

ACCESS SERVICE**3. Federal Universal Service Charge and ISDN Line Ports****3.1 Federal Universal Service Charge**

The Federal Universal Service Charge (FUSC) recovers the Telephone Company's contribution to various federal universal service funds. The Telephone Company will apply the FUSC through flat-rated, monthly line charges assessed to end users that purchase local exchange service(s) and through a monthly surcharge applied to the total billed charges for interstate special access services ordered by end users, as described below.

The FUSC Surcharge Factor as set forth in Section 17 of NATIONAL EXCHANGE CARRIER ASSOCIATION, INC. TARIFF F.C.C. NO. 5 will be billed by only those Telephone Companies contributing to universal service funds. These companies are listed in Section 17.7 of NATIONAL EXCHANGE CARRIER ASSOCIATION, INC. TARIFF F.C.C. NO. 5. The FUSC Surcharge Factor will not apply to any billed charges for an end user when the interstate access service provided to the end user qualifies under the federal universal service guidelines for the Lifeline Assistance. The FUSC Surcharge Factor will not apply to interstate access services purchased by customers that resell these services to end users as part of an interstate telecommunications service and are required to contribute to the various federal universal service funds. In case of a dispute regarding whether the customer is reselling services and contributing to the various federal universal service funds, the Telephone Company may request a signed certification to that effect from the customer.

3.1.1 Rate Application

The FUSC Surcharge Factor is set forth in Section 17.1.3 NATIONAL EXCHANGE CARRIER ASSOCIATION, INC. TARIFF F.C.C. NO. 5.

Transmittal No. 1

Issued: June 15, 2007

Effective: June 30, 2007

ACCESS SERVICE**3. Federal Universal Service Charge and ISDN Line Ports (Cont'd)****3.2 ISDN Line Ports**

When an end user is provided Integrated Services Digital Network (ISDN) Basic Rate Interface (BRI) and/or ISDN Primary Rate Interface (PRI) local exchange service by the Telephone Company under the general or local exchange tariff, ISDN Line Port rates apply. ISDN Line Port rates recover the costs of ISDN line ports to the extent these costs exceed the cost of a line port used for basic, analog service.

When an end user temporarily suspends its local exchange service that is associated with ISDN BRI and/or ISDN PRI, one-half of the ISDN Line Port rate per month will be temporarily suspended for the time period the local exchange service suspended.

3.2.1 Rate Application

Rates for ISDN Line Ports are set forth in Section 17 following.

The monthly rate applies to each ISDN service arrangement ordered from the Telephone Company's general or local exchange tariff, as described below.

- The ISDN BRI Line Port rate applies to each ISDN BRI arrangement.
- The ISDN PRI Line Port rate applies to each ISDN PRI arrangement.

Transmittal No. 1

Issued: June 15, 2007

Effective: June 30, 2007