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;		DOCKET NO.
	IN THE MATTER OF THE FILING BY VARTEC TELECOM, INC. FOR APPROVAL OF ITS INTRASTATE SWITCHED ACCESS TARIFF AND FOR AN EXEMPTION FROM DEVELOPING COMPANY SPECIFIC COST-BASED SWITCHED ACCESS RATES	
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Pub	lic Utilities Commission of the S	tate of South Dakota
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SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

#### VIA OVERNIGHT DELIVERY

Debra Elofson Executive Director South Dakota Public Utilities Commission 500 E. Capitol Avenue Pierre, South Dakota 57501-5070

Re: <u>VarTec Telecom, Inc. South Dakota P.U.C. Access Tariff No. 2</u>

Dear Ms. Elofson:

VarTec Telecom, Inc. ("VarTec") is filing herewith an original and two (2) copies of the Company's South Dakota P.U.C. Access Tariff No. 2. This filing consists of the following: Original Title Page and Original Page Nos. 1 through 87. A check sheet is included to assist your review of the tariff.

The proposed tariff introduces VarTec's intrastate switched access services and rates including, Carrier Common Line Access, Local Transport, Local Switching and Toll-Free Database Query. VarTec respectfully requests an effective date of March 21, 2003 for this initial filing.

Please acknowledge receipt of this filing by returning the duplicate copy of this letter in the enclosed, self-addressed, stamped envelope. If you have any questions regarding this filing, please contact the undersigned at (214) 424-4463.

Respectfully submitted,

Erin Bolles

Regulatory Analyst

**Enclosures** 

cc:

Becky Gipson

Director, Regulatory Affairs

#### SOUTH DAKOTA INTRASTATE SWITCHED ACCESS SERVICES TARIFF

This tariff, filed with the South Dakota Public Utilities Commission, contains regulations, descriptions, rates and charges applying to the to the provision of Switched Access Services for connection to intrastate communications facilities for Customers within the operating territory of the state of South Dakota by VarTec Telecom, Inc. with principal offices located at 1600 Viceroy Drive, Dallas, Texas 75235. Switched Access Services are provided by means of wire, fiber optics, radio or any other suitable technology or a combination thereof. This tariff may be inspected, during normal business hours, at the South Dakota Public Utilities Commission.

South Dakota Public Utilities Commission 500 East Capitol Pierre, South Dakota 57501-5070

The name, address and telephone number for the person who is responsible for providing information with respect to the operating procedures of VarTec Telecom, Inc. are listed below.

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

**Vice President - External Legal Affairs** 

#### **CHECK SHEET**

Pages of this tariff, as indicated below, are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original tariff and are currently in effect as of the date at the bottom of this page.

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**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

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Vice President - External Legal Affairs

EFFECTIVE: March 21, 2003

# INTRASTATE SWITCHED ACCESS SERVICES TARIFF

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive

Dallas, Texas 75235 (214) 424-1000

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000

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ISSUED BY: Melissa A. Drennan, Esq.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

EFFECTIVE: March 21, 2003

#### INTRASTATE SWITCHED ACCESS SERVICES TARIFF

#### APPLICATION OF TARIFF

This tariff contains regulations, rates and charges applicable to the provision of Carrier Common Line, Switched Access, and other miscellaneous services, hereinafter referred to collectively as service(s), provided to Customers by VTI.

The operating territory of VTI comprises the geographic areas for which VTI is certified to operate in the state of South Dakota. These areas are specified by identification of the exchanges established by VTI for the administration of communications services. Not all services described in this tariff are available from every wire center.

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#### **TARIFF FORMAT**

**Page Numbering** - Page numbers appear in the upper right hand corner of the page. Pages are numbered sequentially, and from time to time new pages may be added to the tariff. When a new page is added between existing pages, a decimal is added to the preceding page number. For example, a new page added between Page Nos. 3 and 4 would be numbered 3.1.

**Page Revision Numbers** - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Commission. For example, the 4th revised Page 25 cancels the 3rd revised Page 25. Because of various suspension periods, deferrals, etc. the Commission follows in the tariff approval process, the most current page number on file with the Commission is not always the tariff page in effect.

**Paragraph Numbering Sequence** - There are various levels of alphanumeric coding. Each level of coding is subservient to its next higher level. The following is an example of the numbering sequence suggested for use in tariffs.

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Check Page - When a tariff filing is made with the Commission, an undated check page accompanies the tariff filing. The check page lists the pages contained in the tariff, with a cross reference to the current revision number. When new pages are added, the check page is updated to reflect the revision. All revisions made in a given filing are designated by an asterisk (\*). The tariff user should refer to the latest check page to find out if a particular page is the most current on file with the Commission.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

#### **EXPLANATION OF SYMBOLS**

When changes are made in any tariff page, a revised page will be issued canceling the tariff page affected. Changes will be identified on the revised page(s) through the use of the following symbols:

(C)	-	to signify changed listing, rule or condition which may affect rates or charges
(D)	_	to signify discontinued material, including listing, rate, rule or condition
(I)	-	to signify increase
(L)	-	to signify material relocated from or to another part of tariff schedules with no
		change in text, rate, rule or condition
(N)	-	to signify new material including listing, rate, rule or condition
(R)	-	to signify reduction
(S)	-	to signify reissued material
(T)	_	to signify a change in wording of text, but not change in rate, rule or condition
(Z)	-	to signify a correction.

In addition to symbols for changes, each changed provision in the tariff shall contain a vertical line in the right hand margin of the page which clearly shows the exact number of lines being changed.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000

#### 1.0 **DEFINITIONS**

#### 1.1 Definitions of Terms

**800** Number Portability Access Service - Denotes a service that includes toll-free access services using the following dialing plans: 800, 888, 877, 866, 855, 844, 833 and 822. 800, as used throughout this tariff, includes all 800-type toll-free dialing plans.

**800 Service Provider** - Denotes the entity that offers 800 access services to 800 subscribers.

**8XX Data Base Access Service** - A toll-free originating Trunkside Access Service when the 8XX Service Access Code (i.e., 800, 822, 833, 844, 855, 866, 877 or 888 as available) is used.

**Access Code** - A uniform seven digit code assigned to an individual Customer. The seven digit code has the form 101XXXX or 950-XXXX.

**Access Customer Name Abbreviation** - Denotes a three alpha character code that identifies the Customer to which the Access Service bill is rendered.

Access Minutes - Denotes that usage of exchange facilities in intrastate service for the purpose of calculating chargeable usage. On the originating end of an intrastate call, usage is measured from the time the origination End User's call is delivered by VTI and acknowledged as received by the Customer's facilities connected with the originating exchange. On the terminating end of an intrastate call, usage is measured from the time the call is received by the End User in the terminating exchange. Timing of the usage at both originating and terminating end of an intrastate call shall terminate when the calling or called party disconnects, whichever event is recognized first in the originating and terminating end exchanges, as applicable. Those two times are measured by the receipt of a signal known as answer/disconnect supervision. Access minutes is also described in Section 3 (Switched Access Service).

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

#### 1.0 **DEFINITIONS (Continued)**

#### 1.1 **Definitions of Terms (Continued)**

Access Services - Originating or terminating intrastate switched access services provided by VTI to telecommunications carriers that access VTI's End-Users via VTI's local exchange network. Switched Access to the network of an Interexchange Carrier for the purpose of originating or terminating communications.

Access Service Request - The industry service order format used by Access Service Customers and access providers as agreed to by the Ordering and Billing Forum.

Access Tandem - An Exchange Carrier's switching system that provides a concentration and distribution function for originating or terminating traffic between End Office Switches and Customers' premises.

Answer/Disconnect Supervision - The transmission of the switch trunk equipment supervisory signal (off-hook or on-hook) to the IXC point of connection for terminating calls to the exchange as an indication that the called party has answered or disconnected.

Authorized User - A person, firm, corporation or other entity that either is authorized by the Customer to use Access Services or is placed in a position by the Customer, either through acts or omissions to use Access Services.

Billing Account Number (BAN) - Denotes a code that identifies the Customer's billing account to which Access Services are billed.

**Business Day** - Denotes the times of day that VTI is open for business. Generally, these are 8:00 or 9:00 a.m. to 5:00 or 6:00 p.m., respectively, with an hour for lunch, Monday through Friday, resulting in a standard forty (40) hour work week. However, Business Day hours for VTI may vary based on company policy, union contract and location.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

(214) 424-1000

### 1.0 **DEFINITIONS** (Continued)

# 1.1 Definitions of Terms (Continued)

Call - An attempt for which the complete destination code or a CACode (e.g., 950-XXXX, 101XXXX#, 0- or 00-) is provided in the originating direction or a complete destination code is provided in the terminating direction.

Calling Station - The telephone number from which a Call originates.

**Called Station** - The telephone number called.

Carrier or Common Carrier - See Interexchange Carrier or Exchange Carrier. An entity other than VTI that provides telecommunications services.

Carrier Identification Code - Denotes a numeric code that is assigned by Telcordia to long distance carriers for the provisioning of Feature Group B and/or D trunk side Access Service. The numeric code uniquely identifies the carrier.

Carrier Customer - A Carrier that accesses the network of VTI to reach End-Users who are not telecommunications carriers, and subsequently receives intrastate switched access service from VTI. A Carrier that purchases exchange access service from VTI is responsible for the payment of charges and compliance with VTI's regulations and applicable state law.

Central Office - Denotes a local Company switching system where Telephone Exchange Service Customer station loops are terminated for purposes of interconnection to each other and to trunks.

Channel(s) - Denotes an electrical or photonic, in the case of fiber optic based transmission systems, communications path between two or more points of termination.

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### 1.0 DEFINITIONS (Continued)

### 1.1 Definitions of Terms (Continued)

**Co-Carrier** - Any other telecommunications provider authorized by the Commission to provide local exchange service in the state.

Commission - South Dakota Public Utilities Commission.

Common Channel Signaling (CCS) - A high-speed packet switched communications network which is separate (out of band) from the public packet switched and message networks. It is used to carry addressed signaling messages for individual trunk circuits and/or database related services between signaling points in the CCS network.

Common Line - Denotes a line, trunk, pay telephone line or other facility provided under the general and/or local exchange service tariffs of VTI, terminated on a central office switch. A common line-residence is a line or trunk provided under the residence regulations of the general and/or local exchange service tariffs. A common line-business is a line provided under the business regulations of the general and/or local exchange service tariffs.

Company, the - VarTec Telecom, Inc.

Constructive Order - Delivery of calls to or acceptance of calls from VTI's End User locations over VTI-switched local exchange services constitutes a Constructive Order by the Customer to purchase switched access services as described herein. Similarly, the selection by a Company's End User of the Customer as the presubscribed IXC constitutes a Constructive Order of Switched Access by the Customer.

**Customer(s)** - Any individual, partnership, association, joint-stock company, trust, corporation or governmental entity or any other entity which uses or subscribes to the services offered under this tariff, including Interexchange Carriers (IXCs), End Users and Exchange Carriers providing intrastate communications between two or more exchanges.

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### 1.0 DEFINITIONS (Continued)

#### 1.1 Definitions of Terms (Continued)

**Disconnect** - To render inoperable or to disable circuitry thus preventing outgoing and incoming toll communications service.

**End Office** - A local Telephone Company switching system where Telephone Exchange Service Customer station loops are terminated for purposes of interconnection to each other and to trunks.

End Office Switch - Denotes a local Company switching system where Telephone Exchange Service Customer station loops are terminated for purposes of interconnection to trunks. Included are Remote Switching Modules (RSM) and Remote Switching Systems (RSS) served by a host office in a different wire center.

End User - Any Customer of an intrastate telecommunications service that is not a carrier, except that a carrier other than the Company shall be deemed to be an "end user" when such carrier uses a telecommunications service for administrative purposes and a person or entity that offers telecommunications services exclusively as a reseller shall be deemed to be an "end user" if all resale transmissions offered by such reseller originate on the premises of such reseller. Any individual, association, corporation, governmental agency or any other entity other than an IXC which subscribes to intrastate service provided by an Exchange Carrier and in whose name the telephone number of the Calling Station is registered with the underlying local exchange company.

**Entrance Facility** - A Switched Transport facility between a Company serving wire center and a Customer premises that provides a Customer with dedicated transport from the serving wire center to the Customer's premises. A trunk facility connecting the Customer's point of presence with the local switching center.

Exchange - Denotes a unit, generally smaller than a Local Access and Transport Area, established by VTI for the administration of communications service in a specified area which usually embraces a city, town or village and its environs. It consists of one or more central offices together with the associated facilities used in furnishing communications service within that area. One or more designated exchanges comprises a given Local Access and Transport Area.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

### 1.0 **DEFINITIONS** (Continued)

#### 1.1 Definitions of Terms (Continued)

**Exchange Carrier** - Any individual, partnership, association, joint-stock company, trust, governmental entity or corporation engaged in the provision of local exchange telephone service.

**Facility** - Denotes any one of the elements of physical telephone plant that is needed to provide access service, including switching systems, cables, fiber optic and microwave radio transmission systems.

**Feature Group** - Denotes a category of Switched Access Service differentiated by the technical characteristics, e.g., line side vs. trunk side connection at a VTI entry switch.

Firm Order Confirmation (FOC) - Acknowledgment by VTI of receipt of an Access Service Request from the Customer and commitment by VTI of a Service Date.

**Holiday** - For the purposes of this tariff, recognized holidays are New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

**Host Office** - Denotes an electronic switching system which provides call processing capabilities for one or more Remote Switching Modules or Remote Switching Systems.

Immediately Available Funds - Denotes a corporate or personal check drawn on a bank account and other funds which are available for use by the receiving party on the same day on which they are received and includes U.S. Federal Reserve bank wire transfers, U.S. Federal Reserve notes (paper cash), U.S. coins, U.S. Postal Money Orders and New York Certificates of Deposit.

**Incomplete** - Any Call where voice transmission between the Calling and Called station is not established.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive

Dallas, Texas 75235

(214) 424-1000

### 1.0 **DEFINITIONS** (Continued)

### 1.1 Definitions of Terms (Continued)

**Individual Case Basis** - A condition in which the regulations, if applicable, rates and charges for an offering under the provisions of this tariff are developed based on the circumstances in each case. A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the Customer's situation.

Interexchange Carrier or Interexchange Common Carrier - Any individual, partnership, association, joint-stock company, trust, governmental entity or corporation engaged for hire in intrastate communication by wire or radio, between two or more exchanges.

**International Direct Distance Dialing** - Denotes the capability of switching international calls with service prefix and address codes having more digits than are capable of being switched through a standard FGD equipped end office.

Interstate Communications - Denotes both interstate and foreign communications.

**Intrastate Communications** - Any communications within the state of South Dakota subject to oversight by the Commission as provided by the laws of the state of South Dakota.

**Line Information Database** - The database which contains basic information such as telephone numbers, calling card numbers and associated billed number restriction data used in connection with the validation and billing of calls.

**Line Side Connection** - Denotes a connection of a transmission path to the line side of a local exchange switching system.

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive

Dallas, Texas 75235

(214) 424-1000

### 1.0 **DEFINITIONS** (Continued)

#### 1.1 Definitions of Terms (Continued)

Local Access - The connection between a Customer's premises and a point of presence of the Exchange Carrier.

Local Access and Transport Area - A geographic area established for the provision and administration of communications service. It encompasses one or more designated exchanges, which are grouped to serve common social, economic and other purposes.

**Local Switching Center** - The switching center where telephone exchange service Customer station Channels are terminated for purposes of interconnection to each other and to interoffice trunks.

Local Traffic - A call which originates and terminates in the same exchange area, or a call which originates and terminates within different VTI exchanges that share a common mandatory local calling area (e.g., a mandatory Extended Local Calling Service (ELCS) or Extended Area Service areas (EAS) or other like types of mandatory local calling scopes.) Calls to or from a Wireless Provider do not constitute Local Traffic, and are therefore subject to VTI's switched access charges, if they are either (1) interMTA or (2) the Wireless Provider does not have a direct connection to VTI's facilities without the use of an intermediary carrier.

Meet Point - A point of interconnection that is not an End Office or tandem.

**Meet Point Billing** - The arrangement through which multiple Exchange Carriers involved in providing Access Services, divide the ordering, rating, and billing of such services on a proportional basis, so that each Exchange Carrier involved in providing a portion of the Access Service agrees to bill under its respective tariff.

Message - A completed telephone Call by a Customer or User.

Mobile Telephone Switching Office - Location where the wireless Customer maintains a facility for purposes of interconnecting to VTI's Network.

EFFECTIVE: March 21, 2003

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

: Menssa A. Drennan, Esq.

### 1.0 DEFINITIONS (Continued)

### 1.1 Definitions of Terms (Continued)

Mutual Traffic Exchange - A compensation arrangement between certified local exchange service providers where local exchange service providers pay each other "in kind" for terminating local exchange traffic on the other's network.

**Network Services** - VTI's telecommunications Access Services offered on VTI's network.

**Non-Recurring Charges** - One-time initial charges for services or facilities, including but not limited to charges for construction, installation, or special fees, for which the Customer becomes liable at the time the Service Order is executed.

**Normal Business Hours** - The hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding Holidays.

North American Numbering Plan - Denotes a three-digit Numbering Plan Area (NPA) code and a seven-digit telephone number made up of a three-digit Central Office code plus a four-digit station number.

**Off-Hook** - The active condition of Switched Access or a telephone exchange service line.

**On-Hook** - The idle condition of Switched Access or a telephone exchange service line.

**Optional Expanded Area Service Traffic** - Optional service found in large urban areas financed by separate charges on end users that elect service as defined by a tariff approved by the Commission.

**Out of Band Signaling** - An exchange access signaling feature which allows Customers to exchange call control and signaling information over a communications path which is separate from the message path.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

(214) 424-1000

#### 1.0 **DEFINITIONS (Continued)**

#### 1.1 **Definitions of Terms (Continued)**

Point of Presence - Location where the Customer maintains a facility for purposes of interconnecting to VTI's Network.

Premises - The space occupied by an individual Customer in a building, or a portion of a building in a multi-tenant building, or buildings on continuous property (except railroad right-of-way, etc.) not separated by a public highway.

**Presubscription** - An arrangement whereby an End User may select and designate to VTI an IXC or Carrier it wishes to access, without an Access Code, for completing both intraLATA toll calls and/or interLATA toll calls. The selected IXC(s) is/are referred to as the End User's Primary Interexchange Carrier (PIC).

Query - Denotes a request for specific information generated by a computer processor and sent to an application, i.e., a data base, with a predefined set of possible responses.

Rate - Money, charge, fee or other recurring assessment billed to Customers for services or equipment.

Remote Switching Modules or Remote Switching Systems - Denotes small, remotely controlled electronic end office switches which obtain their call processing capability from an electronic switching system type Host Office. The RSM/RSS cannot accommodate direct trunks to a Customer.

Recurring Charges - The monthly charges to the Customer for services, facilities and equipment, which continue for the agreed upon duration of the service.

Service(s) - VTI's telecommunications Access Services offered on VTI's network.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive

Dallas, Texas 75235

(214) 424-1000

## 1.0 DEFINITIONS (Continued)

### 1.1 Definitions of Terms (Continued)

Service Control Point - Denotes a transaction processor based system that provides a network interface to various data base services. For 800 Number Portability Access Service, the SCP contains routing instructions for 800 service records that were downloaded from the SMS/800.

Service Order - A written request for Network Services executed by the Customer and VTI in a format devised by VTI; or in the alternative, the submission of an Access Service Request by the Customer in the manner specified in this tariff.

**Service Outage** - A complete loss of call origination and/or receipt capability which begins when the IXC reports the outage to VTI and ends when the affected circuit and/or associated VTI equipment is fully operational in accordance with the technical specifications.

**Serving Wire Center** - Denotes the end office from which the Customer premises would normally obtain dial tone from VTI for Access Service purposes.

**Shared Customer** - Any entity included within the definition of Customer above that receives services from and is under obligation to VTI and one or more Carrier-Customers simultaneously.

**Signaling Point of Interface** - The Customer designated location where the SS7 signaling information is exchanged between VTI and the Customer.

**Signaling System 7** - The signaling protocol Version 7 used in the Common Channel Out of Band Signaling network based on the American National Standards Institute (ANSI) standards.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

(214) 424-1000

## 1.0 **DEFINITIONS** (Continued)

#### 1.1 Definitions of Terms (Continued)

**Subtending End Office of an Access Tandem** - Denotes an end office that has final trunk group routing through the tandem.

**Switched Access Service** - Access to the switched network of an Exchange Carrier for the purpose of originating or terminating communications.

**Tandem-Switched Transport Facility** - Denotes a Switched Transport facility between a Company hub office (when multiplexing occurs at an office other than the serving wire center) and an end office that provides a Customer with transport to or from the end office by routing through an access tandem.

**Telephone Company** - Any individual, partnership, association, joint-stock company, trust, or corporation authorized by the appropriate regulatory bodies to engage in providing public switched communications service throughout an exchange area, and between exchange areas within the LATA.

**Terminating Direction** - Denotes the use of Access Service for the completion of calls from an IC premises to an End User premises.

**Transmission Path** - Denotes an electrical path capable of transmitting signals within the range of the service offering. A voice grade transmission path is capable of transmitting voice frequencies within the approximate range of 300 to 3000 Hz. A transmission path is comprised of physical or derived channels consisting of any form or configuration of facilities typically used in the telecommunications industry.

**Trunk** - A communications path connecting two switching systems in a network used in the establishment of an end-to-end connection.

**Trunk Group** - Denotes a set of trunks which are traffic engineered as a unit for the establishment of connections between switching systems in which all of the communications paths are interchangeable.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive

Dallas, Texas 75235 (214) 424-1000

### 1.0 **DEFINITIONS** (Continued)

# 1.1 Definitions of Terms (Continued)

**Trunk Side Connection** - Denotes the connection of a transmission path to the trunk side of a local exchange switching system.

**V and H Coordinates Method** - Denotes a method of computing airline miles between two points by utilizing an established formula which is based on the vertical (V) and horizontal (H) coordinates of the two points.

Wireless Provider - Any carrier authorized to operate as a provider of cellular, personal communications, paging or other form of wireless transmission.

#### 1.2 Acronyms

ACNA - Access Customer Name Abbreviation

ANI - Automatic Number Identification

ASR - Access Service Request

**BAN** - Billing Account Number

**BNA** - Billing Name and Address

**CCL** - Carrier Common Line

**CCS** - Common Channel Signaling

**CIC** - Carrier Identification Code

**FOC** - Firm Order Confirmation

**FG** - Feature Group

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000

# 1.0 **DEFINITIONS** (Continued)

# 1.2 Acronyms (Continued)

ICB - Individual Case Basis

**IDDD** - International Direct Distance Dialing

**IXC** - Interexchange Carrier

**LATA** - Local Access and Transport Area

**LEC** - Local Exchange Carrier

**LIDB** - Line Information Database

**NANP** - North American Numbering Plan

**NPAS** - Number Portability Access Service

NRC - Non-Recurring Charges

**OEAS** - Optional Expanded Area Service Traffic

**PIC** - Primary Interexchange Carrier

**PICC** - Presubscribed Interexchange Carrier Charge

PIU - Percent Interstate Usage

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 1.0 DEFINITIONS (Continued)

# 1.2 Acronyms (Continued)

**POP** - Point of Presence

**RSM** - Remote Switching Modules

**RSS** - Remote Switching Systems

**SCP** - Service Control Point

SS7 - Signaling System 7

VTI - VarTec Telecom, Inc.

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

#### 2.0 RULES AND REGULATIONS

## 2.1 Undertaking of VarTec Telecom, Inc.

#### 2.1.1 Scope

VTI's services and facilities are furnished for communications originating at specified points within the state of South Dakota under the terms of this tariff.

VTI installs, operates and maintains the communications services provided hereinunder in accordance with the terms and conditions set forth under this tariff. The provision of such services by VTI as set forth in this tariff does not constitute a joint undertaking with the Customer for the furnishing of any service.

VTI may act as the Customer's agent for ordering access connection facilities provided by other Carriers or entities, when authorized by the Customer, to allow connection of a Customer's location to the network.

VTI's services and facilities are provided on a monthly basis unless otherwise stated, and are available twenty-four hours per day, seven days per week, except as set forth in other sections of this tariff.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

(214) 424-1000

#### 2.0 RULES AND REGULATIONS (Continued)

## 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

#### 2.1.2 Limitations

Service is offered subject to availability on a continuing basis of the necessary facilities and/or equipment, and subject to the provisions of this tariff. Service is limited to the capacity of VTI's facilities as well as facilities VTI may obtain from other Carriers to furnish service from time to time as required, at VTI's sole discretion. VTI reserves the right to negotiate special terms and conditions (i.e., special promotions) with a particular Customer provided an agreement is reached and signed with the Customer.

VTI does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

The Customer may not transfer or assign the use of service or facilities without the express written consent of VTI. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

The use and restoration of VTI's services shall be in accordance with applicable state and federal rules and regulations.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

### 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

### 2.1.3 Liability of the Company

In the event that terms and conditions set forth herein and following conflict with state law, state law will prevail.

VTI shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage) for any interruption, delay, error, omission, or defect in any service, facility (including services and facilities involved in emergency calling activity) or transmission provided under this tariff, if caused by any person or entity other than VTI, by any malfunction of any service or facility provided by any other Carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond VTI's direct control.

VTI shall not be liable for and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion of privacy, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted by, handled or used by VTI under this tariff; for connecting, combining or adapting VTI's facilities with Customer's apparatus or systems, or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use, or removal of equipment or wiring provided by VTI, if not caused by the willful misconduct of VTI, for failure to provide service, or arising out of any act or omission of the end user in the course of using services provided pursuant to this tariff.

VTI shall not be liable for any defacement of or damages to the premises of a Customer, resulting from the furnishing of service, including the installation and removal of equipment and associated wiring, which is not the result of VTI's willful misconduct.

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# 2.0 RULES AND REGULATIONS (Continued)

## 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

## 2.1.3 Liability of the Company (Continued)

Except when a court of competent jurisdiction finds that willful misconduct on VTI's part has been a contributing factor, the liability of VTI for any claim or loss, expense or damage (including indirect, special or consequential damage) for any interruption, delay, error, omission, or defect in any service, facility (including services and facilities involved in emergency calling activity) or transmission provided under this tariff shall not exceed an amount equivalent to the prorata charge to the Customer for the period of service or facility usage during which such interruption, delay, error, omission or defect occurs. For the purpose of computing this amount, a month is considered to have thirty (30) days. The entire liability of VTI for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid to VTI by the Customer for the specific services giving rise to the claim, and no action or proceeding against VTI shall be commenced more than one (1) year after the service is rendered.

No agent or employee of any other Carrier shall be deemed to be an agent or employee of VTI, except independent sales agents who may from time to time be employed by another Carrier and have received VTI's express consent to act as VTI's agent.

VTI does not guarantee or make any warranty with respect to its services when used in an explosive atmosphere. VTI shall be indemnified, defended and held harmless by the Customer from any and all claims by any person relating to the Customer's use of the services so provided.

The Telephone Company shall be indemnified, defended and held harmless by the Customer, against any claim, loss or damage arising from the use of services offered under this tariff including, but not limited to claims by subscribers to services provided to the Customer, and users of services provided by or resold by the Customer.

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000

#### 2.0 RULES AND REGULATIONS (Continued)

## 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

## 2.1.3 Liability of the Company (Continued)

No license under patents (other than the limited license to use) is granted by VTI or shall be implied or arise by estoppel, with respect to any service offered under this tariff. VTI will defend the Customer against claims of patent infringement arising solely from the use by the Customer of services offered under this tariff and will indemnify such Customer for any damages awarded based solely on such claims.

VTI makes no warranties or representations, express or implied either in fact or by operations of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.

VTI shall not be liable for any damages or losses due to the fault or negligence of the Customer or due to the failure or malfunction of Customerprovided equipment or facilities.

The liability of VTI for errors in billing that result in overpayment by the Customer shall be limited, unless otherwise ordered by the Commission, to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000

#### 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

#### 2.1.4 Provision of Services

VTI will provide to the Customer, upon reasonable notice, services offered in this tariff at the specified rates and charges, to the extent that such services are or can be made available with reasonable effort and after provisions have been made for VTI's Local Telephone Exchange Service. VTI reserves the right to limit or to allocate the use of existing facilities, or of additional facilities offered by VTI, when necessary because of a lack of facilities, or due to any other cause beyond VTI's control.

In the event that the Customer's request cannot be fulfilled with existing facilities and equipment or the request is not consistent with VTI's filed tariffs, alternative designs may be provided by VTI. Additionally, VTI will work with the Customer to reach an agreeable solution. Standard jacks are used where appropriate to terminate services.

VTI will make reasonable effort to work cooperatively with the Customer to develop network contingency plans in order to maintain maximum network capability following natural or man-made disasters which affect telecommunications services.

VTI shall use reasonable efforts to make services available to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff. VTI does not guarantee availability by any such date and shall not be liable for any delays in commencing service to any Customer.

The services provided under this tariff shall be maintained by VTI. VTI shall use reasonable efforts to maintain facilities and equipment furnished to the Customer by VTI. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities or equipment provided or installed by VTI, except upon the written consent of VTI.

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

## 2.1.4 Provision of Services (Continued)

VTI reserves the reasonable right to assign, designate or change telephone numbers, any other call number designations associated with Access Services or VTI serving central office prefixes associated with such numbers, when necessary, in the conduct of VTI's business. Should it become necessary to make a change in such numbers, VTI will furnish to the Customer, by Certified U.S. Mail on two (2) months' notice, the effective date and an explanation of the reasons for such changes.

Except as provided for equipment and systems subject to state and federal rules and regulations, VTI may, where such action is reasonably required in the operation of its business:

- A. Substitute, change or rearrange any facilities used in providing service under this tariff, including but not limited to:
  - substitution of different metallic facilities
  - substitution of Carrier or derived facilities for metallic facilities used to provide other than metallic facilities and
  - substitution of metallic facilities for Carrier or derived facilities used to provide other than metallic facilities;
- B. Change minimum network protection criteria;
- C. Change operating or maintenance characteristics of facilities; or
- D. Change operations or procedures of VTI.

VTI reserves the right to discontinue service, limit service, or to impose requirements on Customers as required to meet changing regulatory rules and standards of the Commission.

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#### INTRASTATE SWITCHED ACCESS SERVICES TARIFF

# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

#### 2.1.5 Installation and Termination

At the Customer's request, installation and/or maintenance may be performed outside VTI's regular business hours or in unusual locations. In such cases, charges based on cost of the actual labor, material, or other costs incurred by or charged to VTI will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

All services offered are subject to the rules and regulations of the Commission as they apply.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

#### 2.1.6 Operation and Maintenance

The Customer or others may not rearrange, move, disconnect, remove or attempt to repair any facilities provided by VTI, other than by connection or disconnection to any interface means used, except with the written consent of VTI.

The services provided under this tariff shall be available to VTI at times mutually agreed upon in order to permit VTI to make tests and adjustments appropriate for maintaining the services in satisfactory operating condition. Such tests and adjustments shall be completed within a reasonable time. No credit will be allowed for any interruptions involved during such tests and adjustments.

The characteristics and methods of operation of any circuits, facilities or equipment provided by any Carrier other than VTI and associated with the facilities utilized to provide services under this tariff shall not interfere with or impair service over any facilities of VTI, its affiliated companies or its connecting and concurring Carriers involved in its services, cause damage to their plant, impair the privacy of any communications carried over their facilities or create hazards to the employees of any of them or the public.

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# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

# 2.1.7 Special Construction

Subject to the arrangement of VTI and to all of the regulations contained in this tariff, special construction of facilities may be undertaken on a reasonable efforts basis at the request of the Customer. Special construction is that construction undertaken and characterized by one or more of the following:

- A. where facilities are not presently available and there is no other requirement for the facilities so constructed;
- B. of a type other than that which VTI would normally utilize in the furnishing of its services;
- C. where facilities are to be installed over a route other than that which VTI would normally utilize in the furnishing of its services;
- D. where facilities are requested in a quantity greater than that which VTI would normally construct;
- E. where installation is on an expedited basis;
- F. on a temporary basis until permanent facilities are available;
- G. installation involving abnormal costs; or
- H. in advance of its normal construction schedules.

Special construction charges for Switched Access Service will be determined on an individual case basis. The basis for charges for special construction are not specified in VTI's tariff; therefore, charges will be based upon the costs incurred by VTI (including return) and may include the following: a) nonrecurring charges; b) recurring charges; c) termination liabilities, or any combination thereof.

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ISSUED BY: Melissa A. Drennan, Esq.
Vice President - External

#### 2.0 RULES AND REGULATIONS (Continued)

#### Undertaking of VarTec Telecom, Inc. (Continued) 2.1

#### Refusal and Discontinuance of Services 2.1.8

VTI reserves the right to discontinue or limit service without the Customer's permission and without prior notice when necessitated by conditions beyond VTI's control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law or Commission rules and regulations.

On thirty (30) days' written notice by Certified U.S. Mail (return receipt requested) to the person designated by that Customer to receive such notices of noncompliance, VTI may:

- A. Refuse additional applications for service and/or refuse to complete any pending orders for service by the noncomplying Customer at any time thereafter. If VTI does not refuse additional applications for service on the date specified in the thirty (30) days' notice, and the Customer's noncompliance continues, nothing contained herein shall preclude VTI's right to refuse additional applications for service to the noncomplying Customer without further notice; or
- B. Discontinue the provision of the services to the noncomplying Customer at any time thereafter. In the case of such discontinuance, all applicable charges, including termination charges, shall become due. If VTI does not discontinue the provision of the services involved on the date specified in the thirty (30) days' notice and the Customer's noncompliance continues, nothing contained herein shall preclude VTI's right to discontinue the provision of the services to the noncomplying Customer without further notice.

Upon condemnation of any material portion of the facilities used by VTI to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, VTI, by notice to the Customer, may discontinue or suspend service without incurring any liability.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Vicerov Drive Dallas, Texas 75235

(214) 424-1000

# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

# 2.1.8 Refusal and Discontinuance of Services (Continued)

Upon nonpayment of any amounts owing to VTI, VTI may, by giving requisite prior written notice to the Customer discontinue or suspend service without incurring any liability.

When access service is provided by more than one Carrier, the Carriers involved in providing the joint service may individually or collectively deny service to a Customer for nonpayment. Where the Carriers affected by the nonpayment are incapable of effecting discontinuance of service without cooperation from the other joint providers of Switched Access Service, such other Carriers will, if technically feasible, assist in denying the joint service to the Customer. Service denial for such joint service will only include calls which originate or terminate within, or transit, the operating territory of the Carriers initiating the service denial for nonpayment. When more than one of the joint providers must deny service to effectuate termination for nonpayment, in cases where a conflict exists in the applicable tariff provisions, the tariff regulations of VTI shall prevail for joint service discontinuance provisions.

If NECA notifies VTI that the Customer has failed to comply with rules and regulations related to Lifeline Assistance and the Universal Service Fund, including any Customer's failure to make payments on the date and times specified therein, VTI may, on thirty (30) days' written notice to the Customer by Certified U.S. Mail, refuse additional applications for service, refuse to complete any pending orders for service or discontinue the provision of service to the Customer. In the case of discontinuance, all applicable charges, including termination charges, shall become due.

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# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

# 2.1.8 Refusal and Discontinuance of Services (Continued)

In the event of a dispute between a Customer and VTI regarding any bill for access service, the Customer's service shall not be subject to discontinuance for nonpayment of that portion of a bill under dispute pending the resolution of the dispute. The Customer is obligated to pay any portion of the bill not under dispute, however, under the provisions of the tariff.

If any Customer-provided or End User-provided equipment is used with facilities provided by VTI in violation of any law or any of the provisions in this tariff, VTI will take such action as is necessary for the protection of its facilities or the service of its other Customers and other persons provided with telephone services. The Customer shall discontinue such use of the equipment or correct the violation immediately upon actual or constructive knowledge of a violation and shall confirm in writing to VTI within five (5) calendar days that such use has ceased or that the violation has been corrected. Failure of the Customer to discontinue such use or correct the violation and to give the required written confirmation to VTI within the time stated above shall result in interruption of the service of the Customer creating the violation.

Upon any governmental prohibition, or required alteration of the services to be provided or any violation of an applicable law or regulation, VTI may immediately discontinue service without incurring any liability.

Upon VTI's discontinuance of service to the Customer, VTI may, in addition to all other remedies that may be available to VTI at law or in equity or under any other provision of this tariff, declare all future monthly and other charges which would have been payable by the Customer during the remainder of the term for which such services would have otherwise been provided to the Customer to be immediately due and payable.

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# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

### 2.1.8 Refusal and Discontinuance of Services (Continued)

VTI may discontinue the furnishings of any and/or all service(s) to Customer, without incurring any liability:

A. Immediately and without notice if VTI deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or services. VTI may discontinue service, if (a) The Customer refuses to furnish information to VTI regarding the Customer's credit-worthiness, its past or current use of Common Carrier communications services or its planned use of service(s); or (b) The Customer provides false information to VTI regarding the Customer's identity, address, credit-worthiness, past or current use of Common Carrier communications services, or its planned use of VTI's service(s); or (c) The Customer states that it will not comply with a request of VTI for security for the payment for service(s); or (d) The Customer has been given written notice by VTI of any past due amount (which remains unpaid in whole or in part) for any of VTI's other Common Carrier communications services to which the Customer either subscribes or had subscribed or used; (e) The Customer uses, or attempts to use, service with the intent to avoid the payment, either in whole or in part, of the tariff charges for the service by:

Using or attempting to use service by rearranging, tampering with, or making connections to VTI's service not authorized by this tariff, or using tricks, schemes, false or invalid numbers, false credit devices, electronic devices or any other fraudulent means or devices; or

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Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

# 2.1.8 Refusal and Discontinuance of Services (Continued)

- B. Upon fourteen (14) days' written notice to the Customer of any sum thirty (30) days past due; Upon ten (10) days' written notice to the Customer, after failure of the Customer to comply with a request made by VTI for security for the payment of service in accordance with Section 2.5.3.A, above; or
- C. Seven (7) days after sending the Customer written notice of noncompliance with any provision of this tariff if the noncompliance is not corrected within that seven (7) day period. The discontinuance of service(s) by VTI pursuant to this Section does not relieve the Customer of any obligation to pay VTI for charges due and owing for service(s) furnished up to the time of discontinuance.

VTI may immediately discontinue service to the Customer without incurring any liability if the Customer places repeated harassing phone calls to VTI, including calls in which the caller uses abusive or threatening language.

VTI may disconnect the telephone services in accordance with the terms hereof without any liability except for an appropriate refund of prepaid charges and any service deposit with accrued interest.

VTI may require a Customer to immediately shut down its transmission of signals if said transmission is causing interference to others.

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# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

# 2.1.9 Switched Access Service Obligations

VTI has certain obligations pertaining only to the provision of Switched Access Service. These obligations are as follows:

#### A. Network Management

VTI will administer its network to provide acceptable service levels to all telecommunications users of VTI's network services. Generally, service levels are considered acceptable only when both End Users and Customers are able to establish connections with little or no delay encountered within VTI's network. VTI maintains the right to apply protective controls (i.e., those actions, such as call gapping, which selectively cancel the completion of any traffic carried over its network, including that associated with a Customer's Switched Access Service). Generally, such protective measures would only be taken as a result of occurrences, such as a failure or overload of Company or Customer facilities, natural disasters, mass calling or national security demands.

#### B. Provisions of Service Performance Data

Subject to availability, end-to-end service performance data available to VTI through its own service evaluation routines, may also be made available to the Customer based on previously arranged intervals and format. The data provides information on overall end-to-end call completion and non-completion performance (e.g., Customer equipment blockage, failure results and transmission performance). The data does not include service performance data which is provided under other sections (e.g., testing service results). If data is to be provided in other than paper format, the charges for such exchange will be determined on an individual case basis.

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# 2.0 RULES AND REGULATIONS (Continued)

# 2.1 Undertaking of VarTec Telecom, Inc. (Continued)

### 2.1.9 Switched Access Service Obligations (Continued)

# C. Design and Traffic Routing of Switched Access Service

VTI shall design and determine the routing of Switched Access Service, including the selection of the first point of switching and the selection of facilities from the interface to any switching point and to the end offices where busy hour minutes of capacity are ordered. VTI shall also decide if capacity is to be provided by originating only, terminating only, or two-way trunk groups. Finally, VTI will decide whether trunk side access will be provided through the use of two-wire or four-wire trunk terminating equipment. Selection of facilities and equipment and traffic routing of the service are based on standard engineering methods, available facilities and equipment and VTI's traffic routing plans.

# D. Trunk Group Measurements Reports

Subject to availability, VTI will make available trunk group data in the form of usage in CCS, peg count and overflow to the Customer based on previously agreed to intervals.

#### E. Intercept

VTI arranges to provide for the termination of a call to a Company intercept operator or recording at the dedicated intercept network from the end office switch. The operator or recording announces to caller the reason why the call cannot be completed and if possible, provides corrected dialing instructions.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.2 Obligations of the Customer

# 2.2.1 Design of and Payment for Customer Services

Subject to the provisions set forth herein, the Customer shall be solely responsible, at its own expense, for the overall design of its services and for any redesigning or rearrangement of its services which may be required because of changes in facilities, operations or procedures of VTI, minimum network protection criteria, or operating or maintenance characteristics of the facilities.

Services provided to the Customer under this tariff may only be used for any lawful purpose for which the service is technically suited.

The Customer shall be responsible for all charges due for services provided by VTI as well as for reimbursing VTI for damage to, or loss of, VTI's facilities or equipment caused by the acts or omissions of the Customer. The Customer shall also be responsible for reimbursing VTI for any noncompliance by the Customer with these regulations or for damages caused by fire or theft or other casualty on the Customer Premises, unless caused by the willful misconduct of the employees or agents of VTI.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

EFFECTIVE: March 21, 2003

#### INTRASTATE SWITCHED ACCESS SERVICES TARIFF

# 2.0 RULES AND REGULATIONS (Continued)

# 2.2 Obligations of the Customer (Continued)

#### 2.2.2 Connections

Facilities furnished under this tariff may be connected to Customer-provided terminal equipment in accordance with the provisions of this tariff. The Customer facilities shall provide the necessary on and off-hook supervision for accurate timing of calls.

# 2.2.3 Equipment, Space and Power

The Customer shall furnish, or arrange to have furnished, to VTI, at no charge, an environment conducive to the operation of equipment, as well as the space and electrical power required by VTI to provide services under this tariff at the points of termination of such services. The selection of AC/DC power shall be mutually agreed to by the Customer and VTI. The Customer shall also make necessary arrangements in order that VTI will have access to such spaces at reasonable times for installing, testing, repairing or removing services of VTI.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.2 Obligations of the Customer (Continued)

# 2.2.4 Damages to VTI Facilities

The Customer shall reimburse VTI for damages to VTI facilities utilized to provide services under this tariff caused by the negligence or willful act of the Customer or resulting from the Customer's improper use of VTI facilities, or due to malfunction of any facilities or equipment provided by any entity other than VTI. Nothing in the foregoing provision shall be interpreted to hold one Customer liable for another Customer's actions. Upon reimbursement for damages, VTI will cooperate with the Customer in prosecuting a claim against the person causing such damage. The Customer shall be subrogated to the right of recovery by VTI for the damages to the extent of such payment.

#### **2.2.5** Claims

The Customer shall defend, indemnify and hold harmless VTI from and against any actions, suits, claims and losses or damages, including punitive damages, attorneys fees and court costs by third persons, arising out of the construction, installation, operation, maintenance or removal of the Customer's circuits, facilities or equipment connected to VTI's services provided under this tariff including, without limitation, workmen's compensation claims, actions for infringement of copyright and/or unauthorized use of program material, libel and slander actions based on the content of communications transmitted over the Customer's circuits, facilities or equipment, and proceedings to recover taxes, fines or penalties for failure of the Customer to obtain or maintain, in effect, any necessary certificates, permits, licenses or other authority to acquire or operate the services provided under this tariff.

EFFECTIVE: March 21, 2003

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

EFFECTIVE: March 21, 2003

#### INTRASTATE SWITCHED ACCESS SERVICES TARIFF

# 2.0 RULES AND REGULATIONS (Continued)

# 2.2 Obligations of the Customer (Continued)

#### 2.2.6 Prohibited Uses

The services VTI offers shall not be used for any unlawful purposes or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits.

VTI may require applicants for service who intend to use VTI's offerings for resale and/or for shared use to file a letter with VTI confirming that their use of VTI's offerings complies with relevant laws and applicable state regulations, policies, orders, and decisions, and if the Reseller intends to provide intrastate services, is certified with the appropriate state entity.

VTI has the right to refuse telephone service to any premises and at any time to discontinue service, if it finds it necessary to do so to protect itself against intentional abuse. Intentional abuse of service includes, without limiting the generality of the foregoing, the use of service or facilities of VTI to transmit a message or to locate a person or otherwise to give or obtain information, without payment of a message toll charge or an exchange service charge. Another form of such abuse is an intentional uninterrupted connection of one exchange station to another station, excluding those connections charged on an elapsed time basis, which permits the use of the facilities in a manner similar to private line service. It also includes intentional receiver Off-Hook conditions.

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.2 Obligations of the Customer (Continued)

#### 2.2.6 Prohibited Uses (Continued)

VTI shall have the right to refuse or discontinue service if the acts of the Customer, including furnishing false credit information or the conditions upon their premises, are such as to indicate intention to defraud VTI.

VTI may discontinue service of any Customer who, with intent to annoy, telephones another and addresses to or about such other person any obscene language or addresses to such other person any threat to inflict injury to the person or property of the person addressed or any family member. VTI may discontinue service of any Customer who, with intent to annoy, repeatedly telephones another without disclosing his true identity to the person answering the telephones, whether or not conversation ensues during the telephone calls.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

### 2.0 RULES AND REGULATIONS (Continued)

#### 2.3 Customer Reporting

Customers may be required to provide certain reports in connection with the provision of access service.

#### 2.3.1 Jurisdictional

When a Customer orders Access Service, its projected PIU must be provided in whole numbers to VTI. These whole number percentages will be used by VTI to apportion the use and/or charges between interstate and intrastate until a revised report is received as set forth herein. Reported or default PIU factors are used only where the call detail is insufficient to determine the appropriate jurisdiction of the traffic. The jurisdictional reporting is as follows:

- A. Originating Access: Originating access minutes is only traffic originating from VTI Local Switching Center(s). The Customer should provide VTI with a projected PIU factor on a quarterly basis. If no PIU for originating minutes is submitted as specified herein, then the projected PIU will be set on a default basis of 50% interstate traffic and 50% intrastate traffic.
- B. Terminating Access: For Feature Group D Switched Access Service(s), the Customer should provide VTI with a projected PIU factor by supplying VTI with an interstate percentage of terminating access minutes on a quarterly basis, as described herein. If no projected PIU factor is submitted by the Customer, then the projected PIU will be set on a default basis of 50% interstate traffic and 50% intrastate traffic.

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.3 Customer Reporting (Continued)

### 2.3.1 Jurisdictional (Continued)

- C. Except where VTI measured access minutes are used as set forth above, the Customer reported projected PIU factor as set forth above will be used until the Customer reports a different projected PIU factor, as set forth in 2.3.1(D).
- D. Effective on the first of January, April, July and October of each year the Customer should update its interstate and intrastate jurisdictional report. The Customer should forward such report to VTI, to be received no later than fifteen (15) days after the first of each stated month, a revised report showing the interstate and intrastate percentage of use for the past three (3) months ending the last day of December, March, June, and September, respectively, for each service arranged for interstate use, based solely on the traffic originating from or terminating to the VTI Local Switching Center. The revised report will serve as the basis for the next three months' billing and will be effective on the bill date for that service. If the Customer does not supply the reports for those services where reports are needed, VTI will assume the percentage to be the same as that provided previously. For those cases in which a quarterly report has never been received from the Customer, VTI will assume the percentages to be the same as those provided in 2.3.1.A and 2.3.1.B above.

For Switched Access Service, if a billing dispute arises or the Commission questions the projected PIU factor, the Customer will provide the data used to determine the projected PIU factor. The Customer will supply such data within thirty (30) days of VTI's request. In the event that the Commission requires information regarding the PIU factor prior to the aforementioned thirty (30) days, then the Customer will provide such information to VTI at least three (3) days before the Commission's deadline.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.3 Customer Reporting (Continued)

#### 2.3.1 Jurisdictional (Continued)

The Customer shall keep records of call detail from which the percentage of interstate and intrastate use can be ascertained and, upon request of VTI, shall make the records available for inspection as reasonably necessary for purposes of verification of the percentages. VTI reserves the right to conduct an audit at any time. The Customer, at its own expense, has the right to retain an independent auditing firm. If the audit results represent a substantial deviation from the Customer's previously reported PIU for the period upon which the audit was based, the call detail records may be requested more than once annually.

For Feature Group B or D Switched Access Service(s), where jurisdiction can be determined from the call detail, VTI will determine the projected PIU factor as follows: the projected PIU factor will be developed on a monthly basis by end office, by dividing the measured interstate originating or terminating access minutes (the access minutes where the calling number is in one state and the called number is in another state) by the total originating or terminating access minutes.

No pro-rating or back-billing will be done based on the report. VTI may require call detail records to substantiate projected interstate usage provided to VTI.

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.3 Customer Reporting (Continued)

#### 2.3.2 Code Screening Reports

When a Customer orders service call routing, trunk access limitation or call gapping arrangements, it must report the number of trunks and/or the appropriate codes to be instituted in each end office or access tandem switch, for each of the arrangements ordered.

VTI will administer its network in such a manner that the impact of traffic surges due to peaked 900 Access Service traffic or other access service traffic is minimized. Network management controls may be implemented at VTI option to ensure acceptable service levels.

# 2.3.3 Trunk Group Measurements Reports

With the agreement of the Customer, trunk group data in the form of usage in CCS, peg count and overflow for its end of all access trunk groups, where technologically feasible, will be made available to VTI. The data will be used to monitor trunk group utilization and service performance and will be based on previously arranged intervals and format.

When mixed interstate and intrastate Access Service is provided, all charges, including recurring, nonrecurring charges, and usage charges, will be prorated between interstate and intrastate. The percentage provided in the reports will serve as the basis for prorating the charges. The percentage of an Access Service to be charged as intrastate is applied in the following manner:

- A. For recurring and nonrecurring chargeable rate elements, multiply the percent intrastate use times the quantity of chargeable elements times the stated tariff rate per element.
- B. For usage sensitive chargeable rate elements, multiply the percent intrastate use times actual use (measured or Company assumed average use) times the stated rate.

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ISSUED BY: Melissa A. Drennan, Esq.

### 2.0 RULES AND REGULATIONS (Continued)

# 2.3 Customer Reporting (Continued)

# 2.3.4 Meet Point Billing

Meet Point Billing applies when more than one Carrier is involved in the provision of Access Service. VTI shall provide terminations at its switches/access tandems for origination and termination of Carrier access calls to and from interexchange carriers and the Customer. All recurring and nonrecurring charges for services provided by each Carrier are billed under each Carrier's applicable rates. These calls will be billed under Meet Point Billing arrangements for interLATA and Carrier access traffic. The Customer must establish separate trunk groups for traffic handled under Meet Point Billing arrangements. The Customer must provide call detail in standard industry format to VTI for calls exchanged or completed under Meet Point Billing arrangements.

VTI accepts and adheres to the Ordering and Billing Forum guidelines, Multiple Exchange Carrier Access Billing (MECAB) and Multiple Exchange Carrier Ordering and Design (MECOD).

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

#### 2.4 Notices and Communication

An address will be designated on the Service Order by the Customer to which VTI shall mail or deliver all notices and other communications, except that the Customer may also designate a separate address to which VTI's bills for service shall be mailed. VTI shall designate on the Service Order an address to which the Customer shall mail or deliver all notices and other communications to VTI, except that VTI may designate a separate address, on each bill for service, to which the Customer shall mail payment on that bill.

VTI or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

All notices or other communications required to be given pursuant to this tariff shall be in writing. Notices, other communications and all bills mailed by VTI shall be presumed to have been delivered to the Customer on the third business day following deposit of the notice, communication, or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

Notices from the Customer to VTI may be given verbally by the Customer or the Customer's authorized Agent at VTI's office, or by written communication mailed thereto. Written notice is required when specified in tariff schedules or in any written agreement.

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

#### 2.0 RULES AND REGULATIONS (Continued)

#### 2.4 Notices and Communication (Continued)

VTI will, when possible, provide the Customer reasonable notification of temporary service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements, routine preventative maintenance, and major switching machine change out. Generally, such activities are not limited to a specific individual Customer's service but affect many Customers' services. No specific advance notification period is applicable to all service activities. VTI will work cooperatively with the Customer to determine reasonable notification requirements. In emergencies, where delay may result in impaired service or in hazards to the Customer, the public, or VTI's facilities, VTI may resort to verbal notices given by telephone or other means of communication.

Where prior notice is not practicable, nothing contained herein shall be deemed to preclude VTI's right to temporarily discontinue the use of a service if such action is reasonable under the circumstances. In case of such temporary discontinuance, the Customer will be promptly notified and afforded the opportunity to correct the condition which gave rise to the temporary discontinuance.

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.5 Allowances for Interruptions in Service

#### 2.5.1 General

Interruptions in service which are not due to the negligence of or noncompliance with the provisions of this tariff by, the Customer or the operation or malfunction of the facilities, power, or equipment provided by the Customer, will be credited to the Customer according to provisions set forth within this tariff for the part of the service that the interruption affects. The credit allowance will be calculated by VTI after the Customer notifies VTI of service interruption. The amount of the allowance will depend on the length of the outage and the service impacted.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

#### 2.5 Allowances for Interruptions in Service (Continued)

#### 2.5.2 Credit Allowances

Credit allowances given by VTI, if any, will be deducted from the charges payable by the IXC and will be expressly indicated on the next invoice.

Credit allowances do not apply to outages which are caused by the IXC, due to failure of equipment provided by the IXC, failures of LEC facilities or equipment which are carrying the failures resulting from the activities or negligence of LEC employees, or due to mutually agreed upon maintenance and repair. Additionally, credit allowances do not apply during any period in which VTI is not given access to the service premises or VTI experiences inability to gain access to the necessary equipment. Credit Allowances received by VTI from the LEC for Off-Net facility outages which affects the IXC's Switched Services will be passed through to the IXC in the form of a credit on the next invoice.

For calculating credit allowances, every month is considered to have thirty (30) days. The credit allowance for an interruption or for a series of interruptions shall not exceed:

- A. The applicable monthly rate, or
- B. The assumed minutes of use charge

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

#### 2.5 Allowances for Interruptions in Service (Continued)

#### 2.5.3 Limitations

No credit allowances will be made for: interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer, Authorized User, Joint-User, or other Common Carrier, providing service connected to the service of Company; interruptions due to the negligence of any person other than VTI, including, but not limited to, the Customer or other Common Carriers connected to VTI's facilities; interruptions due to the failure or malfunction of non-Company equipment; interruptions of service during any period in which VTI is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions; interruptions of service during a period in which the Customer continues to use the service on an impaired basis; interruptions of service during any period when the Customer has released service to VTI for maintenance purposes or for implementation of a Customer order for a change in service arrangements; interruption of service due to circumstances or causes beyond the control of VTI.

In addition, credit allowance for Service Interruptions also do not apply when service is interrupted due to labor difficulties, governmental orders, civil commotions, criminal actions taken against VTI, acts of God and other circumstances beyond VTI's reasonable control. No credit shall be allowed for an interruption period of less than thirty (30) minutes. The Customer shall be credited for an interruption of thirty (30) minutes or more at the rate of 1/1440 of the monthly charges for the facility or service for each period of 30 minutes or fraction thereof that the interruption continues after the initial thirty (30) minute interruption.

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.5 Allowances for Interruptions in Service (Continued)

# 2.5.3 Limitations (Continued)

A credit allowance for service interruptions will be applied to Switched Access Service depending upon whether or not the interruption is associated with a service that is usage rated or monthly recurring rated as set forth following:

# A. Credit Allowance for Usage Rated Services

If the service experiencing an interruption is billed based on assumed minutes of use, credit shall be allowed for an interruption of greater than twenty-four (24) hours. Such credit will be at the rate of 1/30th of the assumed minutes of use charge for each period of twenty-four (24) hours or fraction thereof that the interruption continues. If the service experiencing an interruption is billed on a measured, usage sensitive basis, a credit allowance does not apply.

# B. Credit Allowance for Monthly Recurring Rated Services

For Switched Access Services with monthly recurring rates, the charges for which a credit will apply due to service interruptions will be the total of all monthly rate elements associated with the transport facility per DS1 or DS3, fixed per month and per mile per month, including any monthly rated features. No credit allowance shall be allowed for an interruption period of less than thirty (30) minutes. The Customer shall be credited for an interruption of 30 minutes or more up to, and including, 2 hours at the rate of 1/1440 of the monthly charges for the facility for each period of 30 minutes or fraction thereof that the interruption continues after the initial 30 minute outage.

In any month, as a result of the 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.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

#### 2.5 Allowances for Interruptions in Service (Continued)

# 2.5.3 Limitations (Continued)

# C. When a Credit Allowance Does Not Apply

Credit allowances will not be made for the following:

- 1. Interruptions caused by the negligence of the Customer.
- 2. Interruptions of a service due to the failure of equipment or systems provided by the Customer or others.
- 3. Interruptions of a service during any period in which VTI is not afforded access to the premises where the service is terminated.
- 4. When VTI and the Customer negotiate the release of the service for maintenance purposes, to make rearrangements or to implement an order for a change in the service, a credit allowance does not apply during the negotiated time of release.
- 5. Periods when the Customer elects not to release the service for testing and/or repair and continues to use it on an impaired basis.

# D. Temporary Surrender of a Service

In certain instances, the Customer may be requested to surrender a service for purposes other than maintenance, testing or activity relating to a service order. If the Customer consents, a credit allowance will be granted. The credit allowance will be determined in the same manner as a credit for service interruptions as set forth in (A) preceding.

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.6 Customer Equipment and Channels

# 2.6.1 Station Equipment

The Customer is responsible for providing and maintaining any terminal equipment on the Customer's Premises in compliance with state and federal rules and regulations. The electric power consumed by such equipment shall be provided by, and maintained at the expense of, the Customer.

The Customer is responsible for ensuring that Customer-provided equipment connected to Company equipment and facilities is compatible with such equipment and facilities. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation, or maintenance of such equipment and wiring shall be such as not to cause damage to VTI-provided equipment and wiring or injury to VTI's employees or other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by VTI at the Customer's expense.

#### 2.6.2 Interconnection of Facilities

Any special interface equipment necessary to achieve compatibility between the facilities and equipment of VTI used for furnishing Access Services and the Channels, facilities, or equipment of other Carriers shall be provided at the Customer's expense.

Access Services may be connected to the services or facilities of other Carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other Carriers which are applicable to such connections.

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.6 Customer Equipment and Channels (Continued)

# 2.6.3 Inspections

Upon reasonable notification to the Customer, and at reasonable times, VTI may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth within this tariff for the installation, operation, and wiring in the connection of Customer-provided facilities and equipment to Company-owned facilities and equipment. No credit will be allowed for any interruptions occurring during such inspections.

If the protective requirements for Customer-provided equipment are not being complied with, VTI may take such action as it deems necessary to protect its facilities, equipment, and personnel. VTI will notify the Customer promptly if there is any need for further corrective action. Within ten (10) days of receiving said notice, the Customer must take this corrective action and notify VTI of the action taken. If the Customer fails to do this, VTI may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment, and personnel from harm. VTI will, upon request 24 hours in advance, provide the Customer with a statement of technical parameters that the Customer's equipment must meet.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.7 Billing and Payment Regulations

# 2.7.1 Billing and Collection of Charges

All bills are presumed accurate, and shall be binding on the Customer unless notice of disputed charge(s) is received by VTI within ninety (90) days (commencing five (5) days after such bills have been mailed or otherwise rendered per VTI's normal course of business).

VTI shall bill on a current basis all usage charges incurred by, and credits due to, the Customer under this tariff attributable to services established, provided, or discontinued during the preceding billing period. Recurring rates and charges for services to be provided during the next billing period will be billed in advance. VTI shall present invoices for all charges monthly to the Customer. Amounts not paid within thirty (30) days after the date of invoice will be considered past due, and VTI will assess a late payment charge in accordance with provisions set forth herein. If VTI becomes concerned at any time about the ability of a Customer to pay its bills, VTI may require that the Customer pay its bills within a specified number of days and make such payments in cash or the equivalent of cash.

If a service is disconnected by VTI and later restored, restoration of service may be subject to all applicable installation charges.

When a rate as set forth in this tariff is shown to more than two decimal places, the charges will be determined using the rate shown. The resulting amount will then be rounded to the nearest penny (i.e., rounded to two decimal places).

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ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.7 Billing and Payment Regulations (Continued)

# 2.7.1 Billing and Collection of Charges (Continued)

VTI may charge the Customer all fees or expenses (including attorneys' fees) reasonably incurred in collecting or attempting to collect any charges owed VTI. In addition, if the Customer's unpaid charges are referred to an outside collection agency, VTI may immediately begin to charge the Customer a collection fee on the unpaid charges at a rate of 1.5% per month. Such collection fees are separate and distinct from attorneys' fees and other costs incurred in collecting charges owed VTI. The Customer will be liable to VTI for the payment of all such fees and expenses reasonably incurred.

VTI includes its name and its toll-free telephone number on all invoices. Adjustments for the quantities of services established or discontinued in any billing period beyond the minimum period set forth for services in other sections of this tariff will be prorated to the number of days or fraction thereof based on a thirty (30) day month.

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ISSUED BY: Melissa A. Drennan, Esq.
Vice President - External Legal Affairs
1600 Viceroy Drive

Dallas, Texas 75235 (214) 424-1000

### 2.0 RULES AND REGULATIONS (Continued)

# 2.7 Billing and Payment Regulations (Continued)

# 2.7.2 Payment of Rates and Charges

The Customer is responsible for payment of all charges for services and facilities furnished by VTI to the Customer or its Joint or Authorized Users.

Unless otherwise specified herein, bills are due and payable upon receipt. The Customer shall be responsible for the payment of all applicable charges pursuant to this tariff and applicable Commission rules.

Where, prior to cancellation by the Customer, VTI incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs VTI incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of services ordered, including installation charges, and all charges others levy against VTI that would have been chargeable to the Customer had service begun.

The special charges described will be calculated and applied on a case-bycase basis.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

### 2.0 RULES AND REGULATIONS (Continued)

# 2.7 Billing and Payment Regulations (Continued)

#### 2.7.3 Taxes

Unless otherwise indicated, all stated rates and charges in this tariff are computed by VTI exclusive of any federal, state, or local, and foreign sales, use, excise, utility, gross receipts, sales or privilege taxes, duties, fees, tax-like or similar liabilities (other than general income or property taxes) whether charged to or against VTI or its Customer. Such taxes, fees, etc. shall be paid by the Customer in addition to the charges stated in this tariff. All such taxes, duties, and fees shall each be shown as a separate line item on the Customer's monthly invoice.

# 2.7.4 Advance Payments

To safeguard its interests, VTI may require a Customer to make an advance payment before services and facilities are furnished. The advance payment will not exceed an amount up to two (2) months of estimated monthly usage charges. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated non-recurring charges for the special construction and recurring charges (if any) for a period to be set by negotiations between VTI and the Customer. The advance payment will be credited to the Customer's initial bill. An advance payment may be required in addition to a deposit.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive

Dallas, Texas 75235 (214) 424-1000

# 2.0 RULES AND REGULATIONS (Continued)

# 2.7 Billing and Payment Regulations (Continued)

# 2.7.5 Deposits

To safeguard its interests, VTI may require the Customer to make a deposit to be held as a guarantee for the payment of charges. A deposit does not relieve the Customer of the responsibility for the prompt payment of bills on presentation. The deposit will not exceed an amount equal to:

- A. Three (3) month's charges for a service or facility which has a minimum payment period of one (1) month; or
- B. The charges that would apply for the minimum payment period for a service or facility which has a minimum payment period of more than one (1) month; except that the deposit may include an additional amount in the event a termination charge is applicable.

A deposit may be required in addition to an advance payment.

When a service or facility is discontinued, the amount of a deposit, if any, will be applied to the Customer's account and any credit balance remaining will be refunded. Before the service or facility is discontinued, VTI may, at its option, return the deposit or credit it to the Customer's account. VTI retains the right to collect any amounts owing after the deposit has been applied plus any costs related to the collection of any remaining balance.

Deposits held will accrue interest at a rate specified by VTI without deductions for any taxes on such deposits. Interest will not accrue on any deposit after the date on which reasonable effort has been made to return it to the Customer.

ISSUED: March 20, 2003

EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

### 2.0 RULES AND REGULATIONS (Continued)

# 2.7 Billing and Payment Regulations (Continued)

# 2.7.5 Deposits (Continued)

Simple interest, set annually by the Commission at a rate of not less than 6% per annum or greater than 12% per annum, will be paid on deposits. The rates of interest to be paid on Customer deposits are in accordance with applicable state law and regulation and are established annually on December 1 for the subsequent calendar year by the Commission.

The interest shall be paid to the Customer annually, if requested by the Customer, or at the time the deposit is returned or credited to the Customer's account. The deposit shall cease to draw interest on the date it is returned or credited to the Customer's account.

VTI shall promptly and automatically refund the deposit plus accrued interest to the Customer in the form of cash or credit to a Customer's bill, or void the guaranty, when the following conditions have been met:

- A. The Customer has paid bills for service for twelve (12) consecutive residential billings or twenty-four (24) consecutive commercial or industrial billings without having service disconnected and without having more than two (2) occasions in which a bill was delinquent, and
- B. The Customer is not delinquent in the payment of the current bill. At such time as the provision of service to the Customer is terminated, the amount of the deposit will be credited to the Customer's account and any credit balance which may remain will be refunded.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

(214) 424-1000

# 2.0 RULES AND REGULATIONS (Continued)

# 2.7 Billing and Payment Regulations (Continued)

# 2.7.6 Past Due Charges

Customers billed directly by VTI or its agents for charges incurred as the result of utilizing VTI's service will be assessed a late payment fee for any unpaid monthly balance if payment is not received by VTI by the due date specifically listed on the Customer's bill or if any portion of the payment received by VTI is in funds which are not immediately available upon presentment. The late fee assessed by VTI will be equal to 1.5% per month for any such past due balance.

Customers that have a billing dispute may pay any undisputed portions of the bill by the payment due date to avoid assessment of a late payment charge on the undisputed amount. In the event that a billing dispute is resolved by VTI in favor of the Customer, any disputed amount withheld pending resolution of the billing dispute shall not be subject to the late payment charge. However, in the event that a billing dispute is resolved in favor of VTI, the Customer shall pay the applicable late payment charge on the disputed amount.

Collection procedures are unaffected by the application of the late payment charge. The late payment charge does not apply to final amounts.

# 2.7.7 Returned Check Charge

When a payment for service is made by check, draft, or similar negotiable instrument, a returned check charge will be made by VTI for each such item returned unpaid by a bank to VTI for any reason. The acceptance of checks, drafts, or other negotiable instruments for the satisfaction of the Customer's debts to VTI shall not constitute a waiver by VTI of its right to payment by legal tender.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

(214) 424-1000

# 2.0 RULES AND REGULATIONS (Continued)

# 2.8 Application and Cancellation of Service by Customer

Delivery of calls to or acceptance of calls from VTI's End User locations over Company-switched local exchange services constitutes an order by the Customer to purchase switched access services as described herein. Similarly the selection by a Company's End User of the Customer as the presubscribed IXC constitutes an order of switched access by the Customer. In these cases, an invoice will be the first communication from VTI to the Customer. In other instances, a Service Order may be used.

To protect the rights of consumers to presubscribe to a new IXC without interruption in service, service may not be terminated without VTI's written consent, which will not be unreasonably withheld. After receiving such consent, service may be terminated after thirty (30) days in accordance with state and federal regulations. Upon such termination, the Customer shall be responsible for the payment of all charges due as specified within this tariff.

# 2.8.1 Discontinuance of Service by Customer

Interexchange Carriers are prohibited from unilaterally discontinuing the provision of service to the Company's local exchange service Customers or otherwise blocking or impairing access traffic in the Originating Direction or the Terminating Direction.

Pursuant to this general prohibition, Interexchange Carriers may not:

- A) unilaterally block or otherwise discontinue carriage of originating access traffic (such traffic includes, but is not limited to, interexchange traffic that is originated by the Company's local exchange service customer); or
- B) unilaterally block or otherwise discontinue the carriage of terminating access traffic (such traffic includes, but is not limited to, interexchange traffic originated by the Interexchange Carrier's customers and destined for termination by the Company to the Company's local exchange service customers).

ISSUED BY: Melissa A. Drennan, Esq.

# 2.0 RULES AND REGULATIONS (Continued)

# 2.9 Service Dispute Resolution

For the purposes of this section, "notice" is defined as written notice to VTI, containing sufficient documentation to investigate the dispute, including the account number under which the bill has been rendered, the date of the bill, and the specific items on the bill being disputed.

The Customer shall notify VTI of any disputed items on an invoice within ninety (90) days of receipt of the invoice. Questions regarding VTI's services or charges assessed on a Customer's bill may be directed to VTI's Customer service department toll-free at (800) 583-8811. If the Customer and VTI are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the Commission in accordance with the Commission's rules of procedures.

Adjustments to Customer's bills shall be made when circumstances exist which reasonably indicate that such changes are appropriate.

In the event that VTI resolves the billing dispute in favor of a Customer who has withheld payment of the disputed amount pending resolution of the disputed bill, VTI will credit the Customer's account for the disputed amount in the billing period following the resolution of the dispute.

In the event that VTI resolves the billing dispute in favor of a Customer who has paid the total amount of the disputed bill, VTI will credit the Customer's account for any overpayment by the Customer in the billing period following the resolution of the dispute.

In the event that VTI resolves the billing dispute in favor of a Customer who has paid the total amount of the disputed bill but canceled the service, VTI will issue a refund of any overpayment by the Customer.

All adjustments or refunds provided by VTI to the Customer, and which are accepted by the Customer, are final and constitute full satisfaction, settlement, and/or compromise of all of the Customer's claims for the billing period for which the adjustment or refund was issued.

EFFECTIVE: March 21, 2003

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.10 Transfers and Assignments

Neither VTI nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by VTI without the written consent of the other party, except that VTI may assign its rights and duties (a) to any subsidiary, parent Company or affiliate of VTI (b) pursuant to any sale or transfer of substantially all the assets of VTI; or pursuant to any financing, merger or reorganization of VTI.

Written permission from VTI is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

The Customer may not assign or transfer (e.g., mergers, acquisitions, consolidations) the use of services provided under this tariff except where there is no interruption of use or relocation of the services, such as assignment or transfer to:

- A. Another Customer, whether an individual, partnership, association or corporation, provided the assignee or transferee assumes all outstanding indebtedness for such services, the unexpired portion of the minimum period and the termination liability applicable to such services, if any; or
- B. A court appointed receiver, trustee or other person acting pursuant to law in bankruptcy, receivership, reorganization, insolvency, liquidation or other similar proceedings, provided the assignee or transferee assumes the unexpired portion of the minimum period and the termination liability applicable to such services, if any.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.
Vice President - External Legal Affairs
1600 Viceroy Drive
Dallas, Texas 75235
(214) 424-1000

## 2.0 RULES AND REGULATIONS (Continued)

# 2.10 Transfers and Assignments (Continued)

In all cases of assignment or transfer, the written acknowledgment of VTI is required prior to such assignment or transfer and such acknowledgment shall be made within fifteen (15) days from the receipt of notification. The assignee or transferee shall provide to VTI the written release of the use of such services from the assignor or transferor. All regulations, conditions and applicable charges, as set forth in this tariff, shall apply to such assignee or transferee.

The assignment or transfer of services does not relieve or discharge the assignor or transferor from remaining jointly or severally liable with the assignee or transferee for any obligations existing at the time of the assignment or transfer.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.11 Jointly Provided Access Services

Meet Point Billing applies where a Customer orders Switched Access to another Exchange Carrier to originate and terminate traffic to Subscribers. All recurring and nonrecurring charges for services provided by each Exchange Carrier are billed under each Carrier's applicable rates.

VTI accepts and adheres to the Ordering and Billing Forum, Multiple Exchange Carrier Access Billing (MECAB) and Multiple Exchange Carrier Ordering and Design (MECOD) guidelines.

VTI will handle ordering, rating and billing of Access Services under this tariff where more than one Exchange Carrier is involved in the provision of Access Services as follows:

- A. When FGB or FGD is ordered by a Customer to an interconnection point of another Exchange Carrier connected to VTI's network, the Customer must provide the original order to that Exchange Carrier, and must provide a copy of the order to this Company. Each Exchange Carrier that accepts the order will provide the portion of Switched Transport in its territory to an interconnection point with another Exchange Carrier, and will bill the service in accordance with its tariff(s). The rates for Switched Transport (fixed and per mile), are determined as follows:
  - 1. The total mileage for the service is computed using the V&H Coordinate Method set forth in National Exchange Carrier Association Tariff F.C.C. No. 4.
  - 2. VTI's rates and charges are then multiplied by the appropriate quantity(ies) and the billing factor to obtain the charges for this company.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000 1 - Z

# INTRASTATE SWITCHED ACCESS SERVICES TARIFF

# 2.0 RULES AND REGULATIONS (Continued)

# 2.11 Jointly Provided Access Services (Continued)

- B. The application of nondistance sensitive rate elements varies according to the rate structure and location of the facilities involved:
  - 1. When rates and charges are listed on a per point of termination basis, this company's rates will be billed for the termination(s) within this company's operating territory.
  - 2. When rates and charges are listed on a per unit basis, e.g, multiplexing, this company's rates and charges will apply for the units located in this company's operating territory.
  - 3. When rates and charges are developed on an individual case basis, such rates will be developed for the portion of the service provided by this company.
  - 4. When rates and charges are listed on a per service basis, these rates and charges will be billed.
  - 5. When rates and charges are listed on a per line or trunk installed basis, this company's rates will be billed based on the number of lines or trunks specified by the Customer on its order for access service placed with this company.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

#### 3.0 SWITCHED ACCESS SERVICE

#### 3.1 General

Switched Access Service, which is available to Customers for their use in furnishing their services to Subscribers, provides a two-point communications path between a Customer's Premises and a Subscriber's Premises. It provides for the use of common terminating, switching and transport facilities. Switched Access Service provides the ability to originate calls from a Subscriber's Premises to a Customer's Premises, and to terminate calls from a Customer's Premises to a Subscriber's Premises.

Switched Access Service is available when originating or terminating calls from or to a Subscriber which subscribes to the Company's Local Exchange Services.

Rates and charges are set forth in Section 4 herein. The application of rates for Switched Access Service is described in Section 4.

#### 3.1.1 Service Commencement Date

The date on which a Customer first sends or receives traffic from the Company's Subscriber or the date specified on the Service Order, whichever occurs first and whichever is applicable.

## 3.1.2 Service Cancellation Date

The date on which a Customer notifies the Company, in writing, of its intention to terminate its access arrangements with VTI, or the date on which the Company notifies the Customer, in writing, of its intention to terminate access service to the Customer. Such dates must conform to the effective dates for cancellation of service or the Customer's intention to block or have the Company's access traffic blocked, as set forth herein.

In the event that the Company terminates service without notice for reasons set forth herein, the service cancellation date shall be the date that the Company terminates service with the Customer.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

(214) 424-1000

# 3.0 SWITCHED ACCESS SERVICE (Continued)

# 3.2 Provision and Description of Switched Access Service Arrangements

## 3.2.1 Feature Group Access

FG Access is provisioned at the DS-1 level and provides trunk-side access to Local Switching Center switches, for the Customer's use in originating and terminating communications. Basic FG Access service will be provided with Multi-Frequency In Band Signaling (SS7 is also available, where capabilities exist).

All traffic is routed to and from the Company's local switching center via the Customer's tandem provider or via end office trunking, where available. Delivery of calls to, or acceptance of calls from, the Company's End User locations over Company-switched local exchange services shall constitute an agreement by the Customer to purchase switched access services as described herein. The Company reserves the right to require the Customer to submit an ASR for switched access.

#### 3.2.2 Manner of Provision

Trunks used for Switched Access Service may be configured for one-way (either originating only or terminating only) or for two-way directionality.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# 3.0 SWITCHED ACCESS SERVICE (Continued)

# 3.2 Provision and Description of Switched Access Service Arrangements (Continued)

# 3.2.3 Call Types

The following Switched Access Service call types are available:

- A. Originating FG Access
- B. Originating 800 FG Access
- C. Terminating FG Access

# 3.2.4 Originating FG Access

The access code for FG Access switching is a uniform access code of the form 1+ or 011+ or 101XXXX. For 101XXXX dialing, a single access code will be the assigned number of all FG Access provided to the Customer by the Company. When the access code is used, FG Access switching also provides for dialing the digit 0 for access to the Customer's operator service, 911 for access to emergency service, and/or the end of dialing digit (#) for cut-through access to the Customer's premises. The Company will provide originating FG access consistent with dialing parity obligations.

# 3.2.5 Originating 800 FG Access

800 Data Base Access Service is a service offering utilizing originating Trunk side Switched Access Service. When an 8XX + NXX + XXXX call is originated by a Subscriber, the Company will perform Customer identification based on screening of the full ten-digits of the 8XX number to determine the Customer location to which the call is to be routed.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000

# 3.0 SWITCHED ACCESS SERVICE (Continued)

# 3.2 Provision and Description of Switched Access Service Arrangements (Continued)

# 3.2.6 Terminating FG Access

FG Access, when used in the terminating direction, may only be used to access Subscribers who are subscribing to the Company's Local Exchange Services. Calls in the terminating direction will not be completed to 950-0XXX or 950-1 XXX access codes, local operator assistance (0- and 0+), Directory Assistance, (411 or 555-1212) service codes 611 and 911 and 101XXXX access codes.

# 3.3 Ordering Options

This section sets forth the regulations and order related charges for Access Service Requests (ASR) for Switched Access Service, as defined in this tariff. These charges are in addition to other applicable charges set forth in other sections of this tariff.

# 3.3.1 Ordering Conditions

The Customer may order switched access through a Constructive Order, as defined herein, or through an ASR. The format and terms of the ASR will be as specified in the Industry Access Service Order Guidelines, unless otherwise specified herein.

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ISSUED BY: Melissa A. Drennan, Esq.
Vice President - External Legal Affairs
1600 Viceroy Drive
Dallas, Texas 75235

(214) 424-1000

# 3.0 SWITCHED ACCESS SERVICE (Continued)

# 3.3 Ordering Options (Continued)

## 3.3.2 Minimum Period of Service

The minimum period for which Access Service is provided and for which charges are applicable is one month. The following changes will be treated as a discontinuance of the existing service and a request for installation of a new service. All associated Non-Recurring Charges will apply for the new service, and a new minimum period will be established:

- A. A change in the identity of the Customer of record; or
- B. A move by the Customer to a different building.

When Access Service is disconnected prior to the expiration of the minimum period, charges are applicable for the balance of the minimum period. The Minimum Period Charge for monthly billed services will be determined as follows: For Switched Access Service, the charge for a month or fraction thereof is equivalent to 50,000 billed minutes of use for the applicable service. All applicable Non-Recurring Charges for the service will be billed in addition to the Minimum Period Charge.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

## 3.0 SWITCHED ACCESS SERVICE (Continued)

# 3.4 Reports and Testing

# 3.4.1 Design Layout Report

At the request of the Customer, the Company will provide to the Customer the makeup of the facilities and services provided from the Customer's Premises to the first point of switching. This information will be provided in the form of a design layout report. The design layout report will be provided to the Customer at no charge.

# 3.4.2 Acceptance Testing

At no additional charge, the Company will, at the Customer's request, cooperatively test, at the time of installation, the following parameters: loss, C-notched noise, C-message noise, 3-tone slope, d.c. continuity and operational signaling.

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ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

#### 4.0 SWITCHED ACCESS RATES

## 4.1 General

This section contains the specific regulations governing the rates and charges that apply for Switched Access Services:

There are three types of rates and charges that apply to Switched Access Service:

- Non-Recurring Charges: One-time charges that apply for a specific work activity.
- **Recurring Charges**: Fixed charges apply each month and depend on the number and type of facilities in place.
- Usage Charges: Charges that are applied on a per access minute basis. Usage volumes are accumulated over a monthly period.

# 4.2 Rate Categories

There are several rate categories which apply to Switched Access Service:

- Carrier Switched Access Originating
- Carrier Switched Access Terminating
- Toll-Free 8XX Data Base Access Service

The Company provides originating and terminating switched access service rated upon aggregate traffic volumes from the following cost categories:

#### 4.2.1 Common Line

The Common Line cost category establishes the charges related to the use of Company-provided end user common lines by Customers and end users for switched access.

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ISSUED BY: Melissa A. Drennan, Esq.
Vice President - External Legal Affairs
1600 Viceroy Drive
Dallas, Texas 75235
(214) 424-1000

# 4.0 SWITCHED ACCESS RATES (Continued)

## 4.2 Rate Categories (Continued)

## 4.2.2 Switched Transport

The Switched Transport cost category establishes the charges related to the transmission and tandem switching facilities between the Customer designated premises and the end office switch(es) where the Customer's traffic is switched to originate or terminate the Customer's communications.

# 4.2.3 End Office Switching

The End Office Switching cost category establishes the charges related to the use of end office switching equipment, the terminations in the end office of subscriber lines, the terminations of calls at Company Intercept Operators or recordings, the Signaling Transfer Point (STP) costs, and the SS7 signaling function between the end office and the STP.

# 4.2.4 Toll-Free 8XX Database Query

The Toll-Free 8XX Data Base Query Charge, will apply for each Toll-Free 8XX call query received at the Company's (or its provider's) Toll-Free 8XX data base.

## 4.2.5 Optional Features

Other optional features may be available on an Individual Case Basis (ICB).

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive

Dallas, Texas 75235 (214) 424-1000

# 4.0 SWITCHED ACCESS RATES (Continued)

# 4.3 Billing of Access Minutes

When recording originating calls over FG Access with multi-frequency address signaling, usage measurement begins when the first wink supervisory signal is forwarded from the Customer's facilities. The measurement of originating call usage over FG Access ends when the originating FG Access entry switch receives disconnect supervision from either the originating End User's Local Switching Center - (indicating that the originating End User has disconnected), or the Customer's facilities, whichever is recognized first by the entry switch.

For terminating calls over FG Access with multi-frequency address signaling, the measurement of access minutes begins when a seizure signal is received from the Carrier's trunk group at the Point of Presence within the LATA. The measurement of terminating call usage over FG Access ends when a disconnect signal is received, indicating that either the originating or terminating user has disconnected.

When recording originating calls over FG Access with SS7 signaling, usage measurement begins with the transmission of the initial address message by the switch for direct trunk groups and with the receipt of an exit message by the switch for tandem trunk groups. The measurement of originating FG Access usage ends when the entry switch receives or sends a release message, whichever occurs first.

For terminating calls over FG Access with SS7 signaling, the measurement of access minutes begins when the terminating recording switch receives the initial address message from the terminating End User. On directly routed trunk groups or on tandem routed trunk groups, the Company switch receives the initial address message and sends the indication to the Customer in the form of an answer message. The measurement of terminating FG Access call usage ends when the entry switch receives or sends a release message, whichever occurs first.

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ISSUED BY: Melissa A. Drennan, Esq.
Vice President - External Legal Affairs
1600 Viceroy Drive
Dallas, Texas 75235

(214) 424-1000

# 4.0 SWITCHED ACCESS RATES (Continued)

# 4.4 Timing of Calls

The Customer's monthly usage charges for the Company's switched access service are based upon the total number of minutes the Customer uses.

Customer traffic to the Company's end offices will be measured (i.e., recorded or assumed) by the Company at end office switches or access tandem switches. Originating and terminating calls will be measured (i.e. recorded or assumed) by the Company to determine the basis for computing chargeable access minutes. In the event that Subscriber Customer message detail is unavailable because the Company has lost or damaged tapes or experienced recording system outages, the Company will estimate the volume of lost Customer access minutes of use based upon previously-known values.

For billing purposes, FGD access minutes or fractions thereof (the exact value of the fraction being a function of the switch technology where the measurement is made), are accumulated over the billing period for each end office and then are rounded up to the nearest access minute for each end office and billed in increments of one (1) minute.

The Company will not knowingly charge for Incomplete Calls. Upon the Customer's request and proper verification, the Company shall promptly adjust or credit the Customer's account for charges or payments for any unanswered call inadvertently billed due to the unavailability of Feature Group D or due to another Carrier's failure to provide answer supervision.

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

**Vice President - External Legal Affairs** 

# 4.0 SWITCHED ACCESS RATES (Continued)

# 4.5 Rates and Charges

# 4.5.1 Carrier Common Line Access

Originating \$0.038905 per minute
Terminating \$0.038905 per minute

# 4.5.2 Local Transport

Tandem Switched Facility per mile

Mileage Bands

 Over 0 to 8
 \$0.000015 per minute

 Over 8 to 25
 \$0.000018 per minute

 Over 25 to 50
 \$0.000019 per minute

 Over 50
 \$0.000020 per minute

## Tandem Switched Termination

Mileage Bands

 Over 0 to 8
 \$0.000237 per minute

 Over 8 to 25
 \$0.000273 per minute

 Over 25 to 50
 \$0.000308 per minute

 Over 50
 \$0.000311 per minute

Access Tandem Switching \$0.007700 per minute

# 4.5.3 Local Switching

Originating \$0.008610 per minute
Terminating \$0.008610 per minute

## 4.5.4 Toll-Free Database Query

Per Query \$0.003312

ISSUED: March 20, 2003 EFFECTIVE: March 21, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

## 5.0 LOCAL AND OEAS TRAFFIC EXCHANGE AND TERMINATION

#### 5.1 General

This section establishes the methodology for the exchange and termination of local and OEAS traffic for carriers that do not have an interconnection agreement with the Company.

# 5.2 Ordering Conditions

The Customer may order switched access through a Constructive Order, as defined herein, or through an ASR. The format and terms of the ASR will be as specified in the Industry Access Service Order Guidelines, unless otherwise specified herein.

# 5.3 Local and OEAS Traffic Compensation

Local and OEAS traffic exchange will be conducted under a Bill and Keep arrangement. All local traffic will be exchanged under a Meet Point Billing Arrangement which utilizes Category 92 summary usage record exchange, unless and until either the Commission or FCC requires an alternative approach for the exchange of usage information for such traffic for use by all industry participants, pursuant to which the Company and the Terminating Carriers shall recover the costs of transporting and terminating such traffic on their networks from other parties in accordance with the then applicable regulations, including to the extent practicable, any Internet Service Provider access charge exemption. This provision does not apply to access traffic, transit traffic, or wireless traffic.

**ISSUED:** March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235 (214) 424-1000 EFFECTIVE: March 21, 2003

EFFECTIVE: March 21, 2003

## INTRASTATE SWITCHED ACCESS SERVICES TARIFF

#### 6.0 CONTRACTS AND INDIVIDUAL CASE BASIS ARRANGEMENTS

## 6.1 Contracts

The Company may provide any of the services offered under this rate page, or combinations of services, to Customers on a contractual basis. The terms and conditions of each contract offering are subject to the agreement of both the Customer and Company. Such contract offerings will be made available to similarly situated Customers in substantially similar circumstances. Rates in other sections of this rate page do not apply to Customers who agree to contract arrangements, with respect to services within the scope of the contract.

Services provided under contract are not eligible for any promotional offerings which may be offered by the Company from time to time.

# 6.2 Individual Case Basis Arrangements

Arrangements will be developed on an ICB in response to a bona fide special request from a Customer or prospective Customer to develop a competitive bid for a service. ICB rates will be offered to the Customer in writing and on a non-discriminatory basis.

ISSUED: March 20, 2003

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs 1600 Viceroy Drive Dallas, Texas 75235

(214) 424-1000

# South Dakota Public Utilities Commission WEEKLY FILINGS

For the Period of March 20, 2003 through March 26, 2003

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact

Delaine Kolbo within five business days of this report. Phone: 605-773-3705

## **ELECTRIC**

EL03-012 In the Matter of the Request for an Electric Service Rights Exception between Black Hills Power and West River Electric Association, Inc.

On March 21, 2003, Black Hills Power (BHP) and West River Electric Association (WREA) submitted a joint request to the South Dakota Public Utilities Commission for approval of an Electric Service Rights Exception. The request would allow WREA to provide electrical service to three signs owned by Epic Outdoor Advertising adjacent to I-90, located in BHP's service territory. The signs are located in Sections 16 and 21, T2N, R7E, Pennington County.

Staff Analyst: Michele M. Farris Staff Attorney: Kelly Frazier Date Docketed: 03/21/03

Intervention Deadline: 04/11/03

# **TELECOMMUNICATIONS**

TC03-058 In the Matter of the Application of C III Communications Operations, LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

C III Communications Operations, LLC has filed an application for a Certificate of Authority to provide intrastate interexchange telecommunications services in South Dakota. The applicant intends to provide resold intrastate interexchange services, including message telecommunications service, outbound wide area telecommunication service, inbound 800 service, travel card service, operator assisted calling programs, private line services and frame relay service throughout South Dakota.

Staff Analyst: Bonnie Bjork Staff Attorney: Kelly Frazier Date Docketed: 03/21/03

Intervention Deadline: 04/11/03

TC03-059 In the Matter of the Application of Consolidated Communications Operator Services, Inc. for a Certificate of Authority to Provide Operator Assisted Telecommunications Services and Services for Payphones in South Dakota.

Consolidated Communications Operator Services, Inc. has filed an application for a Certificate of Authority to provide live and automated long distance assistance and directory assistance services, as well as services for coinless and coin-operated public telephones.

Staff Analyst: Bonnie Bjork Staff Attorney: Karen Cremer Date Docketed: 03/21/03

Intervention Deadline: 04/11/03

TC03-060 In the Matter of the Filing by Excel Telecommunications, Inc. for Approval of its Intrastate Switched Access Tariff and for an Exemption from Developing Company Specific Cost-Based Switched Access Rates.

On March 20, 2003, Excel Telecommunications, Inc. (Excel). filed its South Dakota P.U.C. access tariff No. 4 for approval. The proposed tariff introduces Excel's intrastate switched access services and rates including, Carrier Common Line Access, Local Transport, Local Switching and Toll-Free Database Query.

Staff Analyst: Keith Senger Staff Attorney: Kelly Frazier Date Docketed: 03/25/03

Intervention Deadline: 04/11/03

TC03-061 In the Matter of the Filing by VarTec Telecom, Inc. for Approval of its Intrastate Switched Access Tariff and for an Exemption from Developing Company Specific Cost-Based Switched Access Rates.

On March 20, 2003, VarTec Telecom, Inc. filed its South Dakota Access Tariff No. 2 for approval. The proposed tariff introduces VarTec's intrastate switched access services and rates, including Carrier Common Line Access, Local Transport, Local Switching and Toll-Free Database Query.

Staff Analyst: Michele M. Farris Staff Attorney: Karen Cremer Date Docketed: 03/25/03

Intervention Deadline: 04/11/03

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May 9, 2003

# RECEIVED

MAY 1 2 2003

# VIA OVERNIGHT DELIVERY

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

Debra Elofson
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Avenue
Pierre, South Dakota 57501-5070

Re: <u>VarTec Telecom, Inc. South Dakota P.U.C. Access Tariff No. 2</u>

Case No. TC-03-061

Dear Ms. Elofson:

VarTec Telecom, Inc. ("VarTec") is filing herewith an original and two (2) copies of this petition for a waiver of certain Commission rules with regard to the Company's South Dakota P.U.C. Access Tariff No. 2. VarTec respectfully requests that the Commission grant a waiver of ARSD 20:10:27 through 20:10:28, excluding sections 20:10:27:11 through 20:10:27:13, to allow the Company to file access rates other than those that would be determined by using the Commission's cost-based model. In addition, VarTec requests a waiver of ARSD 20:10:27:12 and 20:10:27:13 allowing the Company to mirror the access rates filed by Qwest Corporation ("Qwest"). Please note that the access rates filed by VarTec in South Dakota P.U.C. Access Tariff No. 2 reflect the current access rates filed in Qwest's Access Service Tariff in South Dakota.

VarTec sincerely appreciates your attention to this matter. Please acknowledge receipt of this filing by returning the duplicate copy of this letter in the enclosed, self-addressed, stamped envelope. If you have any questions regarding this filing, please contact the undersigned at (214) 424-4463.

Respectfully submitted,

Erin Bolles Regulatory Analyst

Enclosures

cc: Kevin Allent

Manager, Regulatory Affairs



May 22, 2003

RECEIVED

MAY 2 3 2003

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

FAX Received MAY 8 2 2003

VIA OVERNIGHT DELIVERY

Debra Elofson
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Avenue
Pierre, South Dakota 57501-5070

Re:

VarTec Telecom, Inc. South Dakota P.U.C. Access Tariff No. 2

Case No. TC-03-061

Dear Ms. Elofson:

VarTec Telecom, Inc. ("VarTec") is filing herewith an original and two (2) copies of a replacement page to the Company's South Dakota P.U.C. Access Tariff No. 2. VarTec has made changes to the following page, pursuant to staff request: Original Page No. 68.

VarTec respectfully requests to modify the waiver request previously submitted to the Commission in a letter dated May 9, 2003 to include only ARSD 20:10:27:07 and 10:10:27:12 which will allow the Company to file access rates other than those that would be determined by using the Commission's cost-based model and will allow the Company to mirror the access rates filed by Qwest Corporation ("Qwest"). Please note that the access rates filed by VarTec in South Dakota P.U.C. Access Tariff No. 2 reflect the current access rates filed in Qwest's Access Service Tariff in South Dakota.

VarTec sincerely appreciates your attention to this matter. Please acknowledge receipt of this filing by returning the duplicate copy of this letter in the enclosed, self-addressed, stamped envelope. If you have any questions regarding this filing, please contact the undersigned at (214) 424-4463.

Respectfully submitted,

Erin Bolles

Regulatory Analyst

**Enclosures** 

cc:

Kevin Allent

Manager, Regulatory Affairs

# 2.0 RULES AND REGULATIONS (Continued)

# 2.7 Billing and Payment Regulations (Continued)

# 2.7.6 Past Due Charges

Customers billed directly by VTI or its agents for charges incurred as the result of utilizing VTI's service will be assessed a late payment fee for any unpaid monthly balance if payment is not received by VTI by the due date specifically listed on the Customer's bill or if any portion of the payment received by VTI is in funds which are not immediately available upon presentment. The late fee assessed by VTI will be equal to 1.25% per month for any such past due balance.

Customers that have a billing dispute may pay any undisputed portions of the bill by the payment due date to avoid assessment of a late payment charge on the undisputed amount. In the event that a billing dispute is resolved by VTI in favor of the Customer, any disputed amount withheld pending resolution of the billing dispute shall not be subject to the late payment charge. However, in the event that a billing dispute is resolved in favor of VTI, the Customer shall pay the applicable late payment charge on the disputed amount.

Collection procedures are unaffected by the application of the late payment charge. The late payment charge does not apply to final amounts.

# 2.7.7 Returned Check Charge

When a payment for service is made by check, draft, or similar negotiable instrument, a returned check charge will be made by VTI for each such item returned unpaid by a bank to VTI for any reason. The acceptance of checks, drafts, or other negotiable instruments for the satisfaction of the Customer's debts to VTI shall not constitute a waiver by VTI of its right to payment by legal tender.

ISSUED: March 20, 2003

**EFFECTIVE:** 

ISSUED BY: Melissa A. Drennan, Esq.

Vice President - External Legal Affairs

# BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE FILING BY VARTEC	)	ORDER GRANTING
TELECOM, INC. FOR APPROVAL OF ITS	)	PETITION FOR WAIVER
INTRASTATE SWITCHED ACCESS TARIFF	)	
AND FOR AN EXEMPTION FROM	)	TC03-061
DEVELOPING COMPANY SPECIFIC COST-	)	
BASED SWITCHED ACCESS RATES	)	

On March 20, 2003, the Public Utilities Commission (Commission) received a petition from Vartec Telecom, Inc. (Vartec) for approval of its intrastate switched access tariff. Additionally, on May 22, 2003, Vartec requested an exemption from the requirement to develop intrastate switched access rates based on company specific costs and a waiver of the use of the formula in ARSD 20:10:27:12, so as to mirror the Qwest Corporation tariffed access rates. Vartec also requested a waiver of ARSD 20:10:27:07. On May 22, 2003, the Commission received revised tariff page 68 from Vartec

On June 3, 2003, the Commission considered Vartec's request for approval of its intrastate switched access tariff, an exemption from establishing switched access rates based on company specific costs, and a waiver of the use of the formula in ARSD 20:10:27:12, so as to mirror the Qwest Corporation tariffed access rates. The Commission has jurisdiction over this matter pursuant to SDCL 49-31-18, 49-31-19, ARSD 20:10:27:11 and ARSD 20:10:27:12. The Commission voted to grant the petition for exemption from developing company specific cost-based switched access rates pursuant to ARSD 20:10:27:11, grant a waiver of the use of the formula in ARSD 20:10:27:12, so as to mirror the Qwest Corporation tariffed access rates, grant a waiver of ARSD 20:10:27:07, and approve Vartec's intrastate switched access tariff, as revised. The Commission further ordered that Vartec, within three years of the date of this Order, file a petition to continue the exemption granted in this proceeding or file cost-based rates. The Commission voted to grant the petition for exemption as conditioned herein and approve the tariff, as revised. It is therefore

ORDERED, that Vartec's petition to be exempt from establishing company specific cost-based switched access rates is granted, its request for a waiver of the use of the formula in ARSD 20:10:27:12, so as to mirror the Qwest Corporation tariffed access rates is granted, its intrastate switched access tariff, as revised, is approved, and the Commission granted a waiver of ARSD 20:10:27:07; and it is further

ORDERED, that Vartec shall, within three years of the date of this order, file a petition to continue the exemption granted in this proceeding or file cost-based intrastate switched access rates.

Dated at Pierre, South Dakota, this 10th day of June, 2003.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.  By:	
Date: 6/11/03	
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

ROBERT K. SAHR, Chairman

GARY MANSON, Commissioner

JAMES A. BURG, Commissioner