

2. GENERAL REGULATIONS

2.3 OBLIGATIONS OF THE CUSTOMER (continued)

2.3.10 Determination of Charges for Mixed Intrastate and Interstate Usage (continued)

Identification and Rating of VoIP-PSTN Traffic (continued)

A. Scope (continued)

1. This section governs the identification of originating and terminating intrastate toll VoIP-PSTN traffic and facilities to which interstate switched access rates apply (unless the parties have agreed otherwise) in accordance with the transitional Intercarrier Compensation framework for VoIP-PSTN traffic adopted by the Federal Communications Commission in its Report and Order, FCC Release No. 11-161 (Nov. 18, 2011) (FCC Order). Specifically, this section establishes the method that will be used to identify the percentage of the customer's intrastate access traffic, that will be treated as intrastate toll VoIP-PSTN traffic (referred to in this tariff as "Relevant VoIP-PSTN Traffic"),
2. This section applies to originating and terminating intrastate switched access minutes of use ("MOU") and facility rate elements of all Access customers.
3. The customer shall not modify its reported PIU factor to account for the VoIP-PSTN Traffic for MOU and facility rate elements.

B. Rating of VoIP-PSTN Traffic \*

The Relevant VoIP-PSTN Traffic, terminating from the customer or originating to the customer, which may originate from the Company or from another provider, will result in the application of applicable facility rate elements identified in accordance with this tariff section and will be billed at rates equal to the Company's applicable tariffed interstate switched access rates as specified at <http://serviceguide.att.com/ABS/ext/TariffDetails.cfm> if those interstate rates are lower than their respective South Dakota state access rates (Access and Network Interconnection Services Tariff). Conversely, if the South Dakota state access rates are lower, then this traffic will be billed utilizing the rates from the Access and Network Interconnection Services Tariff. Hereafter, these billed rates will be referred to in this tariff as the relevant "VOIP Rates".

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\* Describing the method of identifying and rating, originating VOIP minutes of use will become effective on July 1<sup>st</sup>, 2014. The advanced filing of this tariff change prior to the July 1, 2014 effective date, is strictly for the benefit of our customers in providing advanced notice of these FCC mandated changes and ample time to submit their new VOIP factors.

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C. Calculation and Application of Percent-VoIP-Usage Factors

3. (continued)

- (b) The PVU calculation below is applied when the Company bills are based on the actual originating call detail records for the intrastate Company's IP traffic at VOIP rates. (T)

The formula for usage will be as follows:

$PVU = PVUC \times (1 - PVUT)$  applied to the Company's TDM end user's total originating intrastate MOU. (T)

$PVU = PVUC + [PVUT \times (1 - PVUC)]$  applied to the facility rate elements (T)

Example: The Company has identified that there was 10,500 originating intrastate MOU that were identified exchanged between the Company's IP end users and the customer. The Customer reported that their PVUC as 40%. The Company's PVUT is 10%. This results in the following: (T)  
(T)

$$PVU = 40\% \text{ times } (1 - 10\%) = 36\%$$

This means that 36% of the originating Intrastate MOU exchanged between the Customer and the Company's TDM end users will be rated at VOIP rates. (T)  
(D)

For the facility rate elements, the formula that is applied to the intrastate dedicated facilities is as follows: (T)

$$PVU = 40\% \text{ plus } (10\% \text{ times } (1 - 40\%)) = 46\%$$

Therefore 46% of the intrastate facilities will be rated at VOIP rates.