

ACCESS SERVICE

25. Discount Plans25.1 Commitment Discount Plans

A Commitment Discount Plan (CDP) provides for the application of a discount to the monthly recurring rates for service(s) included in the CDP based on a minimum commitment of channel terminations. For administrative purposes, all services included in CDP are managed as a single plan with separate commitment periods applicable to each service type. Customers may combine certain services together when establishing their commitment levels in accordance with 25.1.2 following.

(D) (x)
| |
(D) (x)

25.1.1 Commitment Discount Plan Availability

- (A) At the customer's request, certain Telephone Company Switched Access Services and Special Access Services as set forth in (E) following are eligible for inclusion in CDP. The types of services included in the CDP are set forth following.
- (B) CDPs for Direct Trunked Transport Switched Access Service are only available in states where Collocated Interconnection as set forth in Section 19 preceding has become operational and either:
 - (1) a total within the state of 100 DS1 equivalent Entrance Facility Channel Terminations have been provided in the Zone 1 serving wire centers, access tandems and remote nodes;
 - (2) an average of 25 DS1 equivalent Entrance Facility Channel Terminations have been provided per Zone 1 serving wire center, access tandem or remote node in that state.
- (C) Based on the preceding requirements, CDPs for Direct Trunked Transport Switched Access Service are available in all states except West Virginia.
- (D) If a customer subscribes to CDP, all eligible service types must be included in CDP with the limited exception of IEF services. The customer will have the option to either (1) establish or maintain existing term pricing plans on their IEF services or (2) include their IEF under CDP, in which case their IEF terminations must be combined with their Switched and Special Access DS3 channel terminations, as described in 25.1.3(A)(6) and (A)(7) following.

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25. Discount Plans (Cont'd)25.1 Commitment Discount Plans (Cont'd)25.1.8 Commitment Periods (Cont'd)(C) Expiration of a Commitment Period

(1) At the expiration (end) of its selected commitment period, the customer may choose one (1) of the following options:

(a) Select any then effective commitment period for the service type involved, including combined service types, to establish a new CDP. All terms and conditions of CDP, including termination liability, shall apply to the new commitment period.

(D)(x)

| |

(D)(x)

(b) Extend the expiring commitment period as set forth in (D)(2) or (D)(3) following (in which case the then current discount percentage or TPP rates and terms and conditions of the existing plan will continue to apply).

(c) Discontinue CDP and continue receiving service without any discount plan. The customer may not subscribe to any other discount plan (including TPP) if at least one (1) service type remains under CDP (i.e., all commitment periods for all service types under CDP have not expired).

(2) If the customer does not notify the Telephone Company of its choice of ((a), (b), or (c) above, in writing at least sixty (60) days prior to the expiration of the commitment period, the Telephone Company will continue two (2) additional months of CDP billing. If the customer does not notify the Telephone Company of its choice during the two (2) month extension, a new CDP will begin based on the previously effective commitment period and commitment level. All terms and conditions of CDP, including termination liability, will apply to the new CDP commitment period.

(D)(x)

(3) If all commitment periods for all services under the CDP are expiring, the customer also has the option of selecting any then effective TPP which may be available for such services.

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25. Discount Plans (Cont'd)

25.1 Commitment Discount Plans (Cont'd)

25.1.8 Commitment Periods (Cont'd)

(F) Time In-Service Credit (Cont'd)

| <u>Time In-Service for TPP</u> | <u>CDP Term</u> | <u>Time In-Service Credit for CDP</u> |
|--------------------------------|-------------------|---------------------------------------|
| 24 months | 2 Years or Longer | 3 months credit |
| 25 to 36 months | 3 Years or Longer | 6 months credit |
| 37 to 60 months | 5 Years or Longer | 12 months credit |
| 61 months or greater | 7 Years or Longer | 18 months credit |

(G) Nonrecurring Charges

When service is newly installed under a CDP, the channel termination nonrecurring charge that applies is \$1.00, which applies in lieu of any applicable nonrecurring charge specified in Section 6.8 for Switched Access, Section 7.5.16 for Special Access, or Section 7.5.21(C) for IEF.

(D)(x)

25.1.9 Termination Liability

- (A) Termination liability applies to all services included in the CDP (1) when one or more service types in the CDP are disconnected, cancelled, or terminated prior to the end of the customer selected commitment period for each such service type, unless such cancellation is associated with the extension of a commitment period as set forth in 25.1.8(D)(1) preceding; or (2) when all services in the CDP are disconnected, cancelled, or terminated prior to the end of the customer selected commitment period. The only exception to the foregoing shall be termination by customer in accordance with 25.1.6(C) preceding for which the customer shall not be charged termination liability in accordance with this section for the specific service type terminated. If the customer terminates another service type not subject to 25.1.6(C) preceding, then the customer shall be subject to termination liability for the other service types in accordance with this section.
- (B) The termination liability charge applies in addition to any applicable minimum period charges as set forth in 25.1.10 following.
- (C) There are two methods (i.e., Option 1 or Option 2) of determining and calculating the termination liability charge, except for IEF services for which termination liability charges shall be calculated using Option 1 only. The Telephone Company will calculate the charge using both methods, and apply the method that produces the lesser termination liability charge.
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25. Discount Plans (Cont'd)25.1 Commitment Discount Plans (Cont'd)25.1.9 Termination Liability (Cont'd)

(C) (Cont'd)

(1) Option 1 Termination Liability Charge Method and Calculation

(a) Under Option 1, the termination liability charge is fifty percent (50%) of the applicable monthly rates for each month or fraction thereof remaining in the selected commitment period, less any TISC which may be applicable. The termination liability charge applies in addition to the charge associated with satisfying the minimum period requirement as set forth in 25.1.10 following. (D)(x)

(b) The termination liability charge will be calculated as follows:

(Step 1) The Telephone Company will conduct a final true-up to determine the average number of equivalent DS0 Channel Terminations in service since the last true-up was performed and the total dollar amount for each service type since the last true-up was performed.

(Step 2) Using the data from Step 1, the Telephone Company will calculate an average rate per equivalent DS0 by dividing the total dollar amount from Step 1 by the DS0 channel terminations, each as calculated in accordance with Step 1 above.

(Step 3) The Telephone Company will multiply the following:
(A) the average rate per equivalent DS0 from Step 2 times (B) 50 percent (50%) times (C) the number of equivalent DS0s which comprise minimum commitment times (D) the number of months from the end of the minimum period requirement to the end of the commitment period, less any TISC which may be applicable. (D)(x)

For example, assume the average rate per equivalent DS0 is \$1, the number of DS0s which comprise the minimum commitment is 10,000, and the number of months from the end of the minimum period requirement to the end of the five (5) year commitment period, less any TISC which may be applicable, is two (2) years. The calculation would be as follows: (D)(x)

((\$1 times 50%) times 10,000 DS0 equivalents) times 24 months = \$120,000)

(c) The amount due from the customer is not subject to any late payment factor as specified in Section 2.4.1 preceding. However, a late payment factor will apply in accordance with Section 2.4.1 preceding if such amount is not paid by the bill due date of the month in which such amount first appears on the bill.

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