth with up to: 1) three asynchronous DS-3 signals; or 2) up to three groups of 28 asynchronous DS-1 signals VT mapped to up to three STS-1 channels. A monthly charge applies to each OC-3 System Arrangement ordered. Lower-speed ports are ordered individually, as follows in 20.3.1(C)(3)(b), depending on the BCS bandwidth available.

2. OC-12 Central Office Multiplexing (OC-12 CO-MUX)[1]

An OC-12 CO-MUX System Arrangement supports the maximum capacity of BCS OC-12 bandwidth with up to: 1) twelve asynchronous DS-3 signals; or 2) up to four OC-3 channels; or 3) up to four OC-3c channels[2]. A monthly charge applies to each OC-12 System Arrangement ordered. Lower-speed ports are ordered individually, as follows in 20.3.2(C)(3)(b), depending on the BCS bandwidth available.

(1) If asynchronous DS-1 signals are to be multiplexed from an OC-12 BCS circuit, an OC-3 CO-MUX System Arrangement with associated DS-1 ports must be ordered in addition to the OC-12 CO-MUX System Arrangement with associated OC-3 port.

(2) If OC-3c circuits are ordered under the OC-12 Central Office Multiplexing Feature, the customer must originate the OC-3c at their premises. The Telephone Company cannot convert individual STS-1 signals to OC-3c channels. In addition, the customer must specify the drop port transport rates for each equivalent STS-1 transported in the BCS circuit. (For example, the customer must specify 12 STS-1s for an OC-12 BCS terminating at the Telephone Company Hub Central Office.)

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(N)

ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

D. Optional Features (Cont'd)

3. Central Office Multiplexing (Cont'd)

b. Central Office Multiplexing Ports

1. OC-3 BCS Central Office Multiplexing Ports

a. DS-1 Port

Converts an OC-3 signal to a maximum of 84 asynchronous DS-1 signals.

b. DS-3 Port

Converts an OC-3 signal to a maximum of three asynchronous DS-3 signals.

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ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

D. Optional Features (Cont'd)

3. Central Office Multiplexing (Cont'd)

b. Central Office Multiplexing Ports (Cont'd)

2. OC-12 BCS Central Office Multiplexing Ports[1]

a. DS-3 Port

Converts an OC-12 signal to a maximum of twelve asynchronous DS-3 signals.

b. OC-3 Port

Converts an OC-12 signal to a maximum of four OC-3 channels.

c. OC-3c Port[2]

Converts an OC-12 signal to a maximum of four OC-3c channels.

(1) If asynchronous DS-1 signals are to be multiplexed from an OC-12 BCS circuit, an OC-3 CO-MUX System Arrangement with associated DS-1 ports must be ordered in addition to the OC-12 CO-MUX System Arrangement with associated OC-3 port.

(2) If OC-3c circuits are ordered under the OC-12 Central Office Multiplexing Feature, the customer must originate the OC-3c at their premises. The Telephone Company cannot convert individual STS-1 signals to OC-3c channels. In addition, the customer must specify the drop port transport rates for each equivalent STS-1 transported in the BCS circuit. (For example, the customer must specify 12 STS-1s for an OC-12 BCS terminating at the Telephone Company Hub Central Office.)

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

D. Optional Features (Cont'd)

3. Central Office Multiplexing (Cont'd)

b. Central Office Multiplexing Ports (Cont'd)

Where compatible facilities and equipment exist, CO-MUX Ports can interconnect with other compatible Telephone Company provided special access services as supported by the tariff.

E. Monthly Rates

Monthly Rates apply to Channel Termination, Interoffice Mileage and Optional Features.

F. Nonrecurring Charges

Non-recurring charges apply to Channel Termination, Central Office Multiplexing, Equipment Protection, Loop Redundancy, Moves, Service-to-Service Through Connect Arrangements and STS-1 Reconfigurations. Nonrecurring BCS installation charges will not apply to existing similar services, filed under Section 12, Specialized Service or Arrangement, that are converted to BCS.

G. Minimum Billing Periods

The Minimum Billing Period for BCS is one year. In the event BCS is terminated prior to completion of the minimum billing period, termination liabilities as described in 20.2(J) will apply.

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

H. Term Pricing Plans (TPP)

1. General Description

Term Pricing Plans (TPP) are available on Channel Termination, Interoffice Mileage and Central Office Multiplexing monthly rate elements. The TPP stabilizes rates for BCS for the specified period of time. The following TPPs are available:

- Three Year TPP, or
- Five Year TPP.

2. Modifications

When additional like-speed BCS circuits are purchased, the customer may include the additional circuits in an existing TPP if:

- The customer renegotiates their TPP for a period of time equal or greater than the time remaining on the existing TPP;
- The circuits are the same speed; and
- The circuits are located between the same customer designated premises.

3. Renewals

At the end of a TPP period, the customer must select one of the following options within one month prior to the expiration date:

a. Renew the service for a three or five year TPP as provided in this tariff;
b. Elect to disconnect the service upon expiration of the billing period; or
c. Continue the service on a month-to-month basis at the current one year billing period tariff rates.

All services under an existing TPP that are not renewed within the period stated above will revert to Option 3c above and be billed at the current one year (month-to-month) tariff rates.

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

H. Term Pricing Plans (TPP) (Cont'd)

4. Conversions

If there is at least one month remaining on an existing 3 year TPP, the customer may convert the service to a higher term TPP without termination liability and, at the time of the access order to convert, retain the service for the period remaining on the higher term TPP. No retroactive TPP discounts will apply prior to the order date.

For example; a customer with an existing 3 Year TPP with 11 months remaining elects to convert to a 5 Year TPP. At the time of the order, the customer will begin paying the 5 year TPP rate for the remaining period of 2 years and 11 months (35 months) on the new TPP.

I. Volume Option

The Volume Option offers rate reductions on two or more BCS circuits purchased under a three or five year TPP. The Volume Option is provided on like-speed BCS circuits ordered under the following conditions:

1. The two or more like-speed BCS circuits are on the same service order whether concatenated or non-concatenated;

2. The two or more BCS circuits are purchased under a three or five year TPP;

3. The two or more BCS circuits are ordered between the same customers designated premises; and

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

I. Volume Option (Cont'd)

4. If the one or more additional like-speed BCS circuits are ordered under the following conditions:

a. The additional circuit(s) accompany at least one or more existing non-discounted like-speed BCS circuit(s) with the same customer premises (end-points) and total at least two BCS circuits,

b. The additional circuit(s) is placed under a TPP billing period that equals or exceeds the highest remaining billing period for one of the existing BCS circuits. (e.g., If one BCS circuit is non-discounted, then a minimum three year TPP must be purchased to qualify for a Volume Option. If an existing BCS circuit has two years and 11 months left on a three year TPP, and another BCS circuit is ordered, then a minimum of a three year TPP is required for the two circuits to qualify for a Volume Option discount); and

c. Termination liabilities will apply for early disconnection of circuits.

In the event the BCS circuits are not "like-speed" (or otherwise vary in speed such as OC-3 compared to OC-12), or vary in circuit termination end-points, a separate Volume Option would be required for the circuits.

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

J. Termination Liability

Termination Liability will apply in the event BCS is terminated prior to the expiration of the billing period. The termination liability will utilize the following termination percentage:

Billing Period	Termination Percentage
1 year	45%
3 year	35%
5 year	25%

The termination liability is calculated as follows:

$$\left[\text{Monthly Rate} \;\mathbf{X}\; \text{Months Remaining in Billing Period}\right] \mathbf{X} \left[\text{Termination Percentage}\right]$$

Example: A customer with a $10,000 monthly rate terminates service with 10 months remaining in a 3 year billing period. The termination liability would be calculated as:

($10,000 x 10 mo) x (0.35) = $35,000 Termination Liability.

Under the following conditions, a termination liability will not apply:

1. The customer modifies service as set forth under Moves, (Section 20.2(K) following) as long as the customer maintains the same or greater number of BCS circuits;

2. The customer modifies service as described under Modification of Service, (Section 20.2(L) following); or

3. The customer replaces another special access service with BCS subject to the following criteria:

   a. Both BCS end points must be the same as the existing special access service end points that it replaces;
   b. The Minimum Billing Period for BCS must be greater than or equal to the remaining special access service Billing Period; and
   c.

The total Minimum Billing Period revenue for BCS must be greater than or equal to the remaining Billing Period revenue for the special access service.

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(N)

20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

K. Moves

Moves involve a change in the physical location of one of the following:

- Service facility;
- Point of Termination at the customer's premises; or
- Customer's premises.

Move charges are dependent upon the type of move requested by the customer.

1. Service Facility Move (SFM)

A Service Facility Move is a customer-initiated move of one end of a Telephone Company Central Office distribution link (e.g., jumper cable, DSX patch cable, etc.) from one facility to another existing facility of the same or higher transmission speed. All activity associated with the SFM must occur within a single Telephone Company Hub Central Office. Rates for SFMs are one-time, nonrecurring charges.

In order to be considered a SFM, all associated order activity (disconnects and new connects) must occur simultaneously and the facility to which service is being moved must exist and have sufficient capacity to accept the moved service. A SFM may result in the change of one end point (e.g. customer premises location) of the circuit involved provided the following conditions are met:

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

K. Moves (Cont'd)

1. Service Facility Move (SFM) (Cont'd)

a. The change of customer premises can only occur on the end of the circuit which has the Connecting Facility Arrangement (CFA); and

b. The customer premises locations involved in the change belongs to the same customer,

OR

c. The customer premises locations involved in the change belongs to two different customers, but the customer requesting the SFM has previously coordinated the activity such that all activity (disconnects and new connects) will occur simultaneously. If this coordination has not been accomplished beforehand, then the Telephone Company will proceed with the disconnect/new connect orders as non-related and new installation charges will apply for services being relocated.

BCS SFMs may be performed at the following like-speed and interface service levels:

- OC-3 to OC-3 level;
- OC-3c to OC-3c level;
- OC-12 to OC-12 level; or
- OC-12c to OC-12c level.

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

K. Moves (Cont'd)

1. Service Facility Move (SFM) (Cont'd)

The following are examples of when BCS SFM Charges would apply:

a. Rearranging an existing BCS circuit from one port to another port in the same Telephone Company Hub Central Office multiplexer;

b. Rearranging an existing BCS circuit from one multiplexer to another multiplexer in the same serving wire center; or

c. Rearranging an existing BCS Channel Termination (CT) to a port of an existing multiplexed higher speed service in the same serving wire center. For example: an OC-3 BCS CT is terminated on low-speed port of a Telephone Company Hub Central Office multiplexer; whereby the Hub is billed to the higher speed service, such as an OC-12 BCS. In this instance, there is an SFM charge for moving the CT from another multiplexer within the Central Office to this one. No SFM charge will apply to subtending services of the service incurring the SFM as long as there is no change to the subtending services.

2. Moves of Point of Termination

A move of a Point of Termination of an existing service to a new location within the same customer premises may be provided, at the customer's request, on a time sensitive basis. Rates and charges as set forth in Section 13, preceding, will apply. No change in billing period is required.

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ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

20.1 Rate Regulations (Cont'd)

K. Moves (Cont'd)

3. Moving Customer Premises

A move of existing service may be provided at the customer's request. The customer will be billed 5% of the normal BCS termination charge. Following the payment of applicable termination charges, customer will be responsible for any non-recurring charges associated with the reconnection of the service (e.g., BCS CT Installation Charge).

In the event a change involves a physical move of the point of termination at the customer's premises or a move of the customer's premises, a "Move" charge will apply. If the move of the customer's premises is as a result of an SFM, stated earlier, and the facility to the new premises is existing, then termination charges will not apply. No non-recurring charges will apply for that end of the channel or circuit except the applicable SFM charge.

One end of a BCS circuit (e.g., the customer premises) may be moved without termination liability provided the following circumstances exist:

a. Customer maintains the same level and commitment of service (e.g., quantity of like-speed and interface BCS circuits and billing period length.)
b. All equipment and transport facilities exist at the new location.

Charges for this one-ended move shall be on a time sensitive charge basis. The rates and charges that are set forth in Section 13, preceding will apply.

The following diagrams illustrate typical service arrangements before and after an SFM has occurred.

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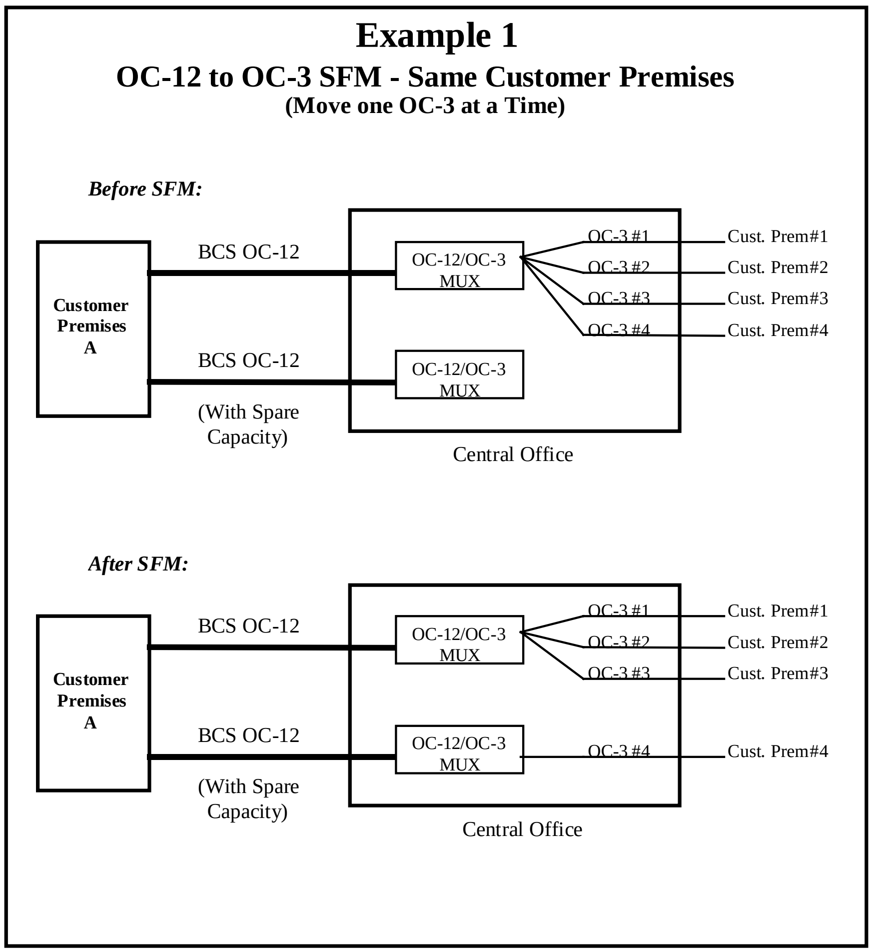
ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

20.1 Rate Regulations (Cont'd)

K. Moves (Cont'd)



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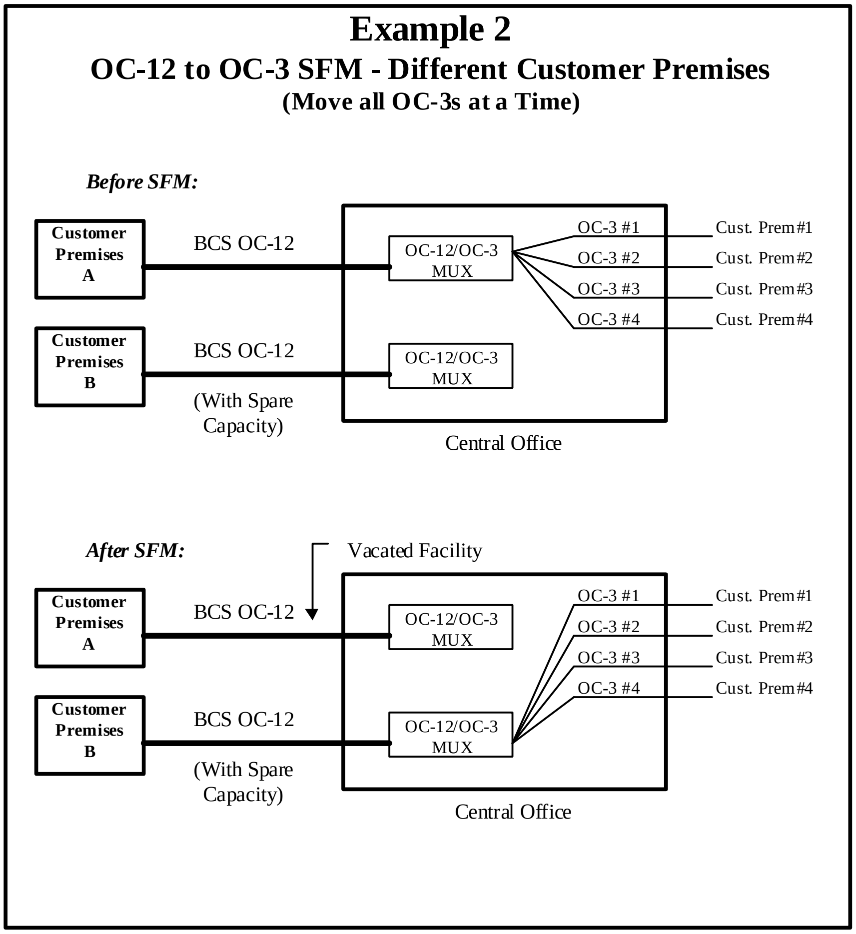
ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

K. Moves (Cont'd)



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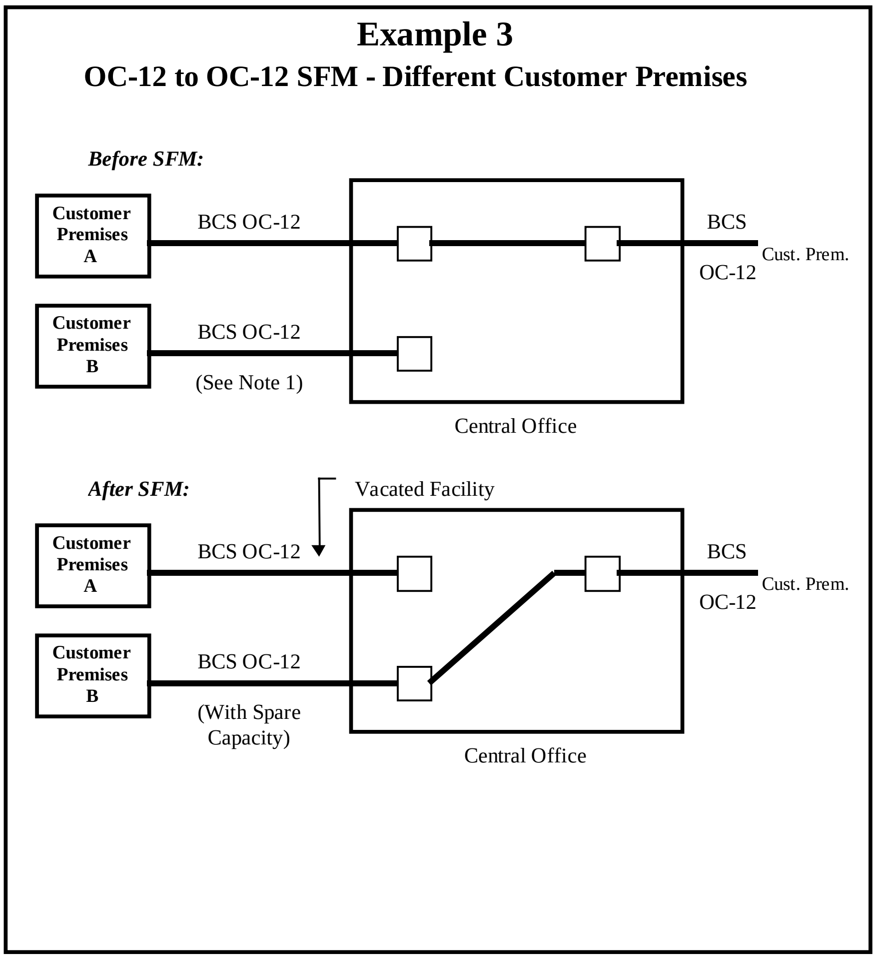
20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

K. Moves (Cont'd)



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(C)

20. Broadband Circuit Service* (Cont'd)

20.2 Rate Regulations (Cont'd)

L. Modification of Service

The customer may request to modify BCS (i.e., establish a new billing period, add rate elements to existing service, a change in existing multiplexing port configuration, or change an existing STS-1 configuration) provided the service end points remain the same, and there are existing facilities and equipment in place to provision the requested modification.

Modification of Service are changes to existing services which do not result in either a change in the physical point of termination at the customer's premises, or the customer's end-user premises. Under Modification of Service, all BCS rate element terms and conditions apply, including the applicable recurring and nonrecurring charges as set forth under the minimum billing period or Term Pricing Plan as the existing BCS service being modified.

1. Establishing New Billing Period: When a new billing period is requested, the following conditions must be met:

   a. A new billing period is established which includes a new minimum service period (i.e., one year minimum);

   b. The expiration of the new billing period must extend to or beyond the expiration of the existing billing period;

   c. The total revenue, based on recurring rates, over the revised billing period must be equal to or greater than the remaining revenue from the existing billing period;

   d. The service end points must remain the same.

2. Port Modification Charge: On non-concatenated OC3 or OC12 BCS circuits configured between a customer designated premises and a Telephone Company Hub Central Office, a port modification charge (recurring and nonrecurring) would apply under the following conditions:

   a. A customer modifies an existing multiplexing port configuration that requires the disconnection of one existing port and the installation of a replacement port at the same speed, (e.g., a request to replace an OC-3c port with an OC-3 port on an OC-12 BCS).

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20. Broadband Circuit Service (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

L. Modification of Service (Cont'd)

2. Port Modification Charge (Cont'd)

b. A customer modifies an existing multiplexing port configuration that requires the disconnection of one or more existing ports and the installation of one or more different ports that do not exceed the aggregate bandwidth of the disconnected port, (e.g., a request to replace three DS3 ports with an OC-3 port on an OC-12 BCS).

c. A customer orders an additional port for an existing multiplexing configuration, which does not result in the disconnection of existing multiplexing ports.

3. STS-1 Channel Reconfiguration Charge: On non-concatenated OC12 BCS circuits configured as:

- Premises-to-Premises,

  Or

- Premises-to-Hub that interconnect with another like-speed OC12 BCS circuit using a Service-to-Service Through Connect Arrangement,

A customer may change the Synchronous Transport Signal-1 (STS-1) configuration on their existing non-concatenated BCS circuit to permit the transmission of lower speed concatenated signals through the Telephone Company network (i.e., STS-3c). This charge does not apply to OC3, OC3c or OC12c BCS circuits configured as premises-to-premises or (if applicable) premise-to-hub when the Central Office Multiplexing feature is involved. The STS-1 Reconfiguration Charge does not apply as well to OC12 circuits configured as premise-to-hub with the Central Office Multiplexing feature.

This charge is a non-recurring charge, to be applied on a per circuit, per service order change basis. When reconfiguring the STS-1s of an OC12 circuit, there will be a service disruption of that circuit when the channels are reconfigured. Any available service level guarantees will not be applied during this outage. If the customer wishes to revert back to their original STS-1 configuration, a separate STS-1 Channel Reconfiguration Charge will apply. The following are examples where the STS-1 Channel Reconfiguration Charge applies:

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

L. Modification of Service (Cont'd)

3. STS-1 Channel Reconfiguration Charge (Cont'd)

Example 1: A premise-to-premise OC12 BCS is ordered where the customer requests a configuration as twelve individual STS-1s with no request to concatenate STS-1s within that bandwidth (or group them together as contiguous STS-1s.) Six months later, the customer requests their existing OC12 BCS to utilize three STS-1 channels for transmission of concatenated STS-3c leaving nine STS-1 channels and one STS-3c channel. This customer-initiated change requires a separate order, which specifies the Connecting Facility Assignment (CFA), in which STS-1s are to be made contiguous within the OC12 BCS. This concatenated bandwidth will be identified with a circuit identification and a design layout report will be issued to the customer verifying the time slots used. To process this request, an STS-1 Channel Reconfiguration Charge will apply per circuit.

Example 2: If Example 1 above is reversed, whereby the customer requests their existing premise-to-premise, non-concatenated OC12 BCS to be configured as twelve STS-1 channels instead of one STS-3c and nine STS-1 channels, an STS-1 Channel Reconfiguration Charge will also apply per circuit.

Example 3: A premise-to-hub OC12 BCS circuit is ordered to be interconnected via a Service-to-Service Through Connect Arrangement to another premise-to-hub OC12 BCS circuit. As in Example 1, the customer requests a configuration as twelve individual STS-1s with no request to concatenate STS-1s within that bandwidth (or group them together as contiguous STS-1s.) Six months later, the customer requests their existing OC12 BCS circuits (both of them) to utilize three STS-1 channels for transmission of concatenated STS-3c leaving nine STS-1 channels and one STS-3c channel. This customer-initiated change requires a separate order, which specifies the Connecting Facility Assignment (CFA), in which STS-1s are to be made contiguous within each of the two OC12 BCS circuits. This concatenated bandwidth will be identified with a circuit identification and a design layout report will be issued to the customer verifying the time slots used. To process this request, an STS-1 Channel Reconfiguration Charge will apply per BCS circuit. In this example there are two BCS circuits, therefore, two charges would apply.

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

L. Modification of Service (Cont'd)

3. STS-1 Channel Reconfiguration Charge (Cont'd)

Example 4: If Example 3 above is reversed, whereby the customer requests their existing premise-to-hub, non-concatenated OC12 BCS to be configured as twelve STS-1 channels instead of one STS-3c and nine STS-1 channels, an STS-1 Channel Reconfiguration Charge will also apply per BCS circuit. The other through-connected BCS circuit would also require the same STS-1 configuration. In this example there are two BCS circuits, therefore, two charges would apply.

M. Shared Use

Shared Use is the provision of Switched Access and BCS over the same transmission path through the use of a common interface. Shared Use will only be available with BCS provided from a customer designated premises to a Telephone Company Hub Central Office. Regulations for shared use facilities are established in Sections 5.2.7, 6.7.12, and 7.2.7 preceding. Ordering provisions for shared use facilities are set forth in Section 5.2.7 (Shared Use) preceding.

Existing BCS facilities can be converted to shared use facilities by activating a portion of available capacity for Switched Access. While the customer may designate any percentage of BCS for Shared Use, credit will only be applied up to 50% of the voice-grade equivalent capacity provided in conjunction with BCS. Any charges associated with BCS Optional Features will be rated as 100% BCS. Services provided over shared use facilities are ordered, provided and rated either as Switched Access (i.e., Entrance Facility, Direct-Trunked Transport, Tandem-Switched Transport and Multiplexing) or as BCS (i.e. Channel Termination, Interoffice Mileage and Central Office Multiplexing) as set forth following:

1. On shared use facilities, the customer for the Switched Access Service may be different from the customer for the BCS. When the Switched Access customer is not the same as the BCS customer, all BCS charges and Switched Transport charges (including Switched Transport features charges) will be billed to the customer who initially ordered the facility. All other Switched Access charges will be separately billed to the customer who ordered the Switched Access Service;

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

M. Shared Use (Cont'd)

2. When an existing BCS facility is converted to a shared use facility by using an available portion of the capacity for Switched Access Service, the applicable nonrecurring charges (including the Access Order Charge) will be the nonrecurring charges associated with the Switched Access service being ordered;

3. The customer must place an order for each individual Switched Access Service of BCS utilizing the shared use facility and must also specify the channel assignment for each service;

4. All channels within a shared use facility will be rated and billed as set forth in the following:

   a. When a DS-3 facility is ordered and provisioned as a Switched Access, all channels, including spares, will be rated and billed as Switched Access. A DS-3 facility is the minimum capacity that shared use can be applied to a BCS circuit.

   b. When a DS-3 facility is ordered and provisioned as a Special Access High Capacity Service, all channels, including spares, will be rated and billed as Special Access until such time as DS-3 facility becomes shared use can be applied to a BCS circuit.

   c. Once a DS-3 facility, ordered as either Switched or Special Access, becomes shared use, all spare channels on the DS-3 facility will be rated and billed as Switched Access.

   d. On a BCS shared use facility, ordered either as Switched Access or BCS Special Access, the designated Switched Access Channels on the BCS facility must total the active and spare channels on each DS-3 facility (must total 28 DS-1 or 672 voice grade equivalents.) The following is an example where Switched Access would be placed on a BCS OC-3 facility:

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

M. Shared Use (Cont'd)

4. (Cont'd)

d. (Cont'd)

Example: A DS-3 channel within a BCS OC-3 facility is to be activated for shared use. The DS-3 channel contains 28 DS-1 channels and will be configured for 20 active and 8 spare channels (or 480 active and 192 spare voice-grade equivalent channels.) The DS-3 facility is considered 100% Switched Access and the shared use BCS OC-3 facility is prorated by one DS-3 channel or 28 DS-1 channels. This example is prorated as follows:

{ 1 DS-3 / 3 DS-3s available per OC-3 BCS }.

Conversion to voice-grade level is calculated as follows: {672 voice grade equivalents per DS-3/2016 voice grade equivalents per OC-3 BCS}.

If 6 of the 20 active DS-1 channels stated above are disconnected and become spare, the DS-3 facility will continue to be considered as 100% Switched Access, and be prorated as stated above.

If multiplexing is associated with the shared use facility, the monthly recurring rate for the Switched Access multiplexer would be prorated in the same manner as the Entrance Facility and Channel Termination. No DS-1 to DS0 multiplexing is available with BCS as this feature is available under existing DS-1 service tariffs.

e. Channels being used in conjunction with CCS/SS7 Interconnection Service are included in the channel counts for Switched Access.

5. Customers requesting Service Facility Moves (SFM) of shared use facilities will be assessed nonrecurring charges as specified in Section 20.2(K)(1) (Service Facility Moves) preceding.

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20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

N. Jointly Provided Service

Jointly Provided Service is where one end of a BCS circuit is located in one exchange telephone company operating territory and the other end of the service is located in another exchange telephone company operating territory. Jointly Provided Service and associated billing arrangements are described in Section 2.4.8, preceding.

Jointly Provided Service is also referred to as "meet-point-billing arrangements." These arrangements are not currently available with Broadband Circuit Service.

O. Conversions of Existing Similar Services Filed As Specialized Services or Arrangements to the BCS General Tariff Offering

The conversion of services, that are similar in description to BCS, to the general BCS tariff offering applies only to those purchased on an Individual Case Basis and currently filed under Section 12, Specialized Service or Arrangement. Within 60 days following the effective date of this tariff, the customer is required to either convert to the general tariff offering or terminate any existing service as filed under Section 12. If the customer chooses to convert to the general tariff offering, the customer will convert to a billing period that is equal to or greater than the period remaining on their existing service, but not less than the minimum billing period of one year, and be charged the applicable recurring rates for that period as shown in Section 20.3 following. Termination charges and nonrecurring BCS installation charges will not apply if the customer chooses to convert their service, filed under Section 12, to the general tariff offering.

P. Ordering Options and Conditions

BCS is ordered under the Access Order provisions set forth in Section 5 (Ordering for Access Service) preceding. Also included in Section 5 are the other charges which may be associated with ordering BCS(e.g., Service Date Change Charges, Cancellation Charges, etc.)

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(N)

20. Broadband Circuit Service* (Cont'd) (C)

20.2 Rate Regulations (Cont'd)

Q. Collocation Transport

Collocation Transport provides for the transmission facilities between collocation arrangements located in Telephone Company Central Offices.

There are two components of Collocation Transport.

(1) Inter/Intra Office Fixed

Inter/Intra office fixed rate element provides for the electronic equipment required to terminate a channel between two collocation arrangements located either in the same central office (intra) or in two separate central offices (inter).

(2) Inter Office Per Mile

The Per Mile charge provides for the electronic equipment and facilities necessary to provide the interoffice transport between two collocation arrangements.

(R) Interconnection Arrangement with Other Special Access Services

A BCS Circuit can interconnect with another Special Access Service of a higher speed via a cross-connect facility in the following manner:

(1) BCS OC-3/OC-3c with SONET Ring and Access Service (SRAS) OC-12
(2) BCS OC-3/OC-3c with SONET Ring and Access Service (SRAS) OC-48
(3) BCS OC-12/OC-12c with SONET Ring and Access Service (SRAS) OC-48

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ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd)

20.3 Rates and Charges

20.3.1 OC-3

(A) Channel Termination

– per BCS Circuit, per Customer Premises

Volume Option	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
	T6XBX/T6XB+	$4,000	$2,930	$1,418(R)	$2,000	$1,000	$0
2 plus	T6XEX/T6XE+	n/a	$2,635	$1,670	n/a	$ 750	$0

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20. Broadband Circuit Service* (Cont'd)

20.3 Rates and Charges (Cont'd)

20.3.1 OC-3 (Cont'd)

(B) Mileage

– per BCS Circuit

(1) Fixed

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
1HYBS/1HYB+	$1,600	$1,400	$1,000(R)	$0	$0	$0

(2) Per Mile

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
1HYBS/1HYB+	$193	$154	$110	$0	$0	$0

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Rates contained in this transmittal are subject to subsequent adjustment, effective retrospectively, in the event the Commission or a court subsequently authorizes Nevada to correct its rates pursuant to pending motions, or petitions for reconsideration or waiver, or in the event of any other adjustment to an order of the Commission or a court.

20. Broadband Circuit Service* (Cont'd)

20.3 Rates and Charges (Cont'd)

20.3.1 OC-3 (Cont'd)

(C) Optional Features

(1) Equipment Protection
Per Channel Termination, per Customer Premises

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
APPBX/APPB+	$195	$195	$195	$150(R)	$75(R)	$0

(2) Loop Redundancy
Per Channel Termination, per Customer Premises

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
DVDLX/DVDL+	$390	$390	$390	$600	$300	$0

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Rates contained in this transmittal are subject to subsequent adjustment, effective retrospectively, in the event the Commission or a court subsequently authorizes Nevada to correct its rates pursuant to pending motions, or petitions for reconsideration or waiver, or in the event of any other adjustment to an order of the Commission or a court.

20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.1 OC-3 (Cont'd)

(C) Optional Features (Cont'd)

(3) Central Office Multiplexing

(a) Central Office Multiplexing System Arrangement

- Per OC-3 System Arrangement

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
MXNBX/MXNB+	$1,800	$1,200	$950	$600	$300	$0

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ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.1 OC-3 (Cont'd)

(C) Optional Features (Cont'd)

(3) Central Office Multiplexing (Cont'd)

(b) Central Office Multiplexing Ports

- Per Port

(1) DS-1 Port

	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
Initial Order:	PYVP1/PYVP+	$60	$60	$60	$300	$150	$ 0
Modification:	NRMBA/NRMB+	$60	$60	$60	$300	$150	$150

(2) DS-3 Port

	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
Initial Order:	PYVP3/PYVP+	$150	$150	$150	$600	$300	$ 0
Modification:	NRMBB/NRMB+	$150	$150	$150	$600	$300	$300

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20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.1 OC-3 (Cont'd)

(D) Service-to-Service Through Connect Arrangement (OC-3)

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
THA	$0	$0	$0	$300	$300	$300

(E) Moves (OC-3)

(1) Service Facility Move

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
NRMBS	$0	$0	$0	$650	$650	$650

(2) Moves of Point of Termination

See Section 13, preceding for rates and charges.

(3) Moving Customer Premises

See Section 13, preceding for rates and charges.

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ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.1 OC-3 (Cont'd)

(F) Collocation Transport

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile	Nonrecurring Charges
BCS Circuit	(1H48S)			
1 Year		$1,600	$193	$3,000
3 Year		$1,400	$154	$1,500
5 Year		$1,150	$110	$ 0

(G) Interconnect Arrangement with Other Special Access Services OC-3 Cross-Connect

	USOC	Monthly Rate	Nonrecurring Charges
Cross-Connect	(THA)		
1 Year		$0	$300
3 Year		$0	$300
5 Year		$0	$300

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20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges

20.3.2 OC-12

(A) Channel Termination

– per BCS Circuit, per Customer Premises

Volume Option	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
	T6XBX/T6XB+	$9,900	$8,460	$5,445	$5,000	$2,500	$0
2 plus	T6XEX/T6XE+	n/a	$7,610	$4,320	n/a	$2,500	$0

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20. Broadband Circuit Service* (Cont'd)) (C)

20.3 Rates and Charges (Cont'd)

20.3.2 OC-12 (Cont'd)

(B) Mileage

– per BCS Circuit

(1) Fixed

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
1HYBS/1HYB+	$7,100	$6,500	$5,800	$0	$0	$0

(2) Per Mile

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
1HYBS/1HYB+	$330	$275	$200	$0	$0	$0

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(N)

20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.2 OC-12 (Cont'd)

(C) Optional Features

(1) Equipment Protection

- Per Channel Termination, per Customer Premises

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
APPBX/APPB+	$300	$300	$300	$360	$180	$0

(2) Loop Redundancy
Per Channel Termination, per Customer Premises

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
DVDLX/DVDL+	$590	$590	$590	$720	$360	$0

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ACCESS SERVICE

20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.2 OC-12 (Cont'd)

(C) Optional Features (Cont'd)

(3) Central Office Multiplexing

(a) Central Office Multiplexing System Arrangement

- Per OC-12 System Arrangement

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
MXNBX/MXNB+	$3,750	$2,500	$1,900	$1,000	$500	$0

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20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.2 OC-12 (Cont'd)

(C) Optional Features (Cont'd)

(3) Central Office Multiplexing (Cont'd)

(b) Central Office Multiplexing Ports

- Per Port

(1) DS3 Port

	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
Initial Order:	PYVP3/PYVP+	$150	$150	$150	$600	$300	$ 0
Modification:	NRMBB/NRMB+	$150	$150	$150	$600	$300	$300

(2) OC-3 Port

	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
Initial Order:	PYVPC/PYVP+	$180	$180	$180	$600	$300	$ 0
Modification:	NRMBD/NRMB+	$180	$180	$180	$600	$300	$300

(3) OC-3c Port

	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
Initial Order:	PYVPO/PYVP+	$180	$180	$180	$600	$300	$ 0
Modification:	NRMBE/NRMB+	$180	$180	$180	$600	$300	$300

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20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.2 OC-12 (Cont'd)

(D) Service-to-Service Through Connect Arrangement (OC-12)

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
THA	$0	$0	$0	$300	$300	$300

(E) Moves

(1) Service Facility Move (OC-12)

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
NRMBS	$0	$0	$0	$650	$650	$650

(2) Moves of Point of Termination

See Section 13, preceding for rates and charges.

(3) Moving Customer Premises

See Section 13, preceding for rates and charges.

(F) STS-1 Channel Reconfiguration Charge

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
NRMBF	$0	$0	$0	$600	$600	$600

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(N)

20. Broadband Circuit Service* (Cont'd) (C)

20.3 Rates and Charges (Cont'd)

20.3.2 OC-12 (Cont'd)

(G) Collocation Transport

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile	Nonrecurring Charges
BCS Circuit (1H48S)				
1 Year		$7,100	$330	$5,000
3 Year		$6,500	$275	$2,500
5 Year		$5,800	$200	$ 0

(H) Interconnect Arrangement with Other Special Access Services OC-12 Cross-Connect

	USOC	Monthly Rate	Nonrecurring Charge
Cross-Connect	(THA)		
1 Year		$0	$300
3 Year		$0	$300
5 Year		$0	$300

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21. Optical Carrier Network (OCN) Point-to-Point Service

21.1 General Description

OCN Point-to-Point service will be designed to provide the customer with a custom point to point linear network. The Optical Point-to-Point service will offer a highly reliable transport service that is designed to connect customer locations and SBC wire centers in a linear (point to point) configuration. Large volumes of information can be transported between two locations in a dedicated, high-bandwidth optical path. Specifically, the OCN Point-to-Point services can handle voice, data, video, imaging, Internet traffic and other advanced broadband applications.

Rates and charges for Optical Carrier Network (OCN) Point-to-Point Service are set forth in Section 21.3 following, with the exception of the services provided by the Telephone Company in the Metropolitan Statistical Areas (MSAs) in which the Telephone Company has received Phase II pricing flexibility pursuant to Subpart H of Part 69 of the Commission's Rules. The rates and charges for the Optical Carrier Network (OCN) Point-to-Point Service in the MSAs that have received Phase II pricing flexibility are set forth in Section 22. (N)

OCN Point-to-Point channels provide high speed synchronous optical fiber-based full duplex data transmission capabilities between two points. These services provide optical data transmission with the following characteristics:

- OC-3/OC-3c provides channels operating at the terminating bit rate of 155.52 Mbps;
- OC-12/OC-12c provides channels operating at the terminating bit rate of 622.08 Mbps;
- OC-48/OC-48c provides channels operating at the terminating bit rate of 2488.32 Mbps;
- OC-192 provides channels operating at the terminating bit rate of 9953.28 Mbps;

OC-3, OC-12, OC-48 and OC-192 channels may be used to connect:

- a customer designated premises to another customer designated premises, without the add/drop multiplexing capability.
- a customer designated premises to a Telephone Company location where add/drop multiplexing and add/drop functions are performed.

Optical Transmission paths for OC-3/OC-3c, OC-12/OC-12c, OC-48/OC-48c and OC-192 differentiated by bit rate and the quality of transmission is as delineated by the Optical Interface definitions in the appropriate technical reference publication(s) for the service ordered.

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.1 General Description (Cont'd)

OC-3, OC-12, and OC-48 may be connected by (1) using the appropriate OC-3, OC-12 or OC-48 add/drop multiplexer (mux) along with the add/drop function to a DS1 and/or DS3 at suitably equipped wire centers, or (2), by using the full bandwidth premises to premises.

Where appropriate facilities are not immediately available, negotiated intervals or special construction charges may apply. The customer is responsible via the ordering process to identify what STS signal configuration is to be contained in each OC-3/OC-3c, OC-12/OC-12c, OC-48/OC-48c and OC-192 service connection and (N)
each STS-1, STS-3 and/or STS-12 payload content. This information is needed for routing and connection purposes in the network. OCN does not extend the SONET data communication channel overhead across the network interface to the customer's equipment.

OC-3, OC-12, OC-48 and OC-192 based on customer requirements can (N)
be configured in any of the following ways:

(A) OC-3

(1) three STS-1 (Synchronous Transport Signals) channels which each contain:

- one DS3 that is STS-1 mapped; or
- up to 28 asynchronous DS1s that are VT-mapped; or
- an STS-1 channel without constraint to payload mapping when the STS-1 channel does not terminate via an add/drop function to DS1 or DS3 services within the network;

(2) a single concatenated STS-3C channel.

(B) OC-12

(1) twelve STS-1 channels which each contain:

- one DS3 that is STS-1 mapped; or
- up to 28 asynchronous DS1s that are VT-mapped; or
- an STS-1 channel without constraint to payload mapping when the STS-1 channel does not terminate via an add/drop function to DS1 or DS3 services within the network;

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.1 General Description (Cont'd)

(B) OC12 (Cont'd)

(2) four concatenated STS-3C channels.

(3) from one to three STS-3Cs channels mixed with from three to nine STS-1 channels subject to utilization of the total OC-12 capacity.

(4) a single concatenated STS-12C channel.

(C) OC-48

(1) forty-eight STS-1 channels which each contain:

- one DS3 that is STS-1 mapped; or
- up to 28 asynchronous DS1s that are VT-mapped; or
- an STS-1 channel without constraint to payload mapping when the STS-1 channel does not terminate via an add/drop function to DS1 or DS3 services within the network;

(2) sixteen concatenated STS-3C channels.

(3) from one to fifteen concatenated STS-3C channels, mixed with from three to forty-five STS-1 channels subject to utilization of the total OC-48 capacity.

(4) four concatenated STS-12Cs channels.

(5) from one to three concatenated STS-12C channels, mixed with from twelve to thirty-six STS-1 channels subject to utilization of the total OC-48 capacity.

(6) from one to three concatenated STS-12C channels, mixed with from four to twelve concatenated STS-3C channels, also mixed with from three to thirty-three STS-1 channels subject to utilization of the total OC-48 capacity.

(7) from one to three concatenated STS-12C channels, mixed with from one to eleven concatenated STS-3C channels, also mixed with from three to thirty-three STS-1 channels, subject to utilization of the total OC-48 capacity. (N)

ACCESS SERVICE

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.1 General Description (Cont'd)

(D) OC-192

(1) One hundred ninety two interleaved STS-1 Channels which each contain:

- One DS3 that is STS-1 mapped; or
- Up to 28 asynchronous DS1s that are VT-mapped; or
- An STS-1 channel without constraint to payload mapping when the STS-1 channel does not terminate via and Add/Drop Function to DS1 or DS3 services within the network;

(2) Sixty four interleaved concatenated STS-3 channels.

(3) From one to sixty three interleaved concatenated STS-3c channels, mixed with from three to one hundred eighty nine STS-1 channels, subject to utilization of the total STS-192 capacity.

(4) Sixteen interleaved concatenated STS-12c channels.

(5) From one to fifteen interleaved concatenated STS-12c channels mixed with from twelve to one hundred eighty STS-1 channels, subject utilization of the total STS-192 capacity.

(6) From one to fifteen interleaved concatenated STS-12c channels, mixed with from four to sixty concatenated STS-3c channels subject to utilization of the total STS-192 capacity.

(7) From one to fifteen interleaved concatenated STS-12c channels, mixed from one to fifty nine concatenated STS-3c channels, also mixed with from three to one hundred seventy seven STS-1 channels, subject to utilization of the total STS-192 capacity.

(8) Four interleaved concatenated STS-48c channels. (N)

ACCESS SERVICE

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.1 General Description (Cont'd)

(D) OC-192 (Cont'd)

(9) From one to three interleaved concatenated STS-48c channels, mixed with from forty eight to one hundred forty four STS-1 Channels, subject to utilization of the total STS-192 capacity.

(10) From one to three interleaved concatenated STS-48c channels, mixed with from sixteen to forty eight STS-3c channels, subject to utilization of the total STS-192 capacity.

(11) From one to three interleaved concatenated STS-48c channels, mixed with from four to twelve STS-12c channels, subject to utilization of the total STS-192 capacity.

(12) From one to three interleaved concatenated STS-48c channels, mixed with from one to forty seven concatenated STS-3c channels, also mixed with from three to one hundred forty one STS-1 channels, subject to utilization of the total STS-192 capacity.

(13) From one to three interleaved concatenated STS-48c channels, mixed with from one to eleven concatenated STS-12c channels, also mixed with from twelve to one hundred thirty two STS-1 channels, subject to utilization of the total STS-192 capacity.

(14) From one to three interleaved concatenated STS-48 channels, mixed with from one to eleven concatenated STS-12c channels, also mixed with from four to forty four concatenated STS-3c channels, subject to utilization of the total STS-192 capacity.

(15) From one to three interleaved concatenated STS-48 channels, mixed with from one to eleven concatenated STS-12c channels, also mixed with from three to one hundred twenty nine STS-1 channels, subject to utilization for the total STS-192 capacity. (N)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations

This section contains the specific regulations governing the rates and charges which may apply to OCN Point-to-Point Service. The rates and charges in effect at the time the OCN Point-to-Point Service is installed and accepted by the customer are the rates and charges which will be billed to the customer requesting the service. The rates and charges in effect at the time may not be the same as those rates and charges in effect at the time the customer requests the service.

If the Telephone Company initiates rate changes resulting in a decrease of rates for an existing OC-3, OC-12 or OC-48 service (T)
with a 1, 3, or 5 year billing period, or for an existing OC-192 (N)
service with a 3 or 5 year billing period, those rate changes (N)
will be passed along to the customer. Rate changes resulting in an increase of rates for an existing OC-3, OC-12 or OC-48 service (T)
with a 1, 3, or 5 year billing period, or for an existing OC-192 (N)
service with a 3 or 5 year billing period will not exceed the (N)
original rate for that selected billing period. Rate changes may occur as a result of F.C.C. action.

The four basic rate categories for OCN Point-to-Point Service are Local Distribution Channel, Interoffice Transport, Collocation Transport and Optional Features and Functions.

(A) Local Distribution Channel (LDC)

The Local Distribution Channel (LDC) (same as Channel Termination (CT)) rate category provides for the communications path between a customer designated premise and the serving wire center of that premise. LDCs are only offered without SBC provided and maintained terminal ADM equipment at the customers designated premises and will hand-off basic 2-fiber or 4-fiber optic cables, depending upon the optional feature (as ordered). One LDC is applied per customer designated premises at which the channel is terminated even if collocation exists.

OC-3/OC-3c, OC-12/OC-12c, OC-48/OC-48c and OC-192 LDCs provide (N)
point-to-point optical interconnection between the Telephone Company Serving Wire Center (SWC) and the customer premises.

The customer is required to provide ADM that is compatible with the Telephone Company central office ADM as is described in Technical Publication GR-253-CORE.

All LDCs comprising a channel must have the same terminating bit rate unless multiplexing is performed at a Telephone Company Hub location.

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(B) Interoffice Transport

Interoffice Transport facilities comprised of Fixed and Per Mile rate elements, provide the transmission paths between Serving Wire Centers associated with two customer designated premises or between a Serving Wire Center associated with a customer premises and a Telephone Company Hub location. Four interoffice transport types are available.

OC-3/OC-3c LDCs are interconnected to OC-3/OC-3c transport.
OC-12/OC-12c LDCs are interconnected to OC-12/OC-12c transport.
OC-48/OC-48c LDCs are interconnected to OC-48/OC-48c transport.
OC-192 LDCs are interconnected to OC-192 transport. (N)

In addition, interoffice transport can be connected between wire centers with Add/Drop multiplexing at a lower OC-N speed than the LDCs, if the transport is between a lower speed Add/Drop Function and:

- another lower speed Add/Drop Function;
- another lower speed Local Distribution Channel;
- a lower speed Dedicated Ring Port;

All of the above terminations must be the same speed as the transport.

(C) Collocation Transport

Collocation Transport provides for the transmission facilities arrangement between a Telephone Company central office frame and a collocation frame located in the Telephone Company Central Office.

There are two components of Collocation Transport.

(1) Inter/Intra Office Fixed

Inter/Intra office fixed rate element provides for the electronic equipment required to terminate a channel between two collocation arrangements located either in the same central office (intra) or in two separate central offices (inter).

(2) Inter Office Per Mile

The Per Mile charge provides for the electronic equipment and facilities necessary to provide the interoffice transport between two collocation arrangements.

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(C) Collocation Transport (Cont'd)

The following types of collocation transport are:

OC-3/OC-3c
OC-12/OC-12c
OC-48/OC-48c
OC-192

In addition to the collocation transport charge, one EISCC charge, of the same speed, from Section 18.8.2 will apply per collocation arrangement.

(D) Optional Features and Functions

The following optional features and functions are available:

Central Office Features which consist of:

- Add/drop Multiplexing (ADM)
- Add/drop function (ADM function)

OC-N Network Survivability which consist of:

- 1+1 Protection (D)
- 1+1 Protection with Cable Survivability
- 1+1 Protection with Route Survivability (D)

Regenerators which consist of:

- OC-48
- OC-192

Major Optional Features and Functions, which consist of:

- Connection Arrangements
  - Shared Network Arrangement

(1) Add/Drop Multiplexing

Add/Drop multiplexing is an arrangement in a Telephone Company central office that allows non-concatenated OC-3, OC-12, OC-48 or OC-192 channels operating at a terminating speed of 155.52 Mbps, 622.08 Mbps, 2488.32 Mbps or 9953.28 Mbps, respectively, to add/drop a lower speed channel by using this feature along with the add/drop function as stated in (2) following. The mix of multiplexing signals cannot exceed the maximum bandwidth of the higher speed OCN circuit terminating on the Central Office multiplexer.

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont’d)

(D) Optional Features and Functions (Cont’d)

(1) Add/Drop Multiplexing (Cont’d)

For example, OC-3 add/drop multiplexing at a Telephone Company wire center will provide the capability to support the full add/drop function capacity of OC-3 Service bandwidth with up to 3 DS3 add/drop functions or equivalently up to 3 groups of 28 DS1 add/drop functions.

At the time of ordering any of the following basic rate categories, the customer must provide configuration information for the entire multiplexing option at the time the order for service is placed. In addition, concatenated services OC-3, OC-12 or OC-48 cannot be ordered under the central office feature section as the Telephone Company cannot convert individual STS-1 signals to concatenated (non-channelized) channels.

OC-12 add/drop multiplexing at a Telephone Company wire center will provide the capability to support the full add/drop function capacity of OC-12 service bandwidth with up to 4 OC-3 add/drop functions or up to twelve DS3 add/drop functions or equivalent combinations of OC-3 and DS3 add/drop functions.

If asynchronous DS1 ports are required on a OC-12 OCN circuit, then the OC-3 add/drop multiplexing feature and associated DS1 add/drop function must be ordered in addition to the OC-12 add/drop multiplexing feature.

OC-48 add/drop multiplexing at a Telephone Company wire center will provide the capability to support the full add/drop function capacity of OC-48 service bandwidth with up to 4 OC-12 add/drop functions or up to forty-eight DS3 (C) add/drop functions or equivalent combination of OC-3 and DS3 add/drop functions. If DS1’s are required for the OC-12 then the preceding guidelines established can be followed.

OC-192 add/drop multiplexing at a Telephone Company wire center will provide the capability to support full add/drop function capacity of OC-192 service bandwidth. Up to four OC-48 add/drop functions, or up to 16 OC-12 add/drop functions, or up to 64 OC-3 add/drop functions or equivalent combinations of OC-48, OC-12 and OC-3 add/drop functions are supported. (N)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(D) Optional Features and Functions (Cont'd)

(2) Add/Drop Function

The OC-3, OC-12, OC-48 and OC-192 are able to add or drop lower level signals as shown in the matrix following. The add/drop function is offered at a circuit level. For example, if a customer wants to drop one DS3 signal from an OC-12 service, they would pay one add/drop function charge for the DS3 and the initial OC-12 add/drop multiplexing charge. (N)

An OC-3, OC-12, OC-48 and OC-192 is only able to add or drop the services that have been identified by payload content (mapping) within the bandwidth. DS1 mapped STS-1 signals are only able to connect to a DS1, and a DS3 mapped STS-1 signals are only able to connect to a DS3. If a change is required it may be accomplished by the customer's CPE or through the current asynchronous environment for multiplexing of DS3 and DS1 services stated in Section 7.11. (N)

Once the options in (1) and (2) above are specified by the customer they cannot be used with OC-3, OC-12 or OC-48 configured by the customer to contain a single non-channelized (concatenated) STS-3C or STS-12C signal, respectively.

ADD/DROP Function

	DS1	DS3	OC-3	OC-12	OC-48
OC-192	No	No	Yes	Yes	Yes
OC-48	No	Yes	Yes	Yes	N/A
OC-12	No	Yes	Yes	N/A	N/A
OC-3	Yes	Yes	N/A	N/A	N/A

(N)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(D) Optional Features and Functions (Cont'd)

(3) OCN Point-to-Point Network Survivability (D)

There are 3 components of OCN Network Survivability:

(a) 1+1 Protection
(b) 1+1 Protection with Cable Survivability
(c) 1+1 Protection with Route Survivability

(a) 1+1 Protection

This option provides two identical fiber pairs that are placed in the same cable and follows the same route. If the working pair fails, traffic shifts to the protected fiber pair. This option does not protect against a fiber cable cut.

The protected OC-3/OC-3c, OC-12/OC-12c, OC-48/OC-48c and OC-192 Services are offered with four fibers in the same cable and the protection card is activated when this option is ordered. (N)

(b) 1+1 Protection with Cable Survivability
With this option, the working fiber pairs and the protected fiber pairs are located in two separate cables within the same conduit. If the working fiber pair cable experiences damages or a fiber cut, traffic will switch to the protected fiber pair in a separate cable. These cables are located in the same conduit, if the conduit is cut, there is no protection.

This option will provide 1+1 protection and additional loop survivability with the working fiber pair and protect fiber pair placed in separate cables within the same conduit.

(c) 1+1 Protection with Route Survivability

This option will provide 1+1 protection and offer additional protection from fiber cable cuts by routing the working fiber pair via the primary route and the protected fiber pair via a physically diverse alternate route.

(D)
(D)

ACCESS SERVICE

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(D) Optional Features and Functions (Cont'd)

(3) OCN Point-to-Point Network Survivability[1] (Cont'd) (N)

(c) 1+1 Protection with Route Survivability (Cont'd)

The protected fiber will be charged on a distance sensitive basis, in addition to the protection optical charge and will be based on quarter route miles, from the customer premises to the serving wire center.

This is the only option that will assure 100 percent availability of the service. Any service interruption will result in a credit equal to one month's bill for the circuit involved. If the interruption occurs on a Local Distribution Channel without this option, normal terms and conditions for out of service credits as stated in 2.4.4 preceding will apply. An interruption period will start when an inoperative service is reported to the Telephone Company and end when the service is operative. In any month, as a result of an interruption, the total credit per rate element of the interrupted service may not exceed 100 percent of the monthly charge for that particular rate element.

All other terms and conditions for Credit Allowances as stated in 2.4.4 preceding, will apply.

Prior to confirming an order for service, the Telephone Company will provide a proposed route diagram to the customer. The diagram will include the number of quarter route miles and method used to support the number needed to provide the alternate route. In order to avoid compromising Route Survivability information, the Telephone Company will provide this information only to the ordering customer.

Installation of the 1+1 protection with Route Survivability option will not begin until the customer has accepted the proposed routing by the Telephone Company.

[1] OCN Point-to-Point Network Survivability is available on OC-3/OC-3c, OC-12/OC-12c and OC-48/OC-48c Services only. (N)
(N)

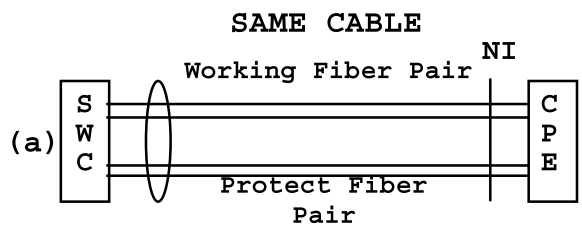
21. Optional Carrier Network (OCN) Point-to-Point Service (Cont'd)

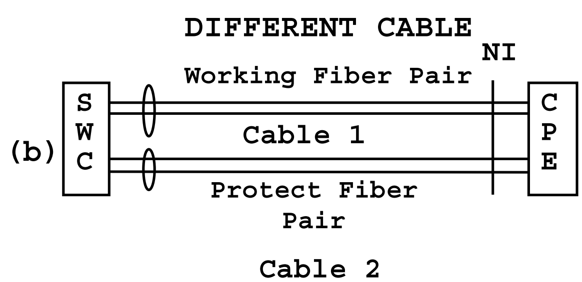
21.2 Rate Regulations (Cont'd)

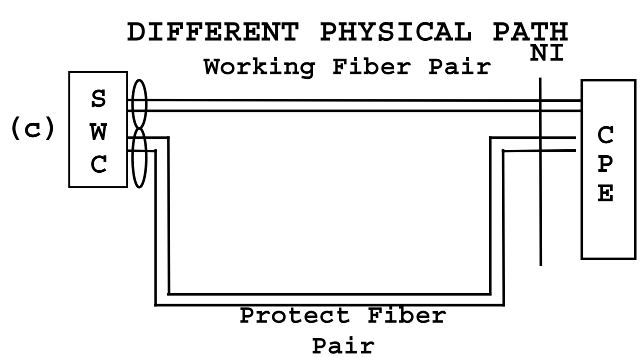
(D) Optional Features and Functions (Cont'd)

(3) OCN Point-to-Point Network Survivability[1] (Cont'd) (N)

The following diagrams provide an example of (a), (b) and (c) above:







[1]OCN Point-to-Point Network Survivability is available on OC-3/OC-3c, OC-12/OC-12c and OC-48/OC-48c Services only. (N)
(N)

(This page filed under Transmittal No. 29)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(D) Optional Features and Functions (Cont'd)

(4) Point-to-Point OC-48 and OC-192 Regenerator (N)

Regenerators provide essential detection and retransmission of SONET Optical 2488.32 Mbps and 9953.28 Mbps signals (N) between customer premises. Regenerators will only be provided as required by the Telephone Company when actual fiber facility distances between customer designated premises and/or central office locations exceed design limits (typically 25 to 30 miles). Regenerators will be located exclusively in Telephone Company central offices.

(5) Connection Arrangement

(a) Shared Network Arrangement

- A Shared Network Arrangement is a service offering that enables a customer ("Service User") to connect subtending services to the multiplexed OC-3, OC-12 or OC-48 service of another customer (the "Host Subscriber"), with the Telephone Company maintaining separate billing for each. Each customer will be billed for those rate elements associated with their own portion of the service configuration. Under no circumstances will the rates or charges for individual rate elements be split. This offering is limited to service configurations where a Service User obtains either subtending DS3 or DS1 from a Host's multiplexed OC-3 service or an OC-3 service from a Host's multiplexed OC-12 service or an OC-12 service from a Hosts' multiplexed OC-48 service.

- Under the Shared Network Arrangement, the Telephone Company may share record information with the Host subscriber pertaining to the services of other users of the shared network. Such disclosure will be under the sole discretion of the Telephone Company and is necessary to perform billing reconciliation and/or other functions required in connection with maintaining account records.

- A nonrecurring charge, only, will apply to the Shared Network Arrangement.

(6) Network Channel Interfaces

The network channel interfaces define the bit rates that are available for OC-3/OC-3c, OC-12/OC-12c, OC-48/OC-48c and OC-192 services operating at speeds of 155.52 Mbps, (N) 622.08 Mbps, 2488.32 Mbps and 9953.28 Mbps. Network (N) Channel interfaces and codes are described in 15.3, preceding.

ACCESS SERVICE

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(E) Monthly Extension Rates

At the expiration of the TPP term and if the customer wishes to continue OC-3/OC-3c, OC-12/OC-12c, OC-48/OC-48c or OC-192, the customer may select a new TPP at the prevailing TPP rate.

If a customer does not wish to renew the TPP at the expiration of the term, the Monthly Extension Rates will apply until the customer cancels or renews the service with a new TPP term. Monthly Extension Rates are not available as an individual TPP and are to be used as a default applied at the end of a regular 1 year (12 month), 3 year (36 month) and 5 year (60 month) TPP.

(F) Nonrecurring Charges

One-time charges that apply for a specific work activity, e.g., installation, rearrangements, moves, etc., as described in Section 7.2.2.

(G) Minimum Periods

The Minimum Period for OC-3, OC-12 and OC-48 OCN Point-to-Point
Service is one year and the minimum period for OC-192 OCN Point- (x)
to-Point Service is three years. In the event OCN Point-to-Point (x)
Service is terminated prior to completion of the minimum period, termination liabilities as described in 21.2(I) will apply.

(x)
(x)
(x)

(x) Issued under authority of Special Permission No. 04-073 of the F.C.C. in order to restore currently effective material and to withdraw material filed under Transmittal 76 without becoming effective

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(H) Term Pricing Plans (TPP)

(1) General Description

Term Pricing Plans (TPP) are available on Local Distribution Channels, Interoffice Transport, Collocation Transport and Add/Drop Multiplexing rate elements. The TPP stabilizes rates for OCN Point-to-Point Service for the specified period of time. The following TPPs are available:

- One Year (12 Month) TPP - OC-3, OC-12 and OC-48, (T)
- Three Year (36 Month) TPP - OC-3, OC-12, OC-48 and (T)
  OC-192, or (N)
- Five Year (60 Month) TPP - OC-3, OC-12, OC-48 and (T)
  OC-192. (N)

(2) Modifications

When additional like-speed OCN Point-to-Point Service circuits are purchased, the customer may include the additional circuits in an existing TPP if:

- The customer renegotiates their TPP for a period of time equal to or greater than the time remaining on the existing TPP;
- The circuits are the same speed; and
- The circuits are located between the same customer designated premises.

(3) Renewals

At the end of a TPP period, the customer must select one of the following options within one month prior to the expiration date:

a. Renew the service for a one, three or five year TPP as provided in this tariff;
b. Elect to disconnect the service upon expiration of the billing period; or
c. Continue the service on a monthly basis at the current monthly extension rates.

All services under an existing TPP that are not renewed within the period stated above will revert to Option (3)c above and be billed at the current monthly extension rates.

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(H) Term Pricing Plans (TPP) (Cont'd)

(4) Conversions

If there is at least one month remaining on an existing 1 or 3 year OCN Point-to-Point TPP, the customer may convert the service to a higher term OCN Point-to-Point TPP without termination liability and, at the time of the access order to convert, retain the service for the period remaining on the higher term OCN Point-to-Point TPP. No retroactive OCN Point-to-Point TPP discounts will apply prior to the order date.

For example; a customer with an existing 3 Year OCN Point-to-Point TPP with 11 months remaining elects to convert to a 5 Year OCN Point-to-Point TPP. At the time of the order, the customer will begin paying the 5 year OCN Point-to-Point TPP rate for the remaining period of 2 years and 11 months (35 months) on the new TPP.

(5) Transitioning from Other Special Access Services to OCN Point-to-Point

The customer may, at any time, move other existing (C)
Telephone Company Special Access Services to an OCN (D)
Point-to-Point service provided the following conditions (C)
are met for the new OCN Point-to-Point circuit being (C)
ordered. (C)
(D)

(D)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.2 Rate Regulations (Cont'd)

(H) Term Pricing Plans (TPP) (Cont'd)

(5) Transitioning from Other Special Access Services to OCN Point-to-Point (Cont'd)

The new OCN Point-to-Point circuit must:

(a) Be the same speed and configuration as the existing service being disconnected.

(b) Be located between the same two customer designated premises or between the same customer designated premises and the Serving Wire Center.

(c) Have a minimum billing period that is greater or equal to the remaining billing period revenue for the existing service. (For example, a customer wishes to convert from Broadband Circuit Service (BCS) with 6 months remaining on a 36-month Term Pricing Plan (TPP), Minimum Billing Period of 12 months for the new service must be ordered.)

(d) Represent equal or greater of the total minimum billing period revenue as the remaining billing period revenue of the existing service. (For example, a customer wishes to convert from Broadband Circuit Service with 36 months remaining on a 60-month TPP. The existing service's monthly bill is $8,100 per month with 36 months remaining. The remaining billing period revenue equals (8,100 x 36 or $291,600). The new service minimum billing period revenue must be equal to or greater than $291,600 in this example over the life of the new contract. (N)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(I) Termination Liability

Customer requesting termination of service prior to the expiration date of the OCN Point-to-Point TPP will be liable for a termination charge. The termination charge for all TPP terms with an Optical Interface, will be calculated as follows:

Billing Period	Termination Percentage	
1, 3, or 5 years	50%	(C)

The termination liability is calculated as follows:

(Monthly recurring rate) **X** Months remaining in billing) **X** (Termination percentage)

Example:

An OCN Point-to-Point customer with a $20,000 monthly rate terminates service after 2 years with 1 year (12 months) remaining in a 3 year TPP. The termination liability would be calculated as:

$20,000 x 12 x .50 = $120,000 Termination Liability

A termination charge will not apply under the following conditions and circumstances:

1. Moves as set forth under "Moves" without decreasing number of OCN PTP circuits
2. Modifications of services as described in the tariff
3. Conversions to other special access service if
   a. service is same or higher
   b. billing period same or greater
   c. billing period revenue for the special access service is greater than or equal to the OCN PTP billing period revenue.

(J) Moves

Moves involve a change in the physical location of one of the following:

- Service rearrangement;
- Point of Termination with in the same customer premises; or
- Customer's premises.

Move charges are dependent upon the type of move requested by the customer.

ACCESS SERVICE

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.2 Rate Regulations (Cont'd)

(J) Moves (Cont'd)

(1) Service Rearrangement

Service Rearrangements are changes to existing (installed) services which do not result in either (1) a change in the minimum period requirements or (2) a change in the physical location of the point of termination at a customer designated premises as described in Section 7.2.2.

(2) Moves of the Point of Termination Within the Same Customer Premises

When the move of the Point of Termination is to a new location within the same customer premises, the move will be treated as an extension of access service facilities as described in Section 7.2.3.

(3) Moves of a Customer Premises

Moves to a different customer premises will be treated as a discontinuance and start of service as described in Section 7.2.3.

(K) Mileage Measurement

The application of distance sensitive rates requires the determination of the airline distance between a serving wire Center (SWC) and an end office or two or more serving wire center (SWC) locations as described in Section 7.2.5.

(L) Modification of Access Service

The customer may request a modification of an access order at any time prior to notification by the Telephone Company that service is available for the customer's use. The Telephone Company will make every effort to accommodate a requested modification when it is able to do so with the normal work force assigned to complete such an order within normal business hours. If the modification cannot be made with the normal work force during normal business hours, the Telephone Company will notify the customer. If the customer still desires the access order modification, the Telephone Company will schedule a new service date. All charges for access order modifications will apply on a per order, per occurrence basis as described in Section 5.2.2. (N)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(M) Shared Use

Shared use occurs when Special Access Service and Switched Access Service are provided over the same Wideband Analog or DS1 or DS3 facilities or SONET based services through a common interface. The facility will be ordered, provided and rated as Special Access Service (e.g., Local Distribution Channel, DS3 Service Packages, DS3 Service Channels, Channel Mileage Terminations and Channel Mileage, as appropriate, and Multiplexing).

The nonrecurring charge that applies when the Shared Use Facility is installed will be the nonrecurring charge associated with the installation of the appropriate Special Access Wideband Analog or DS1 or DS3 facility or SONET based service. Individual service (i.e., Switched or Special Access) nonrecurring charges will not apply to the individual channels of the Shared Use Facility. Rating as Special Access will continue until such time as the customer chooses to use a portion of the available capacity for providing Switched Access Transport Service from the office where multiplexing occurs to either an end office or an access tandem.

(N) Jointly Provided Service

Jointly Provided Service is also referred to as "meet-point-billing" arrangements as described in Section 2.4.8.

(O) Ordering Options and Conditions

The ordering options and conditions sets forth the regulations and order related charges for ordering Access Service as described in Section 5.

(P) Upgrade to OCN Point-to-Point from lower speeds

Customers with one, three or five year OCN Point-to-Point TPPs
(or existing Broadband Circuit Service Term Pricing Plans as (N)
shown in Section 20 preceding), may at any time upgrade to OCN (N)
Point-to-Point service (e.g., OC-12 to OC-48) without incurring the Termination Liability charge, providing the following criteria are met:

- The customer subscribes to a Term Pricing Plan period that is equal to, or greater than 12 months;
- The expiration date for the new Term Pricing Plan period is beyond the end of the original Term Pricing Plan period;

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.2 Rate Regulations (Cont'd)

(P) Upgrade to OCN Point-to-Point from lower speeds (Cont'd)

- No lapse in service occurs;
- 100% of any waived or unamortized nonrecurring charges will apply, when applicable;
- The monthly rates for the new service(s) will be those rates in effect at the time the new service(s) is/are installed;
- The new service is provided between the same customer locations and with the same customer of record as the disconnected service;
- The billed monthly recurring revenue for the new service is equal to or greater than the billed monthly recurring revenue remaining in the service being converted; and

(D)

(D)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.3 Rates and Charges

(A) OC-3/OC-3c

(1) Local Distribution Channel

-Per Point of Termination	USOC	1 Year	3 year	5 year	Mo. Ext.
	TMECS	$2,100.00	$1,700.00	$1,300.00	$2,275.00

(2) Interoffice Transport

-Mileage	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1L5XX	$1,100.00	$975.00	$900.00(I)	$1,550.00
-Per Mile	1L5XX	$260.00	$260.00	$220.00	$350.00

(3) Collocation Transport—Transport Facilities between Collocation Arrangements

	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1H48S	$1,100.00(R)	$975.00(R)	$886.00(R)	$1,550.00(R)
-Per Mile	1H48S	$260.00	$260.00	$220.00	$350.00

(4) Optional Features and Functions

(a) OC-3 Add/Drop Multiplexing—Per Arrangement*

USOC	1 Year	3 year	5 year	Mo. Ext.
MPECX	$1,500.00	$1,200.00	$950.00	$1,650.00

(b) Add/Drop Function—Per DS-3

USOC	Monthly	Nonrecurring Charge
MXJBX	$150.00	$0

* Concatenated services cannot be multiplexed.

Rates contained in this transmittal are subject to subsequent adjustment, effective retrospectively, in the event the Commission or a court subsequently authorizes Nevada to correct its rates pursuant to pending motions, or petitions for reconsideration or waiver, or in the event of any other adjustment to an order of the Commission or a court.

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.3 Rates and Charges (Cont'd)

(A) OC-3/OC-3c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(b) Add/Drop Function (Cont'd) -Per DS1	MXJAX	$55.00	$0
(c) 1+1 Protection -Per OC-3/OC-3c Local Distribution Channel	P8T	$180.00	$0
(d) 1+1 Protection with Cable Survivability -Per OC-3/OC-3c Local Distribution Channel	P3S	$180.00	$500.00
(e) 1+1 Protection with Route Survivability -Per OC-3/OC-3c Local Distribution Channel	P8T	(Apply P8T rate above, plus Per Quarter Route Mile below) (P8T + S2DXY)	
-Per Quarter Route Mile	S2DXY	$50.00	$0

(N)

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21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.3 Rates and Charges (Cont'd)

(A) OC-3/OC-3c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(f) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00

(5) Moves (OC-3/OC-3c)

(a) Service Rearrangement

See Section 7.2.4, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 13.4, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.7, preceding for rates and charges. (N)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.3 Rates and Charges (Cont'd)

(B) OC-12/OC-12c

(1) Local Distribution Channel

-Per Point of Termination	USOC	1 Year	3 year	5 year	Mo. Ext.
	TMECS	$4,800.00	$4,000.00	$3,000.00	$5,250.00

(2) Interoffice Transport

-Mileage	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1L5XX	$3,600.00	$2,925.00	$2,750.00(I)	$4,100.00
-Per Mile	1L5XX	$260.00	$260.00	$220.00	$350.00

(3) Collocation Transport—Transport Facilities between Collocation Arrangements

	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1H48S	$3,600.00(R)	$2,925.00(R)	$2,750.00(R)	$4,100.00(R)
-Per Mile	1H48S	$260.00	$260.00(R)	$220.00(R)	$350.00(R)

(4) Optional Features and Functions

(a) OC-12 Add/Drop Multiplexing—Per Arrangement*

USOC	1 Year	3 year	5 year	Mo. Ext.
MPEDX	$3,200.00	$2,800.00	$2,100.00	$3,575.00

(b) Add/Drop Function—Per OC-3

USOC	Monthly	Nonrecurring Charge
MXJCX	$250.00	$0

* Concatenated services cannot be multiplexed.

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21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.3 Rates and Charges (Cont'd)

(B) OC-12/OC-12c (Cont'd)

	USOC	Monthly	Nonrecurring Charges
(4) Optional Features and Functions (Cont'd)			
(b) Add/Drop Function (Cont'd) -Per DS3	MXJBX	$150.00	$0
(c) 1+1 Protection -Per OC-12/OC-12c Local Distribution Channel	P8T	$260.00	$0
(d) 1+1 Protection with Cable Survivability -Per OC-12/OC-12c Local Distribution Channel	P3S	$260.00	$600.00
(e) 1+1 Protection with Route Survivability -Per OC-12/OC-12c Local Distribution Channel	P8T	(Apply P8T rate above, plus Per Quarter Route Mile below) (P8T + S2DXY)	
-Per Quarter Route Mile	S2DXY	$100.00	$0

(N)

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21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.3 Rates and Charges (Cont'd)

(B) OC-12/OC-12c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(f) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00

(5) Moves (OC-12/OC-12c)

(a) Service Rearrangements

See Section 7.2.4, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 13.4, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.7, preceding for rates and charges. (N)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.3 Rates and Charges (Cont'd)

(C) OC-48/OC-48c

(1) Local Distribution Channel

Per Point of Termination	USOC	1 Year	3 year	5 year	Mo. Ext.
	TMECS	$11,400.00	$9,800.00	$7,000.00	$12,250.00

(2) Interoffice Transport

-Mileage	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1L5XX	$6,700.00	$5,625.00	$4,500.00	$7,875.00
-Per Mile	1L5XX	$300.00	$260.00	$220.00	$350.00

(3) Collocation Transport—Transport Facilities between Collocation Arrangements

	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1H48S	$6,700.00(R)	$5,625.00(R)	$4,500.00(R)	$7,875.00(R)
-Per Mile	1H48S	$300.00(I)	$260.00(R)	$220.00(R)	$350.00(R)

(4) Optional Features and Functions

(a) OC-48 Add/Drop Multiplexing—Per Arrangement*

USOC	1 Year	3 year	5 year	Mo. Ext.
MXRFX	$5,550.00	$4,625.00	$3,700.00	$6,375.00

(b) Add/Drop Function—Per OC-3

USOC	Monthly	Nonrecurring Charge
MXJEX	$625.00	$0

* Concatenated services cannot be multiplexed.

Rates contained in this transmittal are subject to subsequent adjustment, effective retrospectively, in the event the Commission or a court subsequently authorizes Nevada to correct its rates pursuant to pending motions, or petitions for reconsideration or waiver, or in the event of any other adjustment to an order of the Commission or a court.

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21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.3 Rates and Charges (Cont'd)

(C) OC-48/OC-48c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(b) Add/Drop Function (Cont'd) -Per OC-3	MXJCX	$250.00	$0
-Per DS3	MXJBX	$150.00	$0
(c) 1+1 Protection -Per OC-48/OC-48c Local Distribution Channel	P8T	$1,410.00	$0
(d) 1+1 Protection with Cable Survivability -Per OC-48/OC-48c Local Distribution Channel	P3S	$1,410.00	$700.00
(e) 1+1 Protection with Route Survivability -Per OC-48/OC-48c Local Distribution Channel	P8T	(Apply P8T rate above, plus Per Quarter Route Mile below) (P8T + S2DXY)	
-Per Quarter Route Mile	S2DXY	$125.00	$0

(N)

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.3 Rates and Charges (Cont'd)

(C) OC-48/OC-48c (Cont'd)

	USOC	Monthly	Nonrecurring Charge	
(4) Optional Features and Functions (Cont'd)				
(f) Point-to-Point OC-48 Regenerator -each	RGY48	$5,500.00	$0	
(g) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00	(N)

(5) Moves (OC-48/OC-48c)

(a) Service Rearrangement

See Section 7.2.2, preceding for rates and charges. (T)

(b) Moves of Point of Termination

See Section 7.2.3, preceding for rates and charges. (T)

(c) Moving Customer Premises

See Section 7.2.3, preceding for rates and charges. (T)

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21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd) (N)

21.3 Rates and Charges (Cont'd)

(D) OC-192

	USOC	3 year	5 year	Mo. Ext.
(1) Local Distribution Channel -Per Point of Termination	TMECS	$29,400.00	$21,000.00	$36,000.00
(2) Interoffice Transport -Mileage -Fixed	1L5XX	$16,875.00	$13,500.00	$23,625.00
-Per Mile	1L5XX	$360.00	$300.00	$450.00
(3) Collocation Transport -Transport Facilities between Collocation Arrangements -Fixed	1H48S	$16,875.00	$13,500.00	$23,625.00
-Per Mile	1H48S	$360.00	$300.00	$450.00
(4) Optional Features and Functions (a) OC-192 Add/Drop Multiplexing* -Per Arrangement	MXRGX	$12,000.00	$9,600.00	$16,800.00

	USOC	Monthly	Nonrecurring Charge
(b) Add/Drop Function -per OC-48	MXJFX	$1,800.00	$0

(N)

*Concatenated services cannot be multiplexed.

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21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.3 Rates and Charges (Cont'd)

(D) OC-192 (Cont'd)

	USOC	Monthly	Nonrecurring Charge	
(4) Optional Feature and Functions (Cont'd)				
(b) Add/Drop Function (Cont'd)				
-Per OC-12	MXJEX	$625.00	$0	
-Per OC-3	MXJCX	$250.00	$0	
(c) 1+1 Protection				(N)
-Per OC-192 Local Distribution Channel	P8T	$2,700.00	$0	
(d) 1+1 Protection with Cable Survivability				
-Per OC-192 Local Distribution Channel	P3S	$2,700.00	$800.00	
(e) 1+1 Protection with Route Survivability				
-Per OC-192 Local Distribution Channel	P8Tplus	(Apply P8T rate above, Per Quarter Route Mile below) (P8T + S2DXY)		
-Per Quarter Route Mile	S2DXY	$150.00	$0	(N)
(f) Point-to-Point OC-192 Regenerator				(T)
-each	RGY	$11,000.00	$0	

(5) Moves (OC-192)

(a) Service Rearrangement

See Section 7.2.2, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 7.2.3, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.3, preceding for rates and charges.

21. Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

21.3 Rates and Charges (Cont'd)

(E) Installation and Rearrangement Charges

	Administrative Charge, per Order	Design and Central Office Connection Charge, per circuit	Customer Connection, Charge, per termination	
USOC	ORCMX	NRBCL	NRBBL	
OC-3/OC-3c	$60.00	$ 375.00	$450.00	
OC-12/OC-12c	60.00	375.00	450.00	
OC-48/OC-48c	60.00	500.00	600.00	
OC-192	60.00	2,250.00	600.00	(N)

22. Metropolitan Statistical Area Access Services (N)

22.1 General Description

(A) This section of the tariff provides the regulations, rates and terms and conditions that apply to telecommunications services provided by the Telephone Company in the Metropolitan Statistical Areas (MSAs) in which the Telephone Company has received Phase II pricing flexibility pursuant to Subpart H of Part 69 of the Commission's Rules. MSAs are divided into the categories below:

(1) Full Service MSAs

Full Service Relief MSAs are those MSAs which qualified for Phase II pricing flexibility for all elements of service, i.e., local channels (channel terminations) between LEC end offices and customer (end user) premises; entrance facilities; dedicated interoffice facilities; local channels (channel terminations) between an interexchange carrier's point of presence and a serving wire center. The Full Service Relief MSAs are set forth in Section 22.2(A), following.

(2) Limited Service MSAs

Limited Service Relief MSAs are those MSAs that qualified for Phase II pricing flexibility for all elements of service except local channels (channel terminations) between a LEC end office and a customer (end user) premise. The Limited Service Relief MSAs are set forth in Section 22.2(B), following.

(B) The services provided in MSAs pursuant to this section of the tariff are set forth in Section 22.3, following. These services are comparable to the SWA Dedicated Transport Services in Sections 6.8.1(A), 6.8.1(B), 6.8.1(I), and the Special Access Services in Sections 7, 8, 20, and 21. The general regulations, service descriptions, and rate regulations for the SWA Dedicated Transport Services in Section 6 and the Special Access Services in Sections 7, 8, 20, and 21 are also applicable to the services specified in this section.

(B) Unless otherwise provided for in this section, regulations set forth in Sections 1, 2, 5, and 13 are also applicable. (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.2 Metropolitan Statistical Areas

A. Full Service Relief MSAs are listed below:

State	MSA
Nevada	

B. Limited Service Relief MSAs are listed below:

State	MSA
Nevada	Reno

22.3 Services Available in an MSA

The following services are available in MSAs with Full and Limited Service Relief:

Special Access
Voice Grade Service
Program Audio Service
Video Service
Digital Data Service
High Capacity Service
Gigabit Ethernet Metropolitan Area Network(GigaMAN)
Multi-service Optical Network (MON)
Broadband Circuit Service (BCS)*
Optical Carrier Network (OCN) Point-to-Point
Switched Access/Dedicated Transport
Voice Grade
DS1
DS3
SS7

(N)

* This option is limited to existing customers at existing locations as of January 11, 2002.

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22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.4 Rate Regulations

(A) Figure 1 illustrates services provided within an MSA located in a Full Service Relief Area. The rates and charges for all associated rate elements for services in a Full Service Relief Area are contained in Section 22.5, following.

Full Service Relief Area

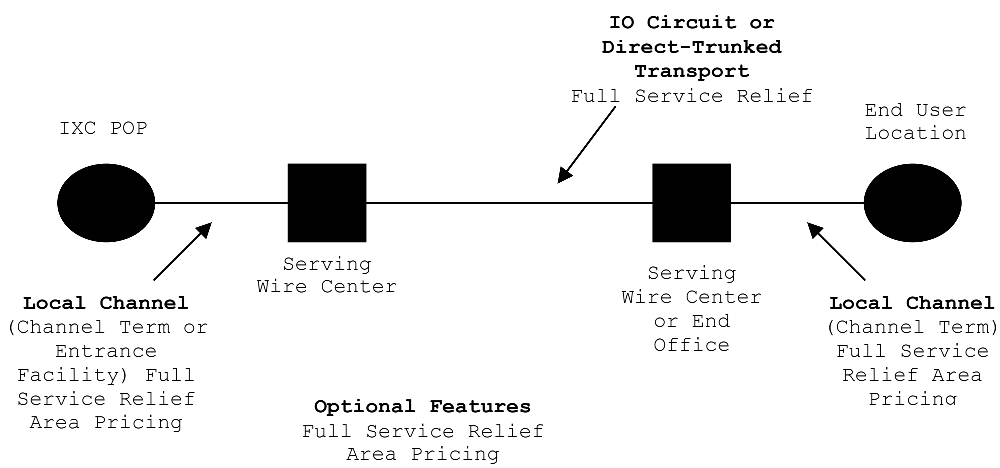

Figure 1 (N)

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22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.4 Rate Regulations (Cont'd)

(B) Figure 2 illustrates services provided within an MSA located in a Limited Service Relief Area. The rates and charges for all associated rate elements for services in a Limited Service Relief Area are contained in Section 22.5, except for the local channels (channel terminations) between a LEC end office and a customer (end user) premise, which are referenced in Section 7, Section 8, Section 20 and Section 21 of this Tariff.

Limited Service Relief Area

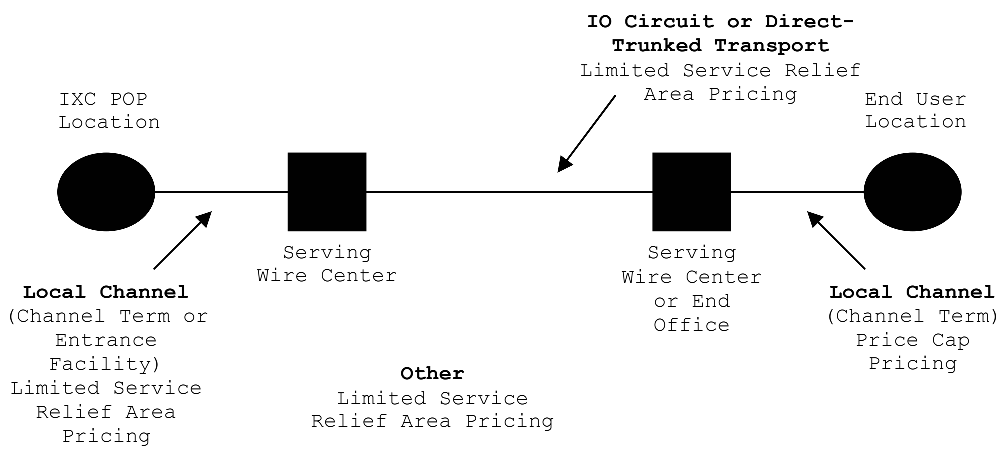


Figure 2 (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.4 Rate Regulations (Cont'd)

(C) Figure 3 illustrates a service provided from two MSAs with one MSA located in a Full Service Relief Area and one MSA located in a Limited Service Relief Area. The rates and charges for local channels and optional features located in the Full Service Relief Area are obtained as previously stated in 22.4(A). The rates and charges for local channels and optional features located in the Limited Service Relief Area are obtained as stated in 22.4(B). Interoffice channels between a Full Service Relief Area and a Limited Service Relief Area are rated the same as that of an interoffice channel in a Limited Service Relief Area and rates and charges are obtained as stated in 22.4(B) preceding.

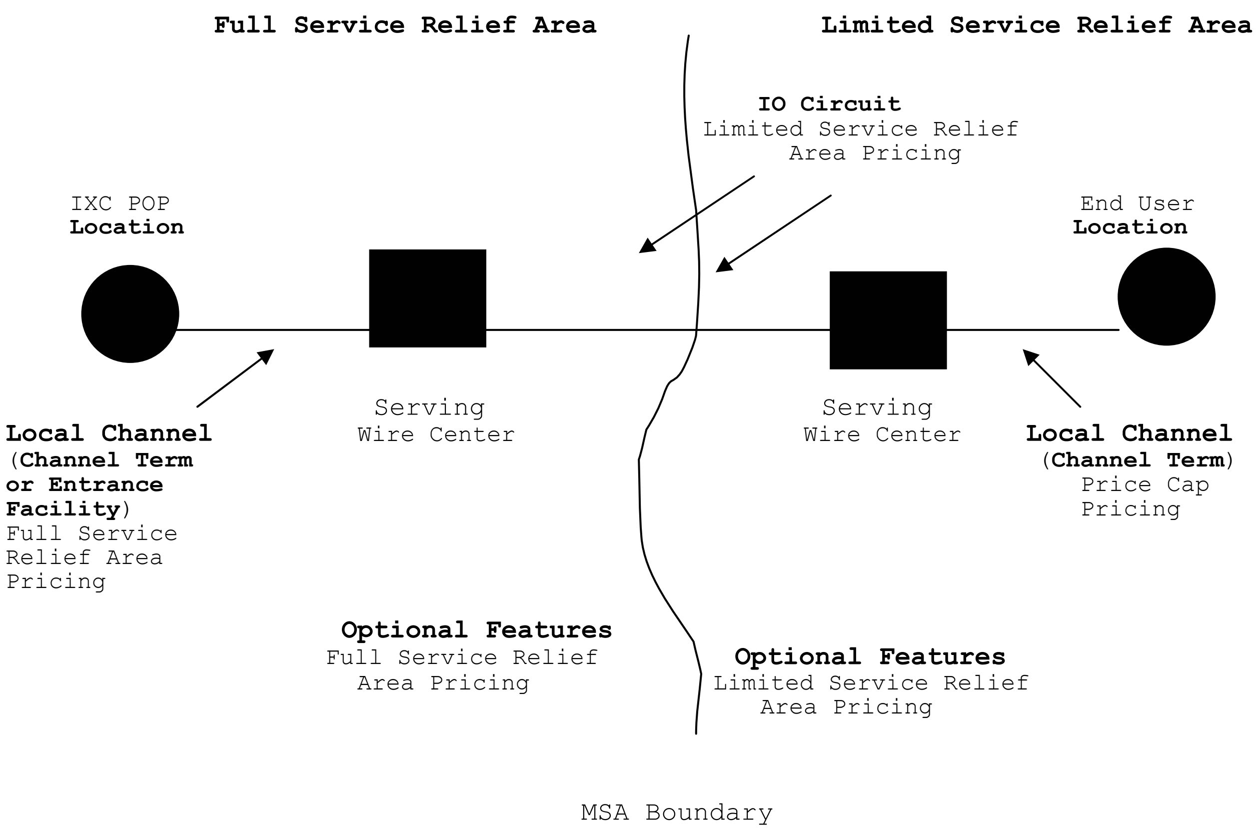


Figure 3 (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.4 Rate Regulations (Cont'd)

(D) Figure 4 illustrates a service provided from two MSAs with one MSA located in a Full Service Relief Area and one MSA located in a Non-Relief Area. The rates and charges for local channels and optional features located in the Full Service Relief Area are obtained as stated in 22.4(A) preceding.

Interoffice channels between a Full Service Relief Area and a Non-Relief Area are rated the same as that of an interoffice channel in a Non-Relief Area.

Rates and charges for local channels, interoffice channels and optional features in a Non-Relief Area are obtained in Sections 6.8.1(A), 6.8.1(B), 6.8.1(I), Section 7, Section 8, Section 20 and Section 21 of this Tariff.

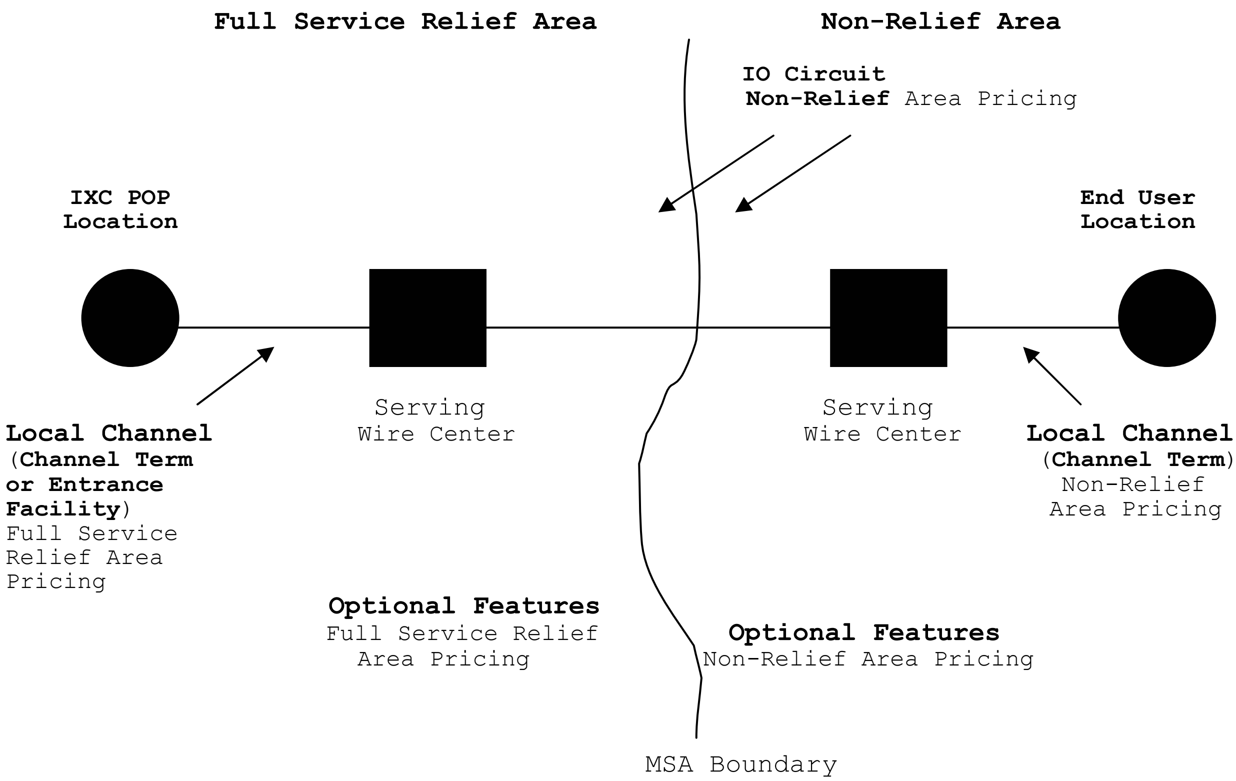


Figure 4 (N)

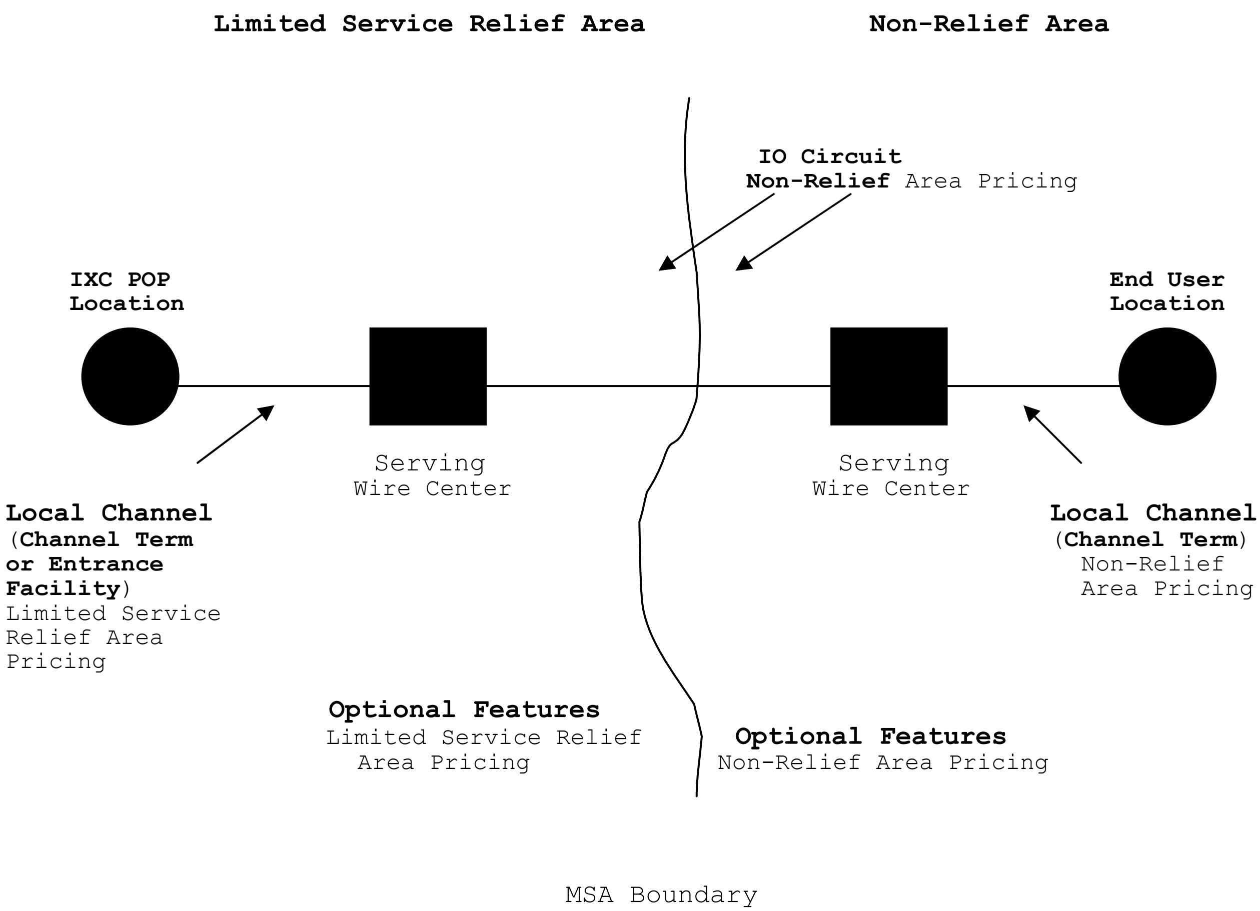
22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.4 Rate Regulations (Cont'd)

(E) Figure 5 illustrates service provided from two MSAs with one MSA located in a Limited Service Relief Area and one MSA located in a Non-Relief Area. The rates and charges for local channels and optional features located in the Limited Service Relief Area are obtained as stated in 22.4(B) preceding.

Interoffice channels between a Limited Service Relief Area and a Non-Relief Area are rated the same as that of an interoffice channel in a Non-Relief Area.

Rates and charges for local channels, interoffice channels and optional features in a Non-Relief Area are obtained in Sections 6.8.1(A), 6.8.1(B), 6.8.1(I), Section 7, Section 8, Section 20 and Section 21 of this Tariff.



(N)

Figure 5

(This page filed under Transmittal No. 43)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.4 Rate Regulations (Cont'd)

(F) Pricing Plans (N)

For the purpose of Metropolitan Statistical Area Access Services, the following plans apply when referring to Pricing Plans:

- Term Pricing Plans (TPP)

The Telephone Company ensures that rates provided under a term pricing plan will not be increased by the Telephone Company above the rates in effect at the beginning of the customer's term pricing plan period.

Customers under their current term pricing plan will continue to pay the rates in effect at the beginning of their plan period until the effective tariff rates in Section 22.5, following become lower than the rates received under their term pricing plan. (N)

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(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges

22.5.1 Switched Access Service/Dedicated Transport

(A) Entrance Facilities

	USOC	Monthly Rates	Nonrecurring Charge
(1) Voice Grade per point of termination	TSW2X	$ 16.04	$ 500.00
	TSW4X	24.68	500.00
(2) DS1 per point of termination	TMESW	100.00	585.66
(3) DS3 per point of termination	Z0MSW	1,560.00	1,950.70

(B) Direct Trunked Transport

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile
(1) Voice Grade per transport channel	1L5SW	$ 8.00	$ .50
(2) DS1 per point of termination	1L5SW	52.00	8.00
(3) DS3 per point of termination	1L5SW	330.00	40.00

(C) Chargeable Optional Features

Multiplexing - per arrangement	USOC	Monthly Rates	Nonrecurring Charge
(1) DS3 to DS1 - per arrangement	MQ3SW	$350.00	None
(2) DS1 to Voice/Digital - per arrangement	MQ1SW	170.00	None

(D) SS7 Interconnection

(1) SS7 Links

	USOC	Monthly Rates	Nonrecurring Charge
- per Link	SL7	$ 11.29	$1,131.17
- per Mile		.70	

(2) STP Port

	USOC	Monthly Rates	Nonrecurring Charge
- per Port	SLPTC	$1,046.00	

(N)

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22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service

22.5.2.1 Voice Grade Service

(A) Channel Termination

	USOC	Monthly Rates	Nonrecurring Charge
- Per Termination			
- Two-Wire	T6E2X	$21.00(I)	$200.00
- Four-Wire	T6E4X	$21.00(I)	$200.00

(B) Channel Mileage

	USOC	Monthly Rate
(1) Channel Mileage Facility - Per Mile	1L5XX/CMF	$0.50
(2) Channel Mileage Termination - Per Termination	1L5XX/CMT	$8.90

(C) Optional Features and Functions

(1) Bridging

(a) Voice Bridging

	USOC	Monthly Rate
Two-Wire/ Four Wire		
- Per port		
- Two-Wire	BCNV2	$2.72
- Four-Wire	BCNV4	$3.42

(b) Data Bridging

	USOC	Monthly Rate
Two-Wire/ Four-Wire		
- Per Port		
- Two-Wire	BCND2	$2.72
- Four-Wire	BCND4	$3.42

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(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.1 Voice Grade Service (Cont'd)

(C) Optional Features and Functions (Cont'd)

	USOC	Monthly Rates	Nonrecurring Charge
(2) Conditioning			
- Per Termination			
- C-Type	X1CPT	$ 3.79	None
- Improved Attenuation Distortion*	UHW	5.37	$180.80
- Improved Envelope Delay Distortion*	UHY	26.83	287.06
- Sealing Current	1HBPT	6.97	None
(3) Improved Return Loss for Effective Two-Wire or Four-Wire Transmission			
- Per termination			
- Two-Wire	1RL2W	$ 8.24	None
- Four-Wire	1RL4W	8.20	None
(4) Customer Specified Received Level -Per two-wire termination	RLS	4.61	None
(5) Data Capability - Per termination	XDCPT	5.67	$ 91.27
(6) Telephoto Capability - Per termination	XTCPT	7.40	$377.67

* Improved Attenuation Distortion and Improved Envelope Delay Distortion will continue to be provided to all customers who were provided with either or both of these optional features in conjunction with C-Type Conditioning prior to September 29, 1988.

(N)

(This page filed under Transmittal No. 43)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.2 Program Audio Service

	USOC	Monthly Rate	Daily* Rate	Nonrecurring Charge Monthly	Nonrecurring Charge Daily
(A) Channel Termination					
- Per Termination					
- 200 to 3500 Hz	T6ECS	$23.36	$3.28	$289.75	$289.75
- 100 to 5000 Hz	T6ECS	26.92	3.51	289.75	289.75
- 50 to 8000 Hz	T6ECS	28.41	3.80	289.75	289.75
- 50 to 15000 Hz	T6ECS	106.56	11.24	289.75	289.75
(B) Channel Mileage					
(1) Channel Mileage Facility					
- Per Mile					
- 200 to 3500 Hz	1L5XX/CMF	$0.45	$0.05		
- 100 to 5000 Hz	1L5XX/CMF	$0.90	$0.10		
- 50 to 8000 Hz	1L5XX/CMF	$1.36	$0.15		
- 50 to 15000 Hz	1L5XX/CMF	$2.73	$0.28		
(2) Channel Mileage Termination					
- Per Termination					
- 200 to 3500 Hz	1L5XX/CMT	$ 9.33	$1.05		
- 100 to 5000 Hz	1L5XX/CMT	$15.50	$1.49		
- 50 to 8000 Hz	1L5XX/CMT	$18.97	$1.98		
- 50 to 15000 Hz	1L5XX/CMT	$31.76	$3.34		
(C) Optional Features and Functions					
(1) Gain Conditioning	XGC	$1.67	$.18	$73.25	$73.25

* Daily rates will be topped and maximum rates derived as set forth in 7.2.2.(B) preceding. (N)

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22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.3 Video Service

	USOC	Monthly Rate	Daily* Rate	Nonrecurring Charge Monthly	Nonrecurring Charge Daily
(A) Channel Termination					
- Per Termination					
- TV-1 or 2	TMEV1	$544.46	$299.45	$60.42	$60.42
- 4TV-5	TMEV4	$587.92	$323.35	$60.42	$60.42
- 6TV-5	TMEV6	$587.92	$323.35	$60.42	$60.42
- TV-15	TMEV5	$587.92	$323.35	$60.42	$60.42
(B) Channel Mileage					
(1) Channel Mileage Facility					
- Per Mile					
- TV 1 or 2	1L5XX/CMF	$56.25	$30.82		
- 4TV-5	1L5XX/CMF	$56.25	$30.82		
- 6TV-5	1L5XX/CMF	$56.25	$30.82		
- TV-15	1L5XX/CMF	$56.25	$30.82		
(2) Channel Mileage Termination					
- Per Termination					
- TV-1 or 2	1L5XX/CMT	None	None		
- 4TV-5	1L5XX/CMT	None	None		
- 6TV-5	1L5XX/CMT	None	None		
- TV-15	1L5XX/CMT	None	None		

* Daily rates will be topped and maximum rates derived as set forth in 7.2.2.(B) preceding. (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.4 Digital Data Service

	USOC	Monthly Rates	Nonrecurring Charge
(A) Channel Termination			
- Per Termination			
- 2.4 kbps	T6ECS	$ 82.00	$250.00
- 4.8 kbps	T6ECS	82.00	250.00
- 9.6 kbps	T6ECS	82.00	250.00
-56.0 kbps	T6ECS	82.00	250.00
-64.0 kbps	T6ECS	82.00	250.00
(B) Channel Mileage			
(1) Channel Mileage Facility			
- Per Mile			
- 2.4 kbps	1L5XX/CMF	$0.95	
- 4.8 kbps	1L5XX/CMF	0.95	
- 9.6 kbps	1L5XX/CMF	0.95	
- 56 kbps	1L5XX/CMF	0.95	
- 64 kbps	1L5XX/CMF	0.95	
(2) Channel Mileage Termination			
- Per Termination			
- 2.4 kbps	1L5XX/CMT	$13.50	
- 4.8 kbps	1L5XX/CMT	13.50	
- 9.6 kbps	1L5XX/CMT	13.50	
- 56 kbps	1L5XX/CMT	13.50	
- 64 kbps	1L5XX/CMT	13.50	
(C) Optional Features and Functions			
(1) Bridging			
- Per port	BCNDA	$16.51	(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.5 High Capacity Service

	USOC	Monthly Rates	Nonrecurring Charge	
(A) Channel Termination (Per Point of Termination)				
- 1.544 Mbps	TMECS	$ 150.00	$ 300.00	
- 3.152 Mbps	TWT++	ICB	ICB	
- 6.312 Mbps	TWT++	ICB	ICB	
-44.736 Mbps(Month-to-Month**)	Z3MAC/TMECS	$2,274.00	$1,500.00	(C)
-44.736 Mbps(Monthly Extension)	Z3MAC/TMECS	$2,274.00	$1,500.00	(N)
-44.736 Mbps(1 Year Plan)	Z3MAC/Z31A+	$1,500.00	$1,000.00	
-44.736 Mbps(3 Year Plan)	Z3MAC/Z33A+	$ 985.00	$ 250.00	
-44.736 Mbps(5 Year Plan)	Z3MAC/Z35A+	$ 900.00	$ 0.00	
-274.176 Mbps	TWT++	ICB	ICB	

(B) Channel Mileage[2]

	USOC	Monthly Rates	
(1) Channel Mileage Facility (Per Mile)			
- 1.544 Mbps	IL5XX/CMF	$12.75	
- 3.152 Mbps	CMF	ICB	
- 6.312 Mbps	CMF	ICB	
-44.736 Mbps(Month-to-Month**)	IL5XX/CMF	$45.00	(C)
-44.736 Mbps(Monthly Extension)	IL5XX/CMF	$45.00	(N)
-44.736 Mbps(1 Year Plan)	IL5XX/CMF	$38.00	
-44.736 Mbps(3 Year Plan)	IL5XX/CMF	$36.50	
-44.736 Mbps(5 Year Plan)	IL5XX/CMF	$35.00	(N)
-274.176 Mbps	CMF	ICB	
(2) Channel Mileage Termination (Per Termination)			
-1.544 Mbps	IL5XX/CMF	$ 62.50	
-3.152 Mbps	CMT	ICB	
-6.312 Mbps	CMT	ICB	
-44.736 Mbps(Month-to-Month**)	IL5XX/CMF	$375.00	(C)
-44.736 Mbps(Monthly Extension)	IL5XX/CMF	$375.00	(N)
-44.736 Mbps(1 Year Plan)	IL5XX/CMF	$342.50	
-44.736 Mbps(3 Year Plan)	IL5XX/CMF	$337.50	
-44.736 Mbps(5 Year Plan)	IL5XX/CMF	$332.50	(N)
-274.176 Mbps	CMT	ICB	

Note 1: ICB rates and charges are filed in 7.12 following.
Note 2: When the customer orders High Capacity Service as described in 7.11 and 7.11.5.2, preceding, the Channel Mileage Facility must be ordered in conjunction with an associated Channel Termination as described in 7.2.1(A), preceding.
**This option will no longer be available for new circuits provisioned on or after, November 21, 2003. There will be no change to existing circuits. (N)

Material previously appearing on this page now appears on 2nd Revised Page 22-17.

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.5 High Capacity Service (Cont'd)

	USOC	Monthly Rates	Nonrecurring Charge	
(C) Optional Features and Functions				(T)
(1) Multiplexing, per arrangement				(T)
DS4 to DS1	MXA++	ICB		(M)
DS3 to DS1				(M)
Month-to-Month***	MQ3	$475.00		(C)
Monthly Extension	MQ3	$475.00		(N)
1 Year	MQ3	$420.00		
3 Year	MQ3	$410.00		
5 Year	MQ3	$400.00		(N)
DS2 to DS1	MXD++	ICB		(M)
DS1C to DS1	MXH++	ICB		(M)
DS1 to Voice/Digital[(1)]	MQ1/MQ1++	$275.00		(T)
DS1 to DS0	QMU/QMUA1	$275.00		(M)
DS0 to Subrates				
-Up to 20 2.4 kbps services	QSU24	$175.00		
-Up to 10 4.8 kbps services	QSU48	$175.84		
-Up to 5 9.6 kbps services	QSU96	$124.84		
(2) Multiplexer Cross-Connect - per cross-connect, per central office	1L5TC	$10.00	$80.00	
(3) Transfer Arrangement (dial-up*) - per four port arrangement including control channel termination**	USV	ICB		
(D) DS1/DS3 Rollover				
-per DS1 Channel Termination	NRBR1/NRBRH		$300.00	
-per DS3 Channel Termination	NRBR3		825.00	

[(1)] A channel of this DS1 to a multiplexing Hub can be used for Digital Data Service or Digital Data Over Voice. (M)

* The Dial-Up option requires the customer to purchase the Controller Arrangement from 13.3.7 following.

** An additional Channel Termination charge will apply whenever a spare channel is configured as a leg to the customer premises. Additional channel mileage charges will also apply when the transfer arrangement is not located in the customer premises serving wire center

*** This option will no longer be available for new circuits provisioned on or after, November 21, 2003. There will be no change to existing circuits. (N)

Certain material appearing on this page previously appeared on 1st Revised Page 22-16.
Material previously appearing on this page now appears on Original Page 22-17.1.

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.5 High Capacity Service (Cont'd) (N)

(E) Collocation Transport (M)

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile	Nonrecurring Charges 1st Ckt.	Nonrecurring Charges Addl Ckt.	
1.544 Mbps	(1H48S)	$54.70	$9.00	$300.00	$300.00	

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile	Nonrecurring Charges 1st Ckt.	Nonrecurring Charges Addl Ckt.	
44.736 Mbps	(1H48S)					(M)
Month-to-Month*		$375.00	$45.00	$1,500.00	$1,500.00	(C)
Monthly Extension		$375.00	$45.00			(N)
1 Year		$342.50	$38.00	$1,000.00	$1,000.00	
3 Year		$337.50	$36.50	$0.00	$0.00	
5 Year		$332.50	$35.00	$0.00	$0.00	(N)

*This option will no longer be available for new circuits provisioned on or after, November 21, 2003. There will be no change to existing circuits. (N)
(N)

Certain material appearing on this page previously appeared on 1st Revised Page 22-17.

(This page filed under Transmittal No. 55)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

2.5.2 Special Access Service (Cont'd)

22.5.2.6 DS1 Term Payment Plan

	USOC	1 Year	2 Year	3 Year	5 Year	7 Year
(a) Channel Termination - Per Point of Termination	TMECS	$140.00	$132.50	$115.00	$105.00	$100.00
(b) Channel Mileage - Channel Mileage Termination (per termination)	1L5XX	$55.00	$45.00	$40.00	$35.00	$32.50
- Channel Mileage Facility (per mile)	1L5XX	$12.25	$12.00	$9.25	$8.50	$8.25
(c) Central Office Multiplexing DS1 to DS0 voice/digital -Per arrangement	MQ1, MQ1++, QMUA1, QMU,QMU++	$260.00	$190.00	$170.00	$160.00	$150.00
(d) Collocation Transport -Channel Mileage - Fixed	1H48S	$50.00	$45.00	$40.00	$35.00	$32.50
- Per Mile	1H48S	$9.00	$9.00	$8.75	$8.50	$8.25

(e) Nonrecurring Charges	USOC	Rate
-One Time Charges		
-Per point of channel termination		
-Channel Termination	TMECS	$900.00
-Collocation Transport	1H48S	$900.00

NOTE: Channel Termination Nonrecurring Charges and Collocation Transport Nonrecurring Charges are waived on new installations of DS1 High Capacity Service with a 2, 3, 5, or 7 year DS1 TPP. (N)

22. Metropolitan Statistical Access Area Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Services (Cont'd)

22.5.2.7 Gigabit Ethernet Metropolitan Area Network (GigaMAN®) (T)

(A) Recurring Charges

	USOC	Monthly Extension	Term Pricing Plan 12 Mo.	36 Mo.	60 Mo.	NRC	
(1) Local Distribution Channel							(N)
- Per Point of Termination Terminating Bit Rate 1 Gbps - All States	TMECS	$3,800.00	$3,300.00	$2,850.00	$2,500.00		
(2) Interoffice Transport Mileage - Fixed - All States	1L5XX	$250.00	$250.00	$200.00	$100.00		
- Per Mile 1 Gbps - All States	1L5XX	$125.00	$125.00	$100.00	$75.00		
(3) Repeater -each	VU4	$2,500.00	$2,400.00	$1,150.00	$850.00		(N)
(4) Diversity Options							
Local Channel Diversity -Per Channel Terminating Bit Rate 1 Gbps -All States	CPALX	$750.00	$750.00	$750.00	$750.00	0.00	
Inter Wire Center Diversity -Per Channel Terminating Bit Rate 1 Gbps -All States	CPATX	$500.00	$500.00	$500.00	$500.00	0.00	
Alternate Wire Center Diversity -Per Channel Termination bit Rat 1 Gbps -All States	CPAAX	$1,200.00	$1,200.00	$1,200.00	$1,200.00	0.00	(N)

Certain material previously appearing on this page now appears on 2nd Revised Page 22-19.1.

(This page filed under Transmittal No. 56)

ACCESS SERVICE

22. Metropolitan Statistical Access Area Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Services (Cont'd)

22.5.2.7 Gigabit Ethernet Metropolitan Area Network (GigaMAN®)

(A) Recurring Charges (Cont'd)

	USOC	Monthly Extension	Term Pricing Plan 12 Mo.	36 Mo.	60 Mo.	NRC	
(5) Protection – per GigaMAN® service arranged							(N)
-Equipment Only Protection, per terminating end	CPAEX	1,500.00	$1,375.00	1,050.00	900.00	$625.00	
-Equipment Plus Alternate Wire Center Path Protection, per terminating end	CPAFX	2,460.00	2,050.00	1,600.00	1,400.00	1,400.00	
-Equipment Plus Channel Termination (Local Channel) Path Protection, per terminating end	CPAGX	2,190.00	1,825.00	1,425.00	1,225.00	1,225.00	
-Inter Wire Center Path Protection, per interoffice segment	CPAHX	475.00	$375.00	150.00	100.00	625.00	
-Power Protection[1]	VBBGX	700.00	625.00	480.00	435.00	475.00	(N)

[1] Power protection rate elements are applicable as set forth in 7.3.11(C)(4) preceding.

Material previously appearing on this page now appears on Original Page 22-19.2.

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ACCESS SERVICE

22. Metropolitan Statistical Access Area Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Services (Cont’d)

22.5.2.7 Gigabit Ethernet Metropolitan Area Network (GigaMAN®) (Cont’d) (N)

(B) Installation and Rearrangement Charges (M)

All States

	USOC	12 Months	36 Months	60 Months	
(1) Administrative Charge per Order	ORCMX	$60.00	$60.00	$60.00	
(2) Design Central Office Connection Charge per circuit	NRMCK	$230.00	$230.00	$230.00	(M) (N)
(3) Customer Connection Charge per termination	NRBBL	$1,500.00	$1,500.00	$1,500.00	(M) (M) (M)

Material appearing on this page previously appeared on 2nd Revised Page 22-19.1.

(This page filed under Transmittal No. 90)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service

(A) Nonrecurring Charges	USOC	Nonrecurring Charge
(1) Administrative Charge - per customer order	ORCMX	$125.00
(2) Design and Central Office Connection Charge - per network and per riding circuit	NRMCK	600.00
(3) Customer Connection Charge (Service Establishment) - per node	NRBBL	7,500.00
(4) Customer Connection Charge (Subsequent Installation) - per subsequent shelf	NHCNL	1,000.00

(B) Recurring Charges	USOC	Monthly Rates 3 Year	Monthly Rates 5 Year	Monthly Extension
(1) Customer Premises Node (includes first shelf)	F2ND1	$7,800.00(R)	$6,240.00(R)	$10,920.00(R)
(2) Customer Premises Node - per subsequent shelf	F2NDS	5,850.00(R)	4,680.00(R)	8,190.00(R)
(3) Central Office Node (includes first shelf)	F2NC1	7,800.00(R)	6,240.00(R)	10,920.00(R)
(4) Central Office Node - per subsequent shelf	F2NCS	5,850.00(R)	4,680.00(R)	8,190.00(R)
(5) Channel Mileage - per V-H mile or fraction thereof (2 mile min.)	IYAZX	325.00(R)	260.00(R)	455.00(R)
(6) Optical Amplifier				
- C band (per location)	67QXX	5,400.00	3,600.00	7,600.00
- L band (per location)	67QSX	5,400.00	3,600.00	7,600.00
(7) Regenerator –(as required)				
-up to 2.5 Gbps (per shelf)	V8RXX	7,500.00	5,000.00	10,500.00
-up to 10 Gbps (per circuit)	V8R2C	15,000.00	10,000.00	21,000.00

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service (Cont'd)

(B) Recurring Charges (Cont'd)

	USOC	Monthly Rates 3 Year	Monthly Rates 5 Year	Monthly Extension
(8) Bulk Power -per first shelf, for shelves 1 thru 4	CBVDX	2,000.00	1,600.00	2,600.00
(9) Bulk Power -per fifth subsequent shelf for shelves 5 thru 8	CBVDS	1,600.00	1,300.00	2,100.00

(C) Ports

-per port/per circuit terminating location

	USOC	3 Year	5 Year	Monthly Extension
(1) ETR™/1/ - unprotected channel	POYKW	$975.00	$750.00	$1,400.00
(2) FICON™/1/ (1.0625 Gbps) - unprotected channel	POYMW	975.00	750.00	1,400.00
- protected channel	POYMP	1,950.00	1,500.00	2,800.00
(3) FICON™/1/ (2.125 Gbps) - unprotected channel	POYWW	1,700.00	1,300.00	2,400.00
- protected channel	POYWP	3,400.00	2,600.00	4,800.00
(4) ISC™/1/ - unprotected channel	POYJW	3,250.00	1,250.00	4,600.00
(5) Fibre Channel (1.0625 Gbps) - unprotected channel	POYNW	1,200.00	900.00	1,700.00
- protected channel	POYNP	2,400.00	1,800.00	3,400.00

/1/ ESCON™, ETR™, FICON™, ISC™ and GDPS™ are registered trademarks of the International Business Machines (IBM) Corporation, Armonk, NY 10504 (N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service (Cont'd)

(C) Ports (Cont'd)	USOC	Monthly Rates 3 Year	Monthly Rates 5 Year	Monthly Extension
-per port/per circuit terminating location				
(6) Fibre Channel (2.125 Gbps)				
- unprotected channel	POYYW	$1,700.00	$1,300.00	$2,400.00
- protected channel	POYYP	3,400.00	2,600.00	4,800.00
(7) Gigabit Ethernet				
- unprotected channel	POYLW	1,200.00	900.00	1,700.00
- protected channel	POYLP	2,400.00	1,800.00	3,400.00
(8) 10 Gigabit Ethernet (WAN-PHY)				
- unprotected channel	POYTW	15,000.00	12,500.00	21,000.00
- protected channel	POYTP	20,000.00	16,700.00	28,000.00
(9) SONET OC-12/OC-12c				
- unprotected channel	POYFW	1,300.00	1,000.00	1,900.00
- protect channel	POYFP	2,600.00	2,000.00	3,700.00
(10) SONET OC-48/48c				
- unprotected channel	POYGW	4,400.00	3,700.00	6,000.00
- protected channel	POYGP	6,600.00	5,560.00	9,000.00
(11) SONET OC-192/192c				
- unprotected channel (N)	POYOW	15,000.00	12,500.00	21,000.00
- protected channel	POYOP	20,000.00	16,700.00	28,000.00

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.8 Multi-service Optical Network (MON) Ring Service (Cont'd)

(C) Ports (Cont'd)	USOC	Monthly Rates 3 Year	5 Year	Monthly Extension
-per port/per circuit terminating location				
(12) Sub-Rate System				
- unprotected channel	POYSW	$1,300.00	$1,000.00	$1,900.00
- protected channel	POYSP	2,600.00	2,000.00	3,700.00
(13) ESCON™/1/*				
- unprotected channel	POYHW	100.00	100.00	150.00
- protected channel	POYHP	100.00	100.00	150.00
(14) Fast Ethernet*				
- unprotected channel	POYCW	325.00	250.00	500.00
- protected channel	POYCP	500.00	400.00	800.00
(15) D1 Video*				
- unprotected channel	POYVW	100.00	100.00	150.00
- protected channel	POYVP	100.00	100.00	150.00
(16) SONET OC-3/OC-3c*				
- unprotected channel	POYEW	100.00	100.00	150.00
- protected channel	POYEP	100.00	100.00	150.00

/1/ ESCON™, ETR™, FICON™, ISC™ and GDPS™ are registered trademarks of the International Business Machines (IBM) Corporation, Armonk, NY 10504

*Available only when ordered with sub-rate system. (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service*

(A) OC-3

(1) Channel Termination
– per BCS Circuit, per Customer Premises

Volume Option	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
	T6XBX/T6XB+	$4,200	$2,930	$1,700	$2,000	$1,000	$0
2 plus	T6XEX/T6XE+	n/a	$2,635	$1,670	n/a	$750	$0

(2) Mileage
– per BCS Circuit

(a) Fixed

USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
1HYBS/1HYB+	$1,600	$1,400	$1,000	$0	$0	$0

(b) Per Mile

USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
1HYBS/1HYB+	$193	$154	$110	$0	$0	$0

(3) Optional Features

(a) Equipment Protection
Per Channel Termination,
per Customer Premises

USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
APPBX/APPB+	$195	$195	$195	$150	$75	$0

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed.

(N)

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service* (Cont'd)

(A) OC-3 (Cont'd)

(3) Optional Features (Cont'd)

(b) Loop Redundancy
Per Channel Termination,
per Customer Premises

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
DVDLX/DVDL+	$390	$390	$390	$600	$300	$0

(c) Central Office Multiplexing

(1) Central Office Multiplexing System Arrangement

- Per OC-3 System Arrangement

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
MXNBX/MXNB+	$1,800	$1,200	$950	$600	$300	$0

(2) Central Office Multiplexing Ports

- Per Port

(a) DS-1 Port

		Monthly Rate			Nonrecurring Charges		
	USOC	1 year	3 year	5 year	1 year	3 year	5 year
Initial Order:	PYVP1/PYVP+	$60	$60	$60	$300	$150	$0
Modification:	NRMBA/NRMB+	$60	$60	$60	$300	$150	$150

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed.

(N)

(This page filed under Transmittal No. 43)

(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service* (Cont'd)

(A) OC-3 (Cont'd)

(3) Optional Features (Cont'd)

(c) Central Office Multiplexing (Cont'd)

(2) Central Office Multiplexing Ports

(b) DS-3 Port

		Monthly Rate			Nonrecurring Charges		
	USOC	1 year	3 year	5 year	1 year	3 year	5 year
Initial Order:	PYVP3/PYVP+	$150	$150	$150	$600	$300	$0
Modification:	NRMBB/NRMB+	$150	$150	$150	$600	$300	$300

(4) Service-to-Service Through Connect Arrangement (OC-3)

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
THA	$0	$0	$0	$300	$300	$300

(5) Moves (OC-3)

(a) Service Facility Move

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
NRMBS	$0	$0	$0	$650	$650	$650

(b) Moves of Point of Termination

See Section 13, preceding for rates and charges.

(c) Moving Customer Premises

See Section 13, preceding for rates and charges.

*Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed.

(N)

(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service* (Cont'd)

(A) OC-3 (Cont'd)

(6) Collocation Transport

	USOC	Monthly Rate Fixed	Monthly Rate Per Mile	Nonrecurring Charges
BCS Circuit	(1H48S)			
1 Year		$1,600	$193	$3,000
3 Year		$1,400	$154	$1,500
5 Year		$1,150	$110	$ 0

(7) Interconnect Arrangement with Other Special Access Services OC-3 Cross-Connect

	USOC	Monthly Rate	Nonrecurring Charges
Cross-Connect	(THA)		
1 Year		$0	$300
3 Year		$0	$300
5 Year		$0	$300

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed.

(N)

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service* (Cont'd)

(B) OC-12

(1) Channel Termination

- per BCS Circuit, per Customer Premises

Volume Option	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
	T6XBX/T6XB+	$9,900	$8,460	$5,445	$5,000	$2,500	$0
2 plus	T6XEX/T6XE+	n/a	$7,610	$4,320	n/a	$2,500	$0

(2) Mileage

- per BCS Circuit

(a) Fixed

USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
1HYBS/1HYB+	$7,100	$6,500	$5,800	$0	$0	$0

(b) Per Mile

USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
1HYBS/1HYB+	$330	$275	$200	$0	$0	$0

(3) Optional Features

(a) Equipment Protection

- Per Channel Termination, per Customer Premises

USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
APPBX/APPB+	$300	$300	$300	$360	$180	$0

* Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

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22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service* (Cont'd)

(B) OC-12 (Cont'd)

(3) Optional Features (Cont'd)

(b) Loop Redundancy

- Per Channel Termination, per Customer Premises

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
DVDLX/DVDL+	$590	$590	$590	$720	$360	$0

(c) Central Office Multiplexing

(1) Central Office Multiplexing System Arrangement

- Per OC-12 System Arrangement

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
MXNBX/MXNB+	$3,750	$2,500	$1,900	$1,000	$500	$0

(2) Central Office Multiplexing Ports

- Per Port

(a) DS3 Port

		Monthly Rate			Nonrecurring Charges		
	USOC	1 year	3 year	5 year	1 year	3 year	5 year
Initial Order:	PYVP3/PYVP+	$150	$150	$150	$600	$300	$0
Modification:	NRMBB/NRMB+	$150	$150	$150	$600	$300	$300

*Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service* (Cont'd)

(B) OC-12 (Cont'd)

(3) Optional Features (Cont'd)

(c) Central Office Multiplexing (Cont'd)

(2) Central Office Multiplexing Ports (Cont'd)

- Per Port

(b) OC-3 Port

	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
Initial Order:	PYVPC/PYVP+	$180	$180	$180	$600	$300	$0
Modification:	NRMBD/NRMB+	$180	$180	$180	$600	$300	$300

(c) OC-3c Port

	USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
Initial Order:	PYVPO/PYVP+	$180	$180	$180	$600	$300	$0
Modification:	NRMBE/NRMB+	$180	$180	$180	$600	$300	$300

(4) Service-to-Service Through Connect Arrangement (OC-12)

USOC	Monthly Rate 1 year	Monthly Rate 3 year	Monthly Rate 5 year	Nonrecurring Charges 1 year	Nonrecurring Charges 3 year	Nonrecurring Charges 5 year
THA	$0	$0	$0	$300	$300	$300

*Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

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22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service* (Cont'd)

(B) OC-12 (Cont'd)

(5) Moves

(a) Service Facility Move (OC-12)

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
NRMBS	$0	$0	$0	$650	$650	$650

(b) Moves of Point of Termination

See Section 13, preceding for rates and charges.

(c) Moving Customer Premises

See Section 13, preceding for rates and charges.

(6) STS-1 Channel Reconfiguration Charge

	Monthly Rate			Nonrecurring Charges		
USOC	1 year	3 year	5 year	1 year	3 year	5 year
NRMBF	$0	$0	$0	$600	$600	$600

(7) Collocation Transport

		Monthly Rate		Nonrecurring
BCS Circuit	USOC (1H48S)	Fixed	Per Mile	Charges
1 Year		$7,100	$330	$5,000
3 Year		$6,500	$275	$2,500
5 Year		$5,800	$200	$0

*Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.9 Broadband Circuit Service* (Cont'd)

(B) OC-12 (Cont'd)

(8) Interconnect Arrangement with Other Special Access Services OC-12 Cross-Connect

	USOC	Monthly Rate	Nonrecurring Charge
Cross-Connect	(THA)		
1 Year		$0	$300
3 Year		$0	$300
5 Year		$0	$300

*Effective, January 11, 2002, BCS will no longer be available to customers. Grandfathered BCS Customers will maintain their existing service arrangement until their contract expires unless they choose to convert to another service. No changes to existing BCS service arrangements will be permitted, nor will any renewals be allowed. (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service

(A) OC-3/OC-3c

(1) Local Distribution Channel

	USOC	1 Year	3 year	5 year	Mo. Ext.
-Per Point of Termination	TMECS	$2,100.00	$1,700.00	$1,300.00	$2,275.00

(2) Interoffice Transport

-Mileage	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1L5XX	$1,100.00	$975.00	$886.00	$1,550.00
-Per Mile	1L5XX	$260.00	$260.00	$220.00	$350.00

(3) Collocation Transport—Transport Facilities between Collocation Arrangements

	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1H48S	$1,800.00	$1,600.00	$1,400.00	$2,000.00
-Per Mile	1H48S	$260.00	$260.00	$220.00	$350.00

(4) Optional Features and Functions

(a) OC-3 Add/Drop Multiplexing—Per Arrangement*

USOC	1 Year	3 year	5 year	Mo. Ext.
MPECX	$1,500.00	$1,200.00	$950.00	$1,650.00

(b) Add/Drop Function—Per DS-3

USOC	Monthly	Nonrecurring Charge
MXJBX	$150.00	$0

(N)

* Concatenated services cannot be multiplexed.

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(N)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(A) OC-3/OC-3c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(b) Add/Drop Function (Cont'd) -Per DS1	MXJAX	$55.00	$0
(c) 1+1 Protection -Per OC-3/OC-3c Local Distribution Channel	P8T	$180.00	$0
(d) 1+1 Protection with Cable Survivability -Per OC-3/OC-3c Local Distribution Channel	P3S	$180.00	$500.00
(e) 1+1 Protection with Route Survivability -Per OC-3/OC-3c Local Distribution Channel	P8T	(Apply P8T rate above, plus Per Quarter Route Mile below) (P8T + S2DXY)	
-Per Quarter Route Mile	S2DXY	$50.00	$0

(N)

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22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(A) OC-3/OC-3c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(f) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00

(5) Moves (OC-3/OC-3c)

(a) Service Rearrangement

See Section 7.2.4, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 13.4, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.7, preceding for rates and charges. (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(B) OC-12/OC-12c

(1) Local Distribution Channel

-Per Point of Termination

	USOC	1 Year	3 year	5 year	Mo. Ext.
	TMECS	$4,800.00	$4,000.00	$3,000.00	$5,250.00

(2) Interoffice Transport

-Mileage	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1L5XX	$3,600.00	$2,925.00	$2,250.00	$4,100.00
-Per Mile	1L5XX	$260.00	$260.00	$220.00	$350.00

(3) Collocation Transport—Transport Facilities between Collocation Arrangements

	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1H48S	$5,200.00	$4,500.00	$4,000.00	$5,600.00
-Per Mile	1H48S	$260.00	$420.00	$400.00	$600.00

(4) Optional Features and Functions

(a) OC-12 Add/Drop Multiplexing—Per Arrangement*

USOC	1 Year	3 year	5 year	Mo. Ext.
MPEDX	$3,200.00	$2,800.00	$2,100.00	$3,575.00

(b) Add/Drop Function—Per OC-3

USOC	Monthly	Nonrecurring Charge
MXJCX	$250.00	$0

* Concatenated services cannot be multiplexed. (N)

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ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(B) OC-12/OC-12c (Cont'd)

	USOC	Monthly	Nonrecurring Charges
(4) Optional Features and Functions (Cont'd)			
(b) Add/Drop Function (Cont'd) -Per DS3	MXJBX	$150.00	$0
(c) 1+1 Protection -Per OC-12/OC-12c Local Distribution Channel	P8T	$260.00	$0
(d) 1+1 Protection with Cable Survivability -Per OC-12/OC-12c Local Distribution Channel	P3S	$260.00	$600.00
(e) 1+1 Protection with Route Survivability -Per OC-12/OC-12c Local Distribution Channel	P8T	(Apply P8T rate above, plus Per Quarter Route Mile below) (P8T + S2DXY)	
-Per Quarter Route Mile	S2DXY	$100.00	$0

(N)

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ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(B) OC-12/OC-12c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(f) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00

(5) Moves (OC-12/OC-12c)

(a) Service Rearrangements

See Section 7.2.4, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 13.4, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.7, preceding for rates and charges. (N)

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(C) OC-48/OC-48c

(1) Local Distribution Channel

Per Point of Termination

USOC	1 Year	3 year	5 year	Mo. Ext.
TMECS	$11,400.00	$9,800.00	$7,000.00	$12,250.00

(2) Interoffice Transport

-Mileage	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1L5XX	$6,700.00	$5,625.00	$4,500.00	$7,875.00
-Per Mile	1L5XX	$300.00	$260.00	$220.00	$350.00

(3) Collocation Transport—Transport Facilities between Collocation Arrangements

	USOC	1 Year	3 year	5 year	Mo. Ext.
-Fixed	1H48S	$13,000.00	$11,700.00	$10,400.00	$14,500.00
-Per Mile	1H48S	$260.00	$520.00	$440.00	$650.00

(4) Optional Features and Functions

(a) OC-48 Add/Drop Multiplexing—Per Arrangement*

USOC	1 Year	3 year	5 year	Mo. Ext.
MXRFX	$5,550.00	$4,625.00	$3,700.00	$6,375.00

(b) Add/Drop Function—Per OC-3

USOC	Monthly	Nonrecurring Charge
MXJEX	$625.00	$0

* Concatenated services cannot be multiplexed. (N)

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(C) OC-48/OC-48c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(b) Add/Drop Function (Cont'd)			
-Per OC-3	MXJCX	$250.00	$0
-Per DS3	MXJBX	$150.00	$0
(c) 1+1 Protection			
-Per OC-48/OC-48c Local Distribution Channel	P8T	$1,410.00	$0
(d) 1+1 Protection with Cable Survivability			
-Per OC-48/OC-48c Local Distribution Channel	P3S	$1,410.00	$700.00
(e) 1+1 Protection with Route Survivability			
-Per OC-48/OC-48c Local Distribution Channel	P8T	(Apply P8T rate above, plus Per Quarter Route Mile below) (P8T + S2DXY)	
-Per Quarter Route Mile	S2DXY	$125.00	$0

(N)

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22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(C) OC-48/OC-48c (Cont'd)

	USOC	Monthly	Nonrecurring Charge
(4) Optional Features and Functions (Cont'd)			
(f) Point-to-Point OC-48 Regenerator -each	RGY48	$5,500.00	$0
(g) Shared Network Arrangement -Processing Charge per Service Order	NRBOP	$0	$30.00

(5) Moves (OC-48/OC-48c)

(a) Service Rearrangement

See Section 7.2.2, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 7.2.3, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.3, preceding for rates and charges. (N)

ACCESS SERVICE

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(D) OC-192

	USOC	3 year	5 year	Mo. Ext.
(1) Local Distribution Channel				
-Per Point of Termination	TMECS	$29,400.00	$21,000.00	$36,000.00
(2) Interoffice Transport				
-Mileage				
-Fixed	1L5XX	$16,875.00	$13,500.00	$23,625.00
-Per Mile	1L5XX	$360.00	$300.00	$450.00
(3) Collocation Transport				
-Transport Facilities between Collocation Arrangements				
-Fixed	1H48S	$16,875.00	$13,500.00	$23,625.00
-Per Mile	1H48S	$360.00	$300.00	$450.00
(4) Optional Features and Functions				
(a) OC-192 Add/Drop Multiplexing*				
-Per Arrangement	MXRGX	$12,000.00	$9,600.00	$16,800.00

	USOC	Monthly	Nonrecurring Charge
(b) Add/Drop Function			
-per OC-48	MXJFX	$1,800.00	$0

*Concatenated services cannot be multiplexed. (N)

(This page filed under Transmittal No. 43)

22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(D) OC-192 (Cont'd)

	USOC	Monthly	Nonrecurring Charge	
(4) Optional Feature and Functions (Cont'd)				
(b) Add/Drop Function (Cont'd)				
-Per OC-12	MXJEX	$625.00	$0	
-Per OC-3	MXJCX	$250.00	$0	
(c) 1+1 Protection -Per OC-192 Local Distribution Channel	P8T	$2,700.00	$0	(N)
(d) 1+1 Protection with Cable Survivability -Per OC-192 Local Distribution Channel	P3S	$2,700.00	$800.00	
(e) 1+1 Protection with Route Survivability -Per OC-192 Local Distribution Channel	P8Tplus	(Apply P8T rate above, Per Quarter Route Mile below) (P8T + S2DXY)		
-Per Quarter Route Mile	S2DXY	$150.00	$0	(N)
(f) Point-to-Point OC-192 Regenerator				(T)
-each	RGY	$11,000.00	$0	

Material previously appearing on this page now appears on 1st Revised Page 22-44.

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22. Metropolitan Statistical Area Access Services (Cont'd)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.10 Optical Carrier Network (OCN) Point-to-Point Service (Cont'd)

(D) OC-192 (Cont'd) (M)

(5) Moves (OC-192)

(a) Service Rearrangement

See Section 7.2.2, preceding for rates and charges.

(b) Moves of Point of Termination

See Section 7.2.3, preceding for rates and charges.

(c) Moving Customer Premises

See Section 7.2.3, preceding for rates and charges. (M)

(E) Installation and Rearrangement Charges

	Administrative Charge, per Order	Design and Central Office Connection Charge, per circuit	Customer Connection, Charge, per termination
USOC	ORCMX	NRBCL	NRBBL
OC-3/OC-3c	$60.00	$ 375.00	$450.00
OC-12/OC-12c	60.00	375.00	450.00
OC-48/OC-48c	60.00	500.00	600.00
OC-192	60.00	2,250.00	600.00

Certain material appearing on this page previously appeared on Original Page 22-43.

22. Metropolitan Statistical Area Access Services (Cont'd) (N)

22.5 Rates and Charges (Cont'd)

22.5.2 Special Access Service (Cont'd)

22.5.2.11 Fractional DS1 Service - 128, 256, 384, 512, and 768 Kbps

(A) Channel Termination
- Per Point of Termination TMECS

	Recurring Charges	Nonrecurring Charges 1st CKT	Addl CKT
MTM	$150.00	$900.00	$900.00
3 Year	$115.00	$900.00	$900.00
5 Year	$105.00	$900.00	$900.00

(B) Channel Mileage
- Fixed

USOC	MTM	3 Year	5 Year
1L5XX	$50.00	$39.00	$34.00

Channel Mileage
- Per Mile

USOC	MTM	3 Year	5 Year
1L5XX	$10.00	$9.00	$8.25

(N)

22. Metropolitan Statistical Area Access Service (Cont'd) (N)

22.6 Nevada Bell Wire Center Information

22.6.1 MSAs with Limited Service Relief

State	Wire Center CLLI	MSA Name
NB	EMPRNV11	RENO
NB	INVGNV11	RENO
NB	LCWDNV11	RENO
NB	RENONV02	RENO
NB	RENONV12	RENO
NB	RENONV13	RENO
NB	RENONV14	RENO
NB	RENONV15	RENO
NB	SNVYNV11	RENO
NB	SPRKNV11	RENO
NB	SPRKNV12	RENO
NB	STEDNV11	RENO
NB	VERDNV11	RENO
NB	WASONV11	RENO

(N)

23. Pricing Flexibility Contract Offerings (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer

23.1.1 General Description

Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Contract Offer No. 1) is an access discount plan that provides Customers with Incentive Discounts and Portability Incentives (as defined in Section 23.1.4) in accordance with the terms and conditions as set forth in this Section 23.1.3.

23.1.2 Services Available For WAMS-VIP Offer

(A) Contract Offer No. 1 applies to qualified access services contained in Nevada Bell Telephone Company Tariff F.C.C. No. 1 (Qualified Access Services), listed in Table A below:

Table A

Service	General Basic Description	Rates and Charges	
High Capacity Service	7.11.1	7.11.5	22.5.2.5
Broadband Circuit Service (BCS)	20.1	20.2	22.5.2.9
Optical Carrier Network (OCN) Point-to-Point Service	21.1	21.3	22.5.2.10
Gigabit Ethernet Metropolitan Area Network (GigaMAN)	7.13.1	7.13.3	22.5.2.7
Multi-service Optical Network (MON) Ring Service	8.1	8.4	22.5.2.8

(B) When additional Qualified Access Services are added to the services available under F.C.C. No. 1, all billed, recurring revenues for such additional Qualified Access Services will be added to this Contract Offer No. 1 for the purposes of calculating the Incentive Discounts and Portability Incentives included in this Contract Offer No. 1. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.2 Services Available Under WAMS-VIP Offer (Cont'd)

(C) All terms and conditions for the Qualified Access Services are governed by the respective tariff sections, except as noted in this Contract Offer No. 1.

23.1.3 WAMS-VIP Offer Terms and Conditions

The following terms and conditions apply to Contract Offer No. 1:

(A) Eligibility Criteria

(1) The Qualified Access Services must be located within the "Operating Territory" of the Telephone Company, as described in F.C.C. No. 1, Section 17 (Operating Territory);

(2) Incentive Discounts earned by the Customer under Contract Offer No. 1 shall be applied in the form of a credit to the Customer's bill(s) for Qualified Access Services, located in the following MSA(s) where Telephone Company has been granted pricing flexibility: Reno, Nevada; and

(3) All traffic on the Qualified Access Service(s) must originate or terminate on a wireless carrier's network. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions

(1) Revenue commitments are based on billed, recurring charges for the Qualified Access Services and specifically exclude any non-recurring charges and Incentive Discounts earned under this Contract Offer No. 1;

(2) Customer must maintain a Baseline Minimum Annual Revenue Commitment of $1,176,000 (Baseline MARC) for Qualified Access Services;

(3) Contract Offer No. 1 Incentive Discounts and Portability Incentives are in addition to, and do not alter, any of the existing service discount/term plans available in the Telephone Company's respective tariffs;

(4) The Telephone Company reserves the right to change rates for Qualified Access Services included under Contract Offer No. 1. In the event such rate modifications are made no change will be made to the Baseline MARC;

(5) Qualified Access Services are subject to certain rates, charges and general terms and conditions in other sections of F.C.C. Tariff No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services) and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the terms and conditions described in Contract Offer No. 1;

(6) This Contract Offer No. 1 is available October 9, 2004 through November 9, 2004;

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.3 WAMS-VIP Offer Terms and Conditions (Cont'd)

(B) Terms and Conditions (Cont'd)

(7) The Customer must meet the criteria described for Incentive Discounts and Portability Incentives, as provided in Section 23.1.4; and

(8) To subscribe to Contract Offer No. 1, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS shall contain the effective date ("Effective Date") and the Access Customer's Name Abbreviation(s) (ACNA) and must be signed by the Customer and the Telephone Company's representative.

(C) Term Period

The contract term (Term Period) is eighty-four (84) months commencing on the Effective Date. Each twelve (12) month period beginning with the Effective Date shall be a Term Year. At the end of the Term Period, the Incentive Discounts and Portability Incentives provided in this Contract Offer No. 1 shall be discontinued. This offer is not renewable. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts

Customer will be eligible for the following Incentive Discounts and/or Portability Incentives (collectively "Incentives") under Contract Offer No. 1 during each of the Term Years:

Incentive Discount Commitment Credit (IDCC),
Incentive Discount for WinBack Services (WinBack Incentive), and
Portability Incentive for DS3s (Portability Incentive).

(A) Incentive Discount Commitment

In order to qualify for the IDCC and Portability Incentives, Customer must maintain the "Incentive Discount Commitment" (IDC):

(1) Establishment of the IDC

(a) For Term Year one (1) the Customer's IDC will equal the Baseline MARC.

(b) Unless and until Customer elects to increase the IDC, as provided in Section 23.1.4(A)(1)(c), the IDC during Term Years two (2) through seven (7) shall remain the Baseline MARC.

(c) Customer may elect, by providing written notice to Telephone Company, to increase the IDC. Customer shall notify the Telephone Company of the new IDC Level, as provided in Table B in Section 23.1.4(B). The Customer may increase the IDC Level only; the IDC Level may not be decreased. An IDC Level may be increased effective at the beginning of each Term Year, after the first Term Year, and after the first six (6) months of each Term Year (New IDC Date). Each time Customer chooses a new IDC Level, the corresponding IDC and IDCC shall apply as of the New IDC Date and for the remainder of the Term Period, unless Customer further increases the IDC as provided in this section.

(2) Application of Incentive Discount Commitment

If during the Annual True-Up, as defined in Section 23.1.5(A), the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will apply the IDCC and Portability Incentives for the following Term Year, provided the criteria in Section 23.1.4(B) and (E)respectively, are met. During the first Term Year, the Telephone Company will apply the IDCC based upon IDC Level 1.

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(A) Incentive Discount Commitment (Cont'd)

(2) Application of Incentive Discount Commitment (Cont'd)

Example: After Term Year one (1), the Customer's Achieved Revenue Amount, determined by the Annual True-Up, equals $1,900,000 and the IDC is $1,176,000. Since the Achieved Revenue Amount exceeds the IDC and the Customer has not provided notice to increase the IDC to a new IDC Level, the Telephone Company would apply the IDCC, and Portability Incentives in Term Year two (2), based on the Customer's IDC of $1,176,000.

(3) Notwithstanding the above, Incentives shall not be applied unless and until the Customer is current in paying (or properly disputing) all invoices submitted for payment by the Telephone Company for billed, recurring revenue for Qualified Access Services in accordance with F.C.C. No. 1, Section 2.

(B) Incentive Discount Commitment Credit for Qualified Access Services

For each Term Year, the Customer will be eligible for an "Incentive Discount Commitment Credit" (IDCC) according to Table B, per sub-section (1) below.

Table B

IDC Level	IDC	IDCC
1	$ 1,176,000	$ 105,840
2	$ 1,296,000	$ 129,600
3	$ 1,416,000	$ 169,920
4	$ 1,536,000	$ 215,040
5	$ 1,656,000	$ 248,400
6	$ 1,776,000	$ 301,920
7	$ 1,896,000	$ 379,200

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(B) Incentive Discount Commitment Credit for Qualified Access Services (Cont'd)

(1) Application of Incentive Discount Commitment Credit

(a) The Telephone Company will apply the IDCC to the Customer's bill(s) for Qualified Access Services in those Term Years for which the Customer qualifies for the IDCC per Section 23.1.4(A),as follows: One-quarter of the IDCC will be applied thirty (30) days in arrears from the end of the first, second, third and fourth quarters of the Term Year, based on the IDCC determined under Section 23.1.4(B)(1)(b)and 23.1.4(B)(1)(c) below.

(b) The IDCC applied during the four (4)quarters of Term Year one (1) shall be based upon IDC-Level 1.

(c) The IDCC applied during the four (4) quarters for Term Years two (2) through seven (7) will be based upon the IDC-Level determined using the IDC established in Section 23.1.4(A).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount for WinBack Services

If the Customer elects to obtain Qualified Access Service(s) located in MSAs where the Telephone Company has been granted pricing flexibility within the Operating Territory, in place of access service(s) that is provided by a carrier other than the Telephone Company or one of its affiliates, the Customer will receive a one-time credit equal to twenty percent (20%) of the first twelve (12) months billed, recurring revenue for that new Qualified Access Service (WinBack Incentive).

This WinBack Incentive credit will be applied in addition to the Incentives described in Sections 23.1.4(B)and(D).

(1) Eligibility Criteria for WinBack Incentive

(a) The Customer must present reasonable and verifiable information, which includes but is not limited to circuit detail or coordinated move orders, to demonstrate the service being converted is currently being provided by a carrier other than the Telephone Company or its affiliates; and

(b) The new Qualified Access Service(s) ordered must have a minimum term period of twelve (12) months for DS1 and DS3 orders and thirty-six (36) months for SONET services.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(C) Incentive Discount for WinBack Services (Cont'd)

(2) Application of WinBack Incentive

(a) The Telephone Company will apply the credit to the Customer's bill(s) for Qualified Access Services that follows the end of the initial twelve (12) month period, thirty (30) days in arrears, as follows:

(i) When the Telephone Company and Customer have identified the start date for the term period of the WinBack Qualified Access Service in a authorization letter, the initial twelve (12) month period will be the twelve (12) month period commencing on that start date; or,

(ii) When the start date for the term period of the WinBack Qualified Access Service is established by the completion of an access service order, the initial twelve (12) month period will be the twelve (12) month period commencing on the day the access service order is completed. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.4 WAMS-VIP Offer Incentive Discounts (Cont'd)

(D) DS3 Portability Incentive

The Portability Incentive waives termination liability charges that would otherwise be assessed to the Customer for moves of DS3 Qualified Access Services.

This Portability Incentive is in addition to the Incentives described in Sections 23.1.4(B) and (C).

(1) Eligibility Criteria for DS3 Portability Incentive

The following criteria must be met in order to receive the Portability Incentive:

(a) Customer's DS3s must meet the Minimum Period requirements, as established under F.C.C. No. 1, Section 7.2.4 at the previous location;
(b) The term period of the new circuit must be equal to, or greater than, the remaining term of the disconnected circuit; and
(c) The disconnect service and new service must be within the Operating Territory.

(2) Semi-Annual Review of Disconnect Access Service Orders

If Customer qualified for the Portability Incentive as set forth in Section 23.1.4(A) but cumulative "disconnect" access service orders exceeded "add" access service orders during the Term Year, as measured on a semi-annual basis, the Customer will be assessed termination liability charges on the sum difference between the cumulative disconnect and add access service orders.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.5 WAMS-VIP Annual True-Up

(A) An annual true-up calculation is performed after each Term Year ("Annual True-Up") to establish whether:

(1) Customer maintained the Baseline MARC during that Term Year; and

(2) Customer met or exceeded the IDC.

For the purposes of the Annual True-Up calculations, the Customer's billed, recurring revenue for Qualified Access Services during the Term Year will constitute the Customer's "Achieved Revenue Amount."

(B) Annual True-Up Calculations

(1) Baseline MARC Annual True-Up:

The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the Baseline MARC.

(a) If Customer's Achieved Revenue Amount falls below the Baseline MARC, the Customer may pay the difference between the Baseline MARC and the Achieved Revenue Amount (Shortfall Payment).

(i) The Telephone Company will notify the Customer within thirty (30) days of the end of the Term Year of any Shortfall Payment.

(ii) Customer must make the Shortfall Payment within thirty (30) days after receiving notification from the Telephone Company.

(iii) The following Term Year's IDC and IDCC will be determined as set forth in Section 23.1.4(A)and(B).

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.5 WAMS-VIP Annual True-Up (Cont'd)

(B) Annual True-Up Calculations (Cont'd)

(1) Baseline MARC Annual True-Up: (Cont'd)

Example of Baseline MARC Annual True-Up:

If Customer's Achieved Revenue Amount in Term Year 5 is $1,000,000, the Baseline MARC of $1,176,000 has not been met. Customer may choose to pay the difference of $176,000 (1,176,000 – 1,000,000), in order to avoid termination liability charges.

(b) If Customer's Achieved Revenue Amount falls below the Baseline MARC for any given Term Year, and the Customer does not make the Shortfall Payment, this Contract Offer Subscription shall terminate and termination liability charges will apply, as described in Section 23.1.8(A). (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.5 WAMS-VIP Annual True-Up (Cont'd)

(B) The Annual True-Up Calculation (Cont'd)

(2) IDCC Annual True-Up:

The Telephone Company will determine whether the Customer's Achieved Revenue Amount meets, exceeds or falls below the IDC.

(a) If the Customer's Achieved Revenue Amount meets or exceeds the IDC, the Telephone Company will determine the IDCC for the following Term Year and the quarterly credits, for that following Term Year, will be applied as set forth in Section 23.1.4(B)(1).

(b) If the Customer's Achieved Revenue Amount falls below the IDC, the Customer may pay the difference between the Achieved Revenue Amount and the IDC ("Make-Up Payment") to be eligible for IDCC for the following Term Year as detailed below.

(i) The Telephone Company shall notify the Customer within thirty (30) days of the end of the Term Year of any Make-Up Payment.

(ii) Customer must pay the Make-Up Payment within thirty (30) days after receiving said notification from the Telephone Company.

(iii) The following Term Year's IDCC will be determined as set forth in Section 23.1.4(B).

(iv) If the Customer chooses not to make the Make-Up Payment, no IDCC payments will be made to the Customer for the following Term Year.

Example of IDCC Annual True-Up:

If the Achieved Revenue Amount for Term Year 3 is $1,500,000 and the IDC is $1,296,000 the Earned IDCC for Term Year 4 would be $129,600, unless the Customer increased the applicable IDC as provided in Section 23.1.4(A).

(N)

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23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Merger/Acquisitions

(A) Assignment/Successors

(1) If the Customer wishes to assign or transfer its rights and obligations under Contract Offer No. 1 ("Contract Offer Subscription"), the Telephone Company will permit such transfer or assignment if the criteria in F.C.C. No. 1 Sections 2.1.2 are fulfilled, unless the proposed assignee or transferee demonstrates a lack of credit worthiness under any of the criteria in (a), (b) or (c) below, or if the assignee or transferee or its parent, has commenced or had initiated against it a voluntary receivership or bankruptcy proceeding.

(a) Any debt of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade as defined by the Securities and Exchange Commission or;

(b) If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by a rating organization for a possible downgrade or;

(c) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g., Standard and Poor's) but does have a Dun and Bradstreet rating and the proposed assignee or transferee is rated:

(i) Fair or below in a composite credit appraisal published by Dun and Bradstreet or;

(ii) High risk in a Paydex score as published by Dun and Bradstreet. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Merger/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) The terms and conditions of the Contract Offer No. 1 shall continue in full force and effect if the Customer merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity (Transfer). After a Transfer, if the other entity also purchases Qualified Access Service(s) from the Telephone Company, either directly or through any affiliates, the Customer shall not include under the Contract Offer Subscription any of the billed, recurring revenue for the Qualified Access Services of the other entity in place as of the date the Transfer is finalized (Transfer Date), except as may be provided below.

Notwithstanding the foregoing, the Customer may choose, at its discretion, one of the options set forth in subsections (i)-(iii) below (Options), within the time period that is between twelve (12) months and twenty-four (24) months after the Transfer Date.

To exercise an Option, the Customer must send written notice to the Telephone Company within the time period described above stating which Option the Customer selects. The date that the Customer sends that written notice shall be the "Option Exercise Date". None of the Options shall alter in any way the terms or conditions of any contract or tariff pursuant to which the other entity obtains Qualified Access Services from the Telephone Company, including but not limited to any terms or conditions related to termination.

Option (i): The Customer and Telephone Company shall recalculate the Baseline MARC, IDC and IDCCs (Key Numbers) for the period from the Option Exercise Date to the end of the Term Period, to allow for the combined billed, recurring revenues for Qualified Access Services of the Customer and the merged or acquiring company to be covered under the Contract Offer Subscription, provided the following conditions are met: (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(a) One hundred percent (100%) of the total combined billed, recurring revenues for Qualified Access Services of Customer and the other entity must be included in the Contract Offer Subscription;

(b) The Baseline MARC will be adjusted according to the following formula:

The Baseline MARC will be equal to one hundred percent (100%) of the other entity's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Option Exercise Date multiplied by four (4) plus 1,176,000. This shall be the "Combined Baseline MARC";

(c) The IDC for the remainder of the then-current Term Year will be adjusted according to the following formula:

The IDC will be equal to one hundred percent (100%) of the other entity's actual billed recurring Qualified Access Services revenues for the three months immediately preceding the Option Exercise Date multiplied by four (4) plus the Customer's current IDC. This shall be the "Combined IDC"; (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

Option (i): (Cont'd)

(d) The IDC will be adjusted according to the following formula:

The Option 1 multiplier ("Option 1 Multiplier"), which equals the ratio of the Combined IDC to the Customer's current IDC, will be applied to the IDCCs associated with the IDC Levels that are available to the Customer, as defined in Section 23.1.4.

Example:
IDC = $1,416,000
Current IDCC Level = 3

New Entity Revenue = $1,000,000

Combined IDC = $2,416,000
($1,416,000 plus $1,000,000)

Option 1 Multiplier = 1.71
($2,416,000/$1,416,000)

(e) The IDCCs amounts will be adjusted according to the following formula:

The Option 1 Multiplier will be applied to the IDCC associated with the IDCC Levels which remain available to the Customer in order to determine the Combined IDCC.

Example:
IDC = $1,416,000
Current IDC-Level = 3
IDCC = $169,920

New Entity Revenue = $1,000,000
Combined IDC = $2,416,000
($1,416,000 plus $1,000,000)

Option 1 Multiplier = 1.71
(1,416,000/$1,000,000) (N)

Combined IDCC = $290,563
($169,920 multiplied by 1.71)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (i): (Cont'd)

(f) The Customer must have at least forty-eight (48) months remaining in the Term Period under the Contract Offer Subscription or, if less than forty-eight (48) months are remaining in the Term Period under the Contract Offer Subscription, the Term Period shall be automatically extended so that the terms and conditions of the Contract Offer No. 1 remain in effect for forty-eight (48) months after the Option Exercise Date; and

(g) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Option Exercise Date with no credits being applied to the Customer's bill(s) during this sixty (60) day period. Starting with the remaining quarters, the combined Key Numbers will be used to determine applicable IDCC amounts.

(1) If the Option Exercise Date falls within the 1st, 2nd or 3rd quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC will occur thirty (30) days after the Key Numbers are determined or thirty (30) days in arrears of the end of the quarter, whichever is later; or

(2) If the Option Exercise Date falls within the fourth quarter of the respective Term Year, the initial credit application of any eligible Combined IDCC will occur thirty (30) days after the Key Numbers are determined or sixty (60) days in arrears of the end of the quarter, whichever is later.

Option (ii): The Customer and Telephone Company shall endeavor to negotiate new Key Numbers for the period from the Option Exercise Date to the end of the Term Period, to allow for the combination of the billed, recurring revenues for Qualified Access Services of the Customer and (N)
the merged or acquiring company to be covered under this Contract Offer Subscription provided the following conditions are met:

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (ii): (Cont'd)

(a) The Customer and Telephone Company shall each identify a team (composed of business and network subject matter experts) which shall negotiate new Key Numbers in good faith;

(b) If these discussions do not result in mutual agreement on new Key Numbers within sixty (60) days of the date of the Option Exercise Date, either Customer or Telephone Company may provide written notice to the other requesting that each party appoint a knowledgeable, responsible representative(s) to meet and negotiate in good faith to agree upon new Key Numbers. The Customer and Telephone Company intend that these negotiations be conducted by non-lawyer, business representatives. The location, form, frequency, duration and conclusion of these discussions shall be left to the discretion of the representatives;

(c) The Customer and Telephone Company shall endeavor to reach agreement upon the new Key Numbers within one hundred twenty (120) days of the Option Exercise Date; and

(d) If the Customer and Telephone Company cannot mutually agree upon new Key Numbers within timelines outlined above, and the Customer does not wish to continue according to the rates terms and conditions of this Contract Offer Subscription, the Customer may terminate the Contract Offer Subscription by giving thirty (30) days written notice to the Telephone Company. Upon such termination, the Telephone Company (N)
shall bill the Customer, and the Customer shall pay to the Telephone Company, termination liability charges as described below:

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(A) Assignment/Successors (Cont'd)

(2) (Cont'd)

Option (ii): (Cont'd)

(d)(Cont'd)

(a) For termination that occurs between twelve (12)and twenty-four (24) months after the effective Date, eighty percent (80%) of all IDCC provided to the Customer pursuant to this Contract Offer No. 1; or

(b) For termination that occurs after the first twenty-four (24) months after the Effective Date, fifty percent (50%) of all IDCC provided to the Customer pursuant to this Contract Offer No. 1.

Option (iii): The Contract Offer Subscription shall be terminated as set forth in Section 23.1.8(A). (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont’d)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont’d)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets

If Customer is required by a regulatory agency to divest any markets, market spectrum or customers (“Divested Market”) in connection with a Transfer, the Customer can request that Key Numbers be recalculated by the Telephone Company. The Customer must send written notice to the Telephone Company within sixty (60) days of completing a market divestiture. The date the Customer sends that written notice shall be the “Divestiture Notice Date”. The Telephone Company will recalculate the Key Numbers as described below:

(1) The Baseline MARC, IDC and IDCC amounts will be reduced by either of the following methods, at the Customer’s discretion (“Divested Revenue”):

(a) One hundred percent (100%) of the Divested Market’s billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the notification multiplied by four (4); or

(b) A revenue amount that is less than the amount determined under subparagraph (a) above. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets(Cont'd)

(2)The IDCCs will be reduced according to the following steps:

Step 1.

Determine the impact on total revenue by calculating the "Divestiture Percentage". The Divestiture Percentage is the percent change between the Pre-Divest and Post-Divest revenues. The "Pre-Divest Revenue" equals 100% of the Customer's billed, recurring revenues for Qualified Access Services for the three (3) months immediately preceding the Divestiture Notice Date multiplied by four (4) or the Baseline MARC, whichever is greater. The "Post-Divest Revenue" equals Pre-Divest Revenue minus the Divested Revenue from (B)(1).

Example:
Pre-Divest Revenue = $1,700,000
Divested Revenue = $ 100,000
Post-Divest Revenue = $1,600,000
($1,700,000 - $100,000)

Divestiture Percentage = 6%
(1-($1,600,000/$1,700,000))

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(2)(Cont'd)

Step 2.

The Divestiture Percentage will equal the percent reduction in the IDCs and IDCCs which remain available to the Customer.

Example:
IDCC-Level equals 5
Divestiture % = 6%

Reduced IDC = $1,598,000
($1,700,000 – ($1,700,000 X .06))

Reduced IDCC = $233,496
($248,400 – ($248,400 X .06))

(3) The Telephone Company will recalculate the Key Numbers within sixty (60) days of the Divestiture Notice Date. The recalculated Key Numbers will become effective once the Divested Market's billed, recurring revenues for Qualified Access Service are no longer being billed to the Customer ("Divestiture Effective Date"). Starting with the remaining quarters of the Term Year as of the Divestiture Effective Date, the recalculated Key Numbers will be used to determine the applicable IDCC.

(a) If the Divestiture Effective Date falls within the 1st, 2nd or 3rd quarter of the respective Term Year, the initial credit application of any eligible Reduced IDCC will occur thirty (30) days after the Key Numbers are effective or thirty (30) days in arrears of the end of the quarter, whichever is later; or, (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.6 WAMS-VIP Offer Mergers/Acquisitions (Cont'd)

(B) Sale of Markets (Cont'd)

(3) (Cont'd)

(b) If the Divestiture Effective Date falls within the fourth quarter of the respective Term Year, the initial credit application of any eligible reduced IDCC will occur thirty (30) days after the Key Numbers are determined or sixty (60) days in arrears of the end of the quarter, whichever is later.

23.1.7. WAMS-VIP Cell-Site Performance – Credits

(A) Description

Cell-Site Performance Improvement Credits are available to the Customer based upon the quality of service delivered during the Term Period, as set forth in subparagraph (2) below. The credits will be granted in the event that the Telephone Company's Contract Offer No. 1 service performance level objectives for cell-site DS1 Qualified Access Services are not met.

(1) The DS1 Qualified Access Services cell-site performance level parameters will be based on DS1 Percentage of Network Availability. The DS1 Percent of Network Availability will be calculated by determining the actual hours that the cell-site DS1 circuits are in service during a given month compared to the total expected availability, and then aggregating those total hours over the course of a Term Year.

Example:

If a Customer had 100 circuits in service at the end of January and 110 at the end of February, their total hours of expected availability would be (31 days times 100 circuits, times 24 hours) plus (28 days, times 110 circuits, times 24 hours) or 148,320. This would be the denominator of the network availability equation.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(A) Description (Cont'd)

(1) Example: (Cont'd)

The numerator would be the total hours of outage based upon measured tickets reported to the Telephone Company subtracted from the 148,320. If there were eight (8) reported failures averaging 3.5 hours per outage, the total hours of outage would be equal to twenty-eight (28). The resulting availability equation for those two (2) months will be ((148,320-28)/148,320) or 99.981%. A twelve (12) month aggregation using the same process as noted for two (2) months will be used to determine annual percent availability for a Customer.

(2) Table C below provides cell-site service performance targets, based on DS-1 Percentage of Network Availability, for each Term Year.

Table C

Term Year	% Network Availability
1	99.9800%
2	99.9840%
3	99.9877%
4	99.9900%
5	99.9900%
6	99.9900%
7	99.9900%

(B) At the Annual True-Up, if the Telephone Company annual results fail to meet the performance target, as specified in Table D above, and the Customer has met the Baseline MARC, the Telephone Company will provide credits and services as follows: (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.7 WAMS-VIP Cell-Site Performance – Credits (Cont'd)

(B)(Cont'd)

(1) The Telephone Company will apply one hundred dollars ($100) in special construction credits for each measured trouble ticket reported to the Telephone Company during the Term Year for cell-site improvements. The special construction credits will be used to improve performance at mutually agreed upon Customer's cell sites that are performing below the DS-1 Percentage of Network Availability as specified in Table D above.

For example: special construction credits can be used to offset the cost of replacing copper with fiber at non-performing cell-sites; and,

(2) The Telephone Company will provide Customer the ability to purchase Automatic Loop Transfer service at twenty-five percent (25%) discount off the monthly recurring rates described in F.C.C. No. 1, Section 31.5.2 for those cell sites that fail to meet the performance target, as specified in Table D above.

23.1.8 Termination

The Customer's subscription to this Contract Offer No. 1 shall terminate if Customer gives notice to Telephone Company, as set forth in the following paragraph, and as set forth in other sections of this Contract Offer No. 1.

The termination liability charges described below shall apply if termination occurs because the Customer does not make a Shortfall Payment as described in Section 23.1.5(B)(1) and/or the Customer elects to terminate its subscription to Contract Offer No. 1 for reasons other than described in Section 23.1.6(A)(4) option(ii) and/or 23.1.8(B).

If the Customer elects to terminate its Contract Offer Subscription during the Term Period, written notification must be provided to the Telephone Company indicating the Customer's intention to terminate its Contract Offer Subscription. This notification must include the date upon which the Customer wishes to terminate its Contract Offer Subscription.

(N)

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(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.8 Termination (Cont'd)

(A) Termination Liability

Termination liability charges will consist of the sum of the following:

(1) Ten percent (10%) of the Baseline MARC divided by twelve (12)) then multiplied by the number of months remaining in the Term Period; plus
(2) Repayment of the IDCC, given under Contract Offer No. 1 during the three (3) quarters preceding the termination date.

Example:

Customer with a Baseline MARC of $1,176,000 and an IDC of $1,416,000 terminates its Contract Offer Subscription after forty-eight (48) months and with thirty-six (36) months remaining in the eighty-four (84) month Term Period, and the Customer received IDCC $127,440 for the previous three quarters before termination. The termination liability charges would be:

(($1,176,000/12) X 10% X 36) + ($127,440) = $480,240 termination liability charge.

(B) Rate Reductions

If the tariffed rates for the Qualified Access Services are reduced by a cumulative total of twenty percent (20%) from the tariffed rates in effect as of the Effective Date (Initial Tariff Rates), either party may terminate the Contract Offer Subscription by providing a sixty (60) day written notice to the other party. Termination liability charges will not apply.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

23.1.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

To determine whether the 20% rate reduction has been met or exceeded, the Telephone Company shall perform an analysis within sixty (60) days following the Effective Date that details the Customer's inventory of Qualified Access Services and the Initial Tariff Rates (Initial Rate Analysis.)

Example: DS1-Initial Rate Analysis

Product Category/ Description	State	Zone	Term	Rate	Units	Total
DS1 - Channel Termination (CT)	CA	2	36	$25.00	4,000	$100,000
DS1 - Channel Mileage (CM-Fixed)				$21.00	1,600	$33,600
DS1 - Channel Mileage (CM-Per Mile)				$16.40	1,000	$16,400
DS1 Total					6,600	$150,000

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.1 Contract Offer No. 1 – Wireless Advantage Managed Services Value Incentive Plan (WAMS-VIP) Offer (Cont'd)

32.1.8 Termination (Cont'd)

(B) Rate Reductions (Cont'd)

Telephone Company shall also perform a similar exercise within sixty (60) days following each Term Year detailing the Customer's inventory from the Initial Rate Analysis and the end-of-year tariff rates (EOY Rate Analysis). The Customer and Telephone Company will then compare the Initial Rate Analysis to the EOY Rate Analysis to identify the percent change in the total, cumulative rates, if any.

Example: Initial Rate Analysis and EOY Rate Analysis Comparison

Product Category	Units	Initial Tariff Rates	EOY Tariff Rates	% Rate Change
DS1	6600	$150,000	$122,000	
DS3	2000	$ 90,000	$ 70,000	
SONET	N/A	N/A	N/A	
Total	8600	$240,000	$192,000	20%

20% = (1-($192,000/$240,000))

The quantity of units for each product category used in the Initial Rate Analysis and the EOY Rate Analysis will be calculated from the Qualified Access Service rate elements listed below:

(1) DS1 – Channel Terminations (CT), Channel Mileage (CM) fixed and Channel Mileage (CM) per mile;

(2) DS3 – CT, CM fixed, CM per mile and Multiplexing (MUX); and

(3) SONET – Not applicable.

(N)

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(N)

23. Pricing Flexibility Contract Offerings

23.2 Contract Offer No. 2 – Special Access Service Offer

23.2.1 General Description

(Nx)

The Special Access Service Offer (Contract Offer No. 2) is an access discount pricing plan requiring subscription from Customers under the following Access Tariffs: Ameritech Operating Companies Tariff F.C.C. No 2., Southwestern Bell Telephone Company Tariff F.C.C. No. 73, The Southern New England Telephone Company Tariff F.C.C. No. 39, Pacific Bell Telephone Company Tariff F.C.C. No. 1. and Nevada Bell Telephone Company Tariff F.C.C. No. 1. The plan requires Customers to maintain a Minimum Annual Revenue Commitment (MARC) for five (5) years. Contract Offer No. 2 is available to any Customer with at least $18.5 million in cumulative annual recurring revenue for qualified access services in the SBC Interstate Access Tariffs as identified above. The qualified access services for the Nevada Bell Telephone Company (NBTC) are listed in Section 23.2.3(B). The Customer must meet the Eligibility Criteria as described in Section 23.2.2 and the Terms and Conditions as described in Section 23.2.3.

(Nx)

The Customer must meet a Minimum Annual Revenue Commitment (MARC) for each year of the five (5) year term. In the event the Customer does not meet its MARC as of each anniversary date, the Customer will be required to remit a payment, via the Annual True-Up process described in Section 23.2.4(D), otherwise termination liability charges will apply. Contract Offer No. 2 will only be available November 17, 2004 through January 17, 2005.

23.2.2 Eligibility Criteria

The following Eligibility Criteria must be met in order to receive Contract Offer No. 2 discounts:

(A) Contract Offer No. 2 is only available for services located in the following Metropolitan Statistical Areas (MSAs): Reno, NV

If the Telephone Company receives pricing flexibility relief in additional MSAs, the Customer will be able to use services and/or revenue from those areas to meet MARC commitments upon adjustment of the MARC for those incremental revenues as defined in Section 23.2.4.

(B) The Customer cannot subscribe to this Contract Offer concurrently with SBC's MVP offering in Section 22.

(C) The Customer must have a minimum of $18.5 million in cumulative annual recurring revenue for Voice Grade(VG), Digital Data (DS0), High Capacity (DS1 and DS3), Optical Carrier Network (OCN) Point-to-Point (PTP), and Gigabit Ethernet Metropolitan Area Network (GigaMAN) Services from this Contract Offer and the Contract Offers listed in Section 23.2.3 (A). (N)

(x) issued under Authority of Special Permission Authority No. 04-075 of F.C.C.

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23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.2 Eligibility Criteria (Cont'd)

(D) The Customer must maintain an Access Service Ratio, equal to or greater than 98%. The Access Service Ratio is defined in Section 23.2.3(H) and will be measured monthly.

23.2.3 Terms and Conditions (Nx)

(A) Concurrent Subscription

The Customer must concurrently subscribe to the parallel Contract Offers of Contract Offer No. 23 pursuant to the following tariffs:

(1) Pacific Bell, Tariff F.C.C No. 1, Section 33, Contract Offer No. 34.
(2) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 43.
(3) Southwestern Bell Tariff F.C.C. No. 73, Section 41, Contract Offer No. 31.
(4) The Southern New England Telephone Company Tariff F.C.C. No. 39, Section 25, Contract Offer No. 6. (Nx)

(B) Subject Services

Contract Offer No. 2 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) VG/DS0 Services - NBTC Tariff F.C.C. No. 1, Sections 7.7.6, 7.10.5 for Phase I MSAs, and Sections 22.5.2.1, 22.5.2.4 for Phase II MSAs;
(2) DS1/DS3 Service - NBTC Tariff F.C.C. No. 1, Section 7.11.5.3 for Phase I MSAs and Section 22.5.2.5, 22.5.2.6, 22.5.2.11 for Phase II MSAs;
(3) OCN PTP OC48/OC48c/OC192 Service – NBTC Tariff F.C.C. No. 1, Section 21.3 and Section 22.5.2.10 for Phase II
(4) GigaMAN Service – NBTC Tariff F.C.C. No. 1 Section 7.3.12 for Phase I MSAs and Section 22.5.2.7 for Phase II MSAs.

All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein. Annual recurring revenue generated from these services will be used in the MARC calculations defined in Section 23.2.4. (N)

(x) issued under Authority of Special Permission Authority No. 04-075 of F.C.C.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(C) Term Period

The contract term (Term Period) is five (5) years commencing on the date the Telephone Company receives a completed Letter of Authorization (LOA) from the Customer. Contract Offer No. 2 is not renewable.

Subject Services to which the Customer already subscribes as of the commencement of the Term Period, or any Subsequently Added Services to which Customer subscribes after commencement of the Term Period in accordance with the terms set forth herein, must be on five (5) year term payment plans or converted to five (5) year term payment plans (where available) in order to receive discounts pursuant to this Contract Offer. If five (5) year term is not available, the Customer must select from the longest term plan available for the service. The Customer may select from any term plan available for purchases of new Subject Services.

(D) Discounts

Discounts will be applied 60 days after the close of each quarter beginning with the first three months after contract commencement. Discounts will be applied each quarter that the Customer complies with MARC requirements, all Eligibility Criteria, and all Terms and Conditions. MARC calculations are discussed in Section 23.2.4 and the application of discounts is detailed in Section 23.2.5.

(E) General

Services are subject to certain rates, charges, and general terms and conditions in other sections of F.C.C. Tariff No. 1, as set forth in Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 - DS1, DS3, SONET Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(F) Contract Termination

If the Customer should terminate this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 23.2.8.

If the Customer fails to maintain any of the Terms and Conditions detailed in Section 23.2.3, the Telephone Company will notify the Customer in writing. The Customer will have 60 days to return to compliance. Failure to comply within 60 days will constitute a default and the Telephone Company shall have the right to terminate this contract. In the event of termination by Telephone Company, termination liability charges will apply as set forth in Section 23.2.8.

(G) Minimum Annual Revenue Commitment (MARC)

Customer must maintain a MARC (as described in Section 23.2.4) for each year in the Term Period of this Contract Offer.

(H) Access Service Ratio

As referenced in Section 23.2.2(D), the Customer and its affiliates must maintain an Access Service Ratio of 98% or greater. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 98%. The 98% ratio is calculated as follows:

$$\frac{\text{Access Revenue}}{\text{Access Revenue + Wholesale Revenue}}$$

(1) Access Revenue is the Customer's and its affiliates interstate recurring billed revenue associated with the rate elements, as defined in Table A:

TABLE A:

Service	General/Basic Description
Voice Grade	7.7.1-5
DS0, DS1, DS3 Services	7.10.1-4, 7.11.1-5
OCN PTP	21.1, 21.2
GigaMAN	7.13.1-11

(2) Wholesale Revenue is the Customer's and its affiliates recurring billed revenue for associated rate elements, as defined in Table B, not included in the interstate tariff(s). (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(H) Access Service Ratio (Cont'd)

TABLE B:

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	4-wire digital loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing All DS1 non-tariffed Committed Information Rate Broadband Services
DS3/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services
OC-3 OC-12 OC-48	OC-3 Entrance Facilities OC-3 Interoffice Transport OC-3 Cross Connects OC-3 Multiplexing OC-12 Entrance Facility OC-12 Interoffice Transport OC-12 Cross Connects OC-12 Multiplexing OC-48 Entrance Facilities OC-48 Interoffice Transport OC-48 Cross Connects OC-48 Multiplexing All OCN equivalent non-tariffed Committed Information Rate Broadband Service
Other Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(H) Access Service Ratio (Cont'd)

(3) As new rate elements are introduced to Table A in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

(4) As new rate elements are introduced to Table B in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Wholesale Revenue, as defined in this section, for calculation of the Access Service Ratio.

(5) If the Customer fails to meet the Access Service Ratio in any given month of the term, upon notification from the Telephone Company, the Customer has ten (10) business days to notify the Telephone Company in writing that it will meet or exceed the 98% Access Services Ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default and the Telephone Company shall have the right to terminate this Contract Offer. In the event of a termination by the Telephone Company, termination liability charges will apply as set forth in Section 23.2.8.

(6) Credits will not be issued until the Customer has met the 98% Access Services Ratio.

(I) The Customer will not be able to subscribe to any future Contract Offerings in Section 23 in conjunction with this Contract Offer or that might be offered by the Telephone Company for Subject Services covered under this Contract Offer.

(J) The Customer must pay billed charges in full for the Term Period of the contract, excluding amounts being disputed. The Telephone Company will provide Customer written notice of a non-compliance situation. Customer will have ten (10) business days from receipt of the written notice to comply. If the Customer does not comply, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination by the Telephone Company, termination liability charges as set forth in Section 23.2.8 will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(K) Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in Section 2.5 and Section 23.2.3 (J) above.

(L) The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviation (ACNA), Other Company Name (OCN) and/or Tiecodes (collectively " Company Code(s)") that the Customer designates for inclusion in this Contract Offer. Company Code(s) may be added by the Customer after initial subscription but are subject to revenue and calculation requirements discussed in Section 23.2.4 (B). Customer shall not incur any termination liability under the relevant tariffs as a result of adding any such Company Code(s).

23.2.4 Minimum Annual Revenue Commitment (MARC)

(A) Calculation of the MARC

Under Contract Offer No. 2, the Customer must establish and maintain a MARC. The MARC will be calculated as outlined in this section. The MARC for the first year will be established when the Telephone Company receives the Letter Of Authorization (LOA) from the Customer and the Customer identifies the Company Code(s) that will be included in this Contract Offer pursuant to Section 23.2.3 (L).

The Customer's MARC for Year 1 is calculated based on the total of the previous three (3) months recurring revenue (recalculated to five-year term rates where applicable pursuant to Section 23.2.3 (C)) for all Subject Services identified in Section 23.2.3 (B) from the SBC Tariffs identified in Section 23.2.3 (A) in eligible pricing flexibility MSAs, multiplied by four (4):

(Prior 3 months recurring revenue) x 4 = Year 1 MARC. The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date.

Example for Year 1 MARC Establishment:
The Customer's prior 3 months recurring revenue (re-rated to 5 year term rates) is $5M. The Customer's Year 1 MARC would be $20M. ($5M X 4).

The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date as follows:

Total of the prior three (3) months recurring revenue for all Subject Services multiplied by four (4).
If the recalculated MARC is greater than the previous year's MARC, the newly recalculated MARC will apply. If the recalculated MARC is less than the previous year's MARC, the previous year's MARC will carryover for the new year.

(This page filed under Transmittal No. 79) (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont’d)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont’d)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont’d)

(A) Calculation of the MARC (Cont’d)

Example for Year 2 MARC Establishment:

The Customer’s prior 3 months recurring revenue is $4M. The Customer’s Year 2 MARC is $20M. ($4M X 4 = $16M < $20M). In this example the Customer’s prior 3 months recurring revenue multiplied by 4 is less than the Year 1 MARC.

If the Value is less than the Year 1 MARC, then the Year 1 MARC will be used for Year 2.

If the Value calculated is greater than the Year 1 MARC, then the newly calculated MARC will be used as the Year 2 MARC.

If the Telephone Company receives additional pricing flexibility relief for MSAs that are not listed in Section 23.2.2, the Telephone Company will recalculate the MARC to incorporate recurring revenues from those areas and will include those revenues in the calculations discussed in Section 23.2.4 (B).

(B) Calculations to Achieve the MARC

Recurring revenue will be counted to determine whether the Customer achieves its MARC based on the following criteria:

Revenue from Existing Services:

(1) Recurring revenue from Subject Services to which the Customer subscribes as of the commencement of the Term Period and which are billed under the specific Company Code(s) provided by the Customer pursuant to Section 23.2.3 (L) will be included in the calculation used to achieve the MARC effective upon the commencement of the Term Period.

(N)

N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(2) Revenue from Subsequently Added Services:

Recurring revenue from Subject Services to which the Customer does not subscribe as of the commencement of the Contract Term Period will not be included in the calculations used to achieve the MARC except as specifically allowed in this subsection. Subject Services ordered prior to, and/or purchased after subscription to this Contract Offer and not subscribed to by the Customer as of the commencement of the Contract Term Period will be considered Subsequently Added Services.

Subsequently Added Services will be recalculated to five (5) year term payment plans in accordance with Section 3.2.3(C). Recurring revenue generated from these Subsequently Added Services may only be used in the calculations used to achieve the MARC after (1) the Telephone Company issues a completed service order, (2) the Customer has been billed for the Subsequently Added Services, and (3) the Subsequently Added Services are qualified under one of the following provisions:

(a) First Six (6) Months After Contract Subscription

Within the first six (6) months of subscribing to this Contract Offer, the Customer can add one or more of its existing Company Code(s) (with its corresponding recurring revenue) not previously included by the Customer on the LOA at the time of subscription pursuant to this provision. The Customer must notify the Telephone Company in writing of its desire to include additional Company Code(s) and specify the Company Code(s) to be added. The recurring revenue from Subject Services of these Company Code(s) (recalculated to five (5) year term payment plans where applicable pursuant to Section 23.2.3(C)) shall be eligible for the MARC discounts as detailed in Section 23.2.5 (A)(1). The recurring revenues from Subject Services of these added Company Code(s) are not eligible for above the MARC discounts detailed in Section 23.2.5 (A)(2) or win-back credits detailed in Section 23.2.5 (E).

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(2) Revenue from Subsequently Added Services (Cont'd)

(b) After the first six (6) Months of Contract Subscription

After the first six (6) months of subscribing to this Contract Offer, the Customer can add one or more of its existing Company Code(s) (with its corresponding recurring revenue) not previously included by the Customer on the LOA at the time of subscription pursuant to this provision.

If the Customer chooses to include any of its additional existing Company Code(s) after the first six (6) months of subscription to this Contract Offer, the Customer must notify the Telephone Company in writing of its desire to include additional Company Code (s) and specify the Company Code(s) added at which time the MARC developed pursuant to Section 23.2.4 (A) will be re-calculated and increased to reflect the additional Company Codes (recalculated to five (5) year term payment plans where applicable pursuant to Section 23.2.3(C)). The recurring revenue from Subject Services of these Company Codes shall be eligible for the MARC discounts detailed in Section 23.2.5 (A),the above the MARC discounts detailed in Section 23.2.5 (A)(2) and the win-back credits detailed in Section 23.2.5 (E). (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(3) Mergers and Acquisitions

If, after subscribing to this Contract Offer, the Customer merges with, acquires, is acquired by, sells all or substantially all its stock or assets to any other entity, or purchases all stock or substantially all stock or assets of another company (the foregoing generally referred to herein as a merger or acquisition) or establishes joint marketing arrangements with another company for Subject Services (including services currently or previously provided through the Telephone Company's network under any Company Code(s)), the Mergers and Acquisition provisions discussed in Section 23.2.7 will apply.

(C) MARC Adjustments

The Customer shall have the right to adjust the MARC downward by 10% or 20%. This adjustment can only be made one time during the life of the Contract Term Period anytime after the first 12 months of the Contract Term Period. If the Customer exercises this option, reduced discounts (as specified in Table E Section 23.2.5(B) shall apply for the remainder of the Contract Term Period, discounts previously provided during that contract year will be re-rated retroactively to reflect the reduced discount level, and certain provisions will no longer apply as detailed in Section 23.2.5(B). If the Customer uses the MARC adjustment option in conjunction with any of the Merger and Acquisition options outlined in Section 23.2.7, reduced discounts will remain for the life of the Contract Term Period, and discounts previously received during that contract year will not be re-rated provided the Eligibility Criteria in Section 23.2.2, Terms and Conditions in Section 23.2.3 and the quarterly MARC schedule in Table D Section 23.2.5 have been met prior to the MARC adjustment, and certain provisions will no longer apply as detailed in Section 23.2.5. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Failure to Achieve the MARC

If the Customer fails to achieve the annual MARC commitment as of the anniversary dates, the Customer will be notified by the Telephone Company.

The Customer must remit an Annual True-Up amount calculated as the difference between the annual MARC for the current plan year and the actual annual recurring revenue for the Subject Services.

If the Telephone Company does not receive the Annual True-Up amount within 30 days of the Customer's receipt of its notification, the Customer is deemed to have terminated this Contract Offer and termination liability charges will apply as set forth in Section 23.2.8.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits

(A) Discount Schedule and Application

Table C contains the level of discounts for this Contract Offer.

TABLE C:

Year	MARC Discount	Discount on Recurring Revenue above the MARC
1	7%	20%
2	9%	20%
3	10%	20%
4	11%	20%
5	12%	20%

Example for Year 1:

Customer's MARC = $20M
Customer's actual annual recurring revenues for Subject Services = $25M
Customer will receive a 7% discount on $20M (issued quarterly in accordance with subsection (1) below) and a 20% discount on $5M (issued annually in accordance with subsection (2))

(1) The Customer will receive MARC discounts quarterly on recurring revenues for all Subject Services up to the MARC. The discount will be applied 60 days after the close of the quarter. Recurring revenue above the MARC is subject to discounts discussed in Section 23.2.5 (A)(2) below. Recurring revenue from Company Codes added pursuant to Section 23.2.3 (L) will receive quarterly discounts described below at the time the codes are added.

The Customer will receive the quarterly discounts as long as the following percentages of the MARC have been achieved by the close of the quarter per Table D. Discounts will be withheld if the Customer does not meet the percentage requirements in any given quarter and discounts will not be issued until the Customer is in compliance with the MARC percentage schedule as outlined below.

Table D:

Quarter	% of MARC
1st	25%
2nd	50%
3rd	75%
4th	100%

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits (Cont'd)

(A) Discount Schedule and Application (Cont'd)

(1) (Cont'd)

For example, if the Customer has achieved 25% of the MARC by the close of the 1st quarter and is in compliance with all Terms and Conditions of this Contract Offer, discounts will be issued. If in the second quarter the Customer only achieves 40% of the MARC and all Terms and Conditions are met, discounts will be withheld. If by the 3rd quarter the Customer has achieved 75% of the MARC and is in compliance with all Terms and Conditions, discounts previously withheld in the 2nd quarter will be issued as well as discounts due for the 3rd quarter.

(2) The Customer will receive the 20% discount on recurring revenues above the MARC annually. The discount will be applied 60 days after each contract anniversary. Recurring revenue generated from services of Company Code(s) not identified at the time of subscription are not eligible for above the MARC discounts unless added pursuant to Section 23.2.3 (L) or Section 23.2.7. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits (Cont'd)

(B) MARC adjustments Discount Schedule and Application

Table E outlines discounts that the Customer will be eligible to receive depending on the MARC adjustment percentage chosen pursuant to Section 23.2.4 (C)

TABLE E:

MARC Adjustment	10%	20%
Discounts	Year 2 – 3% Year 3 – 4% Year 4 – 5% Year 5 – 6%	Year 2 – 2% Year 3 – 2% Year 4 – 3% Year 5 – 3%
Above MARC discount	Will only apply to revenue above the MARC used as the basis of the adjustment or the recurring revenue from the previous 3 months multiplied by 4, whichever is lower.	Will only apply to revenue above the MARC used as the basis of the adjustment or the recurring revenue from the previous 3 months multiplied by 4, whichever is lower.

For example, the Customer's year 1 MARC is $17M. The Customer's year 2 MARC is $18M (calculated as revenue from the last quarter in year 1 x 4). On the anniversary date at the end of year 2, the Customer's year 2 recurring revenue is $15M. The Customer elects to invoke the MARC adjustment option and adjust the MARC downward by 20%. The Customer's year 3 recalculated MARC is therefore $14.4M = ($18M x 80%).

The Customer's discounts (including any previously withheld) for year 2 will be recalculated to reflect levels as set forth in Table E and would total $300K ($15M x 2%). Any discounts that have been applied to the Customer's bill during year 2 in excess of $300K will be back-billed. The discount amount for year 3 is also 2% as set forth in Table E.

Discounts, on a going forward basis, will be based on the re-calculated MARC and will be subject to percentages as detailed in Table E.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits (Cont'd)

(C) Non-Recurring Charges

The Telephone Company will waive Non-recurring charges associated with the purchase of VG, DS0, DS1, DS3, OCN PTP, and GigaMan Services. In the event that these non-recurring charges are billed, The Telephone Company will credit these charges quarterly. Access Order and Special Construction charges will apply where applicable. Non-recurring charges will be credited quarterly as long as the Customer is in compliance with the Eligibility Criteria in Section 23.2.2 and the Terms and Conditions of this Contract Offer as specified in Section 23.2.3. If the Customer fails to meet the MARC on a contract anniversary date pursuant to Section 23.2.4 (A) and fails to pay the Annual True-Up as defined in Section 23.2.4(D), the Customer will be back-billed the previous 12-months non-recurring charges previously waived or credited.

(D) Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of DS1, DS3, and OCN PTP Services. In the event that termination liability charges for these moves and/or disconnections are assessed, the Telephone Company will credit these charges quarterly provided the following criteria are met, and provided the Eligibility Criteria in Section 23.2.2, and Terms and Conditions in Section 23.2.3 have been met. If the Customer fails to meet the MARC on each contract anniversary date pursuant to Section 23.2.4 (A) and fails to pay the Annual True-Up as defined in Section 23.2.4 (D), the Customer will be back-billed the previous 12-months charges that were waived or credited for termination liability charges.

(1) The move, disconnect, and/or new service may be from any SBC Tariff as described in Section 23.2.1.

(2) DS1 Services

The Telephone Company will credit the Customer, quarterly, any termination liability charges assessed and not disputed for the move and/or disconnection of DS1s throughout the term of this Contract Offer No. 23, provided that the Eligibility Criteria in Section 23.2.2, and Terms and Conditions in Section 23.2.3 have been met. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits (Cont'd)

(D) Portability (Cont'd)

(3) DS3, OC3 and OC12 Point to Point Services

The Telephone Company will credit the Customer, quarterly, for any termination liability charges assessed and not disputed for the move and/or disconnection of DS3s, OC3 PTP, and OC12 PTP services throughout the Contract Term Period as long as the DS3, OC3 PTP or OC12 PTP has been in service for a minimum of one (1) year from the original installation date, and provided that the Eligibility Criteria in Section 23.2.2 and Terms and Conditions in Section 23.2.3 have been met.

(4) OC48 and OC192 PTP Services

The Telephone Company will credit the Customer, quarterly, for any termination liability charges assessed and not disputed for the move and/or disconnection of OC48 or OC192 Point to Point (PTP) throughout the Contract Term Period as long as the OC48 PTP or OC192 PTP has been in service for a minimum of three (3) years from the original installation date, and provided that the Eligibility Criteria in Section 23.2.2 and Terms and Conditions in Section 23.2.3 have been met.

(E) Winback

Winback credits will be calculated and applied on each contract anniversary date, and shall be in addition to all other discounts and credits set forth in this Contract Offer. Recurring revenue generated from services of Company Code(s) not identified at the time of subscription are not eligible for win-back credits described below.

(1) The Customer will receive a 20% discount for the first 12 months of service for any DS1 or DS3 services moved to the Telephone Company's network that were previously provided by another company as long as the service is on the Telephone company's network for at least one year.

(2) The Customer will receive a 30% discount for the first 12 months of service for any OC3, OC12, OC48, and/or OC192 Point to Point or Dedicated SONET Ring Service moved to the Telephone Company's network that were previously provided by another company as long as the service is on the Telephone Company's network for at least one year.

(N)

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23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits (Cont'd)

(E) Winback (Cont'd)

(3) The Customer must provide documentation to demonstrate that the Subject Services have been converted from another carrier to the Telephone Company's network. Documentation may include but is not limited to: circuit detail records, invoices, and coordinated orders to move the service. The Telephone Company is willing to review other documents that the Customer may deem appropriate to meet this criteria, however only to the extent that it does not result in breach of any non-disclosure agreements which may govern the distribution of such information.

23.2.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to F.C.C. No. 1, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 1, Section 2.1.2, unless: (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly, more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g. Standard and Poor's), but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated "fair" or below in a composite credit appraisal published by Dun and Bradstreet, or "high risk" in a Paydex score as published by Dun and Bradstreet. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 2 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Subject Services of the other company involved in the merger or acquisition will not be used in Calculations of the MARC as discussed in Section 23.2.4 (A) or Calculations to Achieve the MARC discussed in Section 23.2.4 (B), except as permitted by one of the provisions in this subsection.

The Customer must be meeting MARC commitments and all Eligibility Criteria and Terms and Conditions outlined in Sections 23.2.2 and 23.2.3 in order to exercise the provisions in this subsection.

Recurring revenue from Subject Services from the other entity involved in the merger or acquisition can not be used for any incentives or discounts contained in this Contract Offer except as permitted by one of the provisions outlined in this subsection.

The Customer shall have four one-time choices (per merger or acquisition) to incorporate revenue from the other company or companies involved in the merger or acquisition. If the Customer does not exercise any of the provisions in this subsection by the times specified in relation to the Transaction Close Date, the Customer will not be permitted to use existing or future Special Access revenues from the other company or companies involved in the merger or acquisition in the Calculation of the MARC or Calculations to Achieve the MARC discussed in Section 23.2.4 (A) & (B).

The acquisition and/or merger Transaction Close Date will be used to measure the length of time the following provisions are available. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

If the Customer has selected but not yet fully implemented one of the provisions in this subsection, the MARC adjustment calculation as detailed in Section 23.2.4 will only apply to the Customer's original (pre-merger or acquisition) MARC and will not include revenue from the other company involved in the merger or acquisition. The Customer cannot combine any of the Merger and Acquisition provisions in this subsection. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.7 Mergers and Acquisitions (Cont'd)

The Telephone Company will calculate Annual Total Special Access revenue of the other company or companies involved in the merger or acquisition on the date the Customer selects one of the provisions in this subsection. The Annual Total Special Access revenue will be determined by calculating the prior three (3) months recurring revenue for Subject Services of the other company involved in the merger or acquisition multiplied by four (4). Until the Customer has fully implemented one of the provisions in this subsection, the Customer will not be eligible to earn above the MARC discounts discussed in Section 23.2.5 (A) (2) for revenue from the other company involved in the merger or acquisition until after it exceeds the Annual Total Special Access revenue. After the Customer has fully implemented one of the provisions in this subsection, the Customer will be eligible for above the MARC discounts discussed in Section 23.2.5 (A) (2) for revenue above the new combined MARC. (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions

(A) Mergers and Acquisitions – Access Services Ratio Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of the recurring revenue from Subject Services from the other company or companies involved in the merger or acquisition into this Contract Offer will cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H), the Customer must select from Option 1 or 2 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

The Customer must fully comply with the Access Services Ratio Terms and Conditions within 18 months of the Transaction Close Date and must comply with the Access Conversion Schedule outlined in Table F below. As long as the Customer is in compliance with the Access Conversion Schedule and the Customer's existing revenue complies with the Access Services Ratio in Section 23.2.4 (H), the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H).

If at any time the Customer does not comply with the Access Conversion Schedule outlined in Table F below, MARC discounts will be withheld and the Telephone Company will notify the Customer of non-compliance. The Customer will have 30 days to comply with the Access Conversion Schedule. If the Customer does not comply within 30 days, this Contract Offer will be considered in default, and the Telephone Company shall have the right to terminate this Contract Offer and termination liability charges will apply as detailed in Section 23.2.8. Notwithstanding the foregoing, if Telephone Company is primarily responsible for a delay in the Access Conversion Schedule, then the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H) and the contract will not be considered in default, however, each party shall take all reasonable steps to comply as soon as possible.

(N)

(N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

Table F outlines the Unbundled Network Element (UNE) to Access conversion schedule that will be used to migrate the services.

Table F: Access Conversion Schedule

90 Day Period	Required Conversion Level
1st	10%
2nd	20%
3rd	50%
4th	75%
5th	85%
6th	100%

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(1) Option 1

(a) The Customer may establish a temporary MARC by adding 85% but no more than 100% (depending on the Customer's selection) of Special Access Services recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC as outlined below for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the Transaction Close Date.

(c) This option is not available in the 5th year of the Contract Term Period.

(d) The temporary MARC will be calculated by taking the last 3 months of applicable monthly recurring Special Access revenue for the other company involved in the merger or acquisition (from the date this option is selected) for Subject Services multiplied by four (4) multiplied by 85% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 18 months following the Transaction Close Date using the following calculation.

(i) The last 3 months (at the time of the calculation) of monthly recurring Special Access revenue for the other company involved in the merger or acquisition for Subject Services multiplied by four (4) and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 85% of temporary MARC as defined in Section 23.2.7.1 (A) (1) (d). (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(2) Option 2

(a) The Customer must add at least 85% but no more than 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC as outlined below for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 12 months following the Transaction Close Date

(c) This option is not available during the 5th year of the Contract Term Period.

(d) The MARC will be set by taking the last 3 months of applicable monthly recurring Special Access revenue from the other company involved in the merger or acquisition (on the date this option is selected) for Subject Services multiplied by four (4) and multiplied by 85% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of recurring revenue from Subject Services from the other company or companies involved in the merger or acquisition into this Contract Offer will not cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H), the Customer must select from Option 3 or 4 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting (Cont'd)

(1) Option 3

(a) The Customer may establish a temporary MARC by adding 90% to 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services used to calculate the MARC to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the acquisition Transaction Close Date.

(c) This option is not available during the 5th year of the Contract Term Period.

(d) The temporary MARC will be established by taking the last 3 months of applicable monthly recurring Special Access revenue, for the other company involved in the merger or acquisition (from this date this option is selected) for Subject Services multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection). This amount will be added to the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 12 months following the Transaction Close Date using the following calculation:

(i) The last three (3) months (at the time of the calculation) of monthly recurring Special Access revenues from the other company involved in the merger or acquisition for Subject Services multiplied by four (4) and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 85% of the temporary MARC as defined Section 23.2.7 (A) (4).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting (Cont'd)

(2) Option 4

(a) The Customer must add at least 90% but no more than 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

(b) The Customer must exercise this option within 12 months of the Transaction Close Date.

(c) This option is not available during the 5th year of the Contract Term Period.

(d) The MARC will be set by taking the last 3 months of applicable monthly recurring Special Access revenue from the other company involved in the merger or acquisition (from the date this option is selected) for Subject Services multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.8 Termination Liability

(A) Termination Liability Charges

If the Customer terminates Contract Offer No. 2 before the completion of the term for any reason whatsoever (other than a material default by the Telephone Company), the Customer must pay the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination. The Customer must provide written notification 90 days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 23.2.2, or fails to meet any of the Terms and Conditions in Section 23.2.3, then the Telephone Company shall provide the Customer with written notification of such non-compliance and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 2 and termination liability charges will apply as stated below and will be payable pursuant to F.C.C. No. 1, Section 2.4.

The Customer's termination liability charge shall be equal to: 100% of all Discounts under Contract Offer No. 2 for the six (6) months immediately prior to the date of termination; plus the following schedule:

(1) If terminated in Year 1, 10.0% of the Base MARC for the remaining portion of Year 1, plus 10% of the Base MARC for the remaining years of the Contract Offer.

(2) If terminated in Year 2 , 12.5% of the Year 2 MARC for the remaining portion of Year 2, plus 12.5% of the Year 2 MARC for the remaining years of the Contract Offer.

(3) If terminated in Year 3 , 12.5% of the Year 3 MARC for the remaining portion of Year 3, plus 12.5% of the Year 3 MARC for the remaining years of the Contract Offer.

(4) If terminated in Year 4, 12.5% of the Year 4 MARC for the remaining portion of Year 4, plus 12.5% of the Year 4 MARC for year 5.

(5) If terminated in Year 5, 10.0% of the Year 5 MARC for the remaining portion of Year 5.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.8 Termination Liability (Cont'd)

(B) New Technology Termination

If the Customer wishes to move its services to new alternative technology (such as Broadband over power lines, Wi-MAX, DWDM, or optical switching technologies), the Customer shall qualify to reduce the MARC termination liability charges as detailed above by 50% in year 4 and/or 5 of this Contract Offer as long as the conditions in this subsection are met. The Customer shall have the right to move its services to new alternative technology and receive reduced termination liability as long as Eligibility Criteria in Section 23.2. 2 and all Terms and Conditions in Section 23.2.3 are met. The Customer must provide documentation that reasonably demonstrates that the new technology is an alternative to existing Subject Services.

For example, if the Customer wishes to terminate this Contract Offer due to a new technology in year 4 of the Contract Offer, the termination liability charge would be equal to 100% of discounts applied during the previous six-months as well as 6.25% of the Year 4 MARC for the remaining portion of year 4, plus 6.25% of the Year 4 MARC for year 5.

The Customer must notify SBC in writing at least 90 days prior to the start of year 4 if they wish to terminate in year 4 and invoke this provision or at least 90 days prior to the start of year 5 if they wish to terminate in year 5 and invoke this provision. This notification must include the date upon which the Customer will terminate the Contract Offer. Additionally, this provision is only available to the Customer if it has not exercised the 20% MARC adjustment option as detailed in Section 23.2.4 (C).

(C) This Section 23.2.8 sets forth the sole and exclusive remedies for termination of this Contract Offer No. 23, except for charges due and payable for Subject Services rendered prior to the date of termination and any non-recurring charges and/or termination liability charges that may become due and payable in accordance with Sections 23.2.5 (C) and (D). (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.2 Eligibility Criteria (Cont'd)

(D) The Customer must maintain an Access Service Ratio, equal to or greater than 98%. The Access Service Ratio is defined in Section 23.2.3(H) and will be measured monthly.

23.2.3 Terms and Conditions (Nx)

(A) Concurrent Subscription

The Customer must concurrently subscribe to the parallel Contract Offers of Contract Offer No. 23 pursuant to the following tariffs:

(1) Pacific Bell, Tariff F.C.C No. 1, Section 33, Contract Offer No. 34.
(2) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 43.
(3) Southwestern Bell Tariff F.C.C. No. 73, Section 41, Contract Offer No. 31.
(4) The Southern New England Telephone Company Tariff F.C.C. No. 39, Section 25, Contract Offer No. 6. (Nx)

(B) Subject Services

Contract Offer No. 2 applies to pricing-flexibility-qualified access services (hereafter referred to as Subject Services) contained in the following tariff sections:

(1) VG/DS0 Services - NBTC Tariff F.C.C. No. 1, Sections 7.7.6, 7.10.5 for Phase I MSAs, and Sections 22.5.2.1, 22.5.2.4 for Phase II MSAs;
(2) DS1/DS3 Service - NBTC Tariff F.C.C. No. 1, Section 7.11.5.3 for Phase I MSAs and Section 22.5.2.5, 22.5.2.6, 22.5.2.11 for Phase II MSAs;
(3) OCN PTP OC48/OC48c/OC192 Service – NBTC Tariff F.C.C. No. 1, Section 21.3 and Section 22.5.2.10 for Phase II
(4) GigaMAN Service – NBTC Tariff F.C.C. No. 1 Section 7.3.12 for Phase I MSAs and Section 22.5.2.7 for Phase II MSAs.

All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections except as noted herein. Annual recurring revenue generated from these services will be used in the MARC calculations defined in Section 23.2.4. (N)

(x) issued under Authority of Special Permission Authority No. 04-075 of F.C.C.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(C) Term Period

The contract term (Term Period) is five (5) years commencing on the date the Telephone Company receives a completed Letter of Authorization (LOA) from the Customer. Contract Offer No. 2 is not renewable.

Subject Services to which the Customer already subscribes as of the commencement of the Term Period, or any Subsequently Added Services to which Customer subscribes after commencement of the Term Period in accordance with the terms set forth herein, must be on five (5) year term payment plans or converted to five (5) year term payment plans (where available) in order to receive discounts pursuant to this Contract Offer. If five (5) year term is not available, the Customer must select from the longest term plan available for the service. The Customer may select from any term plan available for purchases of new Subject Services.

(D) Discounts

Discounts will be applied 60 days after the close of each quarter beginning with the first three months after contract commencement. Discounts will be applied each quarter that the Customer complies with MARC requirements, all Eligibility Criteria, and all Terms and Conditions. MARC calculations are discussed in Section 23.2.4 and the application of discounts is detailed in Section 23.2.5.

(E) General

Services are subject to certain rates, charges, and general terms and conditions in other sections of F.C.C. Tariff No. 1, as set forth in Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services. Such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. Such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 - DS1, DS3, SONET Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(F) Contract Termination

If the Customer should terminate this Contract Offer during the Term Period, termination liability charges will apply in accordance with Section 23.2.8.

If the Customer fails to maintain any of the Terms and Conditions detailed in Section 23.2.3, the Telephone Company will notify the Customer in writing. The Customer will have 60 days to return to compliance. Failure to comply within 60 days will constitute a default and the Telephone Company shall have the right to terminate this contract. In the event of termination by Telephone Company, termination liability charges will apply as set forth in Section 23.2.8.

(G) Minimum Annual Revenue Commitment (MARC)

Customer must maintain a MARC (as described in Section 23.2.4) for each year in the Term Period of this Contract Offer.

(H) Access Service Ratio

As referenced in Section 23.2.2(D), the Customer and its affiliates must maintain an Access Service Ratio of 98% or greater. The ratio, calculated monthly, is the Access Revenue divided by Access Revenue plus Wholesale Revenue. To maintain compliance with this Contract Offer, the ratio must be greater than or equal to 98%. The 98% ratio is calculated as follows:

$$\frac{\text{Access Revenue}}{\text{Access Revenue + Wholesale Revenue}}$$

(1) Access Revenue is the Customer's and its affiliates interstate recurring billed revenue associated with the rate elements, as defined in Table A:

TABLE A:

Service	General/Basic Description
Voice Grade	7.7.1-5
DS0, DS1, DS3 Services	7.10.1-4, 7.11.1-5
OCN PTP	21.1, 21.2
GigaMAN	7.13.1-11

(2) Wholesale Revenue is the Customer's and its affiliates recurring billed revenue for associated rate elements, as defined in Table B, not included in the interstate tariff(s).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(H) Access Service Ratio (Cont'd)

TABLE B:

Service Level	Associated Rate Elements Not Included in Interstate Tariff
DS1/LT1	4-wire digital loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing All DS1 non-tariffed Committed Information Rate Broadband Services
DS3/LT3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services
OC-3 OC-12 OC-48	OC-3 Entrance Facilities OC-3 Interoffice Transport OC-3 Cross Connects OC-3 Multiplexing OC-12 Entrance Facility OC-12 Interoffice Transport OC-12 Cross Connects OC-12 Multiplexing OC-48 Entrance Facilities OC-48 Interoffice Transport OC-48 Cross Connects OC-48 Multiplexing All OCN equivalent non-tariffed Committed Information Rate Broadband Service
Other Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport

(N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(H) Access Service Ratio (Cont'd)

(3) As new rate elements are introduced to Table A in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Access Revenue, as defined in this section, for calculation of the Access Service Ratio.

(4) As new rate elements are introduced to Table B in this section, all recurring revenues associated with the new rate elements will automatically be added to the Customer's Wholesale Revenue, as defined in this section, for calculation of the Access Service Ratio.

(5) If the Customer fails to meet the Access Service Ratio in any given month of the term, upon notification from the Telephone Company, the Customer has ten (10) business days to notify the Telephone Company in writing that it will meet or exceed the 98% Access Services Ratio within 60 days. Failure to achieve compliance in 60 days will constitute a default and the Telephone Company shall have the right to terminate this Contract Offer. In the event of a termination by the Telephone Company, termination liability charges will apply as set forth in Section 23.2.8.

(6) Credits will not be issued until the Customer has met the 98% Access Services Ratio.

(I) The Customer will not be able to subscribe to any future Contract Offerings in Section 23 in conjunction with this Contract Offer or that might be offered by the Telephone Company for Subject Services covered under this Contract Offer.

(J) The Customer must pay billed charges in full for the Term Period of the contract, excluding amounts being disputed. The Telephone Company will provide Customer written notice of a non-compliance situation. Customer will have ten (10) business days from receipt of the written notice to comply. If the Customer does not comply, the Telephone Company shall have the right to terminate this Contract Offer. In the event of termination by the Telephone Company, termination liability charges as set forth in Section 23.2.8 will apply. Credits will not be issued until the Customer has paid all billed charges (excluding disputes).

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.3 Terms and Conditions (Cont'd)

(K) Any disputed billing amounts that have been resolved in favor of the Telephone Company are due and payable as described in Section 2.5 and Section 23.2.3 (J) above.

(L) The Customer must provide, at the time of subscription, all of the Access Customer Name Abbreviation (ACNA), Other Company Name (OCN) and/or Tiecodes (collectively " Company Code(s)") that the Customer designates for inclusion in this Contract Offer. Company Code(s) may be added by the Customer after initial subscription but are subject to revenue and calculation requirements discussed in Section 23.2.4 (B). Customer shall not incur any termination liability under the relevant tariffs as a result of adding any such Company Code(s).

23.2.4 Minimum Annual Revenue Commitment (MARC)

(A) Calculation of the MARC

Under Contract Offer No. 2, the Customer must establish and maintain a MARC. The MARC will be calculated as outlined in this section. The MARC for the first year will be established when the Telephone Company receives the Letter Of Authorization (LOA) from the Customer and the Customer identifies the Company Code(s) that will be included in this Contract Offer pursuant to Section 23.2.3 (L).

The Customer's MARC for Year 1 is calculated based on the total of the previous three (3) months recurring revenue (recalculated to five-year term rates where applicable pursuant to Section 23.2.3 (C)) for all Subject Services identified in Section 23.2.3 (B) from the SBC Tariffs identified in Section 23.2.3 (A) in eligible pricing flexibility MSAs, multiplied by four (4):

(Prior 3 months recurring revenue) x 4 = Year 1 MARC. The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date.

Example for Year 1 MARC Establishment:
The Customer's prior 3 months recurring revenue (re-rated to 5 year term rates) is $5M. The Customer's Year 1 MARC would be $20M. ($5M X 4).

The MARC for years 2 through 5 will be recalculated at each annual contract anniversary date as follows:

Total of the prior three (3) months recurring revenue for all Subject Services multiplied by four (4).
If the recalculated MARC is greater than the previous year's MARC, the newly recalculated MARC will apply. If the recalculated MARC is less than the previous year's MARC, the previous year's MARC will carryover for the new year.

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(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(A) Calculation of the MARC (Cont'd)

Example for Year 2 MARC Establishment:

The Customer's prior 3 months recurring revenue is $4M. The Customer's Year 2 MARC is $20M. ($4M X 4 = $16M < $20M). In this example the Customer's prior 3 months recurring revenue multiplied by 4 is less than the Year 1 MARC.

If the Value is less than the Year 1 MARC, then the Year 1 MARC will be used for Year 2.

If the Value calculated is greater than the Year 1 MARC, then the newly calculated MARC will be used as the Year 2 MARC.

If the Telephone Company receives additional pricing flexibility relief for MSAs that are not listed in Section 23.2.2, the Telephone Company will recalculate the MARC to incorporate recurring revenues from those areas and will include those revenues in the calculations discussed in Section 23.2.4 (B).

(B) Calculations to Achieve the MARC

Recurring revenue will be counted to determine whether the Customer achieves its MARC based on the following criteria:

Revenue from Existing Services:

(1) Recurring revenue from Subject Services to which the Customer subscribes as of the commencement of the Term Period and which are billed under the specific Company Code(s) provided by the Customer pursuant to Section 23.2.3 (L) will be included in the calculation used to achieve the MARC effective upon the commencement of the Term Period.

(N)

N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(2) Revenue from Subsequently Added Services:

Recurring revenue from Subject Services to which the Customer does not subscribe as of the commencement of the Contract Term Period will not be included in the calculations used to achieve the MARC except as specifically allowed in this subsection. Subject Services ordered prior to, and/or purchased after subscription to this Contract Offer and not subscribed to by the Customer as of the commencement of the Contract Term Period will be considered Subsequently Added Services.

Subsequently Added Services will be recalculated to five (5) year term payment plans in accordance with Section 3.2.3(C). Recurring revenue generated from these Subsequently Added Services may only be used in the calculations used to achieve the MARC after (1) the Telephone Company issues a completed service order, (2) the Customer has been billed for the Subsequently Added Services, and (3) the Subsequently Added Services are qualified under one of the following provisions:

(a) First Six (6) Months After Contract Subscription

Within the first six (6) months of subscribing to this Contract Offer, the Customer can add one or more of its existing Company Code(s) (with its corresponding recurring revenue) not previously included by the Customer on the LOA at the time of subscription pursuant to this provision. The Customer must notify the Telephone Company in writing of its desire to include additional Company Code(s) and specify the Company Code(s) to be added. The recurring revenue from Subject Services of these Company Code(s) (recalculated to five (5) year term payment plans where applicable pursuant to Section 23.2.3(C)) shall be eligible for the MARC discounts as detailed in Section 23.2.5 (A)(1). The recurring revenues from Subject Services of these added Company Code(s) are not eligible for above the MARC discounts detailed in Section 23.2.5 (A)(2) or win-back credits detailed in Section 23.2.5 (E). (N)

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(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(2) Revenue from Subsequently Added Services (Cont'd)

(b) After the first six (6) Months of Contract Subscription

After the first six (6) months of subscribing to this Contract Offer, the Customer can add one or more of its existing Company Code(s) (with its corresponding recurring revenue) not previously included by the Customer on the LOA at the time of subscription pursuant to this provision.

If the Customer chooses to include any of its additional existing Company Code(s) after the first six (6) months of subscription to this Contract Offer, the Customer must notify the Telephone Company in writing of its desire to include additional Company Code (s) and specify the Company Code(s) added at which time the MARC developed pursuant to Section 23.2.4 (A) will be re-calculated and increased to reflect the additional Company Codes (recalculated to five (5) year term payment plans where applicable pursuant to Section 23.2.3(C)). The recurring revenue from Subject Services of these Company Codes shall be eligible for the MARC discounts detailed in Section 23.2.5 (A),the above the MARC discounts detailed in Section 23.2.5 (A)(2) and the win-back credits detailed in Section 23.2.5 (E). (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(B) Calculations to Achieve the MARC (Cont'd)

(3) Mergers and Acquisitions

If, after subscribing to this Contract Offer, the Customer merges with, acquires, is acquired by, sells all or substantially all its stock or assets to any other entity, or purchases all stock or substantially all stock or assets of another company (the foregoing generally referred to herein as a merger or acquisition) or establishes joint marketing arrangements with another company for Subject Services (including services currently or previously provided through the Telephone Company's network under any Company Code(s)), the Mergers and Acquisition provisions discussed in Section 23.2.7 will apply.

(C) MARC Adjustments

The Customer shall have the right to adjust the MARC downward by 10% or 20%. This adjustment can only be made one time during the life of the Contract Term Period anytime after the first 12 months of the Contract Term Period. If the Customer exercises this option, reduced discounts (as specified in Table E Section 23.2.5(B) shall apply for the remainder of the Contract Term Period, discounts previously provided during that contract year will be re-rated retroactively to reflect the reduced discount level, and certain provisions will no longer apply as detailed in Section 23.2.5(B). If the Customer uses the MARC adjustment option in conjunction with any of the Merger and Acquisition options outlined in Section 23.2.7, reduced discounts will remain for the life of the Contract Term Period, and discounts previously received during that contract year will not be re-rated provided the Eligibility Criteria in Section 23.2.2, Terms and Conditions in Section 23.2.3 and the quarterly MARC schedule in Table D Section 23.2.5 have been met prior to the MARC adjustment, and certain provisions will no longer apply as detailed in Section 23.2.5. (N)

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(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.4 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) Failure to Achieve the MARC

If the Customer fails to achieve the annual MARC commitment as of the anniversary dates, the Customer will be notified by the Telephone Company.

The Customer must remit an Annual True-Up amount calculated as the difference between the annual MARC for the current plan year and the actual annual recurring revenue for the Subject Services.

If the Telephone Company does not receive the Annual True-Up amount within 30 days of the Customer's receipt of its notification, the Customer is deemed to have terminated this Contract Offer and termination liability charges will apply as set forth in Section 23.2.8.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits

(A) Discount Schedule and Application

Table C contains the level of discounts for this Contract Offer.

TABLE C:

Year	MARC Discount	Discount on Recurring Revenue above the MARC
1	7%	20%
2	9%	20%
3	10%	20%
4	11%	20%
5	12%	20%

Example for Year 1:

Customer's MARC = $20M
Customer's actual annual recurring revenues for Subject Services = $25M
Customer will receive a 7% discount on $20M (issued quarterly in accordance with subsection (1) below) and a 20% discount on $5M (issued annually in accordance with subsection (2))

(1) The Customer will receive MARC discounts quarterly on recurring revenues for all Subject Services up to the MARC. The discount will be applied 60 days after the close of the quarter. Recurring revenue above the MARC is subject to discounts discussed in Section 23.2.5 (A)(2) below. Recurring revenue from Company Codes added pursuant to Section 23.2.3 (L) will receive quarterly discounts described below at the time the codes are added.

The Customer will receive the quarterly discounts as long as the following percentages of the MARC have been achieved by the close of the quarter per Table D. Discounts will be withheld if the Customer does not meet the percentage requirements in any given quarter and discounts will not be issued until the Customer is in compliance with the MARC percentage schedule as outlined below.

Table D:

Quarter	% of MARC
1st	25%
2nd	50%
3rd	75%
4th	100%

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits (Cont'd)

(A) Discount Schedule and Application (Cont'd)

(1) (Cont'd)

For example, if the Customer has achieved 25% of the MARC by the close of the 1st quarter and is in compliance with all Terms and Conditions of this Contract Offer, discounts will be issued. If in the second quarter the Customer only achieves 40% of the MARC and all Terms and Conditions are met, discounts will be withheld. If by the 3rd quarter the Customer has achieved 75% of the MARC and is in compliance with all Terms and Conditions, discounts previously withheld in the 2nd quarter will be issued as well as discounts due for the 3rd quarter.

(2) The Customer will receive the 20% discount on recurring revenues above the MARC annually. The discount will be applied 60 days after each contract anniversary. Recurring revenue generated from services of Company Code(s) not identified at the time of subscription are not eligible for above the MARC discounts unless added pursuant to Section 23.2.3 (L) or Section 23.2.7. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits (Cont'd)

(B) MARC adjustments Discount Schedule and Application

Table E outlines discounts that the Customer will be eligible to receive depending on the MARC adjustment percentage chosen pursuant to Section 23.2.4 (C)

TABLE E:

MARC Adjustment	10%	20%
Discounts	Year 2 – 3% Year 3 – 4% Year 4 – 5% Year 5 – 6%	Year 2 – 2% Year 3 – 2% Year 4 – 3% Year 5 – 3%
Above MARC discount	Will only apply to revenue above the MARC used as the basis of the adjustment or the recurring revenue from the previous 3 months multiplied by 4, whichever is lower.	Will only apply to revenue above the MARC used as the basis of the adjustment or the recurring revenue from the previous 3 months multiplied by 4, whichever is lower.

For example, the Customer's year 1 MARC is $17M. The Customer's year 2 MARC is $18M (calculated as revenue from the last quarter in year 1 x 4). On the anniversary date at the end of year 2, the Customer's year 2 recurring revenue is $15M. The Customer elects to invoke the MARC adjustment option and adjust the MARC downward by 20%. The Customer's year 3 recalculated MARC is therefore $14.4M = ($18M x 80%).

The Customer's discounts (including any previously withheld) for year 2 will be recalculated to reflect levels as set forth in Table E and would total $300K ($15M x 2%). Any discounts that have been applied to the Customer's bill during year 2 in excess of $300K will be back-billed. The discount amount for year 3 is also 2% as set forth in Table E.

Discounts, on a going forward basis, will be based on the re-calculated MARC and will be subject to percentages as detailed in Table E.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits (Cont'd)

(C) Non-Recurring Charges

The Telephone Company will waive Non-recurring charges associated with the purchase of VG, DS0, DS1, DS3, OCN PTP, and GigaMan Services. In the event that these non-recurring charges are billed, The Telephone Company will credit these charges quarterly. Access Order and Special Construction charges will apply where applicable. Non-recurring charges will be credited quarterly as long as the Customer is in compliance with the Eligibility Criteria in Section 23.2.2 and the Terms and Conditions of this Contract Offer as specified in Section 23.2.3. If the Customer fails to meet the MARC on a contract anniversary date pursuant to Section 23.2.4 (A) and fails to pay the Annual True-Up as defined in Section 23.2.4(D), the Customer will be back-billed the previous 12-months non-recurring charges previously waived or credited.

(D) Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of DS1, DS3, and OCN PTP Services. In the event that termination liability charges for these moves and/or disconnections are assessed, the Telephone Company will credit these charges quarterly provided the following criteria are met, and provided the Eligibility Criteria in Section 23.2.2, and Terms and Conditions in Section 23.2.3 have been met. If the Customer fails to meet the MARC on each contract anniversary date pursuant to Section 23.2.4 (A) and fails to pay the Annual True-Up as defined in Section 23.2.4 (D), the Customer will be back-billed the previous 12-months charges that were waived or credited for termination liability charges.

(1) The move, disconnect, and/or new service may be from any SBC Tariff as described in Section 23.2.1.

(2) DS1 Services

The Telephone Company will credit the Customer, quarterly, any termination liability charges assessed and not disputed for the move and/or disconnection of DS1s throughout the term of this Contract Offer No. 23, provided that the Eligibility Criteria in Section 23.2.2, and Terms and Conditions in Section 23.2.3 have been met. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.5 Discounts and Other Credits (Cont'd)

(D) Portability (Cont'd)

(3) DS3, OC3 and OC12 Point to Point Services

The Telephone Company will credit the Customer, quarterly, for any termination liability charges assessed and not disputed for the move and/or disconnection of DS3s, OC3 PTP, and OC12 PTP services throughout the Contract Term Period as long as the DS3, OC3 PTP or OC12 PTP has been in service for a minimum of one (1) year from the original installation date, and provided that the Eligibility Criteria in Section 23.2.2 and Terms and Conditions in Section 23.2.3 have been met.

(4) OC48 and OC192 PTP Services

The Telephone Company will credit the Customer, quarterly, for any termination liability charges assessed and not disputed for the move and/or disconnection of OC48 or OC192 Point to Point (PTP) throughout the Contract Term Period as long as the OC48 PTP or OC192 PTP has been in service for a minimum of three (3) years from the original installation date, and provided that the Eligibility Criteria in Section 23.2.2 and Terms and Conditions in Section 23.2.3 have been met.

(E) Winback

Winback credits will be calculated and applied on each contract anniversary date, and shall be in addition to all other discounts and credits set forth in this Contract Offer. Recurring revenue generated from services of Company Code(s) not identified at the time of subscription are not eligible for win-back credits described below.

(1) The Customer will receive a 20% discount for the first 12 months of service for any DS1 or DS3 services moved to the Telephone Company's network that were previously provided by another company as long as the service is on the Telephone company's network for at least one year.

(2) The Customer will receive a 30% discount for the first 12 months of service for any OC3, OC12, OC48, and/or OC192 Point to Point or Dedicated SONET Ring Service moved to the Telephone Company's network that were previously provided by another company as long as the service is on the Telephone Company's network for at least one year.

(N)

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23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.5 Discounts and Other Credits (Cont'd)

(E) Winback (Cont'd)

(3) The Customer must provide documentation to demonstrate that the Subject Services have been converted from another carrier to the Telephone Company's network. Documentation may include but is not limited to: circuit detail records, invoices, and coordinated orders to move the service. The Telephone Company is willing to review other documents that the Customer may deem appropriate to meet this criteria, however only to the extent that it does not result in breach of any non-disclosure agreements which may govern the distribution of such information.

23.2.6 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to F.C.C. No. 1, Section 2.1.2 of this Tariff, the Telephone Company will acknowledge such transfer or assignment pursuant to the terms of F.C.C. No. 1, Section 2.1.2, unless: (1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A) or (B) below, or (2) if the proposed assignee or transferee or its parent company has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly, more than 50% of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

(B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies (e.g. Standard and Poor's), but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated "fair" or below in a composite credit appraisal published by Dun and Bradstreet, or "high risk" in a Paydex score as published by Dun and Bradstreet. (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions

The Terms and Conditions of Contract Offer No. 2 shall continue in full force and in effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). During or after the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, either directly or through any affiliates, then billed, recurring revenue for Subject Services of the other company involved in the merger or acquisition will not be used in Calculations of the MARC as discussed in Section 23.2.4 (A) or Calculations to Achieve the MARC discussed in Section 23.2.4 (B), except as permitted by one of the provisions in this subsection.

The Customer must be meeting MARC commitments and all Eligibility Criteria and Terms and Conditions outlined in Sections 23.2.2 and 23.2.3 in order to exercise the provisions in this subsection.

Recurring revenue from Subject Services from the other entity involved in the merger or acquisition can not be used for any incentives or discounts contained in this Contract Offer except as permitted by one of the provisions outlined in this subsection.

The Customer shall have four one-time choices (per merger or acquisition) to incorporate revenue from the other company or companies involved in the merger or acquisition. If the Customer does not exercise any of the provisions in this subsection by the times specified in relation to the Transaction Close Date, the Customer will not be permitted to use existing or future Special Access revenues from the other company or companies involved in the merger or acquisition in the Calculation of the MARC or Calculations to Achieve the MARC discussed in Section 23.2.4 (A) & (B).

The acquisition and/or merger Transaction Close Date will be used to measure the length of time the following provisions are available. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

If the Customer has selected but not yet fully implemented one of the provisions in this subsection, the MARC adjustment calculation as detailed in Section 23.2.4 will only apply to the Customer's original (pre-merger or acquisition) MARC and will not include revenue from the other company involved in the merger or acquisition. The Customer cannot combine any of the Merger and Acquisition provisions in this subsection. (N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

The Telephone Company will calculate Annual Total Special Access revenue of the other company or companies involved in the merger or acquisition on the date the Customer selects one of the provisions in this subsection. The Annual Total Special Access revenue will be determined by calculating the prior three (3) months recurring revenue for Subject Services of the other company involved in the merger or acquisition multiplied by four (4). Until the Customer has fully implemented one of the provisions in this subsection, the Customer will not be eligible to earn above the MARC discounts discussed in Section 23.2.5 (A) (2) for revenue from the other company involved in the merger or acquisition until after it exceeds the Annual Total Special Access revenue. After the Customer has fully implemented one of the provisions in this subsection, the Customer will be eligible for above the MARC discounts discussed in Section 23.2.5 (A) (2) for revenue above the new combined MARC. (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd) (N)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions

(A) Mergers and Acquisitions – Access Services Ratio Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of the recurring revenue from Subject Services from the other company or companies involved in the merger or acquisition into this Contract Offer will cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H), the Customer must select from Option 1 or 2 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

The Customer must fully comply with the Access Services Ratio Terms and Conditions within 18 months of the Transaction Close Date and must comply with the Access Conversion Schedule outlined in Table F below. As long as the Customer is in compliance with the Access Conversion Schedule and the Customer's existing revenue complies with the Access Services Ratio in Section 23.2.4 (H), the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H).

If at any time the Customer does not comply with the Access Conversion Schedule outlined in Table F below, MARC discounts will be withheld and the Telephone Company will notify the Customer of non-compliance. The Customer will have 30 days to comply with the Access Conversion Schedule. If the Customer does not comply within 30 days, this Contract Offer will be considered in default, and the Telephone Company shall have the right to terminate this Contract Offer and termination liability charges will apply as detailed in Section 23.2.8. Notwithstanding the foregoing, if Telephone Company is primarily responsible for a delay in the Access Conversion Schedule, then the MARC discounts will continue to apply and the Customer shall not be considered out of compliance with the Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H) and the contract will not be considered in default, however, each party shall take all reasonable steps to comply as soon as possible.

(N)

(N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

Table F outlines the Unbundled Network Element (UNE) to Access conversion schedule that will be used to migrate the services.

Table F: Access Conversion Schedule

90 Day Period	Required Conversion Level
1st	10%
2nd	20%
3rd	50%
4th	75%
5th	85%
6th	100%

(N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(1) Option 1

(a) The Customer may establish a temporary MARC by adding 85% but no more than 100% (depending on the Customer's selection) of Special Access Services recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC as outlined below for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the Transaction Close Date.

(c) This option is not available in the 5th year of the Contract Term Period.

(d) The temporary MARC will be calculated by taking the last 3 months of applicable monthly recurring Special Access revenue for the other company involved in the merger or acquisition (from the date this option is selected) for Subject Services multiplied by four (4) multiplied by 85% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 18 months following the Transaction Close Date using the following calculation.

(i) The last 3 months (at the time of the calculation) of monthly recurring Special Access revenue for the other company involved in the merger or acquisition for Subject Services multiplied by four (4) and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 85% of temporary MARC as defined in Section 23.2.7.1 (A) (1) (d). (N)

(This page filed under Transmittal No. 79)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(A) Mergers and Acquisitions – Access Services Ratio Impacting (Cont'd)

(2) Option 2

(a) The Customer must add at least 85% but no more than 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC as outlined below for a period not to exceed 18 months from the Transaction Close Date.

(b) The Customer must exercise this option within 12 months following the Transaction Close Date

(c) This option is not available during the 5th year of the Contract Term Period.

(d) The MARC will be set by taking the last 3 months of applicable monthly recurring Special Access revenue from the other company involved in the merger or acquisition (on the date this option is selected) for Subject Services multiplied by four (4) and multiplied by 85% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC.

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting

If the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all its stock or certain assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company and inclusion of recurring revenue from Subject Services from the other company or companies involved in the merger or acquisition into this Contract Offer will not cause the Customer to fall below Access Services Ratio Terms and Conditions as defined in Section 23.2.3 (H), the Customer must select from Option 3 or 4 below in order to receive incentives and discounts for the other company involved in the merger or acquisition under this Contract Offer.

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting (Cont'd)

(1) Option 3

(a) The Customer may establish a temporary MARC by adding 90% to 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services used to calculate the MARC to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

(b) The Customer must exercise this option within 60 days following the acquisition Transaction Close Date.

(c) This option is not available during the 5th year of the Contract Term Period.

(d) The temporary MARC will be established by taking the last 3 months of applicable monthly recurring Special Access revenue, for the other company involved in the merger or acquisition (from this date this option is selected) for Subject Services multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection). This amount will be added to the Customer's existing MARC.

(e) A combined permanent MARC will be established no later than 12 months following the Transaction Close Date using the following calculation:

(i) The last three (3) months (at the time of the calculation) of monthly recurring Special Access revenues from the other company involved in the merger or acquisition for Subject Services multiplied by four (4) and adding to that the Customer's existing MARC.

(ii) The permanent MARC must be at least 85% of the temporary MARC as defined Section 23.2.7 (A) (4). (N)

23. Pricing Flexibility Contract Offerings (Cont'd) (N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.7 Mergers and Acquisitions (Cont'd)

23.2.7.1 Merger and Acquisition Provisions (Cont'd)

(B) Mergers and Acquisitions – Access Services Ratio Not Impacting (Cont'd)

(2) Option 4

(a) The Customer must add at least 90% but no more than 100% (depending on the Customer's selection) of Special Access recurring revenue from the other company involved in the merger or acquisition for Subject Services billed by the Telephone Company to the Customer's existing MARC to the extent outlined below for a period not to exceed 12 months from the Transaction Close Date.

(b) The Customer must exercise this option within 12 months of the Transaction Close Date.

(c) This option is not available during the 5th year of the Contract Term Period.

(d) The MARC will be set by taking the last 3 months of applicable monthly recurring Special Access revenue from the other company involved in the merger or acquisition (from the date this option is selected) for Subject Services multiplied by four (4) and multiplied by 90% to 100% (depending on the Customer's selection) and adding to that the Customer's existing MARC. (N)

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.8 Termination Liability

(A) Termination Liability Charges

If the Customer terminates Contract Offer No. 2 before the completion of the term for any reason whatsoever (other than a material default by the Telephone Company), the Customer must pay the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination. The Customer must provide written notification 90 days prior to the desired date of termination to the Telephone Company. This notification must include the date upon which the Customer will terminate the Contract Offer.

If the Customer fails to meet any of the eligibility criteria in Section 23.2.2, or fails to meet any of the Terms and Conditions in Section 23.2.3, then the Telephone Company shall provide the Customer with written notification of such non-compliance and the Customer will have sixty (60) days to comply. If the Customer does not comply within such time period, the Customer will be deemed to have terminated its participation in Contract Offer No. 2 and termination liability charges will apply as stated below and will be payable pursuant to F.C.C. No. 1, Section 2.4.

The Customer's termination liability charge shall be equal to: 100% of all Discounts under Contract Offer No. 2 for the six (6) months immediately prior to the date of termination; plus the following schedule:

(1) If terminated in Year 1, 10.0% of the Base MARC for the remaining portion of Year 1, plus 10% of the Base MARC for the remaining years of the Contract Offer.

(2) If terminated in Year 2 , 12.5% of the Year 2 MARC for the remaining portion of Year 2, plus 12.5% of the Year 2 MARC for the remaining years of the Contract Offer.

(3) If terminated in Year 3 , 12.5% of the Year 3 MARC for the remaining portion of Year 3, plus 12.5% of the Year 3 MARC for the remaining years of the Contract Offer.

(4) If terminated in Year 4, 12.5% of the Year 4 MARC for the remaining portion of Year 4, plus 12.5% of the Year 4 MARC for year 5.

(5) If terminated in Year 5, 10.0% of the Year 5 MARC for the remaining portion of Year 5.

(N)

23. Pricing Flexibility Contract Offerings (Cont'd)

(N)

23.2 Contract Offer No. 2 – Special Access Service Offer (Cont'd)

23.2.8 Termination Liability (Cont'd)

(B) New Technology Termination

If the Customer wishes to move its services to new alternative technology (such as Broadband over power lines, Wi-MAX, DWDM, or optical switching technologies), the Customer shall qualify to reduce the MARC termination liability charges as detailed above by 50% in year 4 and/or 5 of this Contract Offer as long as the conditions in this subsection are met. The Customer shall have the right to move its services to new alternative technology and receive reduced termination liability as long as Eligibility Criteria in Section 23.2. 2 and all Terms and Conditions in Section 23.2.3 are met. The Customer must provide documentation that reasonably demonstrates that the new technology is an alternative to existing Subject Services.

For example, if the Customer wishes to terminate this Contract Offer due to a new technology in year 4 of the Contract Offer, the termination liability charge would be equal to 100% of discounts applied during the previous six-months as well as 6.25% of the Year 4 MARC for the remaining portion of year 4, plus 6.25% of the Year 4 MARC for year 5.

The Customer must notify SBC in writing at least 90 days prior to the start of year 4 if they wish to terminate in year 4 and invoke this provision or at least 90 days prior to the start of year 5 if they wish to terminate in year 5 and invoke this provision. This notification must include the date upon which the Customer will terminate the Contract Offer. Additionally, this provision is only available to the Customer if it has not exercised the 20% MARC adjustment option as detailed in Section 23.2.4 (C).

(C) This Section 23.2.8 sets forth the sole and exclusive remedies for termination of this Contract Offer No. 23, except for charges due and payable for Subject Services rendered prior to the date of termination and any non-recurring charges and/or termination liability charges that may become due and payable in accordance with Sections 23.2.5 (C) and (D).

(N)

24. True IP To PSTN (TIPToP) Service (N)

24.1 Service Description

(A) Basic Service Description

TIPToP service offers the providers of Internet Protocol (IP) enabled voice information services that use the TIPToP service (TIPToP Customers) the capability to connect traffic from IP enabled voice information service user (IP-VIS User) to Telephone Company End Users, or Off Net End Users using Public Switched Telephone Network (PSTN) based voice services via end offices or tandems subtended by the Telephone Company Access Tandems.

TIPToP service also allows TIPToP Customers to connect traffic from Telephone Company End Users or Off Net End Users to IP-VIS Users. The Telephone Company's existing network architecture is utilized to connect this traffic to TIPToP port interfaces.

TIPToP service provides a Time Division Multiplexed (TDM) port interface, including one-way or two-way port interfaces to originate and terminate traffic between TIPToP Customers and Telephone Company End Users and Off Net End Users.

TIPToP one-way port interfaces terminates traffic that originates from the TIPToP Customer's IP-VIS User to Telephone Company End Users which is considered IP-VIS On Net traffic. Traffic that originates from the TIPToP Customer's IP-VIS User and terminates to Off Net End Users as defined in Section 2.6, is considered IP-VIS Off Net traffic.

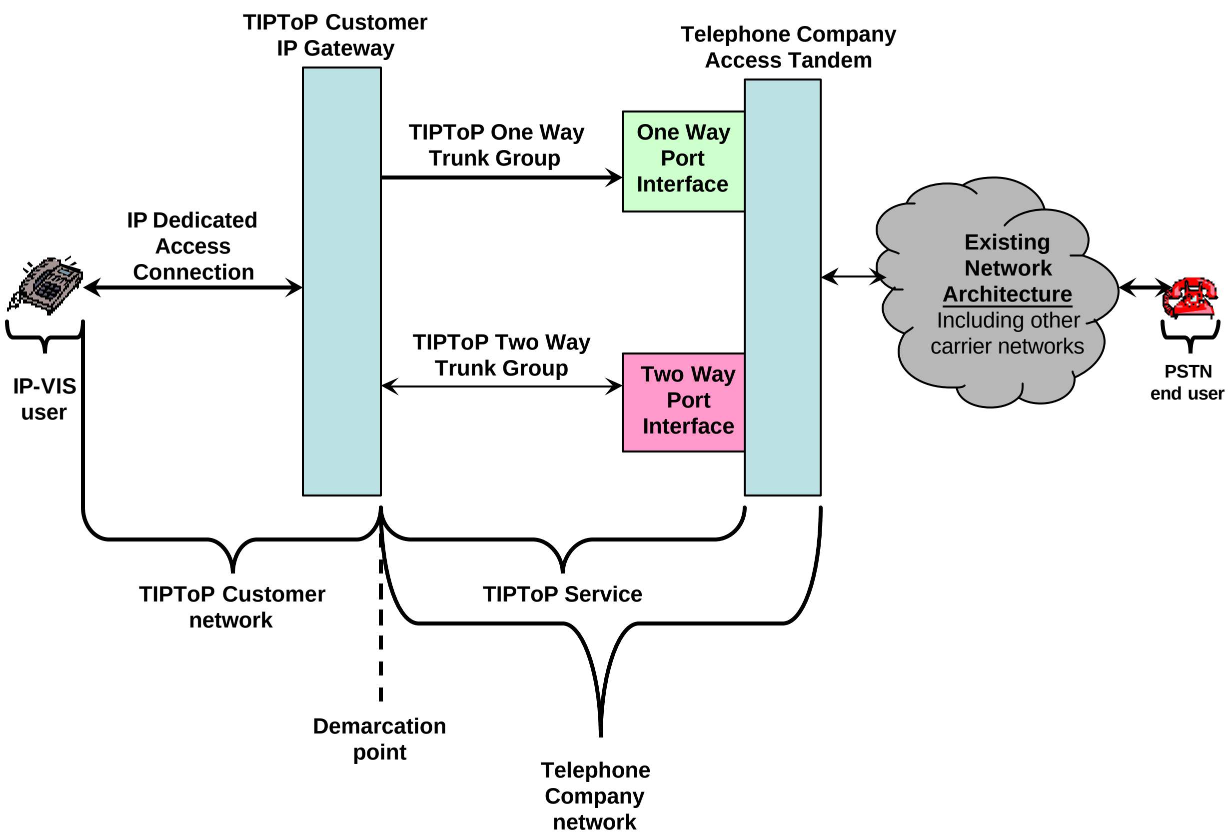
TIPToP two-way port interfaces terminates traffic that originates from Telephone Company End Users or Off Net End Users to TIPToP Customers. When traffic is originated from or terminated to the TIPToP Customer, the TIPToP Customer is responsible for completion of the traffic and connections between the demarcation point of the TIPToP service and the IP-VIS User. In addition, 8XX and toll traffic that is presubscribed to Interexchange Carriers (1+ PIC'd) originating from IP-VIS Users is routed via the two-way port interfaces to the Telephone Company Access Tandem for completion to the appropriate carrier. (N)

24. True IP To PSTN (TIPToP) Service (Cont'd) (N)

24.1 Service Description (Cont'd)

(A) Basic Service Description (Cont'd)

A diagram of the service connectivity is provided below.



(N)

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24. True IP To PSTN (TIPToP) Service (Cont'd) (N)

24.1 Service Description (Cont'd)

(B) Service Provisioning

(1) Manner of Provisioning

(a) Originating IP-VIS Traffic to the PSTN

For originating IP-VIS traffic to the PSTN, TIPToP service is provisioned as a Time Division Multiplexed (TDM) port interface for TIPToP Customers to connect to the Telephone Company switched network, specifically for traffic that originates from IP-VIS Users and that generates IP-VIS traffic on the TIPToP Customer's network. TIPToP service begins at the TIPToP Customer's IP gateway once the IP-VIS traffic is converted to TDM format by the TIPToP Customer. Originating IP-VIS traffic travels on one-way or two-way port interfaces, as defined in this section. Traffic originating from an IP-VIS User is defined as IP-VIS traffic only when it meets both of the following requirements:

1) Traffic must be originated by an IP-VIS User at the IP-VIS User site.

2) Traffic must be transported from that IP-VIS User's Site to the TIPToP Customer using a IP Dedicated Access Connection, and such traffic must remain in IP format from the IP-VIS User Site to the TIPToP Customer's IP Gateway.

(b) Originating PSTN Traffic to the IP-VIS User.

For PSTN traffic that originates from a PSTN user to the IP-VIS User, TIPToP service is provisioned as a Time Division Multiplexed (TDM) port interface. The port interface enables TIPToP Customers to connect to the Telephone Company switched network only for IP-VIS traffic that terminates to IP-VIS Users on the TIPToP Customer's network. Traffic originating from the PSTN and terminating as IP-VIS traffic travels only on two-way port interfaces as defined in Section 24.1(B)(1)(f). Traffic terminating to IP-VIS Users is defined as IP-VIS traffic only when it meets both of the following requirements: (N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd) (T)

(1) Manner of Provisioning (Cont'd) (T)

(b) Originating PSTN Traffic to the IP-VIS User(Cont'd)

1) Traffic must originate at a Telephone Company End User or Off Net End User and must travel through the TIPToP TDM Port Interface to the TIPToP Customer's IP Gateway. At the IP Gateway, the traffic must be converted to Internet Protocol and remain in Internet Protocol until it reaches the IP-VIS User Site.

2) Traffic delivered to the TIPToP Customer's IP Gateway must be routed from the IP Gateway to the IP-VIS User site of the IP-VIS User using an IP Network

(c) Non IP-VIS Traffic

Non IP-VIS traffic is not permitted on TIPToP port interfaces. TIPToP Customers must remove any Non IP-VIS traffic from TIPToP connections per the terms described in Section 24.1(C) following.

Non IP-VIS traffic that occurs on TIPToP port interfaces is billed a Non IP-VIS Minute of Use rate as described in Section 24.3 Rates and Charges.

(d) Utilization of Telephone Numbers

The Telephone Company routes calls to the TIPToP Customer following routing instructions contained in the Local Exchange Routing Guide (LERG) system. These routing instructions are based on valid telephone numbers, as defined in the North American Numbering Plan. Telephone numbers are required to be unique for each IP-VIS User and be dialable numbers that reach the IP-VIS User when dialed.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd) (T)

(1) Manner of Provisioning (Cont'd)

(e) One-Way Port Interface

(1) TIPToP service provides one-way port interfaces to the Telephone Company Access Tandem, or end office where applicable, that terminate IP-VIS traffic originated by IP-VIS Users on the TIPToP Customer's Network to the Telephone Company's End Users or Off Net End Users, with the exception of 8XX traffic or toll traffic that is presubscribed to Interexchange Carriers (1+ PIC'd), as described in 24.1 (B)(1)(f)(1).

(2) CHOKE Trunks

Choke trunks, designed to block excessive calling attempts toward High Volume Call In (HVCI)/Mass Calling NXXs are required as part of TIPToP service.

Within each serving area where the TIPToP Customer has IP-VIS Users, the choke trunks are required on TIPToP one-way port interfaces connected to the designated Public Response HVCI/Mass Calling Network Access Tandem. If the choke tandem is the same as the access tandem, choke trunks can be allocated as part of the LATA Wide TIPToP architecture. If the choke tandem is not the same as the access tandem, the TIPToP Customer must purchase additional TIPToP one-way port interfaces to the choke tandem and allocate these interfaces for the choke trunks. When one-way port interfaces must be purchased to the choke tandem, the required quantity must match the choke trunk quantity as listed below.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd) (T)

(1) Manner of Provisioning (Cont'd)

(e) One-Way Port Interface (Cont'd)

(2) CHOKE Trunks (Cont'd)

Choke trunks shall utilize Multi Frequency (MF) signaling. If the TIPToP Customer's switch or IP Gateway is technically incapable of producing MF signaling as documented by the switch or IP Gateway vendor, the choke trunks shall utilize SS7 signaling.

The HVCI/Mass Calling (Choke) Trunks must be purchased in the following increments:

Number of Access Lines Served	Number of Mass Calling Choke Trunk
0 – 10,000	2
10,001 – 20,000	3
20,001 – 30,000	4
30,001 – 40,000	5
40,001 – 50,000	6
50,001 – 60,000	7
60,001 – 75,000	8
75,000 +	9 maximum

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd) (T)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(f) Two-Way Port Interface

(1) TIPToP service also provides two-way port interfaces to the Telephone Company Access Tandem that are used by TIPToP Customers to receive calls for IP-VIS Users from Telephone Company and Off Net End Users. TIPToP Customers are not permitted to use two-way port interfaces for traffic that should travel on a one-way port interface, as described in this section.

In addition, two-way port interfaces provide the TIPToP Customer with the ability to send non-queried 8XX (toll free traffic) and 1+ PIC'd IP-VIS traffic originating from IP-VIS Users to the Telephone Company network for completion to IXC networks. 8XX and 1+PIC'd traffic using TIPToP services must originate from IP-VIS Users using IP Dedicated Access Connections as described herein to qualify as IP-VIS On Net traffic.

Traffic originating from the IP-VIS User that is not 8XX and 1+ PIC'd is not permitted on the two-way port interface, and the Telephone Company may block such traffic where technically feasible. Traffic not permitted on two-way port interfaces that the Telephone Company does not block, or is not able to block, will be billed as Non IP-VIS traffic.

When 8XX traffic dialed by the IP-VIS User is sent to the Telephone Company by the TIPToP Customer, the Telephone Company will query the 800 database and complete the call to the IXC or to a 10-digit routable number based on the response that it receives from the 800 database for calls originating from that specific Telephone Company Access Tandem processing the call.

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(T)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(g) TIPToP port interfaces are separate trunk groups from all other types of trunk groups within the Telephone Company Network and may only be used as part of the TIPToP service (one-way and two-way port interfaces).

(h) TIPToP services must be purchased as follows:

(1) TIPToP one-way port interfaces are required at every Telephone Company Access Tandem in the LATA in which the TIPToP Customer has:

- IP-VIS Users
- NPA-NXXs, or
- Telephone Numbers

In any other situation that the TIPToP Customer chooses to purchase one-way port interfaces in a LATA, the TIPToP Customer must purchase one-way port interfaces to every Telephone Company Access Tandem in that LATA.

(2) TIPToP two-way port interfaces are required to every Telephone Company Access Tandem serving the Exchange in which the TIPToP Customer has IP-VIS Users or an NPA-NXX(s) or telephone numbers.

Each TIPToP port interface (one-way or two-way) is equivalent to the bandwidth of one DS0. At a minimum, the TIPToP Customer must configure six (6) TIPToP one-way port interfaces or six (6) TIPToP two-way port interfaces for each DS1 at the Telephone Company Access Tandem or End Office. If additional DS1s or larger facilities are used for TIPToP service, the TIPToP Customer is required to purchase at a minimum six (6) port interfaces (one-way or two-way) to be allocated on each DS1 facility installed.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(h) (Cont'd)

When the choke tandem is the same as the access tandem, choke trunks are available as part of the TIPToP architecture. In cases when the choke tandem is not the same as the access tandem, the TIPToP Customer must purchase and allocate port interfaces for use with choke trunks directly to the choke tandems as described in Section 24.1(B)(1)(e) preceding.

The TIPToP Customer will not receive any other component or sub component of TIPToP service in any access tandem, end office switch, or any other Telephone Company switch, or other PSTN switches subtending Telephone Company tandems, or in any LATA in which the customer does not have TIPToP port interfaces installed as described above.

(i) Any conversion from other Telephone Company services to TIPToP service requires a new order for service and new installations for TIPToP services.

(j) In LATAs where TIPToP service is purchased by the TIPToP Customer, the TIPToP Customer is required to utilize TIPToP service and connections for all traffic between all of its IP-VIS Users and Telephone Company End Users and Off Net End Users subtending the Telephone Company Access Tandems within the LATA.

The TIPToP Customer will be allowed six (6) months to migrate all IP-VIS traffic in a LATA to TIPToP port interfaces per the terms of this tariff. The six (6) months will be counted from the date the first TIPToP port interface is installed in the LATA. If additional TIPToP service elements are required to match the TIPToP architecture, these elements must be ordered within 90 days of the initial order date.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd) (N)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(k) If more than 50% of the traffic on any one-way port interface physically originates in one exchange and terminates in another exchange in the same state (as measured based on originating and terminating NPA/NXXs from the call detail) then a Non IP-VIS rate is applied to all traffic in the LATA for the bill period in which the percentage exceeded 50%.

This traffic will be classified as Non IP-VIS traffic and is billed under this section at the applicable Non IP-VIS On Net rate or Non IP-VIS Off Net rate and subject to the terms in 24.1 (C)(9) following.

(l) TIPToP service requires TIPToP Customers to send accurate Calling Party Number (CPN) to the Telephone Company with each call in order to qualify for TIPToP IP-VIS rates. Calls must provide an accurate CPN to qualify as IP-VIS traffic and to be rated at the applicable IP-VIS rates in this tariff. Accurate CPN is:

- CPN that is a dialable working telephone number, that when dialed, will reach the IP-VIS User to whom it is assigned, at that IP-VIS User's IP-VIS User Site and use the Internet Protocol Network at the IP-VIS User Site to reach the IP-VIS User.
- CPN that has not been altered.
- CPN that is not a charge party number.
- CPN that follows the North American Numbering Standard and can be identified in numbering databases and the LERG as an active number.
- CPN that is assigned to an active IP-VIS User.

Calls sent without an accurate CPN, or sent without a CPN, will be classified as Non IP-VIS traffic and will be rated at the applicable On Net or Off Net Non IP-VIS rates and subject to the terms in 24.1 (C)(9) following. (N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(1) Manner of Provisioning (Cont'd)

(m) The TIPToP Customer must prevent any external party, other than legally authorized agencies, from accessing private CPN that is sent to the TIPToP Customer. The TIPToP Customer must implement procedures to restrict internal access to private CPN, and that all records of private CPN are destroyed after a reasonable period of time. Any lawful request from law enforcement to obtain call trace logs must be honored by the TIPToP Customer.

(n) Acceptance Tests are tests that are performed during the installation of TIPToP service. These tests are cooperative tests between the Telephone Company and the TIPToP Customer and they are performed before the first live traffic can be placed in the TIPToP service. There is no charge for Acceptance Testing.

(o) Traffic Volume

(1) One-way Port Interface - when a TIPToP Customer's traffic increases to the bandwidth equivalent of 48 DS0s to any one end office, the TIPToP Customer is required to purchase direct one-way port interfaces for use with TIPToP service to that end office, as described in Section 24.3 rate and charges. (T)

(2) Two-way Port Interface - when a TIPToP Customer's traffic is equal to or greater than a bandwidth equivalent of 48 DS0s between an existing two-way port interface and an access tandem without direct two-way port interfaces from the TIPToP Customer, the customer must purchase two-way port interfaces to that access tandem. (T)

(2) Limitations

(a) TIPToP service does not include Alternate Billed Services (ABS). ABS includes, but is not limited to, Collect Calling, Third Party Billed Calls, Calling Card calls, Phone Card calls, or Credit Card calls billed to telephone numbers assigned to the IP-VIS User of the TIPToP Customer or the TIPToP Customer.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(B) Service Provisioning (Cont'd)

(2) Limitations (Cont'd)

(b) Specific to traffic sent to a TIPToP Customer over the TIPToP port interface, TIPToP service is not available where the Telephone Company is required to pay reciprocal compensation, access charges, meet point billing charges, transit charges, or any other fees.

(3) Emergency 911 Service

Emergency 911 Service is not available with TIPToP Service purchased under this tariff.

(C) Customer Obligations

(1) The TIPToP Customer must obtain a unique Operating Company Number (OCN) for use in states where TIPToP service is requested. TIPToP Customers cannot use an OCN for TIPToP services if this same OCN is being used in conjunction with another service.

(2) The TIPToP Customer must provide a minimum of one unique Local Routing Number (LRN) per LATA in which TIPToP service is requested. TIPToP Customers cannot use an LRN for TIPToP services if the number is being used in conjunction with another service.

(3) TIPToP Customer must obtain their own phone numbers from industry sources that follow the North American Numbering Plan for use with TIPToP service.

(4) The TIPToP Customer must have at least one IP-VIS Dedicated Location in each LATA in which they use TIPToP service.

(5) The TIPToP Customer must route the 8XX and 1+ PIC'd calls to a tandem associated with the CPN of the originating number as designated by the LERG.

(N)

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.1 Service Description (Cont'd)

(C)Customer Obligations (Cont'd)

(6) The TIPToP Customer must send the appropriate routing and call information to the Telephone Company as is described in Technical Publications GR-317-CORE and GR-394-CORE.

(7) The TIPToP Customer must provide SS7 Point Codes for each connected IP gateway.

(8) TIPToP Customers must use SS7 signaling to each Access Tandem in the LATA in which TIPToP service is desired. The TIPToP Customer must also adhere to the requirements and limitations that Telephone Company sets forth regarding SS7 signaling and call setup as defined in Section 6. The TIPToP Customer is responsible for all the misrouting or blocking of any and all traffic that results from messages, which do not comply with Section 6, sent over SS7 by the TIPToP Customer.

(9) The TIPToP Customer must remove all Non IP-VIS traffic within 60 days of any notice, including but not limited to the TIPToP Customer's bill, from the Telephone Company.

(10) The TIPToP Customer or TIPToP Customer's agent must set the Collect and Third Party Billing Acceptance indicator to deny collect, third party or any other Alternate Billed Services. In the event the TIPToP Customer's user is associated with an Alternately Bill Call, the TIPToP Customer is charged the Non IP-VIS off-net rate.

(11) While Alternately Billed Services (ABS) calls are not provided by TIPToP should ABS calls occur and be processed by the Telephone Company Network for IP-VIS end users of the TIPToP Customer, or for the TIPToP Customer, the TIPToP Customer will pay all ABS charges from the Telephone Company for these services and will make appropriate changes within 60 days of the bill to prevent future ABS calls by the TIPToP Customer's IP-VIS User from being processed.

(N)

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations

(A) Rate Elements

The following provides a list of the various rate elements for TIPToP service.

One-way Port Interface
Two-way Port Interface
TIPToP IP-VIS USAGE
TIPToP Non IP-VIS USAGE
Non-recurring Charge
Default LNP Query Charge
Service Establishment Fee
Service Management Charge

(1) ONE-WAY PORT INTERFACE - TIPToP one-way port interfaces provide a one-way trunk group to permit originating IP-VIS traffic(excluding 8XX and 1+ PIC'd) from TIPToP Customer's IP-VIS Users to Telephone Company and Off Net End Users subtending the Access Tandem in which the port interface is installed. The one-way port interface provides a one-way trunk group, Transport, SS7 Connectivity (including Transport, STP ports utilized for ISUP LNP, and CNAM messages), Customer Name database query capabilities and Choke trunk, to the tandem or end office switch in which the port interface is installed.

(a) One-way port interfaces are billed a monthly recurring rate and provided on a distance sensitive basis in one of four mileage bands. The mileage bands for One-way Port Interfaces are as follows:

Mileage band 1	0 to 25 miles
Mileage band 2	26 to 50 miles
Mileage band 3	51 to 100 miles
Mileage band 4	101 or more miles

(b) Mileage is measured from the TIPToP Customer's IP-VIS Dedicated Location to the Access Tandem or End Office in which service is being ordered.

(N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.2 Rate Regulations (Cont'd) (T)

(A) Rate Elements (Cont'd)

(2) TWO-WAY PORT INTERFACE – TIPToP two-way port interfaces provide a two-way trunk group(s) to permit all traffic from Telephone Company and other PSTN traffic to IP-VIS Users. Two-way port interfaces provide a two-way trunk group, transport, and SS7 Connectivity (including Transport, STP ports utilized for ISUP LNP, and CNAM messages)to the tandem or end office switch in which the port interface is installed. Two-way port interfaces also provide for 8XX and 1+ PIC'd traffic from IP-VIS Users to IXCs. No other traffic types are permitted on two-way port interfaces. Should traffic types that are not permitted on the two-way port interfaces occur, the TIPToP Customer is responsible for paying the Non IP-VIS Off net usage rate for this traffic and is subject to the terms and conditions regarding Non IP-VIS traffic in this tariff.

(a) Two-way port interfaces are billed a monthly recurring rate and provided on a distance sensitive basis in one of four mileage bands. The mileage bands for Two-way Port Interfaces are as follows:

Mileage band 1	0 to 25 miles
Mileage band 2	26 to 50 miles
Mileage band 3	51 to 100 miles
Mileage band 4	101 or more miles

(b) Mileage is measured from the TIPToP Customer's IP-VIS Dedicated Location to the Access Tandem or End Office in which service is being ordered.

(3) TIPToP IP-VIS USAGE - A Minute of Use (MOU) charge is applied to IP-VIS traffic using TIPToP Port Interfaces and originating from IP-VIS Users terminating traffic to Telephone Company or Off Net End Users.

(a) IP-VIS On Net Usage - is a MOU charge for IP-VIS On Net Traffic.

(b) IP-VIS Off Net Usage – is a MOU charge for IP-VIS Off Net Traffic.

24. True IP To PSTN (TIPToP) Service (Cont'd) (N)

24.2 Rate Regulations (Cont'd)

(A) Rate Elements (Cont'd

(4) TIPToP Non IP-VIS USAGE - A Minute of Use (MOU) charge is applied to Non IP-VIS traffic using TIPToP Port Interfaces between IP-VIS User and Telephone Company or Off Net End Users.

(a) Non IP-VIS On Net Usage – is a MOU charge for Non IP-VIS On Net Traffic.

(b) Non IP-VIS Off Net Usage

(1) On the One-way Port Interface: A MOU charge for Non IP-VIS Off Net Traffic.

(2) On the Two-way Port Interface: A MOU charge for traffic that is not 8XX or 1+ PIC'd traffic originating from the TIPToP Customer and terminating to Telephone Company End Users, or non-Telephone Company End Users using the TIPToP Access Tandem.

(5) Non-recurring Charges – one-time charges apply for the installation of one-way or two-way TDM port interfaces as defined in Section 24.2 of this tariff.

(6) Default LNP Query Charge - When the TIPToP Customer fails to query the LNP database, and forwards a call to a switch in the Telephone Company's network for a NXX designated as a number portable code in the LERG and National Exchange Carrier Associations Inc. F.C.C. No. 4, the TIPToP Customer will pay a default query charge as specified in Section 19.5(B).

(7) Service Establishment Fee - A one time Service Establishment Fee is assessed each time the TIPToP Customer establishes the first TIPToP service connection within a specific LATA.

(8) Service Management Charge - Every TIPToP Customer is charged a recurring charge per month per LATA in which service is activated. (N)

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.3 Rates and Charges

(A) TIPToP ONE-WAY Port Interface

Mileage Band	**USOC**	**Monthly Rate Per Port**	**NRC Per Port**	
No. 1 (0-25 miles)	PT851	$ 18.95	$ 79.00	
No. 2 (26-50 miles)	PT852	$ 25.95	$ 79.00	
No. 3 (51-100 miles)	PT853	$ 29.95	$ 79.00	
No. 4 (100 or more miles)	PT854	$ 53.95	$ 79.00	(T)

(B) TIPToP TWO-WAY Port Interface

Mileage Band	**USOC**	**Monthly Rate Per Port**	**NRC Per Port**	
No. 1 (0-25 miles)	PT871	$ 18.95	$ 79.00	
No. 2 (26-50 miles)	PT872	$ 25.95	$ 79.00	
No. 3 (51-100 miles)	PT873	$ 29.95	$ 79.00	
No. 4 (100 or more miles)	PT874	$ 53.95	$ 79.00	(T)

(C) TIPToP IP-VIS USAGE (MOU)

TIPToP Usage within the State:	**IP-VIS On Net Usage Per MOU**	**IP-VIS Off Net Usage Per MOU**
	$0.0026	$0.0250

(D) TIPToP NON IP-VIS (MOU)

TIPToP Usage within the State	**Non IP-VIS On Net Usage Per MOU**	**Non IP-VIS Off Net Usage Per MOU**
	$0.0060	$0.0850

24. True IP To PSTN (TIPToP) Service (Cont'd)

24.3 Rates and Charges (Cont'd) (T)

	USOC	Non-Recurring Charge	
(E) Service Establishment Fee			(T) (T) (T)
- Per initial establishment connection per LATA	SEPNW	$5,000.00	(T)

	USOC	Monthly Rate	
(F) Service Management Charge			
- Per LATA	AFE1P	$1,200.00	(T)